



# BENEFITS SUMMARY<sup>†</sup>

## Effective January 1, 2014

<sup>†</sup>The plan document defines and controls the terms of the benefits provided.

### Non-Medicare Eligible Retiree Healthcare Plan

The Non-Medicare Eligible Retiree Healthcare Plan pays the percentages listed below after you meet the annual deductibles. The maximum amount that the Plan will pay is based on the Plan's PPO maximum allowance.\* Services must be medically necessary.

Medical Benefits	PPO Providers Out-of-Area Retirees	Non-PPO Providers
Lifetime Maximum	\$1.5 million per covered person for medical and prescription drugs <sup>1</sup>	
<b>Deductible</b>		
Individual	\$403	\$941
Family	\$1,209	\$2,823
<b>Out-of-Pocket Expense Limit</b>		
Individual	\$2,353	\$4,703
Family	\$4,706	\$9,406
	PPO and non-PPO cannot be combined	
<b>Coinsurance</b>	<b>Plan Pays:</b>	<b>Plan Pays:</b>
Emergency Room Services	90%	
MRI Scans, PET Scans, CAT Scans <sup>2</sup>	80%	
Occupational and Speech Therapy <sup>2</sup>		
Prosthetic Devices and Durable Medical Equipment (DME) <sup>2</sup>		
Ambulance Transportation <sup>2</sup>		
Skilled Nursing Facility <sup>2</sup>		
Skilled Home Health Care <sup>2</sup>		
Hospice Care <sup>2</sup>		
Outpatient Mental Health and Substance Abuse Treatment <sup>2</sup>		
<b>Diagnostic Testing Incentive Program**</b>		
Diagnostic Lab Tests performed by an independent PPO lab (i.e. Quest) paid in full by Plan if all requirements are met.		
Other Covered Services, for example: • Hospital Inpatient <sup>2</sup> • Hospital Outpatient • Doctor (Office) Visits • Chiropractic Visits Note: Routine Screening Exams/Physicals are not covered	90%	70%

<sup>1</sup> The lifetime maximum includes expenses paid under both the Non-Medicare and Medicare plans combined.

<sup>2</sup> These services require pre-certification through Telligen, call 1-800-373-3727, pursuant to Plan guidelines.

Prescription Drug Benefits	Coverage
Caremark Retail Pharmacy – up to a 30 day supply or 100 unit dose (whichever is less)	After you've met the separate \$100 annual prescription drug deductible (does not apply to Means Test Eligible Retirees), <sup>***</sup> for each prescription, you pay: <ul style="list-style-type: none"> <li>• 20% of the contracted cost for generic drugs</li> <li>• 20% of the contracted cost for formulary brand name drugs<sup>*****</sup> when no generic is available</li> <li>• 20% of the contracted cost plus \$15 for non-formulary brand name drugs<sup>****</sup> when no generic is available</li> </ul>
Mail Order Program - Up to a 90 day supply	For each prescription, you pay: <ul style="list-style-type: none"> <li>• \$25 for 2014 (\$7 for Means Test Eligible Retirees) for generic drugs</li> <li>• \$65 for 2014 (\$20 for Means Test Eligible Retirees) for formulary brand name drugs when no generic is available</li> </ul> <b>Note: non-formulary brand name medications are not available through the mail order program.</b>
Restrictions: Why choose a generic?	If a brand name drug is dispensed when a generic alternative is available, you pay the difference in cost between the generic and the brand name as well as the generic copayment. The Plan will not pay more than it would pay for the generic medication, if you buy a brand name drug when a generic alternative is available.
Generic Step Therapy Program for generics available in the therapeutic class	If you elect to purchase a brand medication without trying an appropriate generic medication in the same therapeutic class, you will pay the full cost of the medication. <b>If you try the generic medication and your physician finds that the generic medication is not effective in treating your condition, you will be able to receive the brand medication at the copayment applicable to non-formulary or formulary.</b>
Specialty Medications	If you do not try the preferred medication for the therapeutic class, you will pay the full cost of the medication. If you try the preferred specialty medication and it is not effective in treating your condition, you will be able to receive a non-preferred formulary drug.
Mandatory Mail Order	Requiring the use of mail order will reduce costs for the City and Retirees. After 2 fills of your generic or formulary brand medication at a retail pharmacy, you will be required to use mail order for any additional fills through CVS-Caremark in Mount Prospect, IL. If you do not use the mail order program for your 3rd or any subsequent fills, you will pay the full cost of the prescription. If your medication is non-formulary, however, you must continue to use the retail pharmacy.
Out-of-network pharmacy reimbursement	If you do not go to a network retail pharmacy, you pay the full amount when you pick up your prescription. You must then submit a receipt for reimbursement. The Plan will pay 60% of the Plan's cost, after you've met the deductible (if applicable). There is no formulary list if you go to an out-of-network pharmacy.

\* **PPO MAXIMUM ALLOWANCE** – THE AMOUNT THAT PROVIDERS WHO HAVE CONTRACTED WITH THE CLAIMS ADMINISTRATOR HAVE AGREED TO ACCEPT AS REIMBURSEMENT. THE MAXIMUM AMOUNT THAT WILL BE CONSIDERED BY THE PLAN AS COVERED FOR SERVICES IS THE LOWEST OF THE PROVIDERS ACTUAL CHARGE, THE PPO CONTRACTED RATE OR THE USUAL AND CUSTOMARY CHARGE.

\*\* **DIAGNOSTIC TESTING INCENTIVE PROGRAM**– MEMBERS MUST USE A FREE-STANDING IN-NETWORK LAB, SUCH AS QUEST FOR DIAGNOSTIC TESTS ORDERED BY THEIR PHYSICIAN TO HAVE THE EXPENSE PAID IN FULL BY THE PLAN. IF A MEMBER USES A HOSPITAL BASED LABORATORY OR THEIR CLAIMS FOR LAB SERVICES ARE BILLED BY A HOSPITAL, THE EXPENSES ARE SUBJECT TO DEDUCTIBLE AND CO-INSURANCE.

\*\*\* **MEANS TEST ELIGIBLE RETIREE** – GENERALLY, THE COMBINED HOUSEHOLD ADJUSTED GROSS INCOME, AS REPORTED TO THE INTERNAL REVENUE SERVICE IN THE IMMEDIATELY PRECEDING TAX YEAR, MUST BE AT OR BELOW 200% OF FEDERAL POVERTY GUIDELINES FOR YOUR FAMILY SIZE THAT YEAR. THIS DOES NOT APPLY TO ALL INDIVIDUALS; FOR EXAMPLE, FORMER CITY OF CHICAGO EMPLOYEES WHO RETIRE AND/OR BEGIN RECEIVING AN ANNUITY ON OR AFTER JULY 1, 2005, BASED ON LESS THAN 10 YEARS OF SERVICE CREDITS, ARE NOT ELIGIBLE FOR THE MEANS TEST.

\*\*\*\* **NON-FORMULARY BRAND NAME DRUG** – A NON-FORMULARY BRAND NAME DRUG IS A BRAND NAME DRUG THAT IS NOT ON THE PREFERRED LIST OF FORMULARY DRUGS.

\*\*\*\*\* **FORMULARY BRAND NAME DRUGS** – A FORMULARY DRUG IS A BRAND NAME DRUG THAT HAS BEEN DESIGNATED AS A PREFERRED DRUG BY CVS CAREMARK. THE PREFERRED DRUG (FORMULARY) LIST MAY CHANGE PERIODICALLY AT THE DISCRETION OF THE PHARMACY BENEFITS MANAGER.