

News and Updates on Your Health Benefits Program

DoD NAF Open Enrollment: November 2 – 27, 2015

Take charge of your health care costs

This newsletter contains information and important changes to your DoD NAF Health Benefits Program (HBP).

You can control your costs by joining the many Americans who are learning how they can spend less and still get the services they need. By educating yourself, you have the opportunity to avoid extra medical expenses.

Open Enrollment will take place November 2 – 27, 2015. Enclosed with this newsletter is a Summary of Benefits for the plan(s) you are eligible for. If you received the Aetna Choice® POS II Summary as well as the Aetna Traditional Choice® Summary, then you have the option to choose between the two plans.

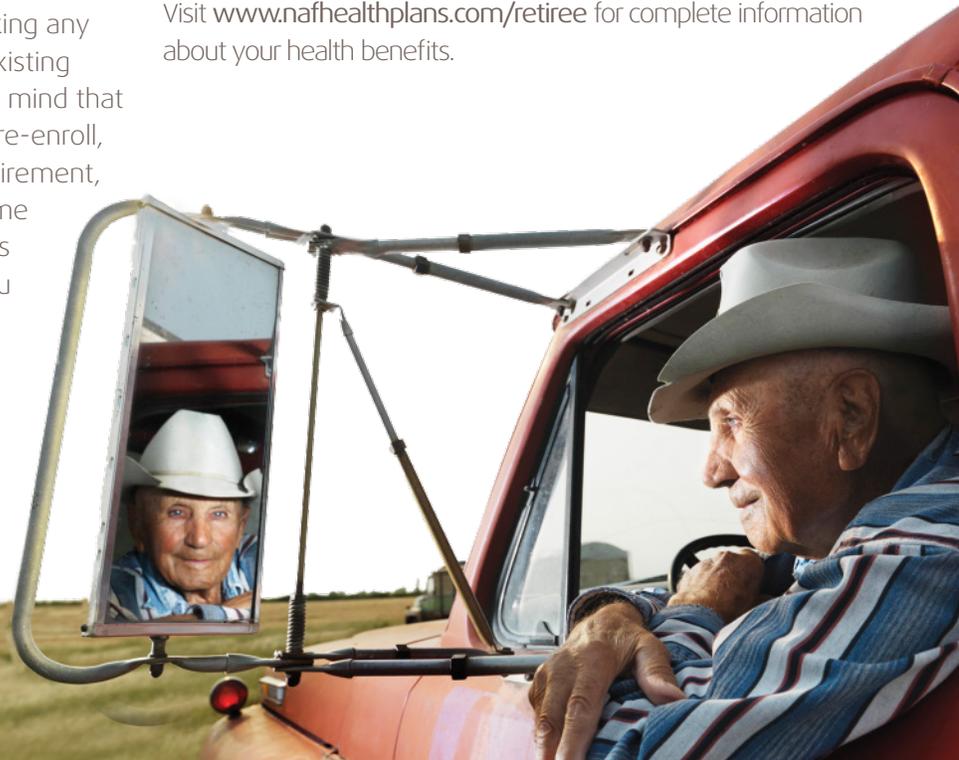
Any changes made during the enrollment period will be effective January 1, 2016. If you are not making any changes, you don't have to do anything. Your existing coverage will remain in effect for 2016. Keep in mind that there is no opportunity for retirees to enroll, or re-enroll, in a plan that was not offered at the time of retirement, or if a retiree was not eligible to enroll at the time of retirement. However, you may make changes to your coverage elections during the year if you have a qualified family status change.

Please contact the HQ Benefits Office to make changes to your coverage. You may call 1-800-519-3381 between 0900-1500 (CT), Monday through Friday, or send an e-mail to benefits@aafes.com.

When you and all your dependents become eligible for Medicare because of age or disability, Medicare becomes your primary coverage, and you and your dependents will be switched to the Aetna Traditional Choice plan as your secondary coverage. If you are eligible for Medicare because of age or disability, but at least one of your covered dependents is not eligible for Medicare, you may select either the Aetna Choice POS II plan or the Aetna Traditional Choice plan.

Also, remember that once you reach age 65 you need to enroll in Medicare Parts A and B. The Plan's benefits are calculated as though you have enrolled in Medicare Part B — whether or not you've actually enrolled.

Visit www.nafhealthplans.com/retiree for complete information about your health benefits.



Health plan changes in 2016

By making changes and enhancements to your health plan each year, we are able to keep pace with ever-increasing costs while providing new benefits and services for your good health and convenience.

What's not changing: Deductibles, coinsurance and out-of-pocket maximum amounts for medical and dental will not change in 2016. Medical, dental and prescription copays will also remain the same.

Medical and dental plan premiums

The chart below shows your 2016 monthly retiree contributions for the Aetna medical and dental plans for non-grandfathered retirees (those not enrolled in the medical plan on December 31, 1999 and therefore required to pay premiums).

| Plan | 2015 | 2016 | 2015 | 2016 |
|--------------------|------------|-----------------|----------|-----------------|
| | Individual | Individual | Family | Family |
| Medical | \$162.98 | \$164.05 | \$379.18 | \$410.11 |
| Medical and Dental | \$172.44 | \$173.29 | \$401.53 | \$433.20 |

Aetna Open Choice® PPO will change to Aetna Choice® POS II

The Aetna Open Choice PPO plan will be replaced with the Aetna Choice POS II plan in 2016. The plan's benefits and coverage will remain the same. With this change, members of the plan and the plan itself will enjoy more savings as a result of greater negotiated provider costs. How will this change affect you?

- ★ If you are enrolled in the Aetna Open Choice PPO plan, you will receive new Aetna ID cards in the mail for 2016. Make sure your DoD NAF employer has your correct mailing address on file.
- ★ When you use the public DocFind® search tool on www.aetna.com and you are asked to "select a plan," you will choose Aetna Choice POS II under Aetna Open Access Plans.

Bariatric surgery benefit change

In 2016, this surgery will be covered the same as other medical services, once you've met the deductible. Benefits will be paid for in-network care only. Your share of expenses will apply toward the plan's out-of-pocket maximum.

It's important to know that bariatric surgery is covered only when it is medically necessary. Talk with your doctor to determine whether or not this surgery is right for you.

Mental health and substance abuse

In 2016, all day and visit limits for mental health and substance abuse will no longer apply.

Health Care Reform information for 2016

Beginning in January 2016, your employer is required to furnish a tax form for health care coverage for calendar year 2015. Please go to the Health Care Reform section of www.nafhealthplans.com/retiree for additional information on this tax reporting and other Health Care Reform information that may affect you.

New ways to earn Health Incentive Credits in 2016

The current Health Incentive Credit program has been replaced with a new and improved program for 2016 where you'll be able to earn more.

The Health Assessment: A requirement before you can earn

In 2016, you must complete the new Health Assessment first in order to earn any of the Health Incentive Credits. **None of the other activities will earn credits until you have completed the assessment.**

The Compass® Health Assessment is a new and improved questionnaire that takes just 10 minutes to complete. You answer questions about personal and family health history, lifestyle habits, recent health screening results and other health factors. Since this is a brand new assessment, you will need to complete it instead of just adding updates. Your previous answers will not be carried over.

To take the assessment, log in at www.aetna.com and click "I want to . . . Take a Health Assessment" on your home page.

What you can earn for healthy activities

The chart below shows the activities you can complete to earn credits to be applied to your out-of-pocket expenses.

| Activity | Health Incentive Credit amount | Calendar year maximum |
|---|--------------------------------|--|
| <p>You and your covered spouse/same sex domestic partner must complete the Health Assessment to earn any incentives. No other activities will earn an incentive until the assessment is completed.</p> | | |
| Complete metabolic syndrome screening before April 1, 2016 | \$150 each | \$150 for retiree only and \$300 for retiree and covered spouse/SSDP |
| Complete metabolic syndrome screening between April 1 and December 31, 2016 | \$100 each | |
| Disease Management (DM) goal* – complete 3 calls with a DM nurse | \$100 each | \$200 for retiree only or \$400 for family |
| Complete online Journey® (average time 32 days) | \$50 each up to 4 Journeys | |
| Dependent children under age 18 | | |
| Complete preventive exam for children under age 18 | \$50 for each child per year | |
| <p>For all activities, you can earn up to the calendar year maximum of \$250 for retiree or \$600 for family.</p> | | |

*This program is not available to overseas retirees.

What is metabolic syndrome and why is it important?

Metabolic syndrome is a group of five risk factors that raise your risk of developing conditions such as heart disease and diabetes. A metabolic screening measures the following risk factors:

| Health factor | Increased risk if: |
|---------------------------------------|--|
| Blood pressure | Greater than or equal to 130 over 85 mmHg* |
| Blood sugar or glucose | Greater than or equal to 100 mg/dL |
| Triglycerides | Greater than or equal to 150 mg/dL |
| Central obesity (waist circumference) | Women: Greater than 35 inches Men: Greater than 40 inches |
| HDL cholesterol | Women: Below 50 mg/dL Men: Below 40 mg/dL |

**If either the systolic (top number) or diastolic (bottom number) is out of range, the reading is considered a risk factor.*

If you have three or more of the above risk factors, you may have metabolic syndrome. It is important to start working to reduce any risk factors you may have now in order to prevent a serious health condition, such as a heart attack or stroke. In many cases, these factors can be positively impacted by lifestyle changes, such as regular exercise and eating a healthy diet.

Metabolic syndrome screening — Earn up to \$150 Health Incentive Credit per screening

Once you have had your screening, you will receive a report that explains your results. You can share this report with your doctor and use it to talk about ways to improve your results — and your health.

There is no cost to you for this important screening — this is a free service for all eligible retirees and their covered spouses/same sex domestic partners (SSDPs). Visit the *Wellness & Resources* tab on www.nafhealthplans.com/retiree to learn more and watch for more details coming in January about this important screening.



Practice prevention

Stay up to date on your health with preventive services covered at 100%. These include routine physical exams and health screenings such as mammograms and prostate cancer tests. Preventive care can catch problems in their early stages, when treatment is more effective and less costly.

Save money with Teladoc®

Teladoc is a service that lets you consult with primary care physicians by phone or video chat, 24/7 — for just a \$10 copay. Talk with a doctor who can provide treatment and prescribe medication for conditions such as colds and flu, allergies, bronchitis and more. Visit www.nafhealthplans.com/retiree for more information. To register, visit www.teladoc.com.

Teladoc is not available to overseas retirees and may not be available in all states.

Disease Management goal (complete 3 calls with a disease management nurse) — Earn a \$100 Health Incentive Credit

If you or your covered spouse/SSDP live with one or more chronic medical conditions (such as asthma, diabetes, osteoporosis and others), help is available from Aetna's Disease Management program. The program covers over 35 conditions and provides one-on-one support to help participants understand and follow treatment regimens, make healthy lifestyle changes and avoid health complications.

You'll be matched with a disease management coach who will create an action plan and set goals for your path to better health. Complete 3 calls with a disease management nurse and you'll earn a health incentive credit.

Online Journeys — Earn a \$50 Health Incentive Credit for each

Online Journeys are another part of the wellness program. When you complete the health assessment, you'll get an action plan with recommended online health coaching programs. You can follow the programs at your own pace to lose weight, eat healthier, start an exercise program, manage stress or even get a better night's sleep without medication.

Each program features "Journeys" that tailor tools and content to your particular needs and goals. The average time to complete a Journey is 32 days. You earn an incentive credit for each journey completed (up to four Journeys total for retiree and covered spouse/SSDP).

Well child exam — Earn a \$50 Health Incentive Credit

In 2016, incentive credits will be awarded for preventive exams received by children under age 18 only.

How credits are applied

Health Incentive Credits are applied automatically to your deductible and coinsurance, but not to copay amounts. Any credits remaining at the end of the year roll over to the next plan year(s), for up to three years.



Pharmacy plan changes

Choose Generics and save

Choose Generics is a benefit plan that encourages you and your prescribing doctor to choose generic drugs in order to save money. It focuses on Tier Three brand-name drugs that have a generic alternative. This program does not apply to Tier One, Tier Two or Tier Four specialty drugs. To get the lowest cost for your prescriptions, your health plan encourages you to use generic drugs when available. This will help you save money each time you fill a prescription.

You'll pay more for brand drugs. If a generic drug is available and you choose the brand instead, you'll pay the difference in actual cost between the brand and the generic plus the brand copay that applies.

Following are two examples of how much you'll pay with the Choose Generics program.

| | | Actual drug cost | Current copay* | Choose Generics (actual brand cost - actual generic cost + brand copay) | Choose Generics cost** |
|---|---------|------------------|----------------|---|------------------------|
| Treats cholesterol | | | | | |
| Lipitor® 20mg | Brand | \$274.82 | \$96.19 | $\$274.82 - \$9.41 + \$96.19 = \361.60 | \$274.82 |
| Atorvastatin | Generic | \$9.41 | \$10.00 | | \$9.41 |
| Treats fluid retention in people with congestive heart failure, liver disease or a kidney disorder | | | | | |
| Lasix® 40mg | Brand | \$73.09 | \$25.58 | $\$73.09 - \$13.78 + \$60.00 = \119.31 | \$73.09 |
| Furosedmide | Generic | \$13.78 | \$10.00 | | \$10.00 |

*Current copay for generic is \$10 or actual cost of drug if less up to a 30-day supply; Current copay for Tier Three Brand is 35% of actual cost of drug with \$60 minimum and \$125 maximum.

** You will never pay more than the actual cost of the brand-name drug.

Note: Actual cost of any single medication varies by dosage, geographic area and by retail pharmacy. These examples are based on the San Antonio, Texas area.

If you do choose to fill with a brand-name drug, you won't pay more than the actual cost of the drug like in the example above. Remember that if you choose a brand drug, any amount that you pay toward the difference between the brand cost and generic cost is NOT applied to your plan's annual out-of-pocket maximum.

If there is a medical need for a brand-name drug, the prescribing doctor can ask for a medical exception and provide the required documentation to avoid the copay "penalty." If this applies to you, your prescribing doctor can contact Aetna beginning January 1, 2016 for a medical exception.

Price-A-DrugSM is an online tool that lets you get cost estimates on prescription drugs, see cost-saving alternatives, learn more about your medications and find out about any coverage limitations that apply. To use the tool, log in at www.aetna.com and click the Aetna Pharmacy tab at the top of your home page. Then click the link to "Get drug prices." **Please note:** Price-A-Drug does not calculate or show the "penalty" if you choose to fill a brand-name drug.

Talk to your doctor or pharmacist. Ask if the brand medication you take has a generic equivalent. You can also visit www.fda.gov and select Drugs>Resources for You>Consumers for up-to-date information on prescription drugs.

For more information about the Choose Generics program, visit the *Wellness & Resources* tab on www.nafhealthplans.com/retiree.

Compounded medications

In 2016, compounded medications that contain bulk ingredients will not be covered under your pharmacy plan. Since some compound medicines contain bulk ingredients that have not been approved by the U.S. Food and Drug Administration (FDA), these medicines will no longer be covered. Let your doctor know about this change and ask about alternatives.

Routine dental visits are the key

Even if you take excellent care of your teeth and gums at home, it's still important to visit your dentist for regular cleanings. If you have a chronic condition such as heart disease or diabetes, you may be eligible for an extra cleaning or dentist visit to treat gum disease.

Maintaining a healthy weight is central to good health. Remember your plan covers certain anti-obesity drugs at the applicable pharmacy tier. Some examples are Belviq (Lorcaserin) and Qsymia (Phentermine/topiramate ER). Talk to your doctor to see if these medications are right for you.

Know before you go to avoid paying more

Maximum allowable amount: These are standard prices for certain outpatient services. These price limits apply to facility costs for procedures that include colonoscopies and endoscopies, CT scans and MRIs, hernia surgeries, tonsillectomies, cataract surgeries and others. When you have one of these procedures, the plan pays up to the maximum allowable amount toward facility costs for the service. You pay any facility costs above this amount.

Here's an example:

| | Facility cost of routine colonoscopy | Maximum allowable amount | Member cost |
|------------|--------------------------------------|--------------------------|-------------|
| Facility A | \$2,000 | \$1,500 | \$500 |
| Facility B | \$1,500 | \$1,500 | \$0 |

In the example above, the member has a choice of scheduling a routine colonoscopy (which is covered at 100%) at Facility A or Facility B. If he selects Facility A, he will be responsible for an out-of-pocket expense of \$500 since that facility charges \$500 more than the maximum allowable amount. However, if he selects Facility B, he can avoid an out-of-pocket cost and pay nothing. Aetna maintains a complete list of outpatient procedures and their maximum allowable amounts on Aetna Navigator. To see the list, log in at www.aetna.com and click "I want to . . . View Deductibles & Plan Limits." Scroll to the bottom of the page and look for the Maximum Allowable Amount box. Please note that the maximum allowable amount only applies to the Aetna Choice POS II plan.

Member Payment Estimator: A tool to get a personalized cost estimate for common procedures, including those with a maximum allowable amount. Log in at www.aetna.com and look for the Member Payment Estimator link in the Cost of Care box on your home page. Or, if you prefer to speak to someone, call Member Services at 1-800-367-6276.



Take advantage of health care savings

The best medicine for rising health care costs is to get and stay healthy. Here are a few quick tips to help you get the most from your plan and to save money.

Stay in the network – You save two ways with in-network providers. First, your plan pays a higher percentage of the cost when you visit an in-network provider vs. an out-of-network provider. Second, Aetna negotiates a lower rate with in-network providers. To find in-network providers, use DocFind, the searchable provider directory, at www.aetna.com/docfind.

Know before you go – You can use the Member Payment Estimator to compare rates for common health care procedures among in-network providers. You can search for a particular doctor or facility, or find area providers based on ZIP code. Log in to www.aetna.com and click on “Use Member Payment Estimator.”

The Price-A-Drug tool gives you cost estimates on your medications. You can see retail and mail-order cost estimates and find money-saving generic equivalents (if available). To use the tool, log in at www.aetna.com and click on “Get Drug Prices” under the Aetna Pharmacy tab.

Use the emergency room (ER) for emergencies only – Save the hospital ER for true medical emergencies. When you are not experiencing a life threatening condition, consider going to a walk-in clinic and urgent care center instead of the ER. Use DocFind to search for facilities near you. Or, enjoy the convenience of Teladoc which allows you to consult with a primary care physicians by phone or video chat, 24/7 — for just a \$10 copay. You will save yourself time and money.

Use Quest Diagnostics® and other affiliated labs – You can save money when you use Quest Diagnostics and other affiliated labs for blood tests and other lab services. You’ll pay even less than you would at an in-network lab.

Get advice from a nurse – Have a health concern or question? Talk to a registered nurse. While they can’t prescribe or diagnose, they can help you understand medical conditions and their treatment, give you questions to ask your doctor and guide you on where to get the care you may need. Call Informed Health® Line at 1-800-556-1555, anytime, day or night.

| Frequently Called Numbers | |
|---|--|
| <ul style="list-style-type: none"> ★ Exchange Benefits Office 1-800-519-3381 benefits@aafes.com | <ul style="list-style-type: none"> ★ Prudential Long Term Care Plan 1-800-732-0416 |
| <ul style="list-style-type: none"> ★ Aetna DoD NAF Medical and Dental Plan 1-800-367-6276 1-888-506-2278 (overseas) or 1-813-775-0189 (overseas collect) | <ul style="list-style-type: none"> ★ Fidelity 401(k) Plan 1-800-835-5098 |
| <ul style="list-style-type: none"> ★ Aetna Managed Disability Plan 1-800-644-2386 1-888-774-1371 (overseas) | <ul style="list-style-type: none"> ★ Personal Accident Insurance 1-877-802-5246 ★ Aetna Life Insurance 1-800-523-5065 ★ Aetna Long Term Care 1-800-537-8521 |