

# 2023 Retiree Annual Enrollment

Retiree Annual Enrollment for 2023 benefits runs from Oct. 20 through Nov. 11, 2022, giving you the opportunity to select or change your benefits for the upcoming year. Any new elections or changes will be effective Jan. 1, 2023.



## Annual Enrollment

**Oct. 20–Nov. 11, 2022**

### What's New

Starting in 2023, you can set up electronic payment through a checking or savings account, rather than sending in a check every month. Just go to [netbenefits.com/northropgrumman](https://netbenefits.com/northropgrumman) and click *Payment for Benefits*. From there, click *View Billing Information*, then *View/Change* and finally *Update Payment*. Enter your information, review that everything's correct and click *Submit*. It's that easy. Please note, you must set up electronic payment before the end of the grace period for which payment is due.

### What's Changing

As a result of continuing health care cost increases across the country, made worse by recent pandemic-related inflation, retiree medical premiums will be rising approximately 18% in 2023. As a company, Northrop Grumman is committed to maintaining the level of benefits we offer to our eligible retirees. Rather than reduce benefits, we made the difficult decision to increase retiree premiums in order to keep up with inflation.



### How to Enroll

Log on to Fidelity NetBenefits® at [netbenefits.com/northropgrumman](https://netbenefits.com/northropgrumman) to review your 2023 medical plan options and costs, and select or change your retiree medical coverage for 2023. If you don't make a change, you will be automatically enrolled in your current plan. Please be aware that the Medicare HMO premiums reflected on NetBenefits® are subject to approval by the Centers for Medicare and Medicaid (CMS) and may change.



# Anthem Medical Plans at a Glance

Below is a comparison of the key features of the Anthem medical plan options under the Northrop Grumman Retiree Medical Plan. 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% with no deductible). Please note, the deductible for Plan 2 coverage for You + Spouse or Child(ren) is increasing from \$2,800 to \$3,000 due to IRS-required minimums.

	PLAN 1: High Premium/Low Deductible Plan		PLAN 2: Medium Premium/Medium Deductible Plan	
<b>Annual Deductible</b>				
	<b>In-network</b>	<b>Out-of-network</b>	<b>In-network</b>	<b>Out-of-network</b>
<b>Retiree Only</b>	\$1,000	\$2,000	\$1,700	\$3,400
<b>Retiree + Spouse</b>	\$1,500	\$3,000	\$3,000	\$5,600
<b>Retiree + Child(ren)</b>	\$1,500	\$3,000	\$3,000	\$5,600
<b>Retiree + Family</b>	\$2,000	\$4,000	\$3,400	\$6,800
<b>Medical Care Coinsurance</b>				
	<b>In-network</b>	<b>Out-of-network<sup>1</sup></b>	<b>In-network</b>	<b>Out-of-network<sup>1</sup></b>
<b>Preventive</b>	All plans provide 100% in-network coverage for nationally recommended preventive care services.			
<b>Non-preventive (after deductible)</b>	Plan pays 80% after deductible	Plan pays 50% after deductible	Plan pays 80% after deductible	Plan pays 50% after deductible
<b>Prescription Drug Coinsurance</b>				
	<b>In-network pharmacy / CVS mail service<sup>2</sup></b>			
<b>Preventive</b>	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 <sup>®</sup> for details.			
<b>Non-preventive (after deductible)</b>	<ul style="list-style-type: none"> <li>• Generic: Plan pays 80%</li> <li>• Brand: Plan pays 75%</li> <li>• Non-preferred brand: Plan pays 65%</li> <li>• Specialty drugs: Plan pays 75% (maximum amount you pay is \$400 per prescription after deductible)</li> </ul>			
<b>Out-of-pocket Maximum<sup>3</sup> (includes Deductible and Coinsurance)</b>				
	<b>In-network</b>	<b>Out-of-network</b>	<b>In-network</b>	<b>Out-of-network</b>
<b>Retiree Only</b>	\$2,000	\$4,000	\$4,000	\$8,000
<b>Retiree + Spouse</b>	\$3,000	\$6,000	\$6,000	\$12,000
<b>Retiree + Child(ren)</b>	\$3,000	\$6,000	\$6,000	\$12,000
<b>Retiree + Family</b>	\$4,000	\$8,000	\$8,000	\$16,000

<sup>1</sup>Out-of-network coverage is based on the maximum allowed amount.

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

<sup>3</sup>This 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.

# 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 offer retirees a broad portfolio of Medicare supplemental insurance plans, and to 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.<sup>1</sup>

→ Go to [medicare.gov](https://www.medicare.gov) for information on how and when to enroll in Medicare. Approximately 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). To receive your annual RHRA credit and access to your RHRA, you must enroll in Medicare Parts A & B and enroll in individual Medicare supplemental coverage through Via Benefits or Kaiser (and notify Via Benefits of your enrollment in Kaiser). You may use your RHRA to pay for your Medicare Part B premium costs (provided you are enrolled in coverage through Via Benefits or Kaiser) and premiums for Medicare supplemental coverage purchased through Via Benefits or Kaiser, as well as for individual dental and vision premiums purchased through Via Benefits. You may also use your RHRA to be reimbursed for premiums paid for Tricare supplemental coverage or long-term care coverage. Tricare supplemental coverage and long-term care coverage do not need to be purchased through Via Benefits. You will have until March 31 (unless extended by applicable law) following the plan year to submit to Via Benefits any RHRA claims you incurred during the plan year.

Call the Northrop Grumman Benefits Center at **800-894-4194** if you have questions about your eligibility for the RHRA and to determine the amount of your annual RHRA credit.

## 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.

---

<sup>1</sup>Retirees 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 ET. Dial **711** for TTY service. If you are calling from outside the United States, dial the AT&T out-of-country access number followed by **800-894-4194**.

### 2021 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, call the Northrop Grumman Benefits Center at **800-894-4194**.

This bulletin 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, 2023. 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.