

Overview of Contractual Benefit Changes - Medical Plans, Retirement, VIP

Open Enrollment for Insurance: Nov. 8 - Nov. 30



IAM 751 members are asked to select their health and dental insurance coverage during the 2016 annual enrollment period, which runs Nov. 8 through Nov. 30, 2016. Any changes employees make during enrollment will go into effect on January 1, 2017. You should have received an information packet in the mail. Review enrollment materials, examine co-pays and out-of-pocket expenses, and a check list of network providers. The

chart below is a brief comparison of the plans. Study the plans carefully before selecting coverage and review how different plans affect your out-of-pocket costs.

Following acceptance of the contract extension in Jan. 2014, there are some dramatic changes coming to our health care coverage in 2017 you need to be aware of in selecting your coverage.

Service/Care	Traditional Medical Plan	Selections CCP	Group Health
NOTE: Monthly contribution reflects completion of health assessment questionnaire	Effective 1/1/17-12/31/17	Eff 1/1/17-12/31/17	Eff 1/1/17-12/31/17
Employee Only	\$40.00	\$70.00	\$70.00
Employee & Spouse	\$80.00	\$140.00	\$140.00
Employee & children	\$80.00	\$140.00	\$140.00
Family	\$120.00	\$210.00	\$210.00
Office Visits (network)	\$20 co-pay per visit primary care; New \$25 co-pay specialist (including chiropractic)	\$20 co-pay per visit primary care; New \$25 co-pay specialist (including chiropractic)	\$20 co-pay per visit primary care; New \$25 co-pay specialist (including chiropractic)
Deductible Network Non-network	\$300 individual/ \$900 family; \$600 individual/\$1800 family non-network charges apply to network deductible	None if within network. \$400 per individual if non-network used	None
Network services (your share)	10% after deductible	10%	10%
Non-network services (your %)	40% after deductible	40%	40%
Annual out-of-pocket maximum	\$2,000 per individual; \$4,500 per family, but not more than \$2,000 for any 1 person (in addition to the annual deductible)	\$2,000 per individual; \$4,500 per family, but not more than \$2,000 for any 1 person	\$2,000 per individual; \$4,500 per family, but not more than \$2,000 for any 1 person
Prescription coverage	** MEMBER PAY THE DIFFERENCE GENERIC INCENTIVE PRESCRIPTION PROGRAM. For brand formulary and brand nonformulary prescription drugs from a retail pharmacy or the mail-order program, you'll be encouraged to choose generic over brand-name options. That means if you purchase a brand-name drug when a generic equivalent is available, whether at your request or your physician's, you'll pay the generic copayment plus the cost difference between the brand-name and generic drug. NOTE: If you have a high co-pay, you may want to ask the pharmacy how much it costs without insurance.		
Retail (up to 30 days) Generic Brand formulary Brand non-formulary Mail (up to 90 days) Generic Brand name formulary Brand non-formulary	\$5 co-pay \$25 co-pay** \$40 co-pay** \$10 co-pay \$60 co-pay** \$100 co-pay** **if no generic OR approved after review, if not you pay generic copay plus cost difference between brand-name & generic.	\$5 co-pay \$25 co-pay** \$40 co-pay** \$10 co-pay \$60 co-pay** \$100 co-pay** **if no generic OR approved after review, if not you pay generic copay plus cost difference between brand-name & generic.	\$5 co-pay \$25 co-pay** -- \$10 co-pay \$60 co-pay** \$100 co-pay** **if no generic OR approved after review, if not you pay generic copay plus cost difference between brand-name & generic.
For more information	1-888-802-8776 www.bcbsil.com/boeing	1-888-802-8776 www.bcbsil.com/boeing	1-888-901-4636 or www.ghc.org

Things to Remember

◆ Make changes via web outside Boeing at www.boeing.com/express, click TotalAccess or inside Boeing at <https://my.boeing.com> - click TotalAccess. Or call 1-866-473-2016. Hearing-impaired callers can access TTY/TDD services at 1-800-755-6363.

◆ **Complete the Health Assessment Questionnaire to avoid additional paycheck contributions in 2017.**

Taking the questionnaire is not mandatory, but it is a choice members and/or their covered spouse or domestic partner need to make to avoid additional monthly contributions. You can always select "Don't Know" for an answer. Screenings are optional and have no impact on monthly contributions.

◆ **Members in Washington have two dental choices: the Network Plan (Delta Dental PPO) OR Prepaid Plan (DeltaCare).** There are no monthly contributions for dental plan coverage or changes from the current coverage.

◆ **Some of the changes for 2017.** Both Selections and Group Health will be covered at 90 percent (previously 100%). Traditional Medical's annual deductible increased to \$300 individual/\$900 family and a new out of network deductible of \$600 individual/\$1800 family. Co-pay for office visits increased to \$20 for primary care and \$25 for specialist (including chiropractors).

REMEMBER: If you do not take action during the open enrollment, your current benefit choices continue automatically.

Changes to Retirement/VIP

Changes to Retirement

- On Oct. 1, 2016, the monthly pension multiplier increased to \$95 per month.
- On Oct. 31, 2016 – accrual of pension benefits cease
- Benefits accrued will continue to be maintained under the BCERP and will be paid out upon retirement

Effective Oct. 1, 2016 - Unreduced early retirement at age 58 (previously age 60) for Boeing Pension

Age at Retirement	% earned benefit
58	100%
57	98%
56	96%
55	94%

New Special Company Retirement Contribution (in VIP - same account; but separated)

- Company contributes automatically each pay period whether or not you contribute.
- Eligible pay is defined as base pay, shift differential, pay additives, overtime, COLA, AMPP payments, and paid time off excluding payout of unused benefits
- The same investment allocations apply to your Special Company Retirement Contributions, as your VIP Contributions and Company match
- Hardship withdrawals from the Special Company Retirement Contribution are limited

Contribution Levels for Special Company Retirement Contribution		
Contribution Year	Hired/Rehired before Jan. 3, 2014	Hired/Rehired after Jan. 3, 2014
Nov. 1, 2016 - Oct. 31, 2017	10%	4%
Nov. 1, 2017 - Oct. 31, 2018	10%	4%
Nov. 1, 2018 - Oct. 31, 2019	6%	4%
Nov. 1, 2019 - thereafter	4%	4%

VIP Savings Match Increases

- On Nov. 1, 2016 – Company match increases to 75% up to the first 8% of base pay each pay period (previously 50% of the first 8%)

VIP Contribution Limits

- VIP deferral limits for pre-tax \$18,000. If 50 years or older, you can contribute an extra \$6,000 per year on a pre-tax basis (\$24,000 total pre-tax if 50 or older)
- If members contribute more than those amounts, it automatically switches to an after-tax basis for rest of calendar year
- Annual contribution limit (yours and Boeing VIP Match and Special Contribution) combined reach \$53,000 a year (increases to \$54,000 in 2017). If that is reached, all contributions, including the Special Company Retirement Contributions will stop for remainder of the year.

Ayco Retirement Counselor

Boeing has provided Ayco Retirement Counselors for retirement planning free through Dec. 31, 2016 (online advice remains free). Reach them through TotalAccess (say Retirement Counselor when prompted)

These counselors can:

- Help you understand the new retirement program
- Plan to meet your retirement goals and maximize the benefit under the VIP
- Help you use the retirement income modeler
- Understand investing, including your risk tolerance and diversification