

# 2020 Benefits Guide



**Explore what benefits you.**

Make your 2020 benefits choices during  
Annual Enrollment: Oct. 24–Nov. 15.

[Get Started](#)

***NORTHROP GRUMMAN***





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All employee photos featured in this guide are your Northrop Grumman colleagues.

# Steps to Your Successful Enrollment

Annual Enrollment is Oct. 24–Nov. 15, 2019. This is the time to review your benefits choices and make your selections for the new plan year, which begins Jan. 1, 2020.

## Get Information on Your Benefits Choices

- Read this guide.
- Attend an Enrollment Information Session.

## Enroll in Your 2020 Benefits

- Log on to *Fidelity NetBenefits*® at <http://www.netbenefits.com/northropgrumman> to review your 2020 benefit options and costs. If you want to contribute to a Health Savings Account (HSA) or a Flexible Spending Account (FSA), you must make new elections for 2020. Your current HSA and FSA elections will NOT carry over to 2020.
- Submit your elections for 2020 on the *NetBenefits*® site by midnight Eastern time on Nov. 15, 2019.
- The elections you make during this Oct. 24–Nov. 15 Annual Enrollment period will be effective from Jan. 1 through Dec. 31, 2020. You cannot make changes until next year’s Annual Enrollment, unless you have a qualified life event, such as the birth of a child, marriage or divorce.

## Review and Validate Your Choices

- Review and update your beneficiary designation information at *NetBenefits*.
- Review the confirmation statement you will receive in December to confirm your coverages and dependent information, if any, are correct.
- Be prepared to verify your dependent’s eligibility if you enroll a new dependent during Annual Enrollment.

The ALEX® benefits tool can help you choose your “best-fit” medical or dental plan based on your information. Employees who have enrolled in ALEX’s recommended plan are often pleasantly surprised at the value and savings of taking ALEX’s advice. ALEX is available at *NetBenefits* at <http://www.netbenefits.com/northropgrumman> during Annual Enrollment, Oct. 24–Nov. 15.



## Discover What’s New

- New Anthem medical plan options will replace the current plan options.
- We will be piloting a new high deductible health plan (HDHP) option from Kaiser in the Mid-Atlantic region.
- A new Well-being Incentive Program will replace the current Annual Physical Incentive Program, if you qualify.
- We will be transitioning to the standard CVS formulary, which focuses on lower cost alternatives.
- Applied Behavior Analysis (ABA) therapy will be a covered benefit under our Anthem medical plan options.
- Your HSA and FSA elections will not carry over. If you want to contribute to an HSA or FSA as of Jan. 1, 2020, you will need to make that election during Annual Enrollment.
- The Cigna Global plan replaces the Aetna International benefit plan effective Jan. 1, 2020.



## A Message from Ann Addison

Corporate Vice President and Chief Human Resources Officer

Annual Enrollment for 2020 health care benefits begins on Oct. 24, and I am excited to announce new medical plan options — designed with you in mind. Employee feedback from the total rewards survey earlier this year was clear: You want help with controlling premiums and high out-of-pocket medical costs. And, we heard you.

First, we are replacing our current medical plan options with three new plans that offer you a wider variety of alternatives based on your anticipated medical needs and how you want to manage your overall medical costs. Now, you can easily choose what is best for you and your family. For instance, you can choose from plans that have lower premiums with higher deductibles and out-of-pocket maximums, or from a plan that has higher premiums with lower deductibles and out-of-pocket maximums.

Second, we are introducing a new well-being incentive, which will replace our current annual physical incentive. With the new well-being incentive, Northrop Grumman will contribute \$500 or \$1,000 on your behalf to an HSA — or toward your medical plan premium, depending on the medical plan you choose. Combined with the changes to the medical plan options, you can reduce your out-of-pocket medical costs *and* get the right option to meet your health needs.

### How I Chose a Medical Plan

During this Annual Enrollment period, I encourage all of you to use the resources available in choosing your benefits. When I joined our company a year ago, I was faced with choosing a new medical plan — just as you are now for 2020. I did not know anything about the plans, so I decided to give the online benefits tool, ALEX<sup>®</sup>, a try.

ALEX<sup>®</sup> helped me choose the best medical plan. The plan I chose provided me and my family with the appropriate level of care at the best value. Remember, ALEX<sup>®</sup> is available on *NetBenefits* during Annual Enrollment, Oct. 24–Nov. 15, 2019.

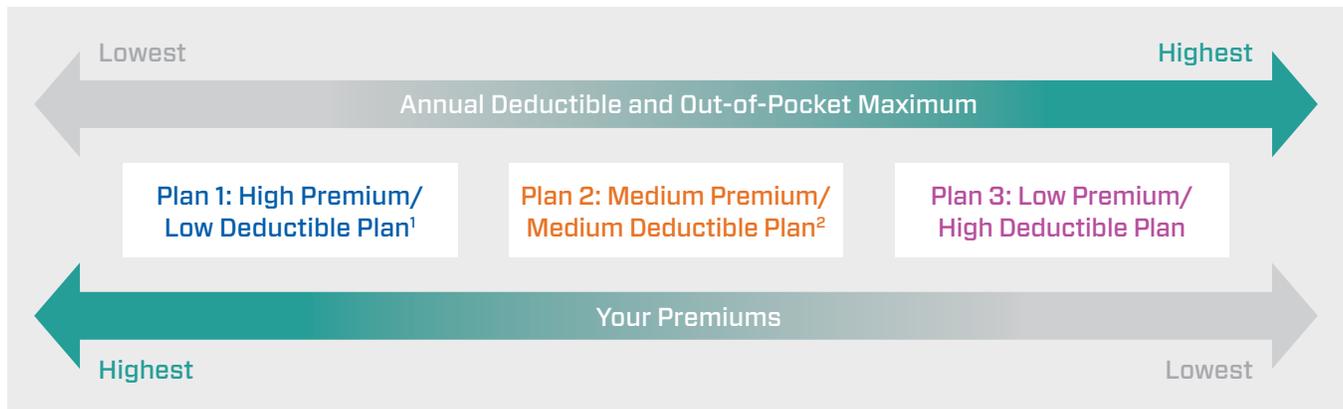
Thank you for helping us shape the new options for 2020. I realize your health care benefits are important to you and your family. I also encourage you to keep this benefits guide as a resource in 2020. By understanding the new plans and tools, you can choose the best plan for you and your family, reduce your out-of-pocket costs and let your benefits work for you.

# Your New Medical Plan Options: A Closer Look

## New! Anthem Plans

In response to employee feedback received from the total rewards survey about out-of-pocket medical costs and premiums, the following plans will replace the Premium Plus, Premium, Value and Value Plus (Utah and Idaho) Plans as of Jan. 1, 2020.

The new plans allow you to choose a plan based on what is important to you and determined by your estimated medical expenses. You can decide if you want a lower or higher deductible and out-of-pocket maximum during the year. Depending on your choice, you will pay a higher or lower premium. Below is a summary.



<sup>1</sup> Available to most employees.

<sup>2</sup> **Plan 4: Medium Premium/Deductible Utah Extended Network Plan** is available in Utah/Idaho. This plan has the same benefit level as **Plan 2: Medium Premium/Medium Deductible Plan**, but broader network access that includes Intermountain Healthcare System.

### All three plans...

- Cover preventive care at 100%.
- Use the current Anthem provider network.
- Include CVS/caremark<sup>®</sup> prescription drug coverage, which continues to offer savings when you purchase generic drugs and visit in-network pharmacies; standard CVS formulary effective Jan. 1, 2020.
- Cover the same services (different limitations for certain services may apply) as the current Anthem medical plans, and will include ABA, a type of learning and behavior therapy that can be used to help plan members who have autism or related development disorders.

**Prescription drug coverage:** As of Jan. 1, 2020, the plans will follow the standard CVS formulary. This transition will align our plans with industry practice and impacts a limited population. Employees and their covered family members who are currently taking prescription drugs that are not on the standard CVS formulary will receive a letter from CVS/caremark<sup>®</sup> in mid-November.

See a comparison of the new plans on [pages 6 and 7](#).

## New! International Plan for U.S. Employees Based Abroad

The Cigna Global plan replaces the Aetna International benefit plan effective Jan. 1, 2020. If you're currently enrolled in the Aetna International medical and/or dental plan, you and your covered dependents will be automatically enrolled in the Cigna Global medical and/or dental plan. You can find more information on the Cigna Global plan on the "Benefits While Working Abroad" page on **Benefits & You OnLine**.

## EmblemHealth HMO Discontinued

Effective Jan. 1, 2020, the EmblemHealth HMO will no longer be offered because of low enrollment and unsustainable cost increases. If you're currently enrolled in this plan, you must select a new plan for 2020.



### Need Help with Your Choice?

The new medical plan options provide a wider variety of alternatives for how and when you spend your health care dollars. If you anticipate your medical costs to be low, you may prefer a lower premium in exchange for a higher deductible. Or, if you anticipate your medical costs to be high, you may prefer a lower deductible in exchange for a higher premium.

**How do you decide which plan is right for you and your family?** When you choose a medical plan, it's important to consider your anticipated medical needs, whether or not you prefer a higher or lower deductible and premium, and which plan offers you the best value.

1. Review your past 24 months of claims information at <https://www.anthem.com> to help estimate your average annual health care usage and how you've historically spent your annual deductible and out-of-pocket maximum. Claim costs include both medical and prescription drug claims.
2. Use the online ALEX<sup>®</sup> tool to compare plans based on your unique and anticipated health care usage.
3. Participate in an HSA webinar this month to learn how an HSA can help you pay for health care expenses now and far into the future.

### If You Don't Make a Choice

If you don't make a choice during the Annual Enrollment period, **you will be automatically enrolled** in the plan shown below as of Jan. 1, 2020.

If your current option isn't listed (e.g., Kaiser HMO or the TRICARE Supplement), you'll continue to participate in that plan as long as you're eligible.

If you're currently enrolled in:	If you don't make a choice, you'll be automatically enrolled in:
Premium Plus Plan	<b>Plan 1: High Premium/ Low Deductible Plan</b>
Premium Plan	<b>Plan 2: Medium Premium/ Medium Deductible Plan</b>
Value Plan	<b>Plan 2: Medium Premium/ Medium Deductible Plan</b>
Value Plus Plan	<b>Plan 4: Medium Premium/ Deductible Utah Extended Network Plan</b>
EmblemHealth HMO	No Coverage
Aetna International Benefit Plan	Cigna Global Plan

## New Anthem Options at a Glance

To help you consider and evaluate your potential out-of-pocket costs, below is a comparison of the key features of the new medical plan options and monthly employee contributions.

	<b>Plan 1: High Premium/ Low Deductible Plan<sup>1</sup></b>	<b>Plan 2: Medium Premium/ Medium Deductible Plan<sup>2</sup></b>	<b>Plan 3: Low Premium/ High Deductible Plan</b>
<b>Annual In-network Medical Deductible</b> (Out-of-network deductibles are double the in-network deductibles, and do not cross-accumulate)			
Employee Only	\$1,000	\$1,700	\$3,500
Employee + Spouse	\$1,500	\$2,800	\$5,250
Employee + Child(ren)	\$1,500	\$2,800	\$5,250
Employee + Family	\$2,000	\$3,400	\$6,750
<b>Annual Prescription Drug Deductible</b>			
Employee Only	\$150	Included in medical deductible	Included in medical deductible
Employee + Spouse	\$200		
Employee + Child(ren)	\$200		
Employee + Family	\$250		
<b>Annual In-network Medical Coinsurance</b> (For out-of-network coverage, the plan pays 50% of the allowed amount)			
Preventive	All plans provide 100% coverage for nationally recommended preventive care services		
Non-preventive	Plan pays 80% after deductible	Plan pays 80% after deductible	Plan pays 70% after deductible
<b>Annual In-network Prescription Drug Coinsurance</b> (For out-of-network coverage, the plan pays 50% of the allowed amount)			
Preventive	All plans provide 100% coverage for certain eligible preventive 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.		
Non-preventive	After the applicable deductible: <ul style="list-style-type: none"> <li>• For generic drugs, the plan pays 80%</li> <li>• For preferred brand-name drugs, the plan pays 75%</li> <li>• For non-preferred brand-name drugs, the plan pays 65%</li> <li>• For specialty drugs, the plan pays 75% (maximum amount you pay is \$400 per prescription, after the deductible)</li> </ul>		

<sup>1</sup> Available at most locations.

<sup>2</sup> **Plan 2: Medium Premium/Medium Deductible Plan** or **Plan 4: Medium Premium/Deductible Utah Extended Network Plan** (available in Utah and Idaho).

	<b>Plan 1: High Premium/ Low Deductible Plan<sup>1</sup></b>	<b>Plan 2: Medium Premium/ Medium Deductible Plan<sup>2</sup></b>	<b>Plan 3: Low Premium/ High Deductible Plan</b>
<b>Annual In-network Out-of-pocket Maximums</b>			
The out-of-pocket maximum applies to all covered family members combined based on your coverage tier. However, the out-of-pocket maximum for any individual family member is the amount of the “Employee Only” tier. (Out-of-network out-of-pocket maximums are double the in-network out-of-pocket maximums, and do not count toward each other.)			
<b>Employee Only</b>	\$2,000	\$4,000	\$6,500
<b>Employee + Spouse</b>	\$3,000	\$6,000	\$9,750
<b>Employee + Child(ren)</b>	\$3,000	\$6,000	\$9,750
<b>Employee + Family</b>	\$4,000	\$8,000	\$13,000
<b>Accounts to Help You Offset Your Deductible or Cover Medical Expenses</b>			
<b>FSA-eligible</b>	Yes	Yes	Yes
<b>HSA-eligible</b>	No	Yes	Yes
<b>Employee Monthly Premium</b> (Assumes a base salary of \$100,000 or less <sup>3</sup> )			
<b>Employee Only</b>	\$240	\$85	\$37
<b>Employee + Spouse</b>	\$510	\$250	\$100
<b>Employee + Child(ren)</b>	\$435	\$210	\$85
<b>Employee + Family</b>	\$675	\$305	\$130

<sup>3</sup> These are monthly contribution amounts for active employees with a base salary of \$100,000 or less. If your annual base salary is \$100,000 or more, you will pay the fixed contribution amount plus a percentage of your salary over \$100,000, up to a maximum amount. Log on to NetBenefits to view all of your plan options and costs.



## Examples of How to Make a Choice

### Meet Jordan

**Age:** 26  
**Health care use:** Moderate  
**Current plan:** Premium Plan  
**Coverage:** Employee only

#### Jordan's Health Care Needs

Jordan goes to the doctor a couple of times a year for seasonal allergies and also has high cholesterol for which he takes prescription medication. His conditions are manageable, so his health care expenses weren't too high last year. But there's always a risk that he could experience complications from high cholesterol, and his medical expenses could rise.

#### Jordan's Medical Plan Choice

With Jordan's current health care needs, **Plan 3: Low Premium/High Deductible Plan** appears to be the most cost-effective plan. Jordan will need to decide if he wants to pay more per pay check for potential lower future costs, or if he wants to pay the least amount and put the difference in an HSA for unexpected costs.

	Plan 1	Plan 2	Plan 3
<b>Deductible</b>	\$1,000	\$1,700	\$2,000
<b>Coinsurance</b>	\$170	\$60	\$0
<b>Rx Deductible</b>	\$150	Included in medical coinsurance	
<b>Employee Premium</b>	\$2,880	\$1,020	\$444
<b>Annual Total</b>	\$4,200	\$2,780	\$2,444

Jordan's choice

### Meet Cameron

**Age:** 54  
**Health care use:** Low  
**Current plan:** Value Plan  
**Coverage:** Employee + child(ren)

#### Cameron's Health Care Needs

Cameron and her two children are relatively healthy and have been enrolled in the Value Plan for the last two years. Cameron logged on to the Anthem website (<https://www.anthem.com>) to view her past 24 months' claim history; over the two years, her family's average costs were \$500 a year, which is relatively low. Cameron doesn't want to pay for more coverage than she and her children need.

#### Cameron's Medical Plan Choice

Cameron compares the plans with her average annual costs and picks **Plan 3: Low Premium/High Deductible Plan**. With the low monthly premium, she can take some of her savings and contribute to her HSA in case they have an unexpected medical issue.

	Plan 1	Plan 2	Plan 3
<b>Deductible</b>	\$454	\$494	\$494
<b>Coinsurance</b>	\$0	\$0	\$0
<b>Rx Deductible</b>	\$40	Included in medical deductible	
<b>Employee Premium</b>	\$5,220	\$2,520	\$1,020
<b>Annual Total</b>	\$5,714	\$3,014	\$1,514

Cameron's choice

# Meet Pat

**Age:** 45  
**Health care use:** High  
**Current plan:** Premium Plus Plan  
**Coverage:** Employee + family

## Pat's Health Care Needs

Pat has multiple sclerosis. Her husband has diabetes and is at risk for heart disease. One of her two children has asthma. Due to specialty medications and frequent trips to the doctor's office, they regularly have \$15,000 in out-of-pocket expenses annually. Pat would rather pay more out of each paycheck for her medical plan, and have a lower deductible and out-of-pocket maximum, to keep out-of-pocket costs as low as possible.

## Pat's Medical Plan Choice

Looking at all options, Pat will need to decide where she'd rather spend her money. While the out-of-pocket costs are lower in **Plan 1: High Premium/Low Deductible Plan**, the annual premium is much higher. **Plan 2: Medium Premium/Medium Deductible Plan** has half the annual premium, but Pat will be responsible for paying more at the doctor's office. Pat may decide to choose **Plan 1: High Premium/Low Deductible Plan** to smooth her expenses over the course of the year versus potentially paying earlier in the year to hit a higher deductible and out-of-pocket maximum.

	Plan 1	Plan 2	Plan 3
<b>Deductible</b>	\$2,000	\$3,400	\$6,750
<b>Coinsurance</b>	\$1,750	\$4,600	\$6,750
<b>Rx Deductible</b>	\$250	Included in medical deductible	
<b>Employee Premium</b>	\$8,100	\$3,660	\$1,560
<b>Annual Total</b>	\$12,100	\$11,660	\$15,060

Pat has a good choice with **Plan 1** or **Plan 2**.

## Assumptions:

- All deductible and coinsurance amounts are based on using in-network providers.
- The plans in the preceding examples refer to:
  - Plan 1: High Premium/Low Deductible Plan**
  - Plan 2: Medium Premium/Medium Deductible Plan**
  - Plan 3: Low Premium/High Deductible Plan**
- The employee premium has been annualized to simplify the examples.

Information on how an HSA works is on [pages 12 and 13](#).

## New! High Deductible Kaiser Plan: Mid-Atlantic Region

An additional high deductible health plan (HDHP) will be available in the mid-Atlantic region and administered by Kaiser. This new plan is in addition to the Kaiser Mid-Atlantic Health Maintenance Organization (HMO) currently offered to employees in the region. We are piloting the new HDHP and, depending on plan enrollment, we will consider expanding a Kaiser HDHP to other regions.

Because this new Kaiser plan qualifies as an HDHP, it is HSA-eligible — meaning you can establish and contribute to an HSA if you have no other disqualifying coverage. An HSA has significant short- and long-term advantages to help with medical expenses now or in the future. For more information, go to [pages 12 and 13](#). Like the HMO, you must use Kaiser providers and facilities to receive care.

Below is a summary of your potential out-of-pocket costs:

In-network Medical and Prescription Drug Deductible				
Employee Only	\$1,550			
Employee + Spouse	\$2,800			
Employee + Child(ren)	\$2,800			
Employee + Family	\$3,000			
In-network Medical Coinsurance (NO out-of-network coverage)				
Preventive	100% coverage for nationally recommended preventive care services			
Non-preventive	Plan pays 80% after the deductible			
In-network Prescription Drug Coinsurance (NO out-of-network coverage)				
Preventive	100% coverage for certain eligible preventive 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.			
Non-preventive	After the applicable deductible:			
		<b>Plan Pharmacy</b>	<b>Participating Network Pharmacy</b>	<b>Mail Order</b>
	<b>Generic drugs</b>	Plan pays 80%; \$100 max.	Plan pays 70%; \$100 max.	Plan pays 80%; \$200 max.
	<b>Preferred brand-name drugs</b>	Plan pays 75%; \$100 max.	Plan pays 65%; \$100 max.	Plan pays 65%; \$200 max.
	<b>Non-preferred brand-name drugs</b>	Plan pays 65%; \$100 max.	Plan pays \$55%; \$100 max.	Plan pays 65%; \$200 max.
In-network Out-of-pocket Maximums (NO out-of-network coverage)				
Employee Only	\$5,500			
Employee + Spouse	\$7,900			
Employee + Child(ren)	\$7,900			
Employee + Family	\$11,000			

Eligibility for the Kaiser HDHP is based on your home ZIP code. If you are eligible, the premiums for this plan are available on *NetBenefits*.

## Paying for Care

Understanding how you pay for care allows you to make the best decision for you and your family, based on your unique situation. The following generally describes how the Anthem medical plans work.

<p><b>Step 1: Deductible</b></p>	<p>A deductible is the amount you pay each plan year for covered health care expenses before your plan begins to share in the cost of care. <b>Did you know:</b></p> <ul style="list-style-type: none"> <li>• The plan pays 100% for certain in-network preventive care, even if you haven't met the annual deductible.</li> <li>• You can save money when you use in-network providers and pharmacies. Out-of-network expenses can be significantly more expensive than in-network expenses. Plus, out-of-network expenses have a <b>separate deductible that is twice the amount of the in-network deductible</b> and will cost you more money.</li> <li>• You can use dollars from your savings account (HSA or FSA) to help pay for eligible expenses that will be applied toward your deductible.</li> <li>• If you enroll a dependent in the plan, the entire deductible for your coverage tier (e.g., Employee + Spouse, Employee + Child(ren) or Employee + Family) must be paid before the plan begins to pay for your and your family's eligible expenses. The deductible can be met by any combination of family members covered under the plan.</li> </ul>
<p><b>Step 2: Coinsurance</b></p>	<p>After you have paid the annual deductible, the plan shares a percentage of the cost with you. The plan pays 80% or 70% for expenses incurred from in-network providers (depending on the plan you elect); 50% of the maximum allowed amount for expenses incurred from out-of-network providers.</p>
<p><b>Step 3: Out-of-pocket Maximum</b></p>	<p>This is an annual cap on your out-of-pocket spending toward covered services under the plan you choose; it does not include your premium contributions. Once you reach this maximum, the plan pays the full cost of your eligible medical services (up to the maximum allowed amount) until the end of the plan year. There is an out-of-pocket maximum that applies to all covered family members combined based on your coverage tier. However, the out-of-pocket maximum for any individual family member is the amount of the "Employee Only" tier. This means if an individual within the family reaches the "Employee Only" maximum, the plan will pay 100% of the eligible expenses for that individual.</p> <p>You can save money when you use in-network providers and pharmacies. Out-of-network expenses have a <b>separate out-of-pocket maximum that is twice the amount of the in-network out-of-pocket maximum</b> and will cost you more money.</p>



# Save Money with Health Care Accounts

HSA. Health Care FSA. The acronyms may sound complicated, but these health care accounts are important tools that let you use pre-tax dollars to help pay for your health care costs. There is also an FSA for dependent day care expenses.

Which health care account you use depends on a number of factors, including your medical plan choice. Each account has its own unique features and advantages:

The **HSA**<sup>1</sup> is an ideal tax-saving opportunity to put money aside for eligible expenses now or later, and it lets you build savings that you can take with you when you retire or if you leave the company:

- You keep this money for the rest of your life to pay for eligible medical expenses incurred while you have the account.
- Unlike an FSA, you can invest your HSA contributions in mutual funds or other investment vehicles, and let your investments build for use during retirement. Any interest earned is tax free.

If you are not enrolled in a high deductible health plan, as defined by the IRS, or are otherwise ineligible to contribute to an HSA, the **general purpose health care FSA** might be a good option if you anticipate high health care expenses in the following year. Your entire election is immediately available for reimbursement on day one of the plan year. If you are contributing to an HSA and like the advantages of an FSA, you could contribute to a **limited purpose FSA**, which reimburses only for eligible dental and vision expenses.

The chart below provides a comparison of the accounts. See IRS Publication 969 for details about eligible expenses and additional information.

**Important:** If you want to contribute to an FSA in 2020, you must make the election during Annual Enrollment. If you want to contribute to an HSA in 2020, you do not have to make the election during Annual Enrollment.

<sup>1</sup> Available to **Plan 2: Medium Premium/Medium Deductible Plan, Plan 3: Low Premium/High Deductible Plan, Plan 4: Medium Premium/Deductible Utah Extended Network Plan** (available in Utah and Idaho) and Kaiser HDHP participants.

## FSA and HSA: What's the Difference?

	General Purpose Health Care FSA	Limited Purpose Health Care FSA	Dependent Day Care FSA	HSA
<b>Who's eligible</b>	All benefits-eligible employees except those who establish/are contributing to an HSA	All benefits-eligible employees; however, generally only those contributing to an HSA would elect the limited purpose health care FSA, which reimburses only for eligible dental and vision expenses. A limited purpose health care FSA cannot reimburse for medical expenses.	All benefits-eligible employees	Participants in these plans: <ul style="list-style-type: none"> <li>• <b>Plan 2: Medium Premium/Medium Deductible Plan</b></li> <li>• <b>Plan 3: Low Premium/High Deductible Plan</b></li> <li>• <b>Plan 4: Medium Premium/Deductible Utah Extended Network Plan</b></li> <li>• Kaiser HDHP</li> </ul>

### HSA and FSA: Can I Have Both?

IRS rules don't allow you to contribute to both an HSA and a general purpose Health Care FSA. Northrop Grumman offers HSA participants a *limited purpose* Health Care FSA, which has the same features as the general purpose Health Care FSA but may be used for dental and vision expenses only.

	General Purpose Health Care FSA	Limited Purpose Health Care FSA	Dependent Day Care FSA	HSA
<b>Northrop Grumman contributes</b>	No	No	No	Yes (Well-being Incentive)
<b>You can change your contributions at any time</b>	No	No	No	Yes
<b>You can use money for eligible health care expenses (pre-tax)</b> <ul style="list-style-type: none"> <li>▪ Medical and prescriptions</li> <li>▪ Dental</li> <li>▪ Vision</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ Yes</li> <li>▪ Yes</li> </ul>	<ul style="list-style-type: none"> <li>▪ No</li> <li>▪ Yes</li> <li>▪ Yes</li> </ul>	<ul style="list-style-type: none"> <li>▪ No</li> <li>▪ No</li> <li>▪ No</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes</li> <li>▪ Yes</li> <li>▪ Yes</li> </ul>
<b>2020 contribution limit</b>	\$2,700	\$2,700	\$5,000, or \$3,500 if you earn more than \$125,000/year	<ul style="list-style-type: none"> <li>▪ \$3,550 employee only coverage</li> <li>▪ \$7,100 family coverage</li> <li>▪ PLUS additional \$1,000 if you are age 55 or older by the end of 2020</li> </ul>
<b>Availability of money</b>	Your full annual contribution amount is immediately available for use as of Jan. 1, 2020	Your full annual contribution amount is immediately available for use as of Jan. 1, 2020	Reimbursement amount of eligible expenses cannot exceed the balance in your account	Reimbursement amount of eligible expenses cannot exceed the balance in your account
<b>You can use money for other expenses</b>	No	No	Yes, for your dependent day care expenses	Yes (a tax penalty will apply)
<b>You can roll over unused funds year to year</b>	Yes (up to \$500)	Yes (up to \$500)	No	Yes
<b>You can take your account with you if you leave Northrop Grumman or retire (portability)</b>	No	No	No	Yes

### Important Information about HSAs:

- You must also not be enrolled in other “disqualifying” coverage, such as coverage under a spouse’s general purpose FSA. Consult IRS Publication 969 for details. Northrop Grumman does not monitor whether you have disqualifying coverage through another source.
- Your actual HSA contribution limit is based on the number of months during the year in which you are enrolled in qualifying coverage and your tier of coverage (e.g., Employee Only, Employee + Family) during each month. You are responsible for determining your HSA contribution limit. Please consult IRS Publication 969 for details.

Beginning in 2020, Northrop Grumman will contribute to your HSA if you complete the Well-being Incentive. However, you must set up your HSA through Fidelity Investments® in order to receive Northrop Grumman’s contribution. When you make your HSA election amount, keep in mind Northrop Grumman’s contribution counts toward the IRS limit.

Because you own the HSA, whatever you don’t use, you keep — even after you leave or retire from Northrop Grumman. Your HSA is not part of the Northrop Grumman Health Plan.

# Introducing My Total Well-being

My Total Well-being offers you resources to help you manage your overall well-being — health, financial, social and emotional — to help you achieve your personal goals. When you're at your best, we're at our best as a team.

This new program offers you well-being incentives, webinars and a roadmap to help you find solutions and education for many aspects of your life. Start today by visiting *Benefits & You OnLine* at <http://benefits.northropgrumman.com> for details. Look for more information in early 2020.



## Investigate *Engage*

In 2020, a new integrated digital wellness platform, *Engage*, will be available to all employees. *Engage* will connect you to fitness and nutrition trackers, wellness challenges and a renewed focus on health. It is a robust wellness resource to support your total well-being.

If you're enrolled in an Anthem medical plan, you can also use *Engage* after Jan. 1, 2020, to simplify your health care experience with a personalized health assistant that connects you to the right benefits and programs. Get a copy of your ID card; find what's covered, how much services will cost, and where you've spent your health care dollars; and search providers and provider ratings. More information will be available in early January.

**Note:** *Engage* replaces the Health Services Cost and Quality Comparison Tool (available from Castlight through the end of December 2019), and the Mobile Health Consumer (MHC) app (available through the end of October 2019).



What's Inside

# New! Well-being Incentive Program — Receive Up to \$1,000

In 2020, a new Well-being Incentive Program will replace the current Annual Physical Incentive Program. The new program continues to encourage annual physicals — the key to early detection of health problems. You'll also be asked to complete a health risk assessment on *Engage*, a new integrated digital platform available Jan. 1, 2020, to help you manage your care. When you complete both the annual physical and the health risk assessment, Northrop Grumman will contribute \$500 or \$1,000 to an HSA<sup>1</sup>, which can help you pay for eligible out-of-pocket costs — or you can save until your retirement<sup>2</sup>.



The new Well-being Incentive Program is available to active employees paying active employee rates, except if you are enrolled in the TRICARE Supplement, HMSA or Kaiser Hawaii. The incentive does not apply to COBRA participants unless the COBRA participant is paying active employee rates as part of a severance agreement.

In accordance with privacy and security rules under HIPAA, the results of your annual physical — as well as any other health services you receive — are never shared with Northrop Grumman. Safeguards are in place to protect the privacy and security of your medical information. The company will only receive aggregated data, which will help with the development of future programs that reflect the health needs of participants and beneficiaries.

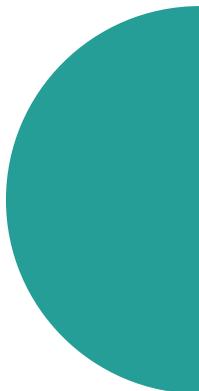
## How to Set Up Your HSA

To receive Northrop Grumman's HSA contribution, it's important that you set up an HSA through Fidelity Investments when you make your Annual Enrollment elections or anytime thereafter through *NetBenefits*. Northrop Grumman's contribution cannot be made until the HSA is established. When you make your HSA election, keep in mind Northrop Grumman's contribution counts toward the IRS limit. Because the HSA is your account, you can stop or change your elections at any time online through *NetBenefits* or by calling the Northrop Grumman Benefits Center at **800-894-4194**.

If you do not want to make your own HSA contributions, but are eligible to receive Northrop Grumman's HSA contribution on your behalf, be sure to elect to contribute \$0.00 to an HSA on *NetBenefits*.

<sup>1</sup> If you are not eligible to contribute to an HSA, you will receive a premium credit in the amount of the incentive (\$500 or \$1,000) after you and your covered spouse complete both requirements.

<sup>2</sup> Kaiser members need to also complete a wellness agreement. Visit Kaiser at <https://my.kp.org/northropgrumman/wellness-program/> and select "Sign your Wellness Program Agreement."



# Your Dental Options



You can choose among a variety of dental plan options administered by Delta Dental:

- Platinum Dental Plan
- Dental Care Plus Plan
- Dental Care Plan
- Preventive Care Plan

All the dental plans pay 100% for eligible preventive dental services, including two routine cleanings and exams, with no deductible requirement.

Depending on where you live, you might have additional options:

- Cigna Dental Care Access, a dental health maintenance organization (formerly Cigna DHMO)
- If you work outside the U.S., the Cigna Global Dental Plan is available to you

You'll see the dental plan options available to you on *NetBenefits* when you enroll.

## Which Dental Plan Provides the Right Care and Features for You?

Consider your needs and preferences for receiving care to help you decide which dental plan is right for you. The chart shows how certain benefits and plan features differ among the dental plan options. Which plans deliver on what's important to you?

## Your Dental Plan Options at a Glance

To help you consider and compare your potential out-of-pocket costs, below is a comparison of the key features of the Delta Dental plan options.

	Platinum Dental Plan	Dental Care Plus Plan	Dental Care Plan	Preventive Care Plan
<b>Preventive Care</b>				
	All plans provide 100% coverage for nationally recommended preventive care services with no deductible requirement.			
<b>Deductible for the 2020 Plan Year</b> — Deductible amounts do not cross-accumulate. For example, amounts applied to the Preferred Network deductible do not also apply to the Premier Network deductible (and vice versa).				
<b>Employee Only</b>	N/A	<ul style="list-style-type: none"> <li>• \$100 Preferred Network</li> <li>• \$150 Premier Network</li> <li>• \$200 Out-of-network</li> </ul>	<ul style="list-style-type: none"> <li>• \$100 Preferred Network</li> <li>• \$150 Premier Network</li> <li>• \$200 Out-of-network</li> </ul>	\$0 (In- and Out-of-network)
<b>Employee + Family</b>	N/A	<ul style="list-style-type: none"> <li>• \$200 Preferred Network</li> <li>• \$300 Premier Network</li> <li>• \$400 Out-of-network</li> </ul>	<ul style="list-style-type: none"> <li>• \$200 Preferred Network</li> <li>• \$300 Premier Network</li> <li>• \$400 Out-of-network</li> </ul>	\$0 (In- and Out-of-network)

	Platinum Dental Plan	Dental Care Plus Plan	Dental Care Plan	Preventive Care Plan
<b>Benefit Maximum (the most the plan pays per person) for the 2020 Plan Year</b>				
	\$4,000 (In- and Out-of-network)	<ul style="list-style-type: none"> <li>\$2,500 Preferred Network</li> <li>\$2,000 Premier Network</li> <li>\$1,500 Out-of-network</li> </ul>	<ul style="list-style-type: none"> <li>\$1,500 Preferred Network</li> <li>\$1,250 Premier Network</li> <li>\$1,000 Out-of-network</li> </ul>	\$500 (In- and Out-of-network)
<b>What the Plan Pays</b> — The coinsurance depends on the network in which your dentist participates. You have a choice each time you receive dental care. Select an in-network dentist on the Delta Dental website at <a href="https://www.deltadentalins.com">https://www.deltadentalins.com</a> to receive the maximum value from your dental plan.				
<b>Basic Restorative</b>	<ul style="list-style-type: none"> <li>90% Preferred Network</li> <li>80% Premier Network</li> <li>70% Out-of-network</li> </ul>	<ul style="list-style-type: none"> <li>80% Preferred Network</li> <li>70% Premier Network</li> <li>50% Out-of-network</li> </ul>	<ul style="list-style-type: none"> <li>80% Preferred Network</li> <li>70% Premier Network</li> <li>50% Out-of-network</li> </ul>	Not covered
<b>Major Restorative</b>	<ul style="list-style-type: none"> <li>90% Preferred Network</li> <li>80% Premier Network</li> <li>70% Out-of-network</li> </ul>	50%	50%	Not covered
<b>Orthodontia Lifetime Maximum (per member)</b> — There is one lifetime maximum, even if you change to another dental plan option — your lifetime maximum does not reset if you change dental plans.				
	\$6,000	<ul style="list-style-type: none"> <li>\$3,000 Preferred Network</li> <li>\$2,000 Premier Network</li> <li>\$1,500 Out-of-network</li> </ul>	Not covered	Not covered
<b>Employee Monthly Premium</b>				
<b>Employee Only</b>	\$135	\$20	\$12	\$4
<b>Employee + Spouse</b>	\$261	\$44	\$27	\$12
<b>Employee + Child(ren)</b>	\$272	\$43	\$27	\$12
<b>Employee + Family</b>	\$409	\$66	\$42	\$17

The Cigna Dental Care Access Plan is also available in some locations. This plan works like a dental health maintenance organization (DHMO):

- You must select a Cigna primary care dentist.
- The plan does not pay for services if you access care from anyone other than your primary care dentist without a referral.
- You make a copay and the plan pays the remainder.
- The plan includes orthodontia.

# Your Vision Options



There are no changes to the vision plan options for 2020. You can choose between two options, administered by VSP:

- Vision Care Plus Plan
- Vision Care Plan

How much you will pay when you receive vision care services:

- **Eye exams.** Both vision plans provide the same coverage for eye exams. You and each covered family member can receive one eye exam each year for a \$10 copay per exam.
- **Eyeglasses and/or contact lenses.** Both vision plans provide coverage for eyeglasses and contact lenses. The Vision Care Plus plan covers eyeglass frames every year (instead of every other year) and has a higher allowance for eyeglass frames and contact lenses.

## Your Vision Plan Options at a Glance

To help you consider your potential out-of-pocket costs, below is a snapshot of the key features of the vision plan options<sup>1</sup>.

	Vision Care Plus Plan	Vision Care Plus
<b>Exams</b>	<i>Covered once every year</i> <ul style="list-style-type: none"> <li>• \$10 copay</li> </ul>	<i>Covered once every year</i> <ul style="list-style-type: none"> <li>• \$10 copay</li> </ul>
<b>Eyeglass Lenses</b>	<i>Covered once every year</i> <ul style="list-style-type: none"> <li>• Standard progressive lenses: \$55 copay</li> <li>• Scratch resistant coating covered in full</li> </ul>	<i>Covered once every year</i> <ul style="list-style-type: none"> <li>• Standard progressive lenses: \$30 copay</li> <li>• Scratch resistant coating not covered</li> </ul>
<b>Eyeglass Frames</b>	<i>Covered once every year</i> <ul style="list-style-type: none"> <li>• Plan pays up to \$200</li> </ul>	<i>Covered once every 2 years</i> <ul style="list-style-type: none"> <li>• Plan pays up to \$150</li> </ul>
<b>Contact Lenses</b>	<i>Covered once every year (instead of eyeglasses)</i> <ul style="list-style-type: none"> <li>• Plan pays up to \$200</li> </ul>	<i>Covered once every year (instead of eyeglasses)</i> <ul style="list-style-type: none"> <li>• Plan pays up to \$130</li> </ul>
<b>VSP EasyOptions</b>	Choose ONE of these enhancements when purchasing your eyewear: <ul style="list-style-type: none"> <li>• Additional \$50 frame allowance</li> <li>• Additional \$50 contact lens allowance</li> <li>• Fully covered progressive lenses</li> <li>• Fully covered anti-reflective coatings</li> <li>• Fully covered photochromic adaptive lenses</li> </ul>	N/A
<b>Employee Monthly Premium</b>		
<b>Employee Only</b>	\$15.83	\$9.60
<b>Employee + Spouse</b>	\$26.67	\$15.99
<b>Employee + Child(ren)</b>	\$26.71	\$15.90
<b>Employee + Family</b>	\$43.59	\$26.01

<sup>1</sup> This chart provides information about your costs and coverage when you choose to use VSP providers. To learn about your costs and coverage for non-VSP providers, please refer to the Northrop Grumman Health Plan Summary Plan Description (SPD), located in the Reference Library on NetBenefits.

# Explore More Options for You

## Life and Accident Insurance<sup>1</sup>

As a Northrop Grumman employee, you receive company-paid life and accidental death & dismemberment (AD&D) insurance equal to one times your annual base pay or \$50,000, whichever is greater.

You can also purchase the following additional coverage:

- Optional life insurance for yourself up to 8 times your annual base pay, subject to an overall maximum benefit of \$2 million.<sup>2</sup>
- Optional spouse and child life insurance.<sup>2</sup>
- Optional AD&D insurance for yourself and your family.

## Business Travel Accident Insurance

You're automatically enrolled in this company-paid benefit, which provides coverage if you are seriously injured in an accident while traveling on approved company business or you die.

## Short- and Long-term Disability<sup>1</sup>

Basic short- and long-term disability coverage will continue to be provided to you at no cost, depending on your business unit.

- **Short-term disability (STD) insurance:** 100% of base earnings for the first six weeks of a disability; 60% of base earnings for up to 20 weeks (\$4,000/week maximum). Depending on the disability, there may be a seven-day elimination period before the STD benefit is paid.
- **Long-term disability (LTD) insurance:** 50% of your monthly base salary.

You can also purchase an additional 10% of optional long-term disability insurance, which gives you coverage up to 60% of your monthly base salary (\$15,000/month maximum for basic and optional long-term disability insurance combined).

Details about the plans are available in the Northrop Grumman Health Plan Summary Plan Description (SPD), available in the Reference Library at *NetBenefits*.

<sup>1</sup> Represented employees should refer to their Collective Bargaining Agreement for eligibility information.

<sup>2</sup> Evidence of Insurability (EOI) will be required for optional life insurance for yourself and/or your spouse or domestic partner. EOI is not required for child life insurance.

## Cigna Secure Travel®

Cigna Secure Travel is available to employees eligible for AD&D and/or Business Travel Accident coverage. Services provided include emergency medical evacuation assistance and travel services when you travel 100 miles or more away from home.

## Group Legal Plan

The Group Legal Plan through Hyatt provides you and your eligible dependents access to legal assistance. Choose between two benefit levels: Basic or Advantage. You may only make changes to your group legal election during the Annual Enrollment period.

## Employee Assistance Program (EAP)

The Employee Assistance Program (EAP) and Work/Life Solutions is available 24/7. You can speak to or meet with a licensed counselor and get information and referrals for confidential support at no cost to you. Visit *Benefits & You OnLine* at <http://benefits.northropgrumman.com> for more information.



What's Inside

# Time- and Cost-Saving Tools and Resources

Check out these tools and resources to help you make thoughtful benefits decisions for your family, *and* save time and money.

## Telemedicine

Telemedicine, through LiveHealth® Online, allows you to visit with a board-certified doctor by using your smartphone, tablet, computer with a webcam or a kiosk at work (where available) for non-urgent services like pinkeye, a cold, the flu, a fever, rashes, infections, allergies or another common health condition. No appointments, no driving and no waiting at an urgent care center. Doctors are available 24/7 and, if it's needed, they can send a prescription to your local pharmacy.

You can use LiveHealth® Online regardless of whether you're enrolled in a Northrop Grumman medical plan. The cost ranges from \$10-\$59 depending on your medical plan.

Therapists and psychologists are also available by appointment seven days a week, and costs vary depending on your medical plan and type of service.

Go to <https://www.livehealthonline.com> to learn more.

### Get the free telemedicine app!

Search for LiveHealth® Online in the Apple App store or Google Play.



Kaiser members can visit <https://www.kp.org> for information about telemedicine services.

## Participant Advocacy Services

Health care can be complex. With Fidelity's Participant Advocacy Program, you have an advocate to help navigate you through the complexity. No matter which health plan you're enrolled in, Participant Advocacy Case Managers can help you...

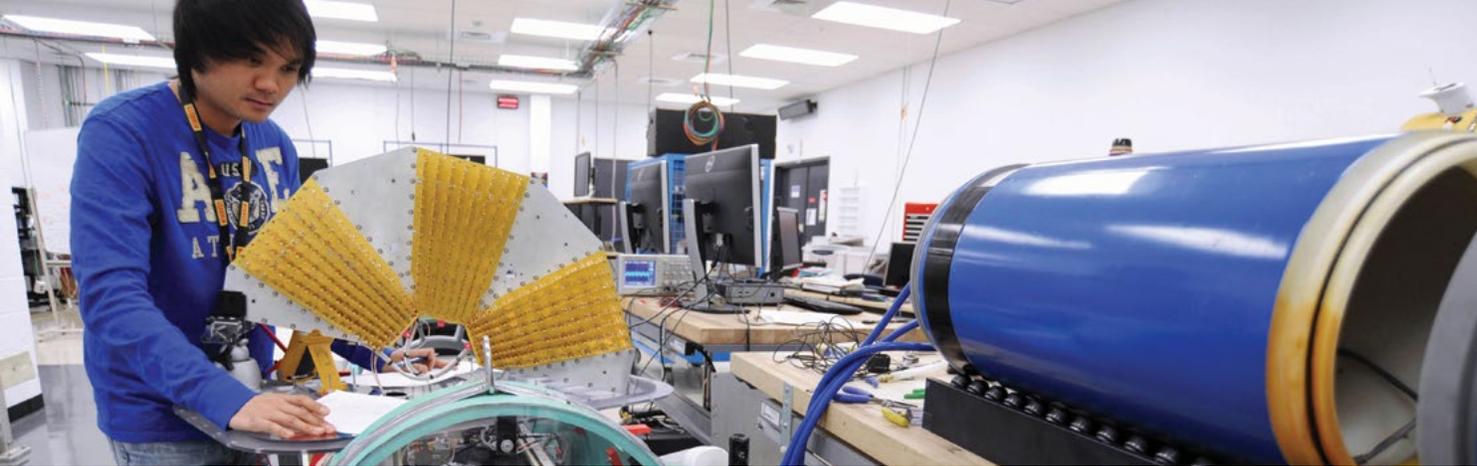
- Understand your benefits
- Research health conditions and the benefits that are available
- Figure out how your claims were paid and what you owe
- Resolve benefit claim issues or disputes

Access the Participant Advocacy Program by calling the Northrop Grumman Benefits Center (NGBC) at **800-894-4194** and asking to be transferred to a Participant Advocacy Case Manager. This service is available Monday through Friday from 8:30 a.m. to 5 p.m., Eastern time (except for most New York Stock Exchange holidays).

## Health Resource Center at *Benefits & You OnLine*

Whether you're celebrating a new addition to your family, or you've gotten a new diagnosis, such as diabetes or cancer, visit the ***Benefits & You OnLine*** resource center for details about how the Northrop Grumman plans can help you.





## Review Your Total Rewards Statement

View your personalized Total Rewards Statement to learn more about the benefits and opportunities available to you and your family. Your compensation and benefits package includes much more than your annual salary or hourly wage. The company's cost of providing these benefits and services for each Northrop Grumman employee is an additional investment in you. And we want you to understand and use the benefits, tools and resources that are provided to help you to develop and grow in the company while balancing the demands of your personal life. View your Total Rewards Statement on the *My Total Rewards* website, accessible through <http://www.northropgrumman.com/me> or at *NetBenefits*.

## Learn More: Attend an Information Session

### Enrollment Information Session: Learn about the New Options for 2020

Attend an information session to learn more about the new medical plan options for 2020. Each session will feature a review of the new plans, how you can use tax-advantaged accounts to help with out-of-pocket costs and what you need to do to enroll. View the schedule at *Benefits & You OnLine* at <http://benefits.northropgrumman.com>.

### Webinar: Exploring the Benefits of a Health Savings Account (HSA), hosted by Fidelity

An HSA can work for you and your family by helping you pay for out-of-pocket qualified medical expenses. It is also an excellent tax-advantaged opportunity to save for when you leave Northrop Grumman or retire — it's your account to keep and invest. Find out more by attending a webinar and also learn about HSA-eligible plans, how they work with an HSA, as well as HSA features, eligibility, contribution limits and account access. View the schedule at *Benefits & You OnLine* at <http://benefits.northropgrumman.com>, or register at *NetBenefits* at <http://www.netbenefits.fidelity.com/livewebmeetings>.

### Who Is Your Beneficiary?

Now's a great time to review your current beneficiary(ies) on file. Life's circumstances change and you need to ensure that your assets are distributed according to your wishes. It only takes a few minutes to review this information and make any changes.

Log in to *NetBenefits* at <http://www.netbenefits.com/northropgrumman>. Choose Beneficiaries from the *Main* menu. **Make changes, if you need to, by following the prompts.**

# Helpful Terms

Term	Definition	Example	How It Works at Northrop Grumman
<b>Coinsurance</b>	The percentage of the total cost you pay for health care services after you've paid the annual deductible	<ul style="list-style-type: none"> <li>Diagnostic test: \$200</li> <li>In-network coinsurance: 20%</li> <li>What you pay <i>after</i> the deductible has been met: \$40 (<math>\\$200 \times .20 = \\$40</math>)</li> </ul>	Once you meet the plan's annual deductible, you pay 20% or 30% (depending on the plan you choose) for in-network services, and 50% for out-of-network services.
<b>Copay</b>	A defined amount of money you pay for health care services	The medical plan you have chosen includes a \$20 copay for a primary care physician office visit. You will pay \$20 for the office visit — even if the total bill for the visit is higher.	The Northrop Grumman-sponsored health maintenance organizations (HMOs) feature a copay for health care services. There are no copays in the Anthem medical plan options.
<b>Cross-accumulate</b>	Your out-of-pocket expenses for in-network and out-of-network deductibles and out-of-pocket maximums are not tracked separately.	<b>The Anthem medical plan deductibles and out-of-pocket maximums do not cross-accumulate.</b> As an example, you are enrolled in <b>Plan 2: Medium Premium/Medium Deductible Plan</b> with “Employee Only” coverage. The 2020 annual in-network deductible is \$1,700. You decide to seek treatment that costs \$1,500 from an out-of-network provider. The \$1,700 only applies to the annual out-of-network deductible of \$3,400. None of that expense applies to the in-network deductible of \$1,700.	
<b>Deductible</b>	The amount you pay for covered health care expenses before your health plan begins to share in the cost of care with you	A diagnostic test for yourself costs \$200 and your plan has a \$1,700 annual deductible. If you have not yet paid the annual deductible, you will pay \$200 for that in-network service.	If you enroll a dependent, the entire deductible for your coverage tier (e.g., “Employee + Spouse,” “Employee + Child(ren)” or “Employee + Family”) must be satisfied before the plan begins to pay for your and your family's eligible expenses. The deductible can be met by any combination of family members covered under the plan.
<b>Disqualifying Coverage</b>	Other health insurance coverage that disqualifies you from being eligible to establish or contribute to an HSA	You are enrolled in Northrop Grumman's <b>Plan 2: Medium Premium/Medium Deductible Plan</b> , which is an HSA-compatible plan. However, your spouse has a general purpose FSA through his employer, which would cover your medical expenses. Your spouse's general purpose FSA is disqualifying coverage that prevents you from establishing or contributing to an HSA.	
<b>General Purpose Health Care Flexible Spending Account (FSA)</b>	You may elect to contribute pre-tax payroll deductions to a health care FSA, which can be used to pay for eligible out-of-pocket medical, dental and vision expenses.	During Annual Enrollment, you can elect to contribute the following plan year to a general purpose health care FSA. Typically, employees elect a general purpose health care FSA if they are NOT contributing to an HSA. The maximum contribution amount varies each year and is announced during the Annual Enrollment window.	

Term	Definition	Example	How It Works at Northrop Grumman
<b>Health Savings Account (HSA)</b>	If you are enrolled in an HDHP and have no other disqualifying coverage, you can contribute to an HSA on a before-tax basis. The HSA is your account.	You enroll in <b>Plan 2: Medium Premium/Medium Deductible Plan</b> and elect to make the maximum annual contribution to an HSA in 2020. Your health care expenses are low in 2020 and you do not request a distribution from your HSA to cover those expenses. The full balance carries over from year to year and is yours to take when you leave Northrop Grumman or retire.	
<b>High Deductible Health Plan (HDHP)</b>	A plan must meet certain IRS requirements regarding deductibles and out-of-pocket maximums to qualify as an HDHP that is compatible with establishing and contributing to an HSA.	For 2020, the IRS defines an HDHP as any plan with a deductible of at least \$1,400 for an individual or \$2,800 for a family.  In addition, an HDHP's total yearly in-network out-of-pocket expenses (including deductibles, copays and coinsurance) can't be more than \$6,900 for an individual or \$13,800 for a family.	Northrop Grumman offers four HDHPs: <ul style="list-style-type: none"> <li>• <b>Plan 2: Medium Premium/Medium Deductible Plan</b></li> <li>• <b>Plan 3: Low Premium/High Deductible Plan</b></li> <li>• <b>Plan 4: Medium Premium/Deductible Utah Extended Network Plan</b></li> <li>• High Deductible Kaiser Mid-Atlantic</li> </ul>
<b>Limited Purpose Health Care Flexible Spending Account (FSA)</b>	If you are an HSA participant, a limited purpose FSA provides you an opportunity to contribute pre-tax payroll deductions to pay for out-of-pocket vision and dental services.	During Annual Enrollment, you can elect to contribute the following plan year to a limited purpose health care FSA. Typically, employees elect a limited purpose health care FSA if they are also contributing to an HSA. The maximum contribution amount varies each year and is announced during the Annual Enrollment window.	
<b>Out-of-pocket Maximum</b>	This is an annual maximum on your out-of-pocket spending toward covered services under the plan you choose. It does not include your premium contributions. Once you reach this maximum, the plan pays the full cost of your eligible medical services (up to the maximum allowed amount) until the end of the plan year.	You are enrolled in <b>Plan 2: Medium Premium/Medium Deductible Plan</b> for "Employee Only" coverage with an in-network \$4,000 annual out-of-pocket maximum. In September 2020, you have incurred \$4,000 of in-network expenses. All eligible expenses incurred after that time will be fully covered (up to the in-network maximum allowable amount) by the plan.	There is an out-of-pocket maximum that applies to all covered family members combined based on your coverage tier (e.g. "Employee Only," or "Employee + Spouse"). However, the out-of-pocket maximum for any individual family member is the amount of the "Employee Only" tier.

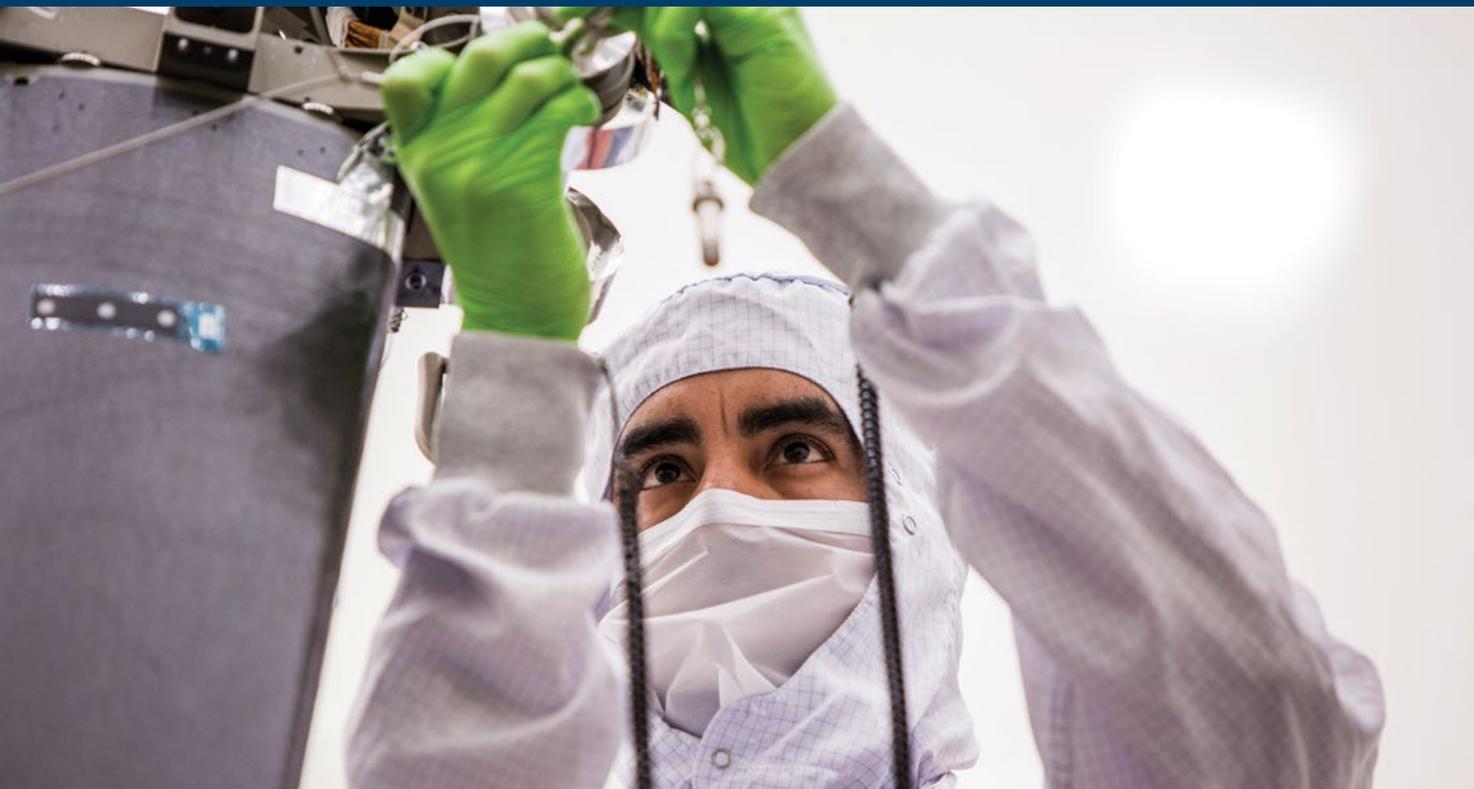
## Questions?

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 NGBC at **800-894-4194**, Monday through Friday (except most New York Stock Exchange holidays), between 8:30 a.m. and 8:30 p.m., Eastern time. TTY service is available by calling **888-343-0860**. If you are calling from outside of the United States, dial the AT&T out-of-country access number followed by **800-894-4194**. You'll need your *NetBenefits* password to secure your call.

### *2018 Summary Annual Report*

The Summary Annual Report for the Northrop Grumman Health 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 NGBC at **800-894-4194**.





All employee photos featured in this guide are your Northrop Grumman colleagues.

What's Inside

Benefits plans for represented and SCA employees will be administered per their contracts. This guide contains information for participants in the Northrop Grumman Health Plan and does not apply to represented employees at Baltimore or Sunnyvale. This guide and the content on the **Benefits & You OnLine** and **Fidelity NetBenefits** websites provide a summary of important information about your participation in the Northrop Grumman Health Plan. This guide is not a Summary Plan Description but is a Summary of Material Modifications. 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 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 plans at any time and for any reason.

MAIN

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What's Inside