

## 2017 Medical Plan Changes

### The Health Care Challenge Continues...

Few things are more important than your health. At Oxy, we continue to make every effort to look for opportunities to control health care costs while maximizing value. You also play a key role in managing your health care costs and making sure you get the most out of your Oxy provided benefits. Here are a few reminders of steps you can take in 2017:

- Don't forget to use your annual wellness visit;
- If you're under age 65, be sure to utilize network physicians and facilities whenever possible;
- Save money by purchasing generic and preferred prescription drugs;
- Visit your PCP or use urgent care facilities in lieu of hospital ER's for treatment of minor injuries and illnesses; and
- Review your explanation of benefits to verify charges are accurate.

For 2017, a separate deductible and out-of-pocket maximum apply when you use non-network providers. The chart below reflects the Aetna medical plan changes.



### Retiree Medical and Dental Billing

PayFlex handles the retiree billing services for Oxy's Retiree Medical and/or Retiree Dental plans. If you make monthly payment by check, you will receive a new coupon book in December for 2017. PayFlex has a new mailing address that will be reflected in the coupon book. If you haven't already, you may consider moving to Electronic Funds Transfer (EFT) where your account will automatically be charged for the amount of your premium. You can schedule your one-time payment or monthly payments online at [www.payflex.com](http://www.payflex.com). You can also set up these EFTs to come right out of your checking or savings account. By enrolling in the monthly EFT, you will no longer receive a statement or coupons in the mail.

At [www.payflex.com](http://www.payflex.com), you can also see your account activity, next payment amount and due date, set alerts for payment reminders and access important notices and letters. If you have questions, please contact PayFlex at 1-877-848-5837.

#### 2016 RETIREE MEDICAL PLAN CHANGES

Annual Deductible	2016		2017	
	Network/Non-Net	Network	Non-Network	
• Individual	\$400	\$400	\$800	
• Family	\$800	\$800	\$1,600	
<b>Medical Out-of-Pocket Maximum</b>				
• Individual	\$2,500	\$2,500	\$5,000	
• Family	\$4,500	\$4,500	\$9,000	



### No Action Required

- TO RETAIN YOUR RETIREE MEDICAL AND/OR DENTAL COVERAGE IN 2017
- If you have any questions about your benefit coverages, please call OxyLink at 800-699-6903.

## 2017 MEDICAL PLAN CONTRIBUTIONS

Under the cost-sharing formula, Oxy's share of the annual Retiree Medical Plan cost increase is limited to the Consumer Price Index (CPI). For 2017, retiree medical contributions will increase by 4%, from a retiree base rate of \$125 in 2016 to a retiree base rate of \$130 per month for 2017.

Retiree contributions are shown in the table below. Your 2017 rates will be your age and service multiple of (1, 2, 3 or 4 times) the retiree base rate for your elected coverage level (Retiree Only, Retiree + One or Family). For example, if your multiple is 2X, and you elect Retiree + One coverage, your contribution will be \$520 (retiree base rate of \$130 x multiple of 2 x 2 people) per month for 2017.

Coverage Level	1X	2X	3X	4X
Retiree Only	\$130	\$260	\$390	\$520
Retiree + One	\$260	\$520	\$780	\$1,040
Family	\$390	\$780	\$1,170	\$1,560

For retired participants who are required to make contributions, the network annual deductible is unchanged (\$400 per person/\$800 family maximum). There is a new non-network deductible of \$800 per person or \$1,600 family maximum, when you use non-network providers and facilities. For retired participants who are not required to make contributions, but whose 2016 annual deductible is \$1,900 per person, the 2017 deductible will be \$1,960 per person (calculated as \$130 retiree base rate x 12 + \$400 = \$1,960), with an annual family maximum deductible of \$3,920. The new non-network deductible for this group will be \$2,360 per person and \$4,720 for the family maximum. **Special Note:** Non-network doesn't apply to participants that are Medicare eligible since Medicare is the primary payer of their claims.



### *Don't be without coverage...*

Be sure to make your payments on time! If you are required to make retiree contributions, you will receive a notice of pending termination of coverage after a 30-day grace period for non-payment. After a total of 60 days without payment, your coverage will be terminated.

## MEDICARE COVERAGE

- **Medicare Parts A & B**... You and your dependents should enroll as soon as you are eligible or you may have to pay a permanent late enrollment penalty.
- **Medicare Advantage HMO Plans**... If you enroll in an individual Medicare Advantage (Part C) plan, you and your dependents are **no longer eligible** to participate in the Oxy Medical plan.
- **Medicare Part D Plans**... Your annual government-mandated Notice of Creditable Coverage was mailed under separate cover. If you are eligible for Medicare, the Oxy Retiree Medical Plan is considered "creditable", so you do not need to enroll in a Medicare Part D plan, and you will not be penalized if you do enroll at a later time. For more information, refer to your Notice.
- More detailed information about Medicare benefits can be found at [www.medicare.gov](http://www.medicare.gov).
- Under age 65 retirees and dependents who become eligible for Social Security Disability prior to age 65 also become eligible for Medicare after 24 months. It is important to notify OxyLink and enroll in Medicare Parts A and B.

## MEDICARE DIRECT

Medicare Direct is an electronic service that will automatically file your medical claims directly with Aetna after Medicare has paid its share of eligible expenses. Once enrolled for Medicare Direct, you will no longer need to complete Aetna claim forms, make copies of Explanations of Medicare Benefits or pay the postage!

If you are not already enrolled in Medicare Direct, getting started is easy. Just contact Aetna member services at **800-334-0299** and provide the Medicare number from your Medicare card.

## 2017 DENTAL CONTRIBUTIONS

Oxy offers retiree dental coverage through Aetna to eligible Oxy retirees. The plan benefits are similar to the dental benefits offered to Oxy employees; however, the cost of retiree dental coverage is not subsidized by Oxy.

If you waived retiree dental coverage when first offered, you may not enroll in the plan unless you or your spouse (or a surviving spouse) currently have other dental insurance coverage (including COBRA continuation coverage) and you lose eligibility for that coverage. In such instance, you may enroll in the Retiree Dental Plan within 31 days of the loss of coverage with proof of loss of coverage.

The contributions will remain the same for 2017. The 2017 dental plan contributions are shown below:

2017 RETIREE DENTAL CONTRIBUTIONS	
Coverage Level	Monthly Amount
Retiree Only	\$52
Retiree + One	\$105
Family	\$158

You may update your address or emergency contacts online at [oxylink.oxy.com](http://oxylink.oxy.com). Log in then select Employee Self Service > Personal Information or you can contact

OxyLink at:

**800-699-6903** or

**918-610-1990** (if outside U.S.)

Weekdays (except holidays)

8:30 A.M. to 5:00 P.M., CST

Email: [oxylink@oxy.com](mailto:oxylink@oxy.com)

### It's Flu Shot Season

The Retiree Medical Plan covers seasonal flu shots and other vaccinations subject to age and frequency guidelines.

For non-Medicare-eligible participants, the plan covers flu shots at 100% with no deductible, if you use a network provider. Flu shots given by a non-network provider will be covered, as are other covered preventive services, at 70% after the deductible. You may need to submit a paper claim form for reimbursement. For Medicare-eligible participants, Medicare remains your primary coverage.

Aetna network providers include some, but not all, retail facilities and walk-in clinics. To find a list of participating network providers and locations, contact Aetna customer service at **800-334-0299**.

You can also present your Express Scripts ID card to receive flu shot coverage at network pharmacies.

### Vision and Hearing Discount Programs

If you enroll in an Aetna medical or dental plan, you are automatically eligible for Aetna's vision and hearing discount programs. The programs are offered at no cost and can provide you and your enrolled dependents significant savings when you use participating providers.

These programs can provide substantial discounts on hearing exams and hearing aids and on eyeglass frames, corrective lenses, contact lenses, non-prescription sunglasses, contact lens solutions and accessories. The vision programs also offer discounts on LASIK surgery, eye examinations and a mail-order contact lens program.

For more information, log into Aetna Navigator at [www.aetna.com](http://www.aetna.com) and go to Get Discounts under Health Programs or call Aetna customer service at **800-334-0299**.

*Note:* if you are enrolled in an Oxy Retiree medical plan, routine vision exams are a 100% covered expense.

### Dental Discount Program

The **Vital Savings By Aetna Dental Discount Program** is an optional discount program available through Aetna to Oxy retirees and their dependents who are eligible for retiree medical coverage, in lieu of the Retiree Dental Plan. This program is not insurance—it provides you access to a nationwide network of dentists who have agreed to provide a discount ranging from 15% to 50% on certain services. There is a small monthly fee to participate in this program of \$4 per member or \$7 per family. You must complete and submit an enrollment form which can be found on [Oxylink.oxy.com](http://Oxylink.oxy.com) under Plan Documents & Information then select Discount Programs.

Questions? Log on to [www.vitalsavingsbyaetna.com](http://www.vitalsavingsbyaetna.com) (Select "No" when asked if you are an employer, administrator, or trustee; select "Yes" when asked if you were referred to this site by your employer, administrator, school or trustee; and then select "I am sending my enrollment form or have enrolled directly with Aetna") or call **1-866-36-VITAL**. The Employer Promotional Code is **882016-018**.



## Beneficiary designations

**Remember...** If you have a life insurance benefit, you can update your beneficiary forms at any time.

- Basic Life - Call OxyLink at 800-699-6903 to request a new form.
- Group Universal Life (GUL) - Go online to [www.mybenefits.metlife.com](http://www.mybenefits.metlife.com) or Call MetLife's customer service at 800-756-0124.

Your designated beneficiary will receive your life insurance proceeds in the event of your death. If you do not name a beneficiary, then payment will be made in accordance with the plan rules.

In addition, to designate or make changes to your beneficiary(ies) information for the 401(k) and Retirement Plans, you may go online to [oxy.voya.com](http://oxy.voya.com) or call the Oxy Retirement Service Center at 1-844-OXY-401K (1-844-699-4015).

## BeneBits

### Retiree Medical Enrollment

Unless you live in Western New York, there is no annual enrollment under the Retiree Medical Plan, and no action is required to retain your current coverage. If you live in Western New York, you may change your medical plan option.

### Dependents in New York

Under New York state law, retirees who are covered under the BlueCross BlueShield of Western New York or Independent Health HMO may cover unmarried children through age 29. If you are enrolled in one of these plans and wish to enroll a dependent, contact OxyLink. You will be responsible for the full cost of that coverage.

### Health Reform

Oxy reviews the Affordable Care Act (ACA) each year to ensure our medical plans are in compliance with any new provisions for the upcoming plan year.

### Form 1095-C

To meet the Affordable Care Act (ACA) reporting requirement, employers must provide a 1095-C tax form by February 1st of each year to non-Medicare participants of the retiree medical plan. The form will show coverage for you and your dependents for the previous year.

### Express Scripts Formulary Update

Enclosed is the 2017 National Preferred Formulary list with the Excluded Medications and Covered Preferred Alternatives list. Medications selected for the formulary can treat most medical conditions while helping to contain costs for you and the plan. Medications may be removed from the list, or changed from preferred to non-preferred status, when safe and effective alternatives are available. For more information, contact an Express Scripts representative at 800-551-7680.

### PayFlex Health Savings Account (HSA) News

- As of July 2016 you can call PayFlex's HSA customer service at 888-678-8242, 24 hours a day, seven days a week.
- On November 1, 2016, PayFlex added the Vanguard 500 Index Admiral (VFIAX) fund to its HSA investment platform.
- Effective March 1, 2017, PayFlex is implementing a tiered interest rate for the FDIC-Insured cash account.

### Summary Annual Reports (SARs)

The 2015 SAR for the welfare plan is enclosed. The government requires plan sponsors to distribute these financial statements to plan participants.

The company expects and intends to continue its benefit plans but does not guarantee any specific level of benefits or the continuation of any benefit plan during any periods of active employment, inactive employment, disability or retirement. Benefits are provided solely at the company's discretion and do not create a contract of employment. The company reserves the right to modify, suspend, change or terminate any of its plans at any time. This information is applicable to eligible non-represented employees. Applicability to represented employees is governed by local collective bargaining agreements. Subject to this and future agreements, the company reserves the right to change, amend, or terminate any benefit plan at any time. The information provided in this document is not tax advice. While the information is believed to be accurate as of the print date, it is subject to change. Consult a qualified tax advisor for help in determining eligibility for any tax benefit mentioned herein.