



2021 Annual Enrollment Guide

Annual Enrollment: Oct. 22–Nov. 13

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Steps You Need to Take

This is the time to review your benefits choices and make your selections for the new plan year, which begins **Jan. 1, 2021**.



- 1 Read this guide to learn about the Northrop Grumman retiree medical plans available to you.
- 2 Log on to *Fidelity NetBenefits*® at netbenefits.com/northropgrumman to review your medical plan options so you can select or change your retiree medical coverage for 2021 to better fit your needs. If you don't make a change, you automatically will be enrolled in your current plan. Please be aware that Medicare HMO premiums reflected on *NetBenefits*® are subject to Centers for Medicare and Medicaid (CMS) approval and may change.
- 3 Review your confirmation statement online. You will receive instructions on how to access your confirmation statement on *NetBenefits* when it's available. If you need a print copy, please call the Northrop Grumman Benefits Center at **800-894-4194**.
- 4 Be prepared to verify dependent eligibility if you enroll a new dependent during Annual Enrollment. You will receive more information by mail for verifying dependents.

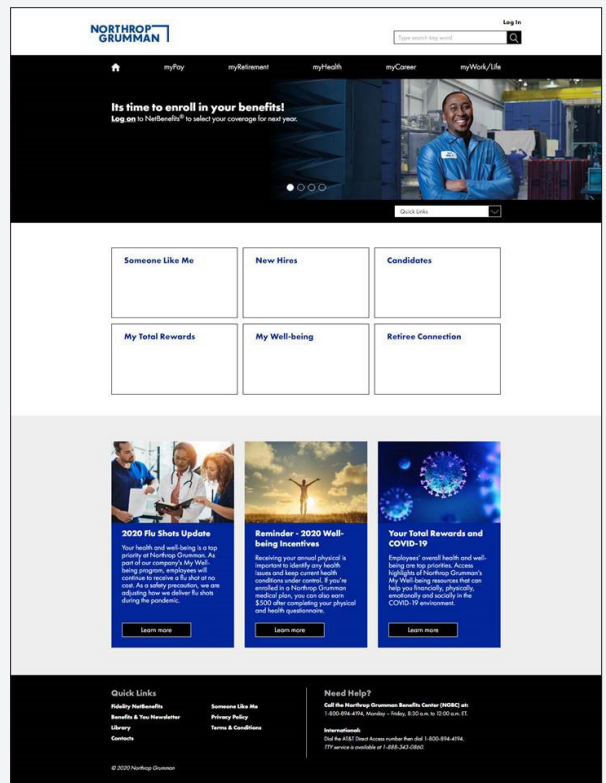
What's New

Plan Changes and Information

There are no changes to our current health plans in 2021, except for a nominal increase in premiums. You can find plan information, including your 2021 retiree medical rates, by visiting *NetBenefits* at netbenefits.com/northropgrumman.

The New *Total Rewards Gateway*

The *Total Rewards Gateway* will replace our current benefits website, *Benefits & You OnLine*. Beginning in mid-October, you'll be able to visit the *Total Rewards Gateway* at totalrewards.northropgrumman.com to view benefits information and access *NetBenefits*.



Anthem Medical Plans at a Glance

Below is a comparison of the key features of the medical plan options. Both options require you to meet a deductible before the plan begins to pay for eligible medical and prescription drug expenses (except for preventive care, which is covered at 100%).

	PLAN 1: High Premium/Low Deductible Plan		PLAN 2: Medium Premium/Medium Deductible Plan	
Annual Deductible				
	In-network	Out-of-network	In-network	Out-of-network
Retiree Only	\$1,000	\$2,000	\$1,700	\$3,400
Retiree + Spouse	\$1,500	\$3,000	\$2,800	\$5,600
Retiree + Child(ren)	\$1,500	\$3,000	\$2,800	\$5,600
Retiree + Family	\$2,000	\$4,000	\$3,400	\$6,800
Coinsurance Medical Care				
	In-network	Out-of-network¹	In-network	Out-of-network¹
Preventive	All plans provide 100% in-network coverage for nationally recommended preventive care services.			
Non-preventive (after deductible)	Plan pays 80% after deductible	Plan pays 50% after deductible	Plan pays 80% after deductible	Plan pays 50% after deductible
Coinsurance Prescription Drugs				
	In-network pharmacy / CVS mail service²			
Preventive	Plans provide 100% coverage for certain eligible prescription drugs through in-network pharmacies or mail order. Other preventive drugs may require a coinsurance payment that will not be subject to the deductible. Contact CVS Caremark® for details.			
Non-preventive (after deductible)	<ul style="list-style-type: none"> • Generic: Plan pays 80% • Brand: Plan pays 75% • Non-preferred brand: Plan pays 65% • Specialty drugs: Plan pays 75% (maximum amount you pay is \$400 per prescription after deductible) 			
Out-of-pocket Maximum³ (includes deductible and coinsurance)				
	In-network	Out-of-network	In-network	Out-of-network
Retiree Only	\$2,000	\$4,000	\$4,000	\$8,000
Retiree + Spouse	\$3,000	\$6,000	\$6,000	\$12,000
Retiree + Child(ren)	\$3,000	\$6,000	\$6,000	\$12,000
Retiree + Family	\$4,000	\$8,000	\$8,000	\$16,000

¹Out-of-network coverage is based on the maximum allowed amount.

²For out-of-network prescription drugs, the plan pays 50% of allowed costs.

³This is the out-of-pocket maximum for all covered family members combined. If an individual within the family reaches the "Retiree Only" maximum, the plan will pay 100% of the eligible expenses for that individual.

More Information

Review Your Personal Information

Be sure to periodically review your personal information, including mailing address, email address and telephone number, to ensure it is up to date. To review or update your personal information, please contact the Northrop Grumman Benefits Center at **800-894-4194**.

Pay for Your Benefits

Pension Deduction	If you currently pay your retiree medical coverage through pension deduction, this deduction will continue uninterrupted if your pension check covers the cost of your coverage. If your pension check <i>does not</i> cover the full cost for your coverage, you will receive an invoice for payment, or you may elect Automatic Bank Withdrawal (ABW). If you are not currently set up for pension deduction, you may elect that option online through <i>NetBenefits</i> at netbenefits.com/northropgrumman or by calling the Northrop Grumman Benefits Center at 800-894-4194 .
Automatic Bank Withdrawal (ABW)	You may elect to have your monthly cost automatically debited from your checking or savings account through ABW. If you have not yet established ABW with Fidelity, you may set it up online through <i>NetBenefits</i> or by calling the Northrop Grumman Benefits Center.
Invoice	If you pay by check, be sure you have the correct mailing address, or consider changing to ABW. Payments should be mailed to the following address: Northrop Grumman Benefits Center P.O. Box 770001 Cincinnati, OH 45277-0021

If You Have COBRA Coverage

If you recently retired, enrolled in a retiree medical plan under the Northrop Grumman Retiree Medical Plan and also elected to continue your Northrop Grumman Health Plan dental or vision coverage through COBRA, all of your Northrop Grumman benefits will be shown on *NetBenefits*. During this Annual Enrollment period, you may make changes to any of these benefits online through *NetBenefits* or by calling the Northrop Grumman Benefits Center.

What Happens to Your Northrop Grumman Retiree Medical Coverage When You Turn Age 65?

Upon turning age 65, your primary health insurance will be Medicare, and you have the option to purchase additional coverage that supplements Medicare through Via Benefits™, a private insurance exchange. Northrop Grumman has partnered with Via Benefits to help provide retirees a broad portfolio of Medicare supplemental insurance plans and help them understand and enroll in these plans.

The Northrop Grumman Retiree Medical Plan does not offer group Medicare supplemental insurance to its retirees and their eligible dependents age 65 or older.¹

Go to [medicare.gov](https://www.medicare.gov) for information on how and when to enroll in Medicare. About one year before you or your eligible dependent turns age 65, you will begin receiving information about Via Benefits (and the Retiree Health Reimbursement Arrangement, if eligible) from Northrop Grumman.

Retiree Health Reimbursement Arrangement

If you are eligible for subsidized retiree medical coverage based on your heritage company classification, you may receive this support in the form of a credit to a Retiree Health Reimbursement Arrangement (RHRA). If you are eligible for an RHRA and enroll in Medicare supplemental medical or prescription coverage through Via Benefits (or enroll in individual Medicare supplemental and/or prescription drug coverage through Kaiser and notify Via Benefits of your enrollment), Northrop Grumman will provide you and your covered spouse, if eligible, with a fixed annual “credit” amount. You can use the money in your RHRA to help pay your premium costs for an individual Medicare supplement plan, a prescription drug, dental or vision plan, or Medicare Part B. You have until March 31st to submit any claims for expenses incurred during the previous year through Via Benefits. Please call the Northrop Grumman Benefits Center if you have questions about your eligibility for the RHRA and to determine the amount of your annual RHRA credit. If you do not enroll in Medicare supplemental coverage through Via Benefits or Kaiser (and notify Via Benefits of your enrollment in Kaiser), you will not receive your annual RHRA credit. In addition, any claims you incur while not enrolled in coverage through Via Benefits or Kaiser will not be eligible to be reimbursed from your RHRA.

Split Coverage Situations

In some cases, the retiree may be age 65 or older when the spouse is still under age 65, or vice versa. In these situations:

- The individual who is age 65 or older and eligible for Medicare will not be eligible for medical or prescription coverage through the Northrop Grumman Retiree Medical Plan, but will have access to the services offered through Via Benefits.
- The individual under age 65 may remain enrolled in medical and prescription drug coverage under the Northrop Grumman Retiree Medical Plan until he or she reaches age 65.

¹Retirees with certain heritage classifications may still be eligible for medical and prescription drug coverage under the Northrop Grumman Retiree Medical Plan beyond age 65. To determine whether you are eligible, contact the Northrop Grumman Benefits Center.



Questions?

If you have questions about enrolling, or if you would like to enroll over the phone by speaking with a Benefits Center service representative, call the Northrop Grumman Benefits Center at **800-894-4194**, Monday through Friday (except most New York Stock Exchange holidays), between 8:30 a.m. and midnight, Eastern time. TTY service is available by calling **888-343-0860**. If you are calling from outside the United States, dial the AT&T out-of-country access number followed by **800-894-4194**. You'll need your *NetBenefits* password or voice recognition (if enrolled in MyVoice) to secure your call.

2019 Summary Annual Report

The Summary Annual Report for the Northrop Grumman Retiree Medical Plan will be available in the *NetBenefits* Reference Library when Annual Enrollment begins. The Summary Annual Report is an important federally required notice. No action is required on your part. A Summary Annual Report provides the financial status of the plan. This information includes assets, administrative expenses, gains or losses, and changes that have occurred in the plan for the previous year. Every year, Northrop Grumman distributes Summary Annual Reports as required by the Employee Retirement Income Security Act of 1974 (ERISA). If you want a printed copy of the Summary Annual Report, please call the Northrop Grumman Benefits Center at **800-894-4194**.

This guide contains information for participants in the Northrop Grumman Retiree Medical Plan. This guide and the content on the **Total Rewards Gateway** and Fidelity *NetBenefits* websites provide a summary of important information about your participation in the Northrop Grumman Retiree Medical Plan. The guide is not a Summary Plan Description, but it is a Summary of Material Modifications that will generally be effective Jan. 1, 2021. Complete details about the plans are contained in the legal plan documents that govern plan operation and administration. If there is a discrepancy between the information provided on the **Total Rewards Gateway** and Fidelity *NetBenefits* websites and the provisions of the plan documents (including this guide), the plan documents will govern. Northrop Grumman reserves the right in its sole discretion to terminate, suspend, withdraw, amend or modify the Plan at any time and for any reason.