



Retiree Healthcare Cost Assistance Brochure

Your Guide to Paying for Post-65 Medical Coverage

As a former TVA employee, you and your spouse may be eligible for retiree healthcare cost assistance provided by both TVA and the TVA Retirement System (TVARS).

This brochure provides important information about upcoming changes and directs you where to go for more details.



Tennessee Valley Authority

In this brochure

This guide is designed to help you start preparing for the healthcare coverage decisions you will need to make in October. You will find information about:

- What’s changing 1
- Your current TVA retiree healthcare benefits 2
- Paying your Medicare premium 5
- Coverage for your Medicare-eligible spouse 6
- Coverage for your non-Medicare spouse 7
- What comes next 8
- Whom to contact for more information 9
- OneExchange retiree meeting schedule 10



Mark your calendar!

We will host several OneExchange retiree meetings at numerous locations in the coming months. Check the meeting calendar on **page 10** for a meeting near you.



Start planning now

- Read this guide and the enclosed information
- Be sure to review the enclosed *OneExchange Getting Started Guide* for more information about the support and resources available to you through OneExchange
- Attend a OneExchange retiree meeting in person, online or by phone. See **page 10** for OneExchange retiree meeting details
- Contact OneExchange with your questions and set up your enrollment appointment at **1-844-620-5725 (TTY: 711)**, Monday through Friday, from 8:00 a.m. – 9:00 p.m. Eastern Time
- Consider the medical, prescription drug, dental and vision plan options available to you
- Enroll through OneExchange between October 3 and December 31, 2016, to enroll in medical and prescription drug coverage for 2017
- Complete any necessary paperwork related to coverage and premium payments. See “Paying your Medicare premium” on **page 5** for details

What's changing

A new way to access and enroll in coverage

Individual medical plans have become widely available and affordable with changes to Medicare and the enactment of Medicare's Part D prescription drug coverage. To provide access to this expanded array of plan options, TVA is partnering with OneExchange — a national leader in helping retirees understand and enroll in Medicare supplemental insurance options.

As a result of this change, **effective January 1, 2017, coverage under the current TVA Medicare Supplement Plan will no longer be available**, and you and your spouse, if applicable, will transition to plans provided through OneExchange.

OneExchange offers you the opportunity to purchase medical and/or prescription drug coverage — beyond Medicare Parts A and B — from a wide array of providers. You will be offered a range of medical, prescription drug, dental, vision and other benefits (such as lifetime advocacy/claims processing for those with a Health Reimbursement Arrangement, or HRA) through our new program. Please note that you'll still have access to the current TVA retiree Delta Dental plan, or you can choose a different dental plan through OneExchange.

By partnering with OneExchange, you will be able to choose from more plan designs, provider networks and premium options based on your individual needs. A private Medicare exchange like OneExchange offers you choice among competitively priced, guaranteed-issue individual health plans. It also provides a high-touch experience to help you find the right supplement to standard Medicare coverage. This change is consistent with a trend in the U.S. in which companies are moving away from retiree healthcare; it allows TVA to continue supporting your healthcare needs in retirement, but in a different way.

Meet OneExchange

OneExchange provides personal decision support, information and tools to help you and your eligible spouse choose from the healthcare plans available in your areas.

The Benefit Advisors will also help you and your eligible spouse enroll in the plans you select.

You will work one-on-one with unbiased Benefit Advisors who will narrow options based on individual healthcare and budget needs.

Plus, Advisors will help you navigate the marketplace any time you need help in the future.



You must take action...

Because the coverage under the current TVA Medicare Supplement Plan will no longer be available as of January 1, 2017, you must enroll through OneExchange during the **October 3 – December 31, 2016**, enrollment period.

Your current TVA retiree healthcare benefits

TVA and TVARS share in the cost of your healthcare for those who are eligible. If you're eligible, here's what's changing **beginning January 1, 2017**.

CURRENT

TVARS Supplemental Benefit

- ✓ Assists retirees with the cost of healthcare
- ✓ Does not require enrollment in a TVA Medical Plan
- ✓ For retirees receiving a retirement benefit from the TVA Retirement System who met certain eligibility requirements at retirement

What's changing?

- The **TVARS Supplemental Benefit** is not affected by the move to the private Medicare exchange through OneExchange

Reminder: Any supplemental benefit you are receiving from TVARS is a vested benefit.

CURRENT

TVA Contribution

- ✓ Assists retirees with the cost of healthcare by reducing the retiree **medical premium** they pay to TVA
- ✓ Requires enrollment in a TVA Medical Plan
- ✓ For retirees not eligible for the TVARS Supplemental Benefit and who meet certain eligibility requirements

What's changing?

- **In order to receive the TVA Contribution...**
You must be enrolled in a TVA Medical Plan OR a Medicare plan through OneExchange

- **How the TVA Contribution will be provided...**

This benefit will be provided either as a credit to a Health Reimbursement Arrangement (HRA) or as a credit against your TVA non-Medicare group plan premium just like today (if you have a family member enrolled in the Consumer-Directed Health Plan (CDHP) or 80% PPO plan)

Reminder: This is **NOT** a vested benefit. TVA contributions under the program or any other provisions contained in the program may be amended or terminated by TVA at any time.

SAMPLE ONLY

Benefits	This Month
Pension	\$2,326.43
Fixed Annuity	\$1,178.55
Supplemental Benefit	\$422.13
Total Benefits	\$3,927.11
Deductions	
Medical Insurance	\$567.13
Federal Income Tax	\$386.43
Total Deductions	\$953.56

3/31/2016
The net amount of your retirement benefits will be directly deposited for you in the financial institution below.
Two Thousand Nine Hundred Seventy Three and 55/100 Dollars
FIRST NATIONAL BANK

CURRENT

TVA Healthcare Credit

- ✓ Assists retirees with the cost of healthcare by reducing the retiree **medical premium** they pay to TVA
- ✓ Requires enrollment in a TVA Medical Plan
- ✓ May be eligible for the TVA Healthcare Credit *in addition to* the TVARS Supplemental Benefit or the TVA Contribution

What's changing?

• **In order to receive the TVA Healthcare Credit...**

You must be enrolled in a TVA Medical Plan OR a Medicare plan through OneExchange

• **How the TVA Healthcare Credit will be provided...**

This benefit will be provided either as a credit to an HRA or as a credit against your TVA non-Medicare group plan premium just like today (if you have a family member enrolled in the CDHP or 80% PPO plan)

Reminder: This is **NOT** a vested benefit. TVA contributions under the program or any other provisions contained in the program may be amended or terminated by TVA at any time.

SAMPLE ONLY	
Benefits	This Month
Pension	\$2,326.43
Fixed Annuity	\$1,178.55
Supplemental Benefit	\$422.13
Total Benefits	\$3,927.11
Deductions	
Medical Insurance	\$567.13
Federal Income Tax	\$386.43
Total Deductions	\$953.56

The “Medical Insurance” line in the sample image above indicates the full cost of the premium less any TVA Contribution or TVA Healthcare Credit.



How the new **Health Reimbursement Arrangement (HRA)** works...

See *page 4*



Be on the lookout! 2017 Healthcare Funding and Reimbursement Kit...

If you are currently receiving a TVA healthcare credit that is being converted to an HRA, OneExchange will provide a detailed *Funding and Reimbursement Kit* that explains more about how the HRA works once you enroll in a plan through OneExchange.

You'll also receive a funding information kit with details about individual TVA healthcare credits. Look for these to arrive in the mail by March 2017.

How the new Health Reimbursement Arrangement (HRA) works

TVA will make a monthly contribution to an HRA to help cover your healthcare costs. You will pay the cost of your Medicare premium to your new insurance carrier and reimburse yourself from your HRA.

- If you are eligible for an HRA contribution and are Medicare eligible, you will receive the full HRA contribution amount. Your spouse (if applicable) can also access your HRA — TVA will set up a joint account and allocate a penny to your spouse to grant them access
- You will only receive the HRA if you enroll in a plan through OneExchange. You cannot contribute your own funds to the HRA, and if your enrollment in a Medicare plan through OneExchange ends, the HRA funding will stop and you will not be eligible for the HRA in the future
- Once your HRA credits have transferred to OneExchange, you will receive a Funding and Reimbursement Kit from OneExchange by March 2017. This kit will provide you with the information you need to access your new HRA funds

Am I eligible for an HRA?

To have an HRA, you must be eligible for a TVA Contribution and/or a TVA Healthcare Credit and be enrolled in a Medicare medical plan through OneExchange.

What are eligible health care expenses?

Your HRA can be used to reimburse eligible medical, prescription, dental, vision, long-term care and Medicare Part B premiums in addition to medical, dental and vision out-of-pocket expenses for you and your spouse — OneExchange can provide more information about automatic plan premium reimbursement.

HRA for families with a Medicare plan and a TVA non-Medicare plan

If your spouse is over age 65 but you are under age 65, and there is an available Healthcare Credit or TVA Contribution after your premiums are paid to TVA, the remaining amount will be allocated to an HRA in your spouse's name. Once you turn 65, the HRA will transition to your name and your spouse will receive a penny allocation so he or she can remain an account holder.

HRA for spousal expenses

If you are eligible for an HRA and you enroll through OneExchange, your spouse, if Medicare eligible, will be named a joint account holder and have access to the HRA for eligible healthcare expenses. In the event of your death, Healthcare Credits will transfer to your surviving spouse, if applicable.

New! Paying your Medicare premium

You'll pay your Medicare premium directly to the insurance carrier with whom you choose to enroll. If eligible, you can reimburse yourself from available HRA funds. TVA contributions will be provided either as a credit to an HRA or as a credit against your TVA non-Medicare group plan premium just like today (if you have family members in the CDHP or 80% PPO plan).

If you are receiving or will receive a TVARS Supplemental Benefit, it will continue as part of your retirement benefit from TVARS.

If you have a covered family member enrolled in TVA's CDHP or 80% PPO plan, that premium will still be paid directly to TVA as it is now.



For a better idea of what these changes mean for you, take a look at the examples below:

MEET JAMES!

In 2016...

James and his spouse were enrolled in TVA's Medicare Supplement Plan

James received a pension amount of **\$4,828.12**

He also received the TVARS Supplemental Benefit of **\$383.59**

James' premiums were **\$580.00**

James received a TVA Healthcare Credit of **\$80.41**

The amount James paid in premiums to TVA was **\$499.59**

✓ **The net amount James received each pension check was \$4,712.12**

✓ **His total net income after insurance was \$4,712.12**

In 2017...

James and his spouse enroll in plans through OneExchange

James still receives a pension amount of **\$4,828.12**

He also receives the TVARS Supplemental Benefit of **\$383.59**

James does not pay any premiums to TVA **\$0**

✓ **The net amount James receives each pension check is \$5,211.71**

✓ James still gets the TVA Healthcare Credit, but now receives it in the form of an HRA Contribution **\$80.41**

James pays his premiums directly to the insurance carrier in the amount of **\$400.00**

✓ **His total net income after insurance is \$4,892.12**

MEET SARA!

In 2016...

Sara enrolled in TVA's Medicare Supplement Plan and her spouse enrolled in the TVA 80% PPO Plan

Sara received a pension amount of **\$4,828.12**

She also received the TVARS Supplemental Benefit of **\$383.59**

Sara's premiums were **\$931.00**

Sara received a TVA Healthcare Credit of **\$361.21**

The amount Sara paid in premiums to TVA was **\$569.79**

✓ **The net amount Sara received each pension check was \$4,641.92**

✓ **Her total net income after insurance was \$4,641.92**

In 2017...

Sara enrolls in a plan through OneExchange while her spouse stays in the TVA 80% PPO Plan

Sara still receives a pension amount of **\$4,828.12**

She also receives the TVARS Supplemental Benefit of **\$383.59**

Her spouse's premium is **\$641.00**

Sara still receives a TVA Healthcare Credit of **\$361.21**

The amount Sara pays in premiums to TVA is **\$279.79**

✓ **The net amount Sara receives each pension check is \$4,931.92**

Sara pays her premiums directly to the insurance carrier in the amount of **\$200.00**

✓ **Her total net income after insurance is \$4,731.92**

Coverage for your Medicare-eligible spouse

Individual coverage for Medicare-eligible spouse age 65 and older

You and your Medicare-eligible spouse must choose a new individual Medicare medical and/or prescription drug plan if you want coverage effective January 1, 2017. You can also each enroll in individual dental and vision coverage.

- You will each enroll separately for coverage through OneExchange between October 3 and December 31, 2016
- You do not need to enroll in the same plan — you and your eligible spouse can each choose to enroll in the plan(s) that best meet your individual coverage needs
- You will each be responsible to pay the monthly premiums and other costs such as deductible, copays and coinsurance for the plan(s) you choose



If you or your eligible spouse turn 65 between now and December 31, 2016, you will receive health insurance information from both TVA and OneExchange

- You will be automatically enrolled in TVA's Medicare Supplement Plan through December 31, 2016
- For coverage effective January 1, 2017, and beyond, enroll in a new Medicare supplemental plan through OneExchange



Special enrollment period October 3 – December 31, 2016

There will be a special enrollment period from October 3 through December 31, 2016. During this period, you and your eligible spouse can enroll in coverage effective January 1, 2017, *without* providing information about your health status to the insurance company. This special enrollment period guarantees you coverage, regardless of any pre-existing condition(s).

If you do not enroll between October 3 and December 31, 2016, you will have a lapse in medical coverage and may not be able to enroll until next year's Medicare Open Enrollment period.

Coverage for your non-Medicare spouse

If your spouse is under age 65 and currently enrolled in the TVA group PPO plan, there are certain enrollment rules you should be aware of:

- Your spouse who is under age 65 will remain enrolled in the TVA group PPO plan
- Once your eligible spouse reaches age 65, your spouse will have access to the enrollment support and plans offered through OneExchange
- OneExchange will proactively contact your eligible spouse in advance of turning 65



If you or your covered spouse are not yet 65 or older

The changes described in this brochure will not affect you until you turn 65.

Participants under age 65 and not yet eligible for the TVA Medicare Supplement Plan as of January 1, 2017, will continue their current plan coverage until the last day of the month prior to their Medicare eligible date. OneExchange will begin reaching out to you as early as one year prior to turning 65.



What comes next: *Your to-do list*



	What to do	Description	When
<p>Step 1 Learn More</p>	<ol style="list-style-type: none"> Read the enclosed <i>OneExchange Getting Started Guide</i> Contact OneExchange with your questions and set up your enrollment appointment at 1-844-620-5725 (TTY: 711) Monday through Friday 8:00 a.m. – 9:00 p.m. Eastern Time. Visit www.Medicare.OneExchange.com/TVA <p>You may receive a termination letter from your current plan carrier/provider explaining that your group coverage through TVA is ending. Save this letter for your records in case your new insurance carrier requires it. In the event you lose this document and your new insurance carrier requests this, you will need to call your old insurance carrier to obtain a duplicate copy.</p>	<p>Learn more about how to complete your online personal profile, schedule an appointment with a OneExchange Benefits Advisor and take steps to gather your doctor and prescription drug information.</p>	<p>Now</p>
<p>Step 2 Understand Your Options</p>	<ol style="list-style-type: none"> RSVP RSVP to attend a OneExchange retiree meeting in your area by calling 1-800-819-4569 By Phone Listen in on a pre-recorded telephone session 24 hours a day, seven days a week by calling 1-844-315-2767 (TTY: 711) Online View a webcast of the presentation by visiting the website at www.Medicare.OneExchange.com/TVA 	<p> In-person meeting If offered in an area near you, consider attending a meeting where you can interact with representatives from TVA and OneExchange. You can RSVP for yourself and other individuals supporting you, including your eligible spouse, another family member, friend or caregiver who may be assisting you.</p> <p> By Phone If a meeting is not available near you, you can listen to a pre-recorded telephone presentation available 24/7 at 1-844-315-2767. Invite your spouse, family members or caregivers to listen with you.</p> <p> Online Available 24/7, watch an online webcast presentation at your convenience by visiting www.Medicare.OneExchange.com/TVA. You are welcome to invite your spouse, family members or caregivers to watch with you.</p>	<p>Now</p>



	What to do	Description	When
<p>Step 3</p> <p>Enroll October 3 through December 31, 2016</p>	<p>Review your <i>OneExchange Enrollment Guide</i></p> <p>Talk with a OneExchange Benefit Advisor</p>	<p>Helps you understand the process for selecting the individual Medicare supplement and prescription drug plans, as well as dental and vision plans offered through OneExchange.</p> <p>During your scheduled appointment, you will speak with a Benefit Advisor who will help you determine which individual Medicare supplemental medical and drug plans best fit you and your eligible spouse's needs.</p>	<p>The <i>Enrollment Guide</i> will be mailed to your home by OneExchange in early October</p>
<p>Step 4</p> <p>Begin Using Your New Plan(s)</p>	<p>Show your doctors and pharmacist your new ID card</p> <p>Take advantage of ongoing support and tools through OneExchange</p>	<p>Ensure your providers have the right information to process your claims in a timely manner.</p> <p>OneExchange Benefit Advisors are available to assist you, even after enrollment ends.</p>	<p>Beginning January 1, 2017</p>
<p>Step 5</p> <p>Understand Your HRA</p>	<p>If applicable, read the <i>Funding and Reimbursement Kit</i> you receive in the mail from OneExchange to understand how it works</p>	<p>Once enrolled in a plan, you'll receive a <i>Funding and Reimbursement Kit</i> in the mail from OneExchange that explains how you can use your HRA credit to help fund healthcare expenses.</p>	<p>By March 2017</p>

Whom to contact for more information



By Phone: 8:00 a.m. to 9:00 p.m. Eastern
 OneExchange toll-free number is: **1+ 844-620-5725 (TTY: 711)**
 If calling outside the U.S., **801-994-9805**



Online: www.Medicare.OneExchange.com/TVA



OneExchange retiree meeting schedule

City	Date	Time	Location
Florence, AL	Monday, August 22	8:30 a.m. / 11:30 a.m. / 2:30 p.m.	Marriott Shoals 10 Hightower Place Florence, AL 35630
	Tuesday, August 23	10:00 a.m. / 1:30 p.m.	
	Monday, August 29	8:30 a.m. / 11:30 a.m. / 2:30 p.m.	
Huntsville, AL	Tuesday, August 30	10:00 a.m. / 1:30 p.m.	Huntsville Marriott 5 Tranquility Base Huntsville, AL 35805
Leesburg, FL	Wednesday, August 24	10:00 a.m.	Hampton Inn Leesburg/Tavares 9630 U.S. Highway 441 Leesburg, FL 34788
Central City/ Powderly, KY	Friday, August 26	10:00 a.m. / 1:30 p.m.	Central City Convention Center 320 Golden Tide Avenue Central City, KY 42330
Paducah, KY	Thursday, September 1	10:00 a.m. / 1:30 p.m.	Kentucky Dam Village State Park Resort Park Conference Room C Highway 641 and 166 Upper Village Drive Gilbertsville, KY 42044
Camden, TN	Friday, September 2	10:00 a.m. / 1:30 p.m.	Doubletree Hotel Jackson 1770 Highway 45 Bypass Jackson, TN 38305
Chattanooga, TN	Monday, August 22	10:00 a.m. / 1:30 p.m.	Chattanooga Choo Choo Hotel 1400 Market Street Chattanooga, TN 37402
	Tuesday, August 30	8:30 a.m. / 11:30 / 2:30 p.m.	
	Wednesday, August 31	8:30 a.m. / 11:30 a.m. / 2:30 p.m.	
	Thursday, September 1	8:30 a.m. / 11:30 a.m. / 2:30 p.m.	
	Friday, September 2	10:00 a.m. / 1:30 p.m.	
Kingsport, TN	Friday, August 26	10:00 a.m.	Meadowview Marriott 1901 Meadowview Parkway Kingsport, TN 37660
Knoxville, TN	Tuesday, August 23	10:00 a.m. / 1:30 p.m.	Holiday Inn Knoxville West/Cedar Bluff 9134 Executive Park Drive Knoxville, TN 37923
	Wednesday, August 24	8:30 a.m. / 11:30 a.m. / 2:30 p.m.	
	Thursday, August 25	8:30 a.m. / 11:30 a.m. / 2:30 p.m.	
	Monday, August 29	10:00 a.m. / 1:30 p.m.	
Nashville, TN	Wednesday, August 24	10:00 a.m. / 1:30 p.m.	Franklin Marriott Cool Springs 700 Cool Springs Blvd Franklin, TN 37067
	Thursday, August 25	10:00 a.m. / 1:30 p.m.	Holiday Inn/Nashville Airport 2200 Elm Hill Pike Nashville, TN 37214
	Wednesday, August 31	10:00 a.m. / 1:30 p.m.	

TVA reserves the right to amend, modify, suspend or terminate its retiree health plans, in whole or in part. Amendments, modifications, suspensions or terminations to the TVA retiree health plans may be made for any reason, and at any time, and may, in certain circumstances, result in the reduction or elimination of benefits or other features of the plans to the extent permitted by law. TVA's rights described above include the right, at any time, to (i) obtain coverage and/or administrative services from additional or different insurance carriers or third party administrators, (ii) revise the amount of the retirees' contributions toward the cost of coverage, and (iii) revise or eliminate TVA's contributions toward the cost of coverage.