

## **Introduction**

As we approach the 2021 Open Enrollment season, we want to remind you of a significant additional benefit you will receive that will help to lower the overall cost of your healthcare choices. This additional benefit is provided for you as Class Members in the legal settlement associated with the loss of University-sponsored health benefits for retirees of the University of California. This loss occurred at the time that the management of the Lab changed to LLNS. As a reminder, you can find information regarding the settlement on the Settlement Administrator's website at <http://www.llnretireesettlement.com/documents.php>. We expect that open enrollment will take place with materials provided by LLNS that include details on available plans and pricing.

As part of the settlement, Class Members' existing retiree health benefits will be enhanced in the form of a supplemental payment for use in offsetting healthcare premiums charged for coverage and for reimbursing eligible expenses under the plan, thus lowering your overall cost. These funds are to be provided in addition to any Health Reimbursement Arrangement ("HRA") funds provided by LLNS. Non-Medicare eligible Class Members will have an HRA for the first time, while Medicare-eligible Class Members will have an additional HRA to the one currently provided by LLNS.

The information below summarizes the supplemental payment for eligible Class Members by the option selected, assuming the plan options provided by LLNS remain the same, and an overview of the additional information to be provided commensurate with the start of LLNS open enrollment.

## **Supplemental Payment for 2021**

The supplemental payment will be provided to all living Class Members who have elected coverage under any of the plan offerings provided by LLNS. Where a Class Member is covered under a health plan under the name of another Class Member, a single supplemental payment will be made to the named Class member. No supplemental payment will be provided for those Class Members who are not covered under one of the options. For a detailed description of how the original payments were determined, please see Schedule C of the Final Approval Order & Judgment (April 10, 2020), which can be found at <http://www.llnretireesettlement.com/documents.php>.

Supplemental payments are dependent upon whether you are eligible for Medicare and selecting plans through Via Benefits or Kaiser Permanente Senior Advantage and Non-Medicare eligible, under or over 65, and selecting either Blue Cross or Kaiser plans through Empyrean.



Annual enhanced supplemental payments are planned for January 2021 as follows:

Medicare Eligible Class Members

- 1. Members electing plans through Via Benefits - \$598 per member
- 2. Members electing Kaiser Senior Advantage - \$606 per member

Non-Medicare Eligible Class Members

2021 Non-Medicare 65 and Over Annual Retiree Supplemental Payment						
Coverage Category	Kaiser	Anthem Blue Cross PLUS	Anthem Blue Cross PPO	Anthem Blue Cross Core Value	Anthem Blue Core HDHP	Anthem Blue Cross EPO
Retiree only	\$2,183	\$7,287	\$3,400	\$0	\$34	\$2,218
Spouse only	\$2,417	\$8,038	\$3,727	\$0	\$62	\$2,468
Retiree + Spouse	\$4,600	\$15,313	\$7,127	\$0	\$72	\$4,673
Retiree + Children	\$3,951	\$13,125	\$6,107	\$0	\$65	\$4,017
Spouse + Children	\$4,171	\$13,863	\$6,460	\$0	\$104	\$4,266
Retiree + Spouse + Child	\$6,368	\$21,151	\$9,848	\$0	\$115	\$6,471
Children only	\$62	\$5,143	\$2,942	\$0	\$1,205	\$2,269

2021 Non-Medicare Pre-65 Annual Retiree Supplemental Payment						
Coverage Category	Kaiser	Anthem Blue Cross PLUS	Anthem Blue Cross PPO	Anthem Blue Cross Core Value	Anthem Blue Core HDHP	Anthem Blue Cross EPO
Retiree only	\$80	\$6,435	\$3,667	\$0	\$1,519	\$2,843
Spouse only	\$84	\$7,075	\$4,036	\$0	\$1,682	\$3,143
Retiree + Spouse	\$164	\$13,523	\$7,717	\$0	\$3,200	\$5,972
Retiree + Children	\$143	\$11,579	\$6,609	\$0	\$2,749	\$5,124
Spouse + Children	\$133	\$12,231	\$6,978	\$0	\$2,899	\$5,411
Retiree + Spouse + Child	\$227	\$18,667	\$10,645	\$0	\$4,418	\$8,267
Children only	\$62	\$5,143	\$2,942	\$0	\$1,205	\$2,269

Each year, the trustees will decide the supplement amount to be provided. Please note that future payment amount(s) may be modified to increase or decrease the supplemental payment in future years based on actual costs, market trends, or other relevant information. The overall goal is to maintain the fund for the next 20 years.

### **What's Coming**

As we get closer to open enrollment, we will provide you with more detailed information on the expected dates of funds to be deposited into a supplemental HRA, how to access those funds, and how to factor in the supplemental payment when making your election decisions for 2021. There will also be information with answers to frequently asked questions.