OXY Benefits

Summary Plan Description

ELIGIBILITY AND ENROLLMENT

SUPPLEMENT TO THE OXY MEDICAL PLAN

LTD Beneficiaries and Their Dependents

2015

your health.
your life.
your future.

Your Medical Plan Options

The Medical Plan offers eligible participants the following coverage options.

- **Aetna Basic Option** – A traditional Point of Service (POS) health plan that covers care received from in-network or out-of-network providers. Refer to the separate Summary Plan Description for plan details, including deductibles, coinsurance levels for in-network and out-of-network care and out-of-pocket limits.

- **Aetna HealthFund Option** – The high deductible health plan with a Health Savings Account is only available through the end of the calendar year in which you begin receiving benefit payments under the Long-Term Disability Plan.

- **Anthem Blue Cross Option** – A Blue Cross plan which provides access to a nationwide Preferred Provider Organization (PPO) network and out-of-network coverage. Refer to the separate Summary Plan Description for plan details, including fixed-dollar office visits, deductibles, coinsurance levels for in-network and out-of-network care and out-of-pocket limits.

- **Regionally Available HMO Options** – A Health Maintenance Organization (HMO) is a plan under which you must receive medical treatment or services from participating providers, and services received outside the network may not be covered except in the case of a medical emergency.

  All benefits, limitations and exclusions for the regional options are listed in their respective member brochures and contracts. Upon request, the *OxyLink* Employee Service Center will provide written materials that describe the regionally available options, their respective covered and non-covered benefits, plan copayments/ coinsurance, procedures to be followed in obtaining benefits, and the circumstances under which benefits may be denied.

  If you are enrolled in a regional plan at the time of your disability and move out of the applicable geographic area, you must enroll in one of the national medical plan options (Aetna Basic or Anthem Blue Cross) within 31 days after the date of your move. To make a new election, you must notify *OxyLink* and complete and return any appropriate forms within the 31-day period.

The eligibility and participation requirements described in this supplement apply to all available options.

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HIGHLIGHTS

This supplement describes eligibility and enrollment guidelines for those individuals who are receiving benefits under Oxy's Long-Term Disability (LTD) Plan (LTD Plan beneficiaries) and their dependents who are eligible for coverage under Oxy's Medical Plan as defined in the *Eligibility and Enrollment* section. It also contains information about how the Medical Plan benefits are provided for those who are Medicare-eligible.

You should keep this supplement and your medical plan Summary Plan Description (SPD) and refer to them when you have questions about your medical benefits. Capitalized words or phrases are defined in the *Glossary* of the applicable Summary Plan Description.

You may become eligible for Medicare while receiving benefits under the LTD Plan. Medical Plan benefits generally will be offset by benefits payable by Medicare.

IMPORTANT

Certain medical plan provisions will vary depending on the date you become an LTD beneficiary and the date you become eligible for Medicare.

If your medical plan option is not available to LTD Plan beneficiaries and you wish to retain medical coverage, you will be required to change your medical plan option. Contact *OxyLink* for additional information.

ELIGIBILITY AND ENROLLMENT

Eligibility

You and your covered Dependents of record on the date you become an LTD Plan beneficiary are eligible for coverage under the Medical Plan if you:

- Were a regular, full-time, non-bargaining hourly or salaried employee of Occidental Petroleum Corporation or an affiliated company (Oxy) when you became disabled. For this purpose, "affiliated company" means any company in which 80 percent or more of the equity interest is owned by Occidental Petroleum Corporation. Temporary employees and employees of Tidelands Oil Production Company are not eligible to participate. You were considered a full-time employee under the Plan if you were regularly scheduled to work at least 30 hours per week. Generally, you are eligible to participate if you were paid on a U.S. dollar payroll, were designated as eligible to participate by your employer, and did not participate in a similar type of employer-sponsored plan. If you were part of a collective bargaining group, you are eligible to participate in the Medical Plan only if your negotiated bargaining agreement specifically provided for your participation.

- Are not independently enrolled in an individual Medicare Part C (i.e. Medicare + Choice or Medicare Advantage) or similar plan; and
- Are enrolled in the Medical Plan (including regionally available options, e.g. a Health Maintenance Organization [HMO] option) the day prior to your eligibility under Oxy's LTD Plan, except as described below:
  - If you were covered under your spouse's medical plan or any other medical plan immediately prior to the date you become an LTD Plan beneficiary, you are eligible for coverage under Oxy's Medical Plan if you lose coverage under the other plan and you elect coverage within 31 days of the event, or during an annual open enrollment. Proof of prior medical coverage or loss of coverage will be required when enrolling outside of an annual open enrollment period.

Dependents

Generally, those persons eligible to be covered as dependents include your legal spouse (unless legally separated) and your unmarried children who are principally dependent on you for support and are under age 19, or under age 25 if they are a full-time student.

For a complete definition, refer to "Dependent" in the *Glossary* of the applicable Summary Plan Description.

- IMPORTANT -

This supplement describes Medical Plan eligibility and enrollment information for LTD Plan beneficiaries and their Dependents. Active employees, participants receiving benefits under COBRA, retirees, and their eligible Dependents should refer to the applicable medical plan SPD.

Other Coverage

LTD Plan beneficiaries are also eligible for Dental Plan and Basic Life Insurance coverages under the terms of those plans.

Enrollment

If you are covered by an Oxy-sponsored medical plan, you are not required to complete a new application for medical coverage upon becoming eligible for benefits under the LTD Plan. In addition, LTD Plan beneficiaries who become eligible for Medicare will automatically continue participation in the Medical Plan provided any applicable contributions continue. Following your approval for LTD benefits, if you are enrolled in the Medical Plan, you will receive a monthly bill for your medical coverage.

You may waive coverage, but if you do, you may not reenroll for coverage under the Medical Plan, with the following exceptions:

- You may enroll during the annual open enrollment period; or

- If you or your spouse currently have other coverage and lose eligibility for that coverage, you or your spouse may reenroll in the Medical Plan within 31 days of loss of coverage. Proof of loss of coverage will be required.

Generally, new enrollments in any regional HMO option are not available to LTD beneficiaries. If you were enrolled in a regional plan on the date of your disability, you may continue in that regional HMO option as long it is available.

You may elect not to cover your spouse if he or she is covered under another group plan. You may not be covered as both an LTD Plan beneficiary and a Dependent spouse under Oxy's Medical Plan. If your spouse has Dependents as an Oxy employee and later leaves Oxy for any reason, you may enroll yourself and your Dependents within 31 days of the loss of coverage.

For more information regarding enrollment guidelines, refer to the applicable Summary Plan Description.

CONTRIBUTIONS

Generally, you will continue to be eligible for Medical Plan coverage if you receive benefits under the LTD Plan and make any required contributions. The medical plan option and coverage level you select determines the amount of your contribution. Long-Term Disability beneficiaries who became disabled on or after October 1, 1995 currently are required to make the same contributions as active employees, but on an after-tax basis*.

Monthly billing for your Medical (and/or Dental) Plan coverage will be initiated by OxyLink following approval of your LTD benefits.

Cost Sharing

You share the cost of your Medical Plan coverage with Oxy through contributions, coinsurance or copayments, and in some medical plan options, an annual deductible. Refer to the applicable Summary Plan Description for detailed information regarding the costs associated with the plan coverage you elect.

* Contributions are not currently required from LTD Plan beneficiaries who became eligible for Medicare prior to January 1, 2000.

MEDICARE

Applying for Medicare

Oxy has retained the services of Allsup Inc., a nationwide Medicare and Social Security consulting firm, to determine when Long-Term Disability beneficiaries are eligible for Medicare and to assist with the medical plan enrollment process. Under Federal legislation (the Omnibus Budget Reconciliation Act as amended August 10, 1993), an employer's group medical plan becomes secondary to Medicare coverage when a disabled individual becomes Medicare eligible. As needed, Allsup will assess your situation, advise and assist you with regard to securing your rights to Medicare eligibility and enrolling in Medicare Part A and Part B coverage. Allsup's services are available to you at no cost.

If you have questions regarding Medicare eligibility, you may contact the Allsup Inc. Benefits Information Center toll free at 800-883-6650.

Integration with Medicare

If you are an LTD beneficiary and you are eligible for Medicare, Medical Plan benefits generally will be offset by benefits payable by Medicare. This section describes how Medicare benefits are integrated with the Medical Plan.

Note: Medicare may impose higher premiums if you do not enroll in Part B once you become eligible for Medicare.

Generally, you are eligible to receive benefits from Medicare either due to a disability or when you reach age 65*. Medicare provides healthcare services under the Original Medicare Plan (Part A and Part B) or in some areas, a Medicare Advantage plan (Part C). **If you choose to enroll in a non Oxy-sponsored Medicare Advantage plan, you cannot participate in Oxy's Medical Plan.** Medicare also offers optional prescription drug coverage through Medicare Part D, which is addressed later in this section.

Benefits under the Medical Plan are integrated with Medicare on a **maintenance of benefits** (MOB) approach to provide the same overall level of benefits for Medicare-eligible Participants as for those Participants who are not Medicare-eligible.

The MOB approach calculates the amount you would have received under the Medical Plan if you were not eligible for Medicare, subtracts the amount payable by Medicare and reimburses the difference, if any. Even if you fail to enroll in Parts A and B of Medicare, the Medical Plan benefit will be reduced by what Medicare would have paid.

* Medicare is also available if you have been entitled to Social Security disability benefits for two years (the two year requirement is waived if you have amyotrophic lateral sclerosis or if you have end-stage renal disease (kidney failure)).

Therefore, you are encouraged to enroll in both Medicare Parts A and B to ensure maximum benefit coverage.

Generally, when you are covered by Medicare, Medicare is considered primary and pays the covered charges first, and the Medical Plan pays second. If you are enrolled in an Aetna or Anthem plan, claim processing may be simplified by enrolling in their respective Medicare direct claim payment program. Contact Aetna or Anthem customer service to enroll. If you live outside the United States, the Medical Plan will be integrated in a similar manner with the social insurance plans of the country in which the individual is eligible for the benefits of such a plan.

Maintenance of benefits does not apply to any private medical coverage a Participant may have. If a participant has private medical coverage, the Oxy Medical Plan will not coordinate benefits as a secondary payor.

If you have coverage in addition to Medicare and the Medical Plan, refer to the *Coordination with Other Plans* section in the applicable medical plan SPD for more information.

MEDICARE-APPROVED AMOUNT AND MEDICARE ASSIGNMENT

The *Medicare-approved amount* is the maximum amount that Medicare will take into account for purposes of determining payment for a particular service or procedure. It is often less than the actual charge, unless the provider accepts *Medicare assignment*. Medicare assignment is when a provider (Physician, Hospital, lab, etc.) will agree to accept the Medicare-approved amount as full and final settlement for the services. If the medical provider does not accept Medicare assignment you and/or the Plan are responsible for any charges up to 15% over the Medicare-approved amount.

When providers agree to a Medicare assignment, they may not charge more than the Medicare-approved amount for services rendered. Under Medicare Part B, Medicare pays 80 percent of the Medicare-approved amount, after the Medicare deductible has been met. You or the Medical Plan are responsible for paying the balance of the Medicare-approved amount. There is no legal obligation for you or the Medical Plan to pay the provider for charges above the Medicare-approved amount.

Medicare Part D

Medicare Part D is designed to help pay for outpatient prescription drugs. Those covered by Part A or Part B may enroll in Part D. You can, but do not have to, enroll in Medicare Part D because the Oxy Medical Plan is considered “creditable”; that is, the Oxy Medical Plan provides coverage that is expected to be as good as or better than the lowest level of drug coverage authorized under a Medicare Part D plan. In some cases,

a Medicare Part D plan may provide a better benefit than the prescription drug coverage provided under this Plan.

If you decide to enroll in a Part D plan, use your Part D coverage to obtain your prescription drug benefits since the Plan is not eligible to receive the federal subsidy for your drug costs if you are enrolled in Medicare Part D. This will ultimately impact the Plan's ability to control costs and, therefore, your contributions.

If you are enrolled in the Oxy Medical Plan and decide to enroll in a Medicare Part D plan at a later date, you may do so without incurring a late enrollment penalty provided the Oxy Medical Plan continues to be considered creditable.

You can access detailed information regarding the Medicare program online at Medicare.gov or contact Medicare at 800-MEDICARE (800-633-4227).

WHAT THE PLAN COVERS

You will find information regarding the services and supplies covered under the Medical Plan in the applicable Summary Plan Description. Benefit plan materials are available online at **oxylink.oxy.com** or contact the *OxyLink*® Employee Service Center at 800-699-6903.

For Participants Not Eligible for Medicare

If you or your Dependents are not yet eligible for Medicare, continue to refer to your applicable medical plan SPD for detailed plan coverage levels and plan provisions including annual deductibles and out-of-pocket maximums.

For Medicare-Eligible Participants

The Medical Plan provides the same overall level of benefits as for those Participants who are not Medicare-eligible; however, Medicare is your primary coverage and will pay first. Refer to "Integration with Medicare" in the *Medicare* section for more details.

- Enrolled in an Aetna or Anthem Plan

  Once you are eligible for Medicare, benefits under the Medical Plan are integrated on a "maintenance of benefits" approach, whether or not you are enrolled. The Medical Plan is designed to ensure that Medicare-eligible Participants receive the same overall level of benefits as Participants who are not Medicare-eligible.

  Because Medicare is primary, the lower Out-of-Network coinsurance levels **will not apply** if you use a provider that does not participate in your medical plan's network and you are **not subject to** Precertification requirements. Allowed charges are

limited to the Medicare-approved amount; refer to the section entitled *Medicare* for further details.

- Enrolled in a Health Maintenance Organization

  All benefits, limitations and exclusions for the regional options are listed in their respective member brochures and contracts. Refer to the applicable documents for provisions regarding Medicare integration.

WHEN COVERAGE ENDS

Your coverage under the Oxy Medical Plan can end for a number of reasons. This section explains how and why your coverage can be terminated, and how you may be able to continue coverage after it ends.

When Your Coverage Ends

Your coverage under the Oxy Medical Plan ends on the first to occur of the following events:

- The coverage referenced in the Oxy Medical Plan supplement is terminated under the group contract;
- You cease to be eligible for benefits under the LTD Plan;
- You are no longer eligible, as defined in the *Eligibility and Enrollment* section of this supplement; or
- You fail to make any required contribution.

Your medical coverage will cease on the last day of the month in which you lose eligibility.

You may have a right to continue your medical coverage if you meet the eligibility requirements for retiree Medical Plan coverage as described in the Medical Plan for Retirees and Their Dependents Summary Plan Description. If you are not eligible for retiree medical coverage, refer to the *Continuation of Coverage* section in your applicable medical plan SPD, or contact an *OxyLink* representative for more information. You may not convert your group medical coverage to an individual policy at termination.

When Dependent Coverage Ends

Your Dependent's eligibility for medical coverage will end on the earliest to occur of the following events:

- Dependent coverage is terminated under this Plan;
- A Dependent becomes covered as an employee;
- A dependent no longer meets the Plan's definition of a Dependent; or
- When your coverage terminates.

Medical coverage will cease on the last day of the month in which your Dependent loses eligibility. You must notify *OxyLink* within 31 days of your Dependent's change in eligibility status. Any applicable contribution change will take effect on the first of the month following the event. There will be no refund of contributions.

Your Dependents may have a right to continue their coverage. See the *Continuation of Coverage* section in the applicable medical plan SPD, or contact an *OxyLink* representative for more information.

Death

LTD Plan Beneficiaries Eligible for Retiree Medical Coverage

If you die while you are covered as an LTD Plan beneficiary and you are eligible for retiree Medical Plan coverage, your spouse may elect to continue coverage for your Dependents as of the first of the month following your date of death by paying the appropriate amount of retiree contributions, as if you had retired on your date of death. If this coverage is elected, it would continue for your Dependents until the earliest occurrence of one of the following events:

- Dependent coverage is terminated under the Medical Plan;
- A Dependent is or becomes covered as an employee;
- A Dependent is or becomes eligible for coverage under another group plan*;
- A dependent no longer meets the Plan's definition of a Dependent;
- Failure to pay any required contributions; or
- Your spouse's remarriage or death.

LTD Plan Beneficiaries Not Eligible for Retiree Medical Coverage

If you die while you are covered as an LTD Plan beneficiary and you are not eligible for retiree Medical Plan coverage, your Dependents will continue Medical Plan coverage until the end of the second month following your date of death. For example, if you die on September 20, Dependent coverage will continue through the following November 30.

* If your spouse subsequently loses eligibility under the other plan, he or she may reenroll in the Medical Plan within 31 days of the loss of coverage. Proof of loss of eligibility may be required.

Your surviving Dependents may have a right to continue their coverage. See the *Continuation of Coverage* section in your applicable medical plan SPD, or contact an *OxyLink* representative for more information.

GENERAL INFORMATION

Refer to the applicable medical plan Summary Plan Description for detailed plan provisions including the Privacy Notice for Health Plans under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Your Rights as a Plan Participant under the Employee Retirement Income Security Act of 1974 (ERISA), and Plan Administration information.

Plan materials are available online at **oxylink.oxy.com** or contact the *OxyLink*® Employee Service Center at 800-699-6903.

Keep the Plan Informed of Changes

In order to protect your family's rights, you should keep the Plan informed in writing of any changes in the addresses of your family members and any changes in your marital status. You should also keep a copy, for your records, of any notices you provide. You may provide such notices to the *OxyLink* Employee Service Center via electronic mail to **oxylink@oxy.com** or mail to 4500 South 129th East Avenue, Tulsa, Oklahoma 74134-5870.