Caltech
2019 Retiree Annual Open Enrollment

Campus and JPL Retirees
Town Hall Meeting
November 5, 2018
What We’ll Cover

Overview of 2019 Retiree Benefits
• What’s NOT changing in 2019
• Exciting New Administration Changes for 2019
• Important Reminders About Paying Your Bill
• Health Reimbursement Account Administration Updates

Caltech Retiree Service Center Operated by Mercer
• Introduction and Description of Services

New Health Reimbursement Account Administrator – Discovery Benefits, Inc.
• Introduction and Description of Services

TIAA
• Put Lifetime Income Payments to the Test

Questions
2019
Retiree Health & Life Benefits
Program Updates
Benefits Annual Open Enrollment for Retirees and Surviving Spouses

November 5 - November 19

• To continue with your current plan elections through Caltech you don’t have to do anything!
• If you do nothing, you will be automatically enrolled in your existing plan(s). However, your plan rates and Defined Dollar Credit will change.
• If you would like to make changes to your plan election(s) for 2019 you can do so by calling the new Caltech Retiree Service Center.
What’s NOT Changing in 2019

1. Caltech Medical, Dental and Vision health insurance providers
   • You will be enrolled in the same coverages you had in 2018 unless you call and make a change during annual open enrollment

2. Receiving Defined Dollar Contributions (DDC) from Caltech
   • DDC amounts are updated annually
     ➢ review the changes to your monthly plan costs during annual open enrollment
   • Your specific DDC may be found in the coverage letter you received, and also on page 6 of the 2019 Caltech Retiree Enrollment Guide
What’s NOT Changing in 2019 (continued)

3. Health Reimbursement Account (HRA)
   • If you do not elect retiree benefits through Caltech or have excess dollars from your DDC after paying for benefits, those funds will automatically be deposited into a HRA and used to pay for eligible expenses.

4. Your Caltech Retiree Life Insurance policy will not change
   • Be sure your beneficiary is correct
Reminders for Medicare Eligible Retirees

- All of the Caltech plans for Medicare eligible retirees and spouses require you to be enrolled in both Medicare
  - Part A, and
  - Part B
Reminder About Medicare Part D

- If you enroll in any of Caltech’s retiree medical plans; **you do not need to enroll in a separate Medicare Part D plan**
  - Part D benefits are integrated into all of the Caltech sponsored Medicare plans
  - If you enroll in a Part D plan **outside of the Caltech plan**; you will be automatically dis-enrolled in from your Caltech medical plan

- You need to pay Part D premium to Medicare if your income is **greater than**
  - $85,000 (individual tax return), or
  - $170,000 (joint tax return)
Introducing the Caltech Retiree Service Center, Operated by Mercer & Discovery Benefits, Inc.
Exciting Changes for 2019!

Caltech is changing and consolidating administrators to improve the quality of service provided to you.

<table>
<thead>
<tr>
<th>Service</th>
<th>2018 Administrator</th>
<th>2019 Administrator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Service Questions &amp; Issues</td>
<td>Aetna Marketplace</td>
<td>Caltech Retiree Service Center</td>
</tr>
<tr>
<td>Enrollments &amp; Changes to Coverages</td>
<td>Aetna Marketplace</td>
<td>Caltech Retiree Service Center</td>
</tr>
<tr>
<td>Billing Services</td>
<td>WageWorks</td>
<td>Caltech Retiree Service Center</td>
</tr>
<tr>
<td>HRA Administration</td>
<td>WageWorks</td>
<td>Discovery Benefits</td>
</tr>
</tbody>
</table>
What Does This Mean for You?

✔ Experienced service center representatives trained to handle Caltech’s unique benefits program.

✔ A single point of contact for all your enrollment, billing and HRA questions – no more calling multiple administrators looking for an answer; if the Caltech Retiree Service Center team is unable to be answer your question, you will be “warm” transferred to Discovery Benefits.

✔ A flexible billing provider who is able to quickly apply updates to your bill when changes happen in your life.
2018 Billing Process

If you owe monthly payments for your Caltech coverage, here are some key dates:

<table>
<thead>
<tr>
<th>Billing Mail Date</th>
<th>Coverage Period</th>
<th>Payment Due Date</th>
<th>Mail Payment To:</th>
<th>Last Day to Receive Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/15/18</td>
<td>December ‘18</td>
<td>12/1/18</td>
<td>WageWorks</td>
<td>12/31/18*</td>
</tr>
</tbody>
</table>

*WageWorks will accept 2018 payments through 1/31/19.

**IMPORTANT:** If you send a payment to WageWorks for December 2018 coverage **after 12/31/18**, that payment will be automatically refunded to you. The Caltech Retiree Service Center will work with you to collect any balances owed for 2018 after 1/1/2019.

If you normally pay directly from your bank account using automated, scheduled payments (by ACH), **you must cancel your automatic bank payment to WageWorks after you pay your December 2018 bill.**
## 2019 Billing Process

If you owe monthly payments for your Caltech coverage, here are some key dates:

<table>
<thead>
<tr>
<th>Billing Mail Date</th>
<th>Coverage Period</th>
<th>Payment Due Date</th>
<th>Mail Payment To:</th>
<th>Last Day to Receive Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/17/18</td>
<td>January ’19</td>
<td>1/1/19</td>
<td>Caltech Retiree Service Center</td>
<td>1/31/19</td>
</tr>
</tbody>
</table>

If you mistakenly send a payment to WageWorks for January 2019 coverage, that payment will be deposited by WageWorks and a refund will be mailed to you. It is important that you ALSO mail a January payment to The Caltech Retiree Service Center.

If you normally pay by automatic bank payment (ACH), you will need to establish a new ACH with the Caltech Retiree Service Center for 2019 coverages. Details on how to do this are found on page 26.
What About Your HRA?

• Beginning January 1, 2019, your HRA account will be administered by Discovery Benefits

• If you have an HRA account with Wageworks or if you are eligible to open one, information will be mailed to you explaining how to set up your new online HRA account with Discovery Benefits in mid December

• If your HRA has a balance with WageWorks as of December 31, 2018, your account balance will be automatically transferred to Discovery Benefits; you will be able to access your full account balance after January 15th, 2019

  ➢ At the beginning of January, 2019 your HRA account will show your January monthly balance;
  ➢ After the rollover process is complete on January 15th, you will be able to see your full account balance (including any 2018 rollover amounts from Wageworks)
HRA Administrative Fee

- Beginning in 2019, all Caltech retirees and surviving spouses enrolled in the HRA only are subject to a monthly administrative fee

- The 2019 monthly administrative fee is $13.40

- If you are enrolled in a Caltech Retiree Medical Plan, the monthly administrative fee is included in your premium rates
Transition Timeline

Nov 2018
- First Day to Make Open Enrollment Elections 11/5/18
- First Day to View Caltech Retiree Service Center Website 11/5/18
- Annual Open Enrollment Reminder Postcard Mailed 11/7/18
- December ’18 Bills Mailed by WageWorks 11/15/18
- Last Day to Make Open Enrollment Elections 11/19/18
- December ’18 Bill Payment Due to WageWorks 12/1/18

Dec 2018
- Open Enrollment Confirmation Statements Mailed 12/10/18
- Last Day to Make 2018 Changes on the Aetna Marketplace 12/14/18
- Last Day to Call the Aetna Marketplace Regarding 2018 Benefits 12/14/18
- Jan Bills Mailed by Caltech Retiree Service Center 12/17/18
- Last day to submit HRA claims to Wage Works 12/31/2018
- Last Day to View Information on the Aetna Marketplace Website 12/31

Jan 2019
- January ’19 Bill Payment Due to Caltech Retiree Service Center 1/1/19. Grace period until 1/31/19
- First funding of HRA to Discovery Benefits 1/2/19
- First day to see your HRA balance from WageWorks in your Discovery Benefits account 1/1/19
- February ’19 Bills Mailed by the Caltech Retiree Service Center by 1/9/19
- February ’19 Bills Due to Caltech Retiree Service Center by 2/1/19. Grace Period until 2/28/19
- Last Day to Mail 2018 payments to WageWorks 1/21/19
- Last Day WageWorks Will Process Payments for 2018 Bills 1/31/19
This presentation provides only highlights of your benefits. It is not a contract. It does not change the terms of your benefit plans or the official documents that control them. Consult the individual plan booklets for specific details of benefit coverage. To permit a brief summary of benefits and services, use of actual contract language has been minimized. This summary comparison does not replace the legal documents that establish the plans. Final interpretation of any provision of the plans will be governed by the master policies and service agreements, which are on file in the office of the plan administrator. Caltech reserves the right to change, suspend or terminate its benefits programs, in whole or in part, at any time and for any reason.
The Caltech Retiree Service Center
The Caltech Retiree Service Center

The Caltech Retiree Service Center is available to help to you at 1-855-251-0910.

- Service hours are 5:30 am to 6:00 pm (PT) M-F
- Plan eligibility
- Monthly premium and DDC amount
- Address and phone number updates
- Enrollment elections, options and material request
- Life insurance beneficiary updates
- Qualifying life event management
- Death notifications
- DDC and HRA allowance amounts
Caltech Retiree Website

YOUR CALTECH RETIREE ENROLLMENT PERIOD IS NOVEMBER 5-19.

WELCOME, CALTECH RETIREEs!

It's time to review your benefits! Call the Caltech Retiree Service Center at 1-855-251-0970, Monday-Friday between 8:30 a.m. and 5 p.m. PT, to help review your options and choose the plan that's right for you.

WHAT'S NEW FOR 2019

• Caltech has increased their contribution to the Retiree Defined Dollar Credit. See page 4 for details.
Caltech Retiree Benefits Website

www.caltechretireebenefits.com

- Plan information
  - Benefit Guide
  - Summary Plan Descriptions
  - Detailed Benefit Summaries

- Links to carrier websites

- HIPAA forms

- In 2019 online enrollment and My Account viewing will be rolled out to Caltech retirees and surviving spouses
2019 Monthly Member Premium Payments

If you are enrolled in a Caltech sponsored plan you may receive a bill for your portion of the plan premium, if your costs exceed your DDC amount. This does not apply to grandfathered retirees, over age 65, on the Kaiser plan.

- Bills for January 1, 2019 premium contributions will be mailed by mid-December.
  - Envelopes are always included with the billing notice.
  - 2019 payments should be mailed to the Caltech Retiree Service Center.
  - Payment is due no later than January 31, 2019.

- Each month bills will be mailed around the 10\textsuperscript{th} of each month.
Monthly Member Premium Payments Continued

• If payment has not been received by the 1\textsuperscript{st} of the month, your next bill notice will show 2 month’s premium due; the current month’s premium plus the next months premium due. The billing notice will say 2\textsuperscript{nd} notice.

• Payments are due 1\textsuperscript{st} of the month, however you have until the end of the month to make your payment.

• All 2018 payments should be directed to WageWorks.
SAMPLE BILL

REMIT PAYMENT:

NOTICE OF PAYMENT DUE

Certificate Number: 15119-3001022

Send this portion with your payment.

Current Due: $681.66

Make check payable to: CALECH INSURANCE PLAN

Certificate Number: 15119-3001022

Payment Due Date: 01/01/19

Amount Due: $681.66

Send this portion with your payment.

To ensure our records are accurate, please verify information on back.

Make check payable to: CALECH INSURANCE PLAN

Certificate Number: 15119-3001022

Payment Due Date: 01/01/19

Amount Due: $681.66

Current

Send this portion with your payment.

To ensure our records are accurate, please verify information on back.

Make check payable to: CALECH INSURANCE PLAN

Certificate Number: 15119-3001022

Payment Due Date: 01/01/19

Amount Due: $681.66

Current
Understanding Your Monthly Premium Billing Notice

“Understanding your Benefit Plan Premium Notice” example will be included with your first monthly bill.
Have Your Monthly Premiums Auto Deducted (ACH) from Your Bank Account

- You may complete a form, which will be included with your 1st bill, to have the Caltech Retiree Service Center automatically deduct your payment due from your bank account.

- Once the auto pay (ACH) form is returned and processed you will receive a confirmation when this has been set up.

- Premium payments are deducted on the 5th business day of the month, unless it is a holiday and then it will be deducted on the next business day.

- Once Electronic Funds Transfer is set up your bank statement will have a deduction identified as “Caltech Retiree Premium“.
AUTOMATIC PREMIUM PAYMENTS (ACH)

SET UP NOW AND RELAX

- Free of bill pay hassle
- Secure convenience
- No cost
- Always on time
- No check to write
- No stamp to affix
- No walk to the mailbox

Your premium is always paid — automatically

YOU MUST SIGN, DATE AND RETURN THE AUTHORIZATION FORM TO ACTIVATE
Discovery Benefits, Inc.
Health Reimbursement Account (HRA)

- Discovery Benefits Incorporated (DBI) will mail a welcome packet in mid December.

- On-line tools will be communicated in the welcome packet.

- Call center will go live January 2.

- If applicable, roll-over balances from WageWorks will be moved to DBI mid January, 2019.

- **Last day to file claims with WageWorks is December 15, 2018.**

  - Any 2018 claim that was **not filed** with WageWorks may be sent to DBI for processing on or after January 2, 2019.
Health Reimbursement Account (HRA)
Health Reimbursement Account (HRA)
TIAA
Put Lifetime Income Payments to the Test
Introducing Income Test Drive from TIAA
- A “try before you buy” opportunity

The Income Test Drive (ITD) feature gives employees the experience of simulated lifetime income payments from a variable annuity for up to two years—helping to answer questions like...

- What if I’m not ready to commit to this decision?
- Is my income going to last?
- How much will my income vary and affect my budget?

1. Payment amounts from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

There are no fees or charges to initiate or stop this feature. However, it’s important to note that your annuity’s balance will be reduced by the income payments you receive, independent of the annuity’s performance. Income Test Drive income payments are based upon the annuitization of the amount in the account, period (minimum of 10 years), and other factors chosen by the participant. If you do not stop the Income Test Drive within the 2 year test period, the remaining balance in the account you selected for the Income Test Drive Feature will be annuitized in accordance with the selections you made for the Income Test Drive. Annuitization is irrevocable.
### Putting lifetime income payments to the test

<table>
<thead>
<tr>
<th>Employees who …</th>
<th>Can elect Income Test Drive using the …</th>
<th>And will …</th>
</tr>
</thead>
</table>
| ▪ Are 55 or older  
▪ Have separated from service from the institution sponsoring the plan  
▪ Have a minimum balance of $10,000 in their account | ▪ CREF variable annuity accounts  
▪ TIAA Real Estate Account  
▪ TIAA Access Lifecycle Retirement Income Fund | ▪ Receive systematic withdrawal payments at the frequency they choose—monthly, quarterly, semi-annually, or annually  
▪ Maintain control over their assets  
▪ Have the ability to cancel the Income Test Drive any time during the two-year trial with no cost or penalty  
▪ Automatically shift into regular annuity income payments if they remain in the test drive through the two years |
Lifetime income resources

Videos, Flyers & Brochures

CREF Lifetime Income Video (Public)
To download the video file to your device ahead of time in case of Wi-Fi challenges at the event site:
Go to: (https://vimeo.com/242992631) and click on the Download button below the video to access the downloadable wav file.

Income Test Drive Video (Public)
To download the video file to your device ahead of time in case of Wi-Fi challenges at the event site:
Go to: (https://vimeo.com/262582097), at the prompt, enter the PW: “ITD” and click the submit button. A video will appear. Click on the Download button at the bottom right of the page below the video to access the downloadable wav file.

Other Resources
- Replacing Your Salary in Retirement
- Your Guide to Securing Lifetime Income
- Lifetime Income from CREF Brochure
- CREF Stock Brochure
Make the most out of your retirement with Income Test Drive

Put lifetime income payments to the test

You don’t have to go it alone

TIAA is here for you. We can help you turn your retirement savings into income payments. You can get started today:

Call 888-583-2535 to speak with a consultant.

Visit TIAA.org/incometestdrive to schedule an in-person meeting at a TIAA office near you.

You can also take advantage of a broad range of tools and resources to help you understand your retirement income options and make informed decisions about your overall financial well-being. More information is available at TIAA.org/pfr
Disclosures

© 2018 Morningstar, Inc. All Rights Reserved.

The information contained herein (1) include the confidential and proprietary information of Morningstar, (2) may not be copied or redistributed, (3) do not constitute investment advice offered by Morningstar, (4) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (5) are not warranted to be accurate, complete or timely. Certain information may be self-reported by the fund and not subject to independent verification. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use.

Annuity account options are available through contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income.

CREF Variable annuity products are issued by College Retirement Equities Fund, New York, NY.

Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.
Annuities are designed for retirement and other long-term goals. They offer several payment options, including lifetime income. When you contribute to an annuity, your money must remain in it until you reach age 59-1/2. If you withdraw earnings before then, you may be subject to a 10% early withdrawal penalty. You may also pay ordinary income tax on other withdrawals from a qualified annuity. Depending on the issuing company, product and available options, the income may be fixed or variable. Guarantees and fixed-income payments are based on the claims-paying ability of the issuer. Variable annuity income varies based on the performance of the sub-accounts. Please note that with variable annuities, your money will be subject to the risks associated with investing in securities, including loss of principal.

You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877-518-9161 or go to www.TIAA.org/prospectuses for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

TIAA-CREF Individual & Institutional Services, LLC, Teachers Personal Investors Services, Inc., and Nuveen Securities, LLC, Members FINRA and SIPC, distribute securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. Each is solely responsible for its own financial condition and contractual obligations.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

This material is for informational or educational purposes only and does not constitute investment advice under ERISA. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor’s own objectives and circumstances.

TIAA.org

© 2018 Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF), 730 Third Avenue, New York, NY 10017

(10/2018)
Questions?