

RETIREE BENEFITS

Introducing OneExchange.

OneExchange provides you with plan advice and enrollment assistance to choose Medicare supplemental healthcare and prescription drug coverage that's right for you.



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from Towers Watson



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Introducing OneExchange.

Assistance for your transition to Medicare supplemental coverage.

OneExchange is dedicated to making the transition to your healthcare coverage as simple as possible.

We understand you need to make important choices about your healthcare coverage. Union Pacific has hired Tower Watson's OneExchange, a company that has helped hundreds of thousands of retirees evaluate and enroll in plans, to help you choose the Medicare coverage plan that best serves your medical needs and fits your budget.

With OneExchange's assistance, you gain access to a number of different Medicare plans, including those offered by the leading national and regional insurance companies, such as UnitedHealthcare, Cigna, Aetna, Humana, Coventry and others. Available plan options differ, depending on your home ZIP code.

OneExchange's licensed benefit advisers have received training about the details of different plans in your geographic region and are available to serve as an advocate to support you in making decisions about your healthcare coverage. The benefit advisers can guide you through the entire process. Use of OneExchange's online tools and licensed benefit advisers is voluntary and provided at no cost to you, helping you navigate the sometimes confusing and complex individual Medicare marketplace.

OneExchange can give you and your eligible dependents personalized assistance. An experienced OneExchange benefit adviser can provide:

- Individualized telephone support to help you make an informed and confident Medicare enrollment decision. Instructions will be provided in the Getting Started Guide to schedule a time for your enrollment call. You will receive your guide from OneExchange in the next few weeks.
- Education about the differences between plans and the costs of each of those plans.
- Advice and decision-making support, based on a comparison of your current coverage and future needs.
- Assistance with enrolling in medical, prescription drug, dental and vision plans. For those interested in more immediate access to information, OneExchange provides a website ([medicare.oneExchange.com/UP](https://www.medicare.oneExchange.com/UP)) and toll-free line (**800-935-7780**) for education, evaluation of options and enrollment information.

Steps toward enrollment.

OneExchange can help you enroll in an individual Medicare plan that best fits your needs. There are three steps to completing this process – Education, Evaluation and Enrollment. You will be fully supported through each of these steps by licensed OneExchange benefit advisers, and through the use of OneExchange's extensive online tools and services.

1. EDUCATION

In the next few weeks, you will receive a Getting Started Guide from OneExchange, advising how to prepare for enrollment, and providing important information about scheduling a call-in time. Then, you will receive an Enrollment Guide from OneExchange containing instructions about how to evaluate and enroll in the plan that's right for you. This guide will include comparisons of plan options, helpful eligibility information and additional details about working with OneExchange.

2. EVALUATION

Using the *Getting Started Guide*, the *Enrollment Guide*, and OneExchange's online tools, you will review the options available to you before speaking with a licensed benefit adviser. During your dedicated call-in time, you will provide medical background and other basic information to a benefit adviser. Your benefit adviser will make recommendations based on the level of coverage you require to best meet your medical needs and budget, helping you determine which options make sense for you.



3. ENROLLMENT

An OneExchange licensed benefit adviser can expedite the enrollment process. During your dedicated enrollment period and using OneExchange's customized tools for enrollment, a benefit adviser can provide support to ensure that you make informed and confident decisions.

Become familiar with Medicare.

How the parts combine to provide you with coverage.

Medicare benefits are comprised of several parts. To decide how to best meet your medical needs and budget, it helps to understand how these parts work together. Below is a simple outline to familiarize you with the parts of Medicare and the decisions you should make.

WHAT YOU GET:

Part A and Part B

Original Medicare consists of Part A and Part B. You automatically receive Part A and become eligible for Part B when you qualify for Medicare, either due to age or disability.

Part A

Provides you with inpatient care, and covers inpatient hospital stays, home healthcare, stays in skilled nursing facilities and hospice care.

Part B

Provides you with outpatient care, and covers physician fees and other medical services not requiring hospitalization.

Become familiar with Medicare (cont.)

WHAT YOU CHOOSE:

You choose between these three different types of supplemental plans that add coverage where original Medicare may have less coverage than you require.

Medicare Advantage (Part C)

These plans are offered by a private company to provide you with all your Medicare Part A and Part B benefits, plus additional benefits. There are two versions of Medicare Advantage plans: **MAPD**, which includes prescription drug coverage, and **MA**, which does not. Within these two Medicare Advantage types there are three doctor networks: HMO, PPO and Private Fee-for-Service Plans (PFFS). Medicare Advantage is also referred to as Part C.

Medigap

Supplemental insurance sold by private insurance companies to fill “gaps” in original Medicare plan coverage. These plans help pay out-of-pocket costs like co-payments, co-insurance and deductibles.

Part D

Refers to prescription drug coverage that is available to all people who are eligible for Medicare. These plans are offered through private insurance companies.

HOW TO DECIDE:

You may combine the supplemental plans above to get a package of plans that covers all of your needs. Choosing the best combination requires some education and some comparison of plan features and costs.

Glossary of terms.

Below is a partial list explaining some of the more important Medicare concepts and terms.

Co-Insurance: A set percentage of covered expenses that a retiree must pay out of pocket.

Co-Payment (Co-pay): A set charge, collected at the time of service and paid by the retiree for certain services including prescription drugs. Co-payments are not applied toward the deductible and out-of-pocket maximum.

Deductible: The amount paid out of pocket toward covered medical expenses before the plan begins paying.

Gap: Medicare Part D drug plans may have a “coverage gap,” sometimes called the “donut hole.” While in the “gap,” you pay 100% of the prescription cost to a certain limit, after which Medicare begins to pay again. Many plans offer generic drug coverage in the gap.

Out-of-Pocket Maximum: The maximum you will pay each year for deductibles and/or co-insurance.

Medicare Advantage Plans: Health plan options that are approved by Medicare but run by private companies. The types of Medicare Advantage Plans are: HMOs, PPOs and Private Fee-for-Service.

Medigap (Medicare Supplement Insurance) Policies: Policies sold by private insurance companies to fill gaps in original Medicare plan coverage. In general, with a Medigap policy, beneficiaries get help paying for some of the healthcare costs not covered by the original Medicare plan.

Part D (Medicare Prescription Drug Plans): These stand-alone plans add prescription drug coverage to the original Medicare plan, some Medicare Cost plans and some Medicare Private Fee-for-Service plans. Medicare Prescription Drug Plans are offered by insurance companies and other private companies approved by Medicare.

