

# Summary of Material Modifications to the Northrop Grumman Health Plan Effective January 1, 2020

*This document constitutes a summary of material modifications to the Northrop Grumman Health Plan. Benefits plans for represented and Service Contract Act employees will be administered per their contracts. This document contains information for participants in the Northrop Grumman Health Plan, and does not apply to represented employees at Baltimore or Sunnyvale. Complete details about the Plan are contained in the legal plan documents that govern plan operation and administration. If there is a discrepancy between the information provided elsewhere, such as on a benefits website, the provisions of the plan documents (including this summary of material modifications), 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.*

## **Medical Coverage**

### Anthem Administered Plan Options

As of January 1, 2020, the plan options administered by Anthem are as follows:

- Plan 1: High Premium/Low Deductible
- Plan 2: Medium Premium/Medium Deductible
- Plan 3: Low Premium/High Deductible
- Plan 4: Medium Premium/ Deductible Utah Extended Network Plan (available for Utah and Idaho residents only)

These plan options replace the Premium Plan, Premium Plus Plan, Value Plan, and Value Plus Plan options. The new Anthem administered plan options use the same Anthem network as the previous plans, and generally cover the same services as the previous plan options, although different limitations for certain services may apply. In addition, the new Anthem plan options will cover Applied Behavioral Analysis therapy (ABA Therapy) to help treat autism. Highlights of the new plan options are below:

**Plan 1****Plan 2 & Plan 4****Plan 3****High Premium/  
Low Deductible Plan<sup>1</sup>****Medium Premium/  
Medium Deductible Plan****Low Premium/  
High Deductible**

<b>Annual In-network Medical Deductible</b> (Out-of-network deductibles are double the in-network deductibles, and do not cross-accumulate)			
<b>Employee Only</b>	\$1,000	\$1,700	\$3,500
<b>Employee + Spouse</b>	\$1,500	\$2,800	\$5,250
<b>Employee + Child(ren)</b>	\$1,500	\$2,800	\$5,250
<b>Employee + Family</b>	\$2,000	\$3,400	\$6,750
<b>Annual Prescription Drug Deductible</b>			
<b>Employee Only</b>	\$150	Included in medical deductible	Included in medical deductible
<b>Employee + Spouse</b>	\$200		
<b>Employee + Child(ren)</b>	\$200		
<b>Employee + Family</b>	\$250		
<b>Annual In-network Medical Coinsurance</b> (For out-of-network coverage, the plan pays 50% of the allowed amount)			
<b>Preventive</b>	All plans provide 100% coverage for nationally recommended preventive care services		
<b>Non-preventive</b>	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)			
<b>Preventive</b>	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.		
<b>Non-preventive</b>	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>		

<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 cross-accumulate.)			
<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

<sup>1</sup> Not available to NGIS TSD employees.

Please note that Plans 2, 3, and 4 are compatible with a Health Savings Account (“HSA”), meaning you can establish and contribute to an HSA if you have no other disqualifying coverage.

### New Kaiser-Insured Plan Option in Mid-Atlantic Region

A new Kaiser option is available in the Mid-Atlantic region for the 2020 plan year. This new plan option is in addition to the Kaiser Mid-Atlantic Health Maintenance Organization (HMO) currently offered to employees in that region. 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. Below is a summary of the new option:

<b>In-network Medical and Prescription Drug Deductible</b>																	
<b>Employee Only</b>	\$1,550																
<b>Employee + Spouse</b>	\$2,800																
<b>Employee + Child(ren)</b>	\$2,800																
<b>Employee + Family</b>	\$3,000																
<b>In-network Medical Coinsurance (NO out-of-network coverage)</b>																	
Preventive	100% coverage for nationally recommended preventive care services																
Non-preventive	Plan pays 80% after the deductible																
<b>In-network Prescription Drug Coinsurance (NO out-of-network coverage)</b>																	
<b>Preventive</b>	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.																
<b>Non-preventive</b>	After the applicable deductible: <table border="1" data-bbox="483 1087 1520 1465"> <thead> <tr> <th></th> <th><b>Plan Pharmacy</b></th> <th><b>Participating Network Pharmacy</b></th> <th><b>Mail Order</b></th> </tr> </thead> <tbody> <tr> <td><b>Generic drugs</b></td> <td>Plan pays 80%; \$100 max.</td> <td>Plan pays 70%; \$100 max.</td> <td>Plan pays 80%; \$200 max.</td> </tr> <tr> <td><b>Preferred brand-name drugs</b></td> <td>Plan pays 75%; \$100 max.</td> <td>Plan pays 65%; \$100 max.</td> <td>Plan pays 65%; \$200 max.</td> </tr> <tr> <td><b>Non-preferred brand-name drugs</b></td> <td>Plan pays 65%; \$100 max.</td> <td>Plan pays \$55%; \$100 max.</td> <td>Plan pays 65%; \$200 max.</td> </tr> </tbody> </table>		<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.
	<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.														
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<b>Non-preferred brand-name drugs</b>	Plan pays 65%; \$100 max.	Plan pays \$55%; \$100 max.	Plan pays 65%; \$200 max.														
<b>In-network Out-of-pocket Maximums (NO out-of-network coverage)</b>																	
<b>Employee Only</b>	\$5,500																
<b>Employee + Spouse</b>	\$7,900																
<b>Employee + Child(ren)</b>	\$7,900																
<b>Employee + Family</b>	\$11,000																

### Cigna Global Plan

The new Cigna Global plan option replaces the Aetna International plan medical and dental plan options as of January 1, 2020. Details on the new plan are available on the “Benefits While Working Abroad” page on *Benefits & You* online.

## EmblemHealth HMO

The EmblemHealth HMO has been discontinued as of January 1, 2020.

## 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.

## Well-being Incentive

For the 2020 plan year, plan participants that complete a health risk assessment (HRA) and complete an annual physical will be eligible for a well-being incentive of \$500. If your covered spouse or domestic partner also completes the HRA and completes an annual physical, you will get an additional \$500, for a total of \$1000. For participants enrolled in a high deductible health plan and who have established a health savings account (HSA) with Fidelity, the reward be delivered in the form of an HSA contribution.<sup>2</sup> Other participants will receive their reward in the form of a premium reduction.

This incentive 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 or retires.

To take your HRA, you (and your spouse/domestic partner, if applicable) must register at *Engage*, a confidential, personalized health assistant provided by Northrop Grumman at no cost to you. To register, go to [https://app.engage-wellbeing.com/v2/registration/e/northrop\\_grumman](https://app.engage-wellbeing.com/v2/registration/e/northrop_grumman). Do not register by using the Engage app on your mobile phone. If you are an Anthem member who previously registered with Castlight, you can use your Castlight User ID and password.

Once your annual physical claim has processed, your medical plan will notify *Engage*. (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.") If you received an annual physical between June 1, 2019 and December 31, 2019, your physical will be marked as "completed" on Engage in early February and will count toward the new Well-being Incentive Program's physical requirement.

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<sup>2</sup> You must be HSA-eligible at the time Northrop Grumman makes the HSA contribution. If you have an HSA with Fidelity but do not want to make HSA contributions on your own, you should elect to contribute \$0.00 to your HSA on *NetBenefits*. Doing so will allow Northrop Grumman to make the HSA contribution.

You'll receive the HSA or premium credit in full within one to two pay periods of when both your physical and health assessment show as completed on *Engage*.

## **Healthcare Flexible Spending Account**

The contribution limit for the general purpose and limited purpose health care flexible spending account is \$2,700 for the 2020 plan year.

## **Dental Coverage**

Below is an overview of the dental plan options available for the 2020 plan year:

	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)
<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

## ***Vision Coverage***

Below is an overview of the vision plan options available for the 2020 plan year:

	Vision Care Plus Plan	Vision Care Plus
<b>Exams</b>	<i>Covered once every year</i> • \$10 copay	<i>Covered once every year</i> • \$10 copay
<b>Eyeglass Lenses</b>	<i>Covered once every year</i> • Standard progressive lenses: \$55 copay • Scratch resistant coating covered in full	<i>Covered once every year</i> • Standard progressive lenses: \$30 copay • Scratch resistant coating not covered
<b>Eyeglass Frames</b>	<i>Covered once every year</i> • Plan pays up to \$200	<i>Covered once every 2 years</i> • Plan pays up to \$150
<b>Contact Lenses</b>	<i>Covered once every year (instead of eyeglasses)</i> • Plan pays up to \$200	<i>Covered once every year (instead of eyeglasses)</i> • Plan pays up to \$130
<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

## ***Life Insurance***

If you elect optional insurance for yourself, the options available are one to eight times your annual base pay, subject to an overall benefit maximum of \$2,000,000. If the amount of your annual base pay is not an even \$1,000 multiple, the amount of your cover-age is rounded up to the next-higher thousand-dollar amount. Elections may be subject to evidence of insurability.