

# 2020 Benefits Guide



Explore what benefits you.

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

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## Here Are the Steps You Need to Take

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- 1 Read this guide to learn what's new for the Northrop Grumman Retiree Medical Plan beginning Jan. 1, 2020. Page 3 lists important plan changes.
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- 2 Log on to *Fidelity NetBenefits*® at <http://www.netbenefits.com/northropgrumman> to review changes to some of the current plans so you can select or change your retiree medical coverage for 2020 to better fit your needs. Please be aware that Medicare HMO premiums reflected on *NetBenefits*® are subject to Centers for Medicare and Medicaid (CMS) approval and may change.
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- 3 Review the confirmation statement you will receive in December from the Northrop Grumman Benefits Center (NGBC) to confirm your coverages and your dependent information are correct.
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- 4 Be prepared to verify your dependent's eligibility if you enroll a new dependent during Annual Enrollment.
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# Learn What's New

Northrop Grumman is updating the Retiree Medical Plan options available in 2020 to keep them in line with the options available to Northrop Grumman employees.

## New Plans for 2020

The **High Premium/Low Deductible Plan** will replace the Premium Plan. The High Premium/Low Deductible Plan works the same way as the Premium Plan; however, the deductibles and out-of-pocket maximums are lower. This plan is available to pre-Medicare and Medicare-eligible retirees.

The **Medium Premium/Medium Deductible Plan** will replace the Value Plan. The Medium Premium/Medium Deductible Plan works the same way as the Value Plan; however, the out-of-pocket maximums are lower. This plan is available to pre-Medicare retirees. The Medium Premium/Medium Deductible Plan, like the Value Plan, is an IRS-qualified “high deductible health plan” that may allow you to establish a Health Savings Account (HSA) to help you offset the cost of eligible health care expenses on a tax-advantaged basis. Review IRS Publication 969 ([www.irs.gov/pub/irs-pdf/p969.pdf](http://www.irs.gov/pub/irs-pdf/p969.pdf)) to learn more about HSAs and the eligibility requirements to establish an HSA.

Anthem will administer the medical benefits for the new plans, and CVS/caremark® will administer the prescription drug benefits, so the networks of participating health care providers and pharmacies remain unchanged.

## 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 the EmblemHealth HMO, you must select a new plan for 2020. Need help choosing a plan? Go to page 6.

## If You Don't Make a Choice

New medical plans are available for 2020. If you don't make a choice during the Annual Enrollment period, you'll be automatically enrolled in the plan shown below as of Jan. 1, 2020. If your current option is not 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:	You'll be automatically enrolled in:
Premium Plan	High Premium/ Low Deductible Plan
Value Plan	Medium Premium/ Medium Deductible Plan
EmblemHealth HMO	No Coverage

Please see pages 4 and 5 for plan details.



Look for  
new Anthem  
medical ID cards  
in December.

# New Anthem Options at a Glance

Below is a comparison of the key features of the new 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%).

New plan has lower deductibles

## High Premium/ Low Deductible Plan

## 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-network <sup>1</sup>	In-network	Out-of-network <sup>1</sup>
Preventive	All plans provide 100% in-network coverage for nationally recommended preventive care services.			
Non-preventive (after deductible is met)	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 service <sup>2</sup>		In-network pharmacy/ CVS mail service <sup>2</sup>	
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 is met)	<ul style="list-style-type: none"> <li>• <b>Generic:</b> Plan pays 80%</li> <li>• <b>Brand:</b> Plan pays 75%</li> <li>• <b>Non-preferred brand:</b> Plan pays 65%</li> <li>• <b>Specialty drugs:</b> Plan pays 75% (maximum amount you pay is \$400 per prescription after deductible)</li> </ul>			

<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 and you pay 50%.

New plans have lower  
out-of-pocket maximums

### High Premium/ Low Deductible Plan

### Medium Premium/ Medium Deductible Plan

Out-of-pocket Maximum (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 <sup>3</sup>	\$3,000	\$6,000	\$6,000	\$12,000
Retiree + Child(ren) <sup>3</sup>	\$3,000	\$6,000	\$6,000	\$12,000
Retiree + Family <sup>3</sup>	\$4,000	\$8,000	\$8,000	\$16,000

<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 You Pay

The monthly premium you'll pay for coverage may be higher in 2020; however, your out-of-pocket health care expenses may be lower with the reduced out-of-pocket maximums and deductibles.



# 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 or computer with a webcam 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. The cost ranges from \$10–\$59 per visit depending on your medical plan.

Therapists and psychologists are 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 specific conditions and how they are covered
- 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 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).



# 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 NGBC at **800-894-4194**.

## Paying for Your Benefits

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**Pension Deduction** If you are currently paying for your retiree medical coverage through pension deduction, this deduction will continue uninterrupted as long as your pension check covers the cost of your coverage. You do not need to take any action. If your pension check does not 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 *NetBenefits* at <http://www.netbenefits.com/northropgrumman> or by calling the NGBC at **800-894-4194**.

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**Automatic Bank Withdrawal** You may elect to have your monthly cost automatically debited from your checking or savings account through ABW rather than receiving an invoice each month for your coverage. If you have not yet established ABW with Fidelity, you may set it up online through *NetBenefits* or by calling the NGBC. Provided you establish ABW by the second business day of the month, automatic payments will be effective for the next month's payment. For example, if you set up ABW by Nov. 2, your December payment will be withdrawn from your designated bank account.

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**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 NGBC at the following address:

Northrop Grumman Benefits Center  
P.O. Box 770001  
Cincinnati, OH 45277-0021

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# 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 no longer offers group Medicare supplemental insurance to its retirees and their eligible dependents age 65 or older<sup>1</sup>.

Go to <http://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 will 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. Please call the NGBC 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 NGBC.)

# Steps to Enroll

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.

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**STEP** Make sure you understand how the new medical plans work.

**1**

Log on to *NetBenefits* at <http://www.netbenefits.com/northropgrumman> to review your 2020 retiree medical plan options and costs.

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**STEP** Confirm that your and your dependents' personal information is up to date.

**2**

If you want to add dependents to your coverage, please call the NGBC at **800-894-4194**.

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**STEP** Submit your elections for 2020 on the *NetBenefits* site by midnight Eastern time on Nov. 15, 2019.

**3**

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## If You Need Help Enrolling

If you have questions about enrolling or 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.

## 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 NGBC.



# 2018 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 would like to receive a paper copy of the Summary Annual Report, please call the NGBC at **800-894-4194**. Benefits Center service representatives are available to assist you Monday through Friday (except for most New York Stock Exchange holidays) from 8:30 a.m. to 8:30 p.m. Eastern time. If you are calling from outside of the United States, dial the AT&T out-of-country access followed by **800-894-4194**. TTY service is available at **888-343-0860**.





This guide contains information for participants in the Northrop Grumman Retiree Medical Plan. 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 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, 2020. 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 ***Benefits & You OnLine*** 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.