Annual Enrollment is October 25 through November 16, 2017

Review your benefit options for 2018 and enroll through the AEP Benefits Center by going to www.ibenefitcenter.com/aep or calling 1-888-237-2363.

Retirees and survivors age 65 and over and their dependents
The choice is yours
Explore your AEP benefit options for 2018

We are pleased to continue to offer you competitive coverage next year through the AEP Health & Welfare benefits program. This year’s Annual Enrollment runs from October 25 through November 16, 2017, and it’s your opportunity to elect the benefits that are right for you and your family in 2018.

Effective January 1, 2018, AEP will be transitioning Medicare eligible retirees who currently participate in the Coordination of Benefits (COB) and Maintenance of Benefits (MOB) plans to Aetna Group Medicare Advantage plans. Both plans offer the same overall value as the medical plan options you’ve had before, with a few new services added, and will continue to be sponsored by AEP and offered through Aetna. There will be minimal changes to how out-of-pocket costs, such as copays or coinsurance, are calculated as described within this benefits guide.

Your pharmacy benefits will not change and will remain with Express Scripts. We encourage you to read this guide carefully, as well as anything you receive from Aetna, to understand the changes before you enroll.

DO YOU NEED TO TAKE ACTION?

As noted above, the current medical plan options — the Aetna Medicare Coordination of Benefits (COB) Plan and the Aetna Medicare Maintenance of Benefits (MOB) Plan — are changing to the Aetna Group Medicare Select Plan and the Aetna Group Medicare Standard Plan.

You will be automatically transitioned into the plan that most closely matches your current medical plan during Annual Enrollment, unless you choose to enroll in a different AEP Group Medicare Advantage plan or waive coverage.

• If you’re enrolled in the Aetna Medicare Coordination of Benefits (COB) Plan, you will be enrolled in the Group Medicare Select Plan.
• If you’re enrolled in the Aetna Medicare Maintenance of Benefits (MOB) Plan, you will be enrolled in the Group Medicare Standard Plan.

If you are comfortable with how the medical plan transition will occur and you’re satisfied with your other benefits coverage, you do not need to take action this Annual Enrollment. However, you must take action if:

• You do not want to automatically be transitioned to your corresponding Medicare Advantage plan and would like to select the other medical plan.
• You want to discontinue coverage in the vision plan or the dental plan.
• You want to change from the Dental Preferred Provider Organization (DPPO) Plan to the Dental Maintenance Organization (DMO) Plan (if available) or vice versa.
• You want to add or remove coverage for your eligible dependents or remove ineligible dependents.
• You are a surviving spouse who must respond to the remarriage attestation question even if you make no changes to your current benefits.
HOW TO ENROLL

The AEP Benefits Center makes it easy to elect your benefits for 2018. Simply log on to the AEP Benefits Center website, www.ibenefitcenter.com/aep, and follow the simple enrollment instructions on page 18 of this guide. You may also enroll by calling 1-888-237-2363 (1-888-AEP-BENE), option 1.

Be sure to take action between October 25 and November 16, 2017. If you do not take action during Annual Enrollment, you will automatically be enrolled in the same coverage you have now, covering the same eligible dependents, for 2018. Your coverage will be effective from January 1, 2018, through December 31, 2018.

Questions?
Please call the AEP Benefits Center at 1-888-237-2363 (1-888-AEP-BENE), option 1, between 8 am and 5 pm ET, any business day, and confirm your identity to speak with a representative.
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Visit the AEP retiree website
Stay informed with AEP’s retiree website, www.aepretirees.com. You’ll find articles on a variety of topics such as the energy industry, retiree benefits, human interest stories on fellow retirees, obituary listings, historical photographs, important announcements and much more.
The following changes to AEP’s Health & Welfare benefits will take effect January 1, 2018.

**New Medicare Advantage plan options**
AEP will offer two new Medicare Advantage plan options — the Aetna Group Medicare Select Plan and the Aetna Group Medicare Standard Plan. Both offer the same overall value as the medical plan options you’ve had before, with a few new services added. These include care management programs to assist retirees with chronic health conditions, new wellness offerings, including health lifestyle coaching, healthy home visits, and a new hearing aid benefit. Highlights of the Medicare Advantage plans are included on pages 4–6 of this guide.

**Express Scripts Medicare Prescription Drug Plan changes**
Also effective January 1, 2018, our prescription drug plan will no longer require participants to pay for some generic low- to moderate-dose statins for the treatment of high cholesterol for plan members ages 40–75. This change is the result of the 2016 United States Preventive Services Task Force recommendation that adults within this age range who have certain health risk factors and no history of cardiovascular disease should use a low- to moderate-dose statin for the prevention of a cardiovascular event. This means that certain low- to moderate-dose statins are now considered preventive medications that must be covered under the Affordable Care Act (ACA) at no cost to members. Please note that not all members and statins qualify to receive their prescription at no cost. Members should contact Express Scripts directly to determine if the statin they are taking is included as preventive and available at no cost.

**Coverage expands for the AEP Dental Plan Preferred Provider Organization (DPPO) option**
Effective January 1, 2018, the DPPO dental plan option annual maximum benefit amount will increase to $1,750 per covered person (up from $1,500 in 2017), and the lifetime orthodontia maximum will increase to $1,750 per covered person (up from $1,500 in 2017). Coverage for an occlusal guard for Bruxism, currently excluded, will be considered a covered benefit under this plan option.

**EyeMed Comprehensive Vision Plan covers more services**
Beginning January 1, 2018, the frequency provision for vision care services and products, such as exams, glasses and contacts, will change from a date-of-service frequency to a calendar-year frequency to allow vision plan participants greater flexibility. For example, if your last eye exam was on July 15, 2017, you won’t have to wait until after July 15, 2018, to schedule your next exam. You can schedule it anytime in the 2018 calendar year that works best for your schedule. Additional changes include increases in the frame and contact lens allowance from $130 to $135, no copay for UV, tinted or scratch-resistant lenses and out-of-network reimbursement for some services. New discounts, including discounts for hearing aids and sunglasses purchased at Sunglass Hut, will also be available.

**NEW! AEP benefits site**
Visit the new AEP Benefits Hub website at www.aepbenefits.com to get information about all of your benefits.

- **It’s easy to access from home** or your mobile device. No login is required, and even spouses and dependents can access the website easily.
- **It’s simple to use**, with streamlined navigation, a search feature that helps you find topics of interest quickly, and optimized viewing for PCs, smartphones and tablets.
- **It’s loaded with important and helpful information** that covers the full spectrum of benefits and programs for retirees. The contacts area and other links throughout the site provide easy access to the resources you need most.
MEDICAL PLANS

This section provides a summary of the two AEP retiree medical plan options available to you and your dependents. Please carefully read this section, as well as your enclosed 2018 Personal Enrollment Worksheet, before making your elections.

See your options

Your AEP retiree medical plan options will depend on your personal situation, as shown in the table below.

<table>
<thead>
<tr>
<th>If this describes you</th>
<th>Your options are</th>
</tr>
</thead>
</table>
| Former CSW retirees age 65 and over and their surviving dependents | • Aetna Group Medicare Select Plan.  
• Aetna Group Medicare Standard Plan.  
• No coverage. |
| Participants who retired between January 1, 1989, and January 1, 2001, and who were age 65 and over as of December 31, 2000, and their surviving dependents | • Aetna Group Medicare Select Plan.  
• Aetna Group Medicare Standard Plan.  
• No coverage. |
| Participants who retired before January 1, 1989 | • Aetna Group Medicare Select Plan.  
• No coverage. |
| AEP retirees who turned age 65 after December 31, 2000, and their surviving dependents | • Aetna Group Medicare Select Plan.  
• Aetna Group Medicare Standard Plan.  
• No coverage. |

Note: If you are over age 65 and Medicare-eligible but your eligible dependent is under age 65, you both will be covered by an age-65-and-older medical option. Please reference the table on page 7, which provides details on the coverage for your non-Medicare-eligible, under-age-65 dependents.

Waiving medical coverage

Retirees: Even if you have previously waived AEP retiree medical coverage or do not elect it this Annual Enrollment, you may still elect this coverage in the future — either during a future Annual Enrollment or within 31 days of a qualified change in family status.

Surviving spouses and dependents: Once you waive AEP retiree medical coverage, you lose your eligibility for this coverage permanently and will not be able to enroll at a later date.

Did you know?

Under both of AEP’s retiree medical plan options — the Aetna Group Medicare Select Plan and the Aetna Group Medicare Standard Plan — preventive care is covered at 100%. That means you pay nothing for immunizations, routine annual exams, adult screenings, routine colonoscopies and other preventive care.

Your options at a glance

We are pleased to introduce you to the Aetna Group Medicare Select and Aetna Group Medicare Standard plans. There are many benefits associated with these plans including:

• Streamlined claims processing.
• Only one card needed to access your medical benefits.
• Access to new health and wellness programs.
Comparing your options

The primary differences between the two plans are the amount you’ll pay for your monthly premiums and the amount you’ll pay for out-of-pocket expenses. Choosing the best plan for you will depend on your personal situation. The table on the following page helps to better explain your benefits under the Medicare Advantage Plans.

During Annual Enrollment, you can choose which plan you like. If you are already enrolled in the Aetna Medicare Coordination of Benefits (COB) Plan or the Aetna Medicare Maintenance of Benefits (MOB) Plan and do not take action to elect a new plan, you will automatically be moved into the plan that most closely matches your current plan.

In order to be enrolled in a Medicare Advantage plan, you must be enrolled in Medicare Parts A and B, and continue to pay your Medicare Part B premiums. **Note:** If you are currently signed up for Medicare Part B, there is no need to re-enroll in Medicare Part B on an annual basis.

Aetna Group Medicare Select Plan

The Aetna Group Medicare Select Plan allows you to direct your own care. This means you can receive care from any doctor, specialist or hospital who accepts Medicare, with no penalty.

The Medicare Select Plan is a $0 deductible plan, which means it immediately begins providing coverage for your medical expenses. Your monthly premiums under this plan will generally be higher than those under the Aetna Group Medicare Standard Plan, since it typically results in lower out-of-pocket costs for you. When you receive care, generally you pay a percentage of each covered expense. You pay 5% of the cost for most services, and the plan will pay 95% of the reasonable and customary (R&C) charges. Certain services, such as inpatient hospital stays, urgent care and emergency room visits, now have a flat copay versus coinsurance.

Once you meet your annual out-of-pocket maximum of $2000, the plan will then pay 100% of your R&C covered medical expenses.

Aetna Group Medicare Standard Plan

Like the Aetna Group Medicare Select Plan, the Aetna Group Medicare Standard Plan allows you to direct your own care. This means you can receive care from any doctor, specialist or hospital who accepts Medicare, with no penalty.

This plan requires you to meet a medical expense deductible of $200 per person before it will begin providing coverage for your medical expenses. Your out-of-pocket costs, such as coinsurance, are slightly higher under this plan; however, your monthly premiums will generally be lower than those under the Aetna Group Medicare Select Plan. When you receive care, generally you pay a percentage of each covered expense. You pay 20% of the cost for most services, and the plan will pay 95% of the reasonable and customary (R&C) charges. Certain services, such as inpatient hospital stays, urgent care and emergency room visits, now have a flat copay versus coinsurance.

Once you meet your annual out-of-pocket maximum of $2000, the plan will then pay 100% of your R&C covered medical expenses.

**Important Medicare information**

Both the Aetna Group Medicare Select Plan and the Aetna Group Medicare Standard Plan require an eligible retiree and/or dependent to be enrolled in Medicare Part A and Part B. Therefore, it is important that you and any Medicare eligible dependent enroll in Part B as soon as each is eligible (you should be automatically enrolled in Part A upon becoming eligible). Failure to enroll in Medicare will make you ineligible to elect an AEP retiree medical plan.
### Medical plans comparison

<table>
<thead>
<tr>
<th>Aetna Group Medicare Select Plan</th>
<th>Aetna Group Medicare Standard Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deductible</strong></td>
<td>$0</td>
</tr>
<tr>
<td><strong>Annual out-of-pocket maximum</strong></td>
<td>$2,000/person</td>
</tr>
<tr>
<td><strong>Office visit</strong></td>
<td>5%</td>
</tr>
<tr>
<td><strong>Coinsurance</strong></td>
<td>5%</td>
</tr>
<tr>
<td><strong>Annual preventive care</strong></td>
<td>Fully covered with no deductible</td>
</tr>
<tr>
<td><strong>Urgent care</strong></td>
<td>$35 copay</td>
</tr>
<tr>
<td><strong>Emergency room</strong> (copay waived if admitted)</td>
<td>$50 copay</td>
</tr>
<tr>
<td><strong>Lab and X-rays</strong></td>
<td>5%</td>
</tr>
<tr>
<td><strong>Inpatient hospital care</strong></td>
<td>$250 per stay</td>
</tr>
<tr>
<td><strong>NEW! Hearing aid reimbursement</strong></td>
<td>$500 once every 36 months</td>
</tr>
<tr>
<td><strong>Monthly premiums</strong></td>
<td>Higher</td>
</tr>
</tbody>
</table>

**Note**: If you are over age 65 and Medicare-eligible but your eligible dependent is under age 65, you both will be covered under either the Select Plan or the Standard Plan, but the plan design for your dependent will be different because Medicare coverage is not available for your dependent. See the table on the next page for specific information regarding coverage for non-Medicare eligible, under-age-65 dependents of a retiree covered by an Aetna Group Medicare Advantage plan.

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**Behavioral health**

All behavioral health and substance abuse benefits are provided through your AEP retiree medical plan.

**Good news!**

Beginning in 2018, you will have only one insurance card to keep track of versus two separate cards for Medicare and your AEP medical plan. And, all your medical claims will be processed through Aetna.

**Support for your overall health and wellbeing**

Both plans offer personalized health care support and wellness offerings. From healthy lifestyle coaching, to healthy home visits, to care management services to help you manage your chronic health conditions, these services can help you stay healthy and out of the hospital.
Medical plan comparison (under-age-65 dependents of a Group Medicare Advantage plan participant)

Benefits described below are provided to under-age-65 dependents of an AEP Medicare Advantage plan participant. Any covered dependents who are under age 65 and not eligible for Medicare can use the coverage information below to determine benefits available to them under the medical plan. Benefits provided under the Standard Plan and the Select Plan for dependents who are under the age of 65 and are entitled to Medicare as their primary coverage (for example, if they are disabled) are coordinated with Medicare. The plan assumes that Medicare-eligible dependents are enrolled in Medicare Part A and Part B. For additional details on how these plans coordinate with Medicare, please contact Aetna at 1-888-982-3862.

Note: Eligible dependents will automatically be enrolled into the plan (Select or Standard) that the over-age-65 retiree chooses. A dependent cannot select a different plan option than the retiree.

<table>
<thead>
<tr>
<th></th>
<th>Select Plan</th>
<th>Standard Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deductible</strong></td>
<td>$200/person</td>
<td>$200/person</td>
</tr>
<tr>
<td><strong>Annual out-of-pocket maximum</strong></td>
<td>$2,000/person</td>
<td>$2,000/person</td>
</tr>
<tr>
<td><strong>Office visit</strong></td>
<td>20%, after deductible</td>
<td>20%, after deductible</td>
</tr>
<tr>
<td><strong>Coinsurance</strong></td>
<td>20%, after deductible</td>
<td>20%, after deductible</td>
</tr>
<tr>
<td><strong>Annual preventive care</strong></td>
<td>Fully covered with no deductible</td>
<td>Fully covered with no deductible</td>
</tr>
<tr>
<td><strong>Emergency room</strong></td>
<td>20%, after $50 copay and $200 deductible</td>
<td>20%, after $50 copay and $200 deductible</td>
</tr>
<tr>
<td><strong>Lab and X-rays</strong></td>
<td>20%, after deductible</td>
<td>20%, after deductible</td>
</tr>
<tr>
<td><strong>Coordination of benefits</strong> (only applicable to dependents who are eligible for Medicare as their primary coverage)</td>
<td>The plan will look at the amount you still owe after Medicare has made its payment and then calculate plan benefits on this amount.</td>
<td>The plan determines what it would have paid in the absence of Medicare, then compares that amount to what Medicare actually paid.</td>
</tr>
</tbody>
</table>
PRESCRIPTION DRUG PLANS

This section provides a summary of the two prescription drug plans available to you and your dependents. Both plans are managed by Express Scripts.

See your options

If you enroll in AEP retiree medical coverage (the Aetna Group Medicare Select Plan or the Aetna Group Medicare Standard Plan), you and/or your covered dependents will be automatically enrolled in one of the following two prescription drug plans based on your/their age. You do not have the option of choosing one prescription plan over the other.

- **Express Scripts Medicare Plan**: A group-based, company-sponsored Medicare Part D plan offered by Express Scripts Medicare on behalf of AEP. It covers retirees, survivors and dependents who are age 65 and older. This plan is separate from the AEP retiree medical plans, meaning each has separate deductibles and out-of-pocket maximums. Eligible retirees and/or dependents will receive an Annual Notice of Change packet from Express Scripts Medicare with complete details. **Note**: If the information in this guide differs from what you receive from Express Scripts Medicare, the information from Express Scripts Medicare will apply.

- **AEP Prescription Drug Plan**: A company-provided plan that covers under-age-65 dependents of retirees and survivors over age 65. The plan also covers retirees whose permanent residence is outside the US.

Under either plan, your share of the cost of your prescription medications will differ if you use retail or mail order and if you use generic or brand-name drugs.

ID cards

You must present your Express Scripts Member ID card to your pharmacist when filling prescriptions.

- If you are a retiree over age 65, you will have an Express Scripts Medicare prescription ID card.
- If your covered dependent is over age 65, he or she will have his or her own Express Scripts Medicare prescription ID card.
- If your covered dependent is under age 65, he or she will have his or her own Express Scripts card.

Medicare Part D Income-Related Medicare Adjustment Amount (D-IRMAA)

There is an additional Part D premium for “high earners.” The Social Security Administration determines an individual’s obligation based on the individual’s tax return two years prior.

<table>
<thead>
<tr>
<th>Individual tax return</th>
<th>Additional Part D premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>$85,000 or less</td>
<td>Standard Part D premium</td>
</tr>
<tr>
<td>$85,001–$107,000</td>
<td>Standard Part D premium + $13.00/month</td>
</tr>
<tr>
<td>$107,001–$160,000</td>
<td>Standard Part D premium + $33.60/month</td>
</tr>
<tr>
<td>$160,001–$214,000</td>
<td>Standard Part D premium + $54.20/month</td>
</tr>
<tr>
<td>Over $214,000</td>
<td>Standard Part D premium + $74.80/month</td>
</tr>
</tbody>
</table>

You will not be billed for the standard Part D premium while you are covered under an AEP Comprehensive Medical retiree plan option because AEP pays the premium on your behalf. However, any additional Part D premiums for high earners will be deducted from your Social Security check. If your Social Security check is not enough to cover the additional Part D premium amount, you will be billed by Medicare. If you fail to pay the additional amount and Medicare deems you ineligible for a Part D plan, your coverage under the AEP Prescription Drug plan will be terminated as well as your coverage under the AEP Comprehensive Medical Plan as the medical and prescription drug are bundled and you can’t have one without the other.
Important Medicare information
If you enroll in Medicare Prescription Drug coverage (i.e., Medicare Part D coverage) through anyone other than AEP, you will lose your eligibility for AEP retiree medical plan coverage, including the prescription drug coverage that is provided as part of your AEP retiree medical plan, for that year or until you disenroll from the other Part D plan.

Prescription drug plan comparison chart

<table>
<thead>
<tr>
<th></th>
<th>Express Scripts Medicare Plan</th>
<th>AEP Prescription Drug Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Who's covered?</strong></td>
<td>Covers retirees and dependents age 65 and older</td>
<td>Covers under-age-65 dependents of age-65-and-older retirees as well as retirees with permanent residence outside the US</td>
</tr>
<tr>
<td><strong>ID card</strong></td>
<td>Use an Express Scripts pharmacy ID card</td>
<td>Use an Express Scripts pharmacy ID card</td>
</tr>
<tr>
<td><strong>Network</strong></td>
<td>Includes Walgreens, Happy Harry’s and Duane Reade pharmacies</td>
<td>Excludes Walgreens, Happy Harry’s and Duane Reade pharmacies</td>
</tr>
<tr>
<td><strong>Exclusive home delivery rule</strong></td>
<td>Does not apply</td>
<td>After the third fill at a retail pharmacy, you will pay 100% unless you use mail order or fill a 90-day supply at a CVS pharmacy.</td>
</tr>
<tr>
<td><strong>Availability of 90-day supply</strong></td>
<td>Can obtain up to a 90-day supply at either a retail pharmacy or through mail order</td>
<td>Can obtain a 90-day supply through mail or a CVS pharmacy</td>
</tr>
<tr>
<td><strong>Brand-name versus generic drugs</strong></td>
<td>No penalty for obtaining a brand-name medication when a generic is available</td>
<td>If you purchase a brand-name medication, you will pay the generic copay plus the difference in cost between the brand-name and generic medication.</td>
</tr>
</tbody>
</table>

Paying for prescriptions under the Express Scripts Medicare Plan

**Out-of-pocket maximum:** The Express Scripts Medicare Plan has an annual out-of-pocket maximum of $1,000 per covered individual. Once you reach this amount, you will not owe a copay or coinsurance for your covered prescriptions for the remainder of the plan year.

**Long-term care (LTC) pharmacy:** Residents of a long-term care facility using an in-network LTC pharmacy will pay the cost-sharing amount for a one-month supply at retail.

**Out-of-network coverage:** You must use pharmacies in the Express Scripts Medicare network to fill your prescriptions. Covered Medicare Part D drugs are available at out-of-network pharmacies only in special circumstances, such as illness while traveling outside of the plan’s service area where there is no network pharmacy. You may incur additional costs for drugs received at an out-of-network pharmacy. Please contact Express Scripts at 1-877-703-7344 for details.

**Note:** If you need more information about the AEP Prescription Drug Plan, refer to your Summary Plan Description (SPD) and Summaries of Subsequent Changes.
**Payment process under the Express Scripts Medicare Plan**

### 1. DEDUCTIBLE STAGE
You pay a $50 yearly deductible, per covered individual, for prescriptions filled at a retail pharmacy. Prescriptions filled by mail order will not be subject to a deductible.

### 2. INITIAL COVERAGE STAGE
After you pay your yearly retail-only deductible, you stay in this initial coverage stage until you reach the member out-of-pocket maximum of $1,000 or until your total yearly drug costs (what you and the plan pay) reach $3,750 (up from $3,700 in 2017), whichever comes first. During this initial coverage stage, you will pay the following:

**Generic drugs (tier 1)**
- Retail one-month (31-day) supply: $10 copay
- Retail three-month (90-day) supply: $30 copay
- Mail order (90-day) supply: $20 copay

**Preferred brand-name drugs (tier 2)**
- Retail one-month (31-day) supply: 20% coinsurance ($20 minimum/$100 maximum)
- Retail three-month (90-day) supply: 20% coinsurance ($60 minimum/$300 maximum)
- Mail order (90-day) supply: 20% coinsurance ($50 minimum/$200 maximum)

**Nonpreferred brand-name drugs (tier 3)**
- Retail one-month (31-day) supply: 35% coinsurance ($35 minimum/$200 maximum)
- Retail three-month (90-day) supply: 35% coinsurance ($105 minimum/$600 maximum)
- Mail order (90-day) supply: 35% coinsurance ($90 minimum/$300 maximum)

### 3. COVERAGE GAP STAGE
*Note: The description of this stage is required to be provided as per Medicare Part D guidelines. AEP members will not experience any change in cost-sharing amounts during this stage.*

If you have not met the member out-of-pocket maximum of $1,000, but your total yearly drug costs reach $3,750 (up from $3,700 in 2017), you will continue to pay the same cost-sharing amounts. You will continue to pay these amounts until your total out-of-pocket costs reach $5,000 (up from $4,950 in 2017).

### 4. CATASTROPHIC COVERAGE STAGE
If you have not met your member out-of-pocket maximum, but your yearly out-of-pocket drug costs — including manufacturer discounts — exceed $5,000 (up from $4,950 in 2017), you will pay the greater of 5% coinsurance or:
- A $3.35 (up from $3.30 in 2017) copay for covered generic drugs (including brand-name drugs treated as generics), with a maximum not to exceed the standard copay during the initial coverage stage.
- An $8.35 (up from $8.25 in 2017) copay for all other covered drugs, with a maximum not to exceed the standard copay during the initial coverage stage.
DENTAL PLANS

Your options at a glance

Dental health is an important part of your overall health. Depending on where you live, you may have more than one dental plan option from which to choose. The dental plan options for 2018 are:

- **Aetna Dental Preferred Provider Organization (DPPO) Plan**: Offered in all areas.
- **Aetna Dental Maintenance Organization (DMO) Plan**: Offered in limited areas; availability is based on your ZIP code.
- **No coverage**: You may choose to waive dental coverage. Once you waive AEP retiree dental coverage, you will lose your eligibility for this coverage permanently and will not be able to enroll at a later date.

Limited one-time enrollment opportunity for certain retirees

If you were retirement-eligible at the time that AEP sold an operation on or after November 12, 2015, and you went to work for the buyer of that operation as a part of the sale transaction, and if you waived AEP retiree dental coverage at that time, you may still elect AEP retiree dental coverage, if then available, one time after that sale — either during a future Annual Enrollment or within 31 days of a qualified change in family status. However, if you later waive continuation of that elected AEP retiree dental coverage, you will lose your eligibility for this coverage permanently and will not be able to enroll at a later date.

DPPO Plan

Under the DPPO Plan, you can visit a dentist in the Aetna DPPO Plan network or outside the network; however, you generally pay less out of your own pocket when you visit in-network dentists.

The DPPO Plan pays 100% of your preventive care expenses (subject to frequency limits) with no deductible, up to Aetna’s recognized charges. It also pays a percentage of Aetna’s recognized charges for most other expenses, after you meet an annual deductible.

The DPPO Plan also has a discount feature. Dentists participating in Aetna’s Preferred Dental Program will offer discounted fees for care and services. So, while the percentage you pay for care and services will be the same regardless of the dentist you visit, you may pay less out of your pocket when you visit a preferred dentist. For more information, you can call Aetna at 1-800-243-1809.

<table>
<thead>
<tr>
<th>DPPO Plan coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Your annual deductible</strong> (applies to basic and major restorative expenses only)</td>
</tr>
<tr>
<td><strong>Preventive care</strong></td>
</tr>
<tr>
<td><strong>Basic restorative care</strong></td>
</tr>
<tr>
<td><strong>Major restorative care</strong></td>
</tr>
<tr>
<td><strong>Orthodontia care</strong> (eligible dependent children under age 19)</td>
</tr>
<tr>
<td><strong>Lifetime orthodontia maximum</strong></td>
</tr>
<tr>
<td><strong>Annual maximum benefit</strong></td>
</tr>
</tbody>
</table>

* Up to network discounted rates or recognized charge if out-of-network provider is used.
If you are enrolled in the DMO Plan for 2017 and you are no longer eligible for the DMO Plan in 2018, you will be automatically defaulted into the DPPO Plan covering the same eligible dependents if you do not make a dental election during Annual Enrollment (October 25 through November 16, 2017).

If you enroll in the DMO Plan, you must choose a primary care dentist (PCD) who participates in Aetna’s DMO Plan network. Each covered family member you enroll can select his or her own PCD.

• Visit DocFind®, Aetna’s online provider directory, at www.aetna.com/docfind and select the plan titled “Dental Maintenance Organization (DMO)” to find a PCD in your area or to see if your dental provider is in the Aetna DMO Plan network.
• You may also call Aetna at 1-800-243-1809 and request a PCD in your area.
• When you visit your PCD, show your member ID card to receive covered services. Your PCD will verify your eligibility from a member roster.
• You can change your PCD as often as once a month by logging on to Aetna Navigator at www.aetna.com or by calling Aetna at 1-800-243-1809. Any change made on or prior to the 15th of the month will take effect the first of the next month. Any change made after the 15th will take effect the first of the month following the next month.

If you need more information on the DMO Plan, refer to your Summary Plan Description (SPD) and Summaries of Subsequent Changes.

Important note
Aetna cannot guarantee the availability or continued participation of a particular dental provider. Either Aetna or any DPPO Plan or DMO Plan network provider may terminate the provider contract or limit the number of patients accepted in a practice. Before enrolling in a dental plan, it’s a good idea to verify that the provider is in-network and is accepting new patients.

For additional information regarding AEP’s dental plans, please visit www.aepbenefits.com.
<table>
<thead>
<tr>
<th>Plan feature</th>
<th>DPPO Plan</th>
<th>DMO Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost-sharing arrangement</td>
<td>Coinsurance (the percentage of covered expenses you pay)</td>
<td>Copay (the amount you pay at the time of service)</td>
</tr>
<tr>
<td>Primary care dentist (PCD) election</td>
<td>Not required</td>
<td>Required at enrollment. Contact Aetna with your election after December 1, 2017</td>
</tr>
<tr>
<td>Annual deductible (the amount you pay before the plan pays)</td>
<td>$50 individual/$150 family</td>
<td>No deductible</td>
</tr>
<tr>
<td>Annual maximum (the maximum amount the plan will pay out in a plan year, excludes orthodontia)</td>
<td>$1,750 maximum per year per covered person</td>
<td>No limit</td>
</tr>
<tr>
<td>Orthodontics eligibility</td>
<td>Children under age 19</td>
<td>Adults and children</td>
</tr>
<tr>
<td>Orthodontics out-of-pocket maximum</td>
<td>No limit</td>
<td>$2,400 copay</td>
</tr>
<tr>
<td>Orthodontics lifetime benefit maximum</td>
<td>$1,750 per lifetime per covered child</td>
<td>No limit</td>
</tr>
<tr>
<td>Referrals (the PCD directs you to seek dental care from another dental professional)</td>
<td>None required</td>
<td>Referrals are required, except when you visit an orthodontist in the DMO Plan network.</td>
</tr>
<tr>
<td>Procedures NOT covered</td>
<td>You are responsible for the cost of procedures not covered by your plan.</td>
<td>You are responsible for the cost of procedures not covered by your plan.</td>
</tr>
</tbody>
</table>

**Tip**

For significant dental expenses, it’s always a good idea to have your dentist file a request for predetermination of coverage with Aetna prior to undergoing the procedure.
VISION PLAN

Your options at a glance
AEP offers you vision plan coverage for eye care and vision correction. The vision plan options for 2018 are:

- **AEP Comprehensive Vision Plan**: Offered in all areas.
- **No coverage**: You may choose to waive vision coverage.
  - **Retirees**: Even if you have previously waived AEP vision coverage or do not elect it this Annual Enrollment, you may still elect this coverage in the future — either during a future Annual Enrollment or within 31 days of a qualified change in family status.
  - **Surviving spouses and dependents**: Once you waive AEP vision coverage, you will lose your eligibility for this coverage permanently and will not be able to enroll at a later date.

AEP Comprehensive Vision Plan
AEP’s Comprehensive Vision Plan provides coverage through EyeMed Vision Care for eye exams, contacts (including disposable contacts) and eyeglass lenses and frames. It also offers discounts on special features, such as scratch-resistant lenses, laser eye surgery and more.

Proper eye care can lead to the early detection and treatment of vision-related complications. Vision plan participants can take advantage of the discounted retinal-imaging exam option; in addition, members who have Type 1 or Type 2 diabetes are eligible for a follow-up exam and additional testing twice per benefit year.

Benefits are provided through EyeMed’s Access national network of private practice optometrists, ophthalmologists, opticians and retailers, such as Sears Optical, Target Optical, most Pearle Vision locations and LensCrafters. Some discounts may not be available at all network providers. Prior to an appointment, you should confirm with your provider whether all EyeMed discounts are offered. To locate an EyeMed network provider, contact EyeMed at 1-866-723-0513 or visit www.enrollwitheyemed.com/access.

If you use an out-of-network provider, you will pay in full at the time of your appointment; submit your receipts and claim form to EyeMed and receive reimbursement according to the vision plan coverage table on the next page. Be sure to submit your claim for services and materials (even if purchased on different dates) at the same time to receive the maximum reimbursement.

Refer to the Vision Care Summary Plan Description at www.aepbenefits.com for complete details of the benefits under this plan, or contact EyeMed at 1-866-723-0513 or www.eyemedvisioncare.com.

EyeMed secondary purchase plan
After your initial benefits have been utilized, you are able to receive the following additional discounts when you use network providers:

- 20% discount off frames or lenses.
- 40% discount off a complete pair of eyeglasses.
- 15% discount off conventional contact lenses.

For additional information regarding AEP’s vision plans, please visit www.aepbenefits.com.

Accessing your explanation of benefits
Your explanation of benefits (EOB) will automatically be provided in electronic format via EyeMed’s member website. If you wish to receive paper EOBs through the mail, contact EyeMed customer service at 1-866-723-0513.
## Vision plan coverage

<table>
<thead>
<tr>
<th>Service</th>
<th>In-network member cost</th>
<th>Out-of-network reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exams and Dilation as Necessary</strong></td>
<td>$0 copay</td>
<td>$35</td>
</tr>
<tr>
<td><strong>Retinal Imaging Benefit</strong></td>
<td>Up to $39</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Exam Options</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard contact lens fit and follow-up</td>
<td>Up to $55</td>
<td>n/a</td>
</tr>
<tr>
<td>Premium contact lens fit and follow-up</td>
<td>10% off retail price</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Frames</strong> (any available frame at a location)</td>
<td>$0 copay; $135 allowance</td>
<td>$50</td>
</tr>
<tr>
<td>(20% off balance over $135)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Standard Plastic Lenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single vision</td>
<td>$10 copay</td>
<td>$25</td>
</tr>
<tr>
<td>Bifocal</td>
<td>$10 copay</td>
<td>$40</td>
</tr>
<tr>
<td>Trifocal</td>
<td>$10 copay</td>
<td>$55</td>
</tr>
<tr>
<td>Lenticular</td>
<td>$10 copay</td>
<td>$55</td>
</tr>
<tr>
<td>Standard progressive lenses</td>
<td>$75 copay</td>
<td>$40</td>
</tr>
<tr>
<td>Premium progressive lenses</td>
<td>$75 copay; 80% of charge</td>
<td>$40</td>
</tr>
<tr>
<td>less $120 allowance</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lens Options</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UV treatment</td>
<td>$0 copay</td>
<td>$8</td>
</tr>
<tr>
<td>Tint (solid and gradient)</td>
<td>$0 copay</td>
<td>$8</td>
</tr>
<tr>
<td>Standard plastic scratch coating</td>
<td>$0 copay</td>
<td>$8</td>
</tr>
<tr>
<td>Standard polycarbonate (adults)</td>
<td>$40</td>
<td>n/a</td>
</tr>
<tr>
<td>Standard polycarbonate (children under 19)</td>
<td>$40</td>
<td>n/a</td>
</tr>
<tr>
<td>Standard antireflective coating</td>
<td>$45</td>
<td>n/a</td>
</tr>
<tr>
<td>Polarized</td>
<td>20% off retail price</td>
<td>n/a</td>
</tr>
<tr>
<td>Other add-ons</td>
<td>20% off retail price</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Contact Lenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(allowance includes materials only)</td>
<td>$0 copay; $135 allowance</td>
<td>$92</td>
</tr>
<tr>
<td>(15% off balance over $135)</td>
<td>(plus balance over $135)</td>
<td></td>
</tr>
<tr>
<td><strong>Disposable</strong></td>
<td>$0 copay; $135 allowance</td>
<td>$92</td>
</tr>
<tr>
<td><strong>Medically Necessary</strong></td>
<td>$0 copay; paid in full</td>
<td>$210</td>
</tr>
<tr>
<td><strong>Laser Vision Correction</strong></td>
<td>15% off retail price</td>
<td>n/a</td>
</tr>
<tr>
<td>(Lasik or PRK from the U.S. Laser Network)</td>
<td>or 5% off promotional price</td>
<td></td>
</tr>
<tr>
<td><strong>Amplifon Hearing Health Care</strong></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>For hearing health care from Amplifon Hearing Health Care, network members receive a 40% discount on hearing exams and a low price guarantee on discounted hearing aids.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Additional Pairs Benefit</strong></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Members receive a 40% discount on complete-pair eyeglass purchases and a 15% discount on conventional contact lenses once the funded benefit has been used.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Frequency</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Examination</td>
<td>Once every calendar year</td>
<td></td>
</tr>
<tr>
<td>Lenses or Contact Lenses</td>
<td>Once every calendar year</td>
<td></td>
</tr>
<tr>
<td>Frames</td>
<td>Once every calendar year</td>
<td></td>
</tr>
</tbody>
</table>
ADDITIONAL VOLUNTARY BENEFITS

Auto & home group insurance

MetLife offers homeowner, auto and other types of property and casualty insurance to AEP participants at group rates. You can get quotes from up to four leading insurance companies. Policies include auto, home, renters, condo, boat, recreational vehicle, landlord’s rental dwelling, fire, mobile home and personal excess liability (umbrella).

You may be eligible for one or more policy discounts, such as multicar, antitheft device, safety device (airbags, etc.), good student, resident student, new home, security system, etc. Identity theft resolution service is included in your auto or home policy at no additional cost.

The cost is based on the type of coverage you elect and will be billed to you each month by MetLife. For more information, contact MetLife at 1-800-438-6388 or visit www.metlife.com/mybenefits.

If you are currently enrolled in the MetLife Auto & Home Insurance plan, enrollment in 2018 will automatically continue, unless you notify MetLife that you do not want to continue participation. You can enroll or discontinue coverage at any time directly through MetLife.

Pet insurance

All participants are eligible to purchase pet insurance, brought to you by Nationwide. A pet insurance policy provides protection for your pet at discounted group rates. You can also purchase coverage for pet well care (vaccination, dental, heartworm, etc.).

The cost is based on the type of coverage you elect and will be billed to you each month by MetLife. You can enroll or discontinue coverage at any time. Call MetLife at 1-800-438-6388 or visit www.metlife.com/mybenefits to enroll.

If you are currently enrolled in Pet Insurance, enrollment in 2018 will automatically continue, unless you notify MetLife that you do not want to continue participation. You can enroll or discontinue coverage at any time directly through MetLife.
TOOLS AND RESOURCES

Medical plan comparison tool
Log on to the AEP Benefits Center website at www.ibenefitcenter.com/aep to see a side-by-side comparison of medical plan details, including how specific services are covered. Go to the Health tab, click on Enroll Now, click the Change button next to the Medical plan option and then select Click here to compare these plans.

AEP Benefits Hub – Online information and resources
- Learn about AEP’s benefit offerings.
- Utilize the new search feature that will allow you to find information quicker and easier.
- Find links and contact information relating to all of AEP’s various benefit offerings.
- Access tools and resources to help you make informed decisions about your health.

Resources in this package
The following materials are included in this package:
- This 2018 AEP Health & Welfare benefits guide.
- Personal Enrollment Worksheet: This form shows your 2018 benefit options, your default elections and the associated contributions to be withheld from your pension check or billed to you starting in January of 2018. Carefully check the personal information on this form. If necessary, you may make changes to each dependent’s information when you enroll.
ENROLLMENT INSTRUCTIONS

During this year’s Annual Enrollment window — October 25 through November 16, 2017 — if you have any enrollment changes, you will need to elect your 2018 benefits through the AEP Benefits Center, either online or by phone. Simply follow the steps below.

**Note:** If you do not enroll during Annual Enrollment, you will be provided the default coverage as specified in the “Do You Need to Take Action?” section of this guide. Your coverage will be effective from January 1, 2018, through December 31, 2018. Also, if you are a surviving spouse and do not make any changes to your benefits during this Annual Enrollment, you **MUST** still respond to the remarriage attestation question by contacting the AEP Benefits Center or logging in to the AEP Benefits Center website as instructed below.

**Online**

   - Returning visitor? Log in with your user name and password.
   - New visitor? For your initial login to the AEP Benefits Center website, click Get Started. You will be asked to provide the last four digits of your Social Security number, last name (including name suffix such as Jr, Sr, II, etc.), date of birth and ZIP code of your home mailing address. During the registration process, you will create a personalized user name and password, which you will need to provide anytime you return to the website. You will also be prompted to answer some security questions.

2. To see your existing elections, click on the Health tab, and then click on the Current Coverages link at the top of the page. Review your existing elections and determine whether you’d like to make any changes for 2018. Refer to page 17 of this guide for additional tools and resources that can assist you in the decision-making process.

3. When you’re ready to make your elections, return to the Home page and click Enroll Now. If you are a surviving spouse, you will be prompted to answer a question regarding whether you have remarried. Answer the question and click Continue. You will then come to a My Benefit Election Summary page. To change an existing election, click on the Change button located to the left of the election you wish to change. You can view your associated dependents on the My Benefit Election Summary page under Covered Family Members.

4. Once you are satisfied, click Submit My Elections. You will then see a screen verifying that your elections have been submitted. It’s highly recommended that you click Print to review all of the elections you submitted. You can either print the confirmation or save the document to your computer/device for your records. **You can review your elections or make changes as many times as you would like during the enrollment period** (refer to step 3 above). Your most recent submitted elections will supersede any prior elections.

**By phone**

If you have questions or need help enrolling, experienced service representatives are ready to help. Call the AEP Benefits Center at 1-888-237-2363 (1-888-AEP-BENE), option 1, between 8 am and 5 pm ET, any business day, and confirm your identity to speak with a representative. Representatives are also available for online chats at [www.ibenefitcenter.com/aep](http://www.ibenefitcenter.com/aep) during those hours, or you can email a representative from the website anytime.

If you make a change to any of your elections, you will receive an enrollment confirmation statement by mail in early December. Please review it carefully for accuracy. If you find a discrepancy, contact the AEP Benefits Center immediately.

**Do you need to designate a beneficiary?**

If you have AEP life insurance, click the “Beneficiaries” link while you’re enrolling to see a summary of your beneficiary data on file. To modify your existing beneficiary data, click “Change,” or to add new beneficiary data, click “Add.” Any changes or additions will go into effect as soon as you submit your elections. Updating your life insurance beneficiaries doesn’t automatically update your pension beneficiaries. Select the “Wealth” tab to review and update your pension beneficiaries.
# CONTACT INFORMATION*

<table>
<thead>
<tr>
<th>If you have a question about</th>
<th>Contact this provider</th>
<th>Phone</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEP retiree website</td>
<td></td>
<td></td>
<td><a href="http://www.aepretirees.com">www.aepretirees.com</a></td>
</tr>
<tr>
<td>Auto &amp; home group insurance and pet insurance</td>
<td>MetLife</td>
<td>1-800-438-6388</td>
<td><a href="http://www.metlife.com/mybenefits">www.metlife.com/mybenefits</a></td>
</tr>
<tr>
<td>Dental plans</td>
<td>Aetna</td>
<td>1-800-243-1809</td>
<td><a href="http://www.aetna.com">www.aetna.com</a></td>
</tr>
<tr>
<td>General benefit inquiries</td>
<td>AEP Benefits Center</td>
<td>1-888-237-2363 (1-888-AEP-BENE), option 1</td>
<td><a href="http://www.ibenefitcenter.com/aep">www.ibenefitcenter.com/aep</a></td>
</tr>
<tr>
<td>Life insurance</td>
<td>Minnesota Life Insurance Company</td>
<td>1-888-237-2363, option 1</td>
<td>No website available</td>
</tr>
<tr>
<td>Long-term care insurance</td>
<td>Prudential</td>
<td>1-800-732-0416</td>
<td>No website available</td>
</tr>
<tr>
<td>Medical</td>
<td>Aetna</td>
<td>1-855-527-2452</td>
<td><a href="http://www.aetna.com">www.aetna.com</a></td>
</tr>
<tr>
<td>Prescription drug</td>
<td>Express Scripts Medicare (over-age-65 retirees and dependents)</td>
<td>1-877-703-7344</td>
<td><a href="http://www.express-scripts.com">www.express-scripts.com</a></td>
</tr>
<tr>
<td></td>
<td>AEP Prescription Drug Plan (under-age-65 dependents)</td>
<td>1-800-841-3045</td>
<td></td>
</tr>
</tbody>
</table>

* This is a list of possible provider contact information. It does not imply you are a participant of each plan.

---

### Has your personal information changed?

To ensure that you continue to receive important communications from AEP, contact the AEP Benefits Center at **1-888-237-2363 (1-888-AEP-BENE),** option 1, if any of your personal contact information has changed. You can also update your personal information at [www.ibenefitcenter.com/aep](http://www.ibenefitcenter.com/aep).
BENEFITS ELIGIBILITY AND COVERAGE

When coverage begins

The elections you make this Annual Enrollment take effect on January 1, 2018, and continue through December 31, 2018, unless you have a qualifying change in family or employment status as described in the “Changing coverage during the year” section of this guide.

When coverage ends

Your coverage in the plans ends on the last day of the month in which:

- Your required contributions are not paid.
- The plan ends.
- You are no longer eligible.
- You elect to enroll in a Medicare Part D prescription drug program other than the AEP-sponsored Part D plan (which would disqualify you from the medical and prescription drug plan only).
- You die.

Coverage for your dependents ends on the last day of the month in which:

- Your coverage ends.
- Your dependent enrolls in a Medicare Part D prescription drug program other than the AEP-sponsored Part D plan (which would disqualify your dependent from the medical and prescription drug plan only).
- Your dependents are otherwise no longer eligible.

If your coverage under the medical, dental or vision plan ends, you and your dependents may, under certain circumstances, be eligible to continue coverage under COBRA. Also see the “Surviving spouse and dependent eligibility for AEP benefits” section of this guide.
Changing coverage during the year

After the Annual Enrollment period for your 2018 benefits (October 25–November 16, 2017), you may not elect to change or cancel your coverage until the next Annual Enrollment period unless you experience a qualifying life event that affects your eligibility for coverage and you process that change through the AEP Benefits Center no later than 31 days after it occurs. In addition, a change can only be made if it is due to, and consistent with, the qualifying life event that affects your eligibility for coverage.

A qualifying life event may include:

• Change in your legal marital status, including marriage, divorce or annulment.
• Change in the number of your dependents — including birth or the placement of a child through adoption or legal guardianship.
• Death of your spouse or a covered dependent child.
• Gain or loss of legal custody of a dependent.
• Dependent satisfies (or ceases to satisfy) dependent eligibility requirements, including attainment of limiting age.
• A significant change in your health coverage or the coverage provided through your spouse’s employment.
• A change in the employment status of you, your spouse or your dependent (part-time to full-time, commencement or termination of employment, etc.).
• Taking or returning from an unpaid leave of absence for your spouse.
• A court order requiring a change in coverage.
• A change in residence that affects your eligibility for coverage.
• You or your covered dependent becomes eligible for Medicare.

To process a qualifying life event and change your coverage, you may:

• Log on to www.ibenefitcenter.com/aep, go to the Health tab, then click on the Life Status Change link and follow the prompts to enter your changes and elect your new coverage.
• Or call the AEP Benefits Center at 1-888-237-2363 (1-888-AEP-BENE), option 1, between 8 am and 5 pm ET, any business day, and confirm your identity to speak with a representative.

Coverage changes due to a qualified life event become effective the day the change in status occurred, as long as you processed the event within 31 days.

Other opportunities to enroll/change coverage outside of Annual Enrollment

• If you decline coverage for yourself or your dependents because you have other medical or vision coverage, you may be able to enroll yourself or your dependents in the AEP medical or vision plan at a later date if you lose that other coverage. Also, if you add a dependent as a result of a marriage, birth, placement for adoption or acquiring a child through legal guardianship, you may be able to enroll other eligible dependents in that plan.
• You may request enrollment in the AEP medical plan midyear if you notify the AEP Benefits Center within 31 days after you or your dependent either (1) loses eligibility for Medicaid or coverage through the Children’s Health Insurance Program (CHIP) that is administered by your state or (2) becomes eligible to participate in a premium assistance program under Medicaid or CHIP.
BENEFITS ELIGIBILITY AND COVERAGE (CONTINUED)

Your eligibility for AEP benefits
You are eligible to participate in the retiree benefits if you were an active, full-time or permanent part-time employee who was last hired or rehired by a participating AEP company on or before December 31, 2013, or if you retired from a participating AEP company and you were at least age 55 with 10 or more years of service* on your retirement date. In addition, if you were rehired by a participating AEP company on or after January 1, 2014, you may remain eligible to elect medical coverage for yourself and your eligible dependents upon your later retirement if you were eligible to elect retiree medical benefits upon your pre-2014 termination of employment with AEP. If you were disabled when you elected to take a distribution from the company-provided qualified defined benefit pension plan, you may be eligible for benefit coverage. Refer to the AEP Comprehensive Medical Plan Summary Plan Description for Retirees and Surviving Dependents Age 65 and Older, issued 2016, found in the “Plan Information” section of www.ibenefitcenter.com/aep.

You are not eligible for retiree benefits if you were subject to a collective bargaining agreement that does not provide specifically for coverage under a particular plan.

* You will not receive service credit toward eligibility for retiree coverage for any service during which you were classified as a temporary employee, independent contractor or leased employee or otherwise paid for your services based upon a fee or contract.

Surviving spouse and dependent eligibility for AEP benefits

- **Survivors of active employees (not retiree-benefit-eligible):** Surviving spouses of active employees who were not retiree-benefit-eligible on the date of death can elect to continue medical, dental and/or vision coverage until the earlier of age 65 or remarriage, if the surviving spouse was enrolled in those plans at the time of the employee’s death. Surviving dependent children of an active employee who was not retiree-benefit-eligible on the date of death can elect to continue medical, dental and/or vision coverage until they reach the limiting age (see the “Eligible dependents” section of this guide), if the surviving dependent child was enrolled in those plans at the time of the employee’s death.

- **Survivors of active employees (retiree-benefit-eligible):** Surviving spouses of active employees who were retiree-benefit-eligible on the date of death can elect to continue medical, dental and/or vision coverage until remarriage, if the surviving spouse was enrolled in those plans at the time of the employee’s death. Surviving dependent children of an active employee who was retiree-benefit-eligible on the date of death can elect to continue medical, dental and/or vision coverages until they reach the limiting age (see the “Eligible dependents” section of this guide), if the surviving dependent child was enrolled in those plans at the time of the employee’s death.

- **Survivors of retirees:** Surviving spouses of retirees can elect medical, dental and/or vision coverage until remarriage, if the surviving spouse was enrolled in the medical, dental and/or vision plans at the time of the retiree’s death. Surviving dependent children of retirees can elect medical, dental and/or vision coverage until the limiting age (see the “Eligible dependents” section of this guide) if the surviving dependent child was enrolled in those coverages at the time of the retiree’s death.
Paying for coverage

Your cost of coverage under the AEP benefits program will depend on:

• Your eligibility for a grandfathered retirement or surviving spouse/dependent group, if applicable.
• The dependents you elect to cover.
• The option in which you enroll.

Unless you are in a grandfathered group or a surviving spouse/dependent, your contributions for retiree medical coverage for 2018 are based on your age and years of service at retirement, as follows:

<table>
<thead>
<tr>
<th>Age + years of service</th>
<th>Contribution percentage of total cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>65–69</td>
<td>46%</td>
</tr>
<tr>
<td>70–74</td>
<td>42%</td>
</tr>
<tr>
<td>75–79</td>
<td>36%</td>
</tr>
<tr>
<td>80–84</td>
<td>32%</td>
</tr>
<tr>
<td>85–89</td>
<td>26%</td>
</tr>
<tr>
<td>90–94</td>
<td>22%</td>
</tr>
<tr>
<td>95+</td>
<td>20%</td>
</tr>
</tbody>
</table>

Your 2018 Personal Enrollment Worksheet provides your monthly cost for each of the benefit options available to you. If you receive a monthly pension benefit, your contribution will generally be deducted from your pension check. Otherwise, you will be billed monthly for your contribution.

Important note
Failure to make required contributions will result in the termination of coverage and may prohibit your future enrollment in AEP plans.

Coverage levels

When you enroll in the medical, dental or vision plans, you may also choose whom you want to cover. Your coverage level and cost are based on the dependents you enroll. Coverage levels include:

• Participant* only.
• Retiree + spouse.
• Retiree or surviving spouse + child(ren).
• Retiree + family.

You may choose the same or different coverage levels for the medical, dental and vision plans. You must enroll in coverage before you can enroll your eligible dependents.

* A retiree’s surviving spouse or surviving child will be considered a “participant” only if described in the “Surviving spouse and dependent eligibility for AEP benefits” section of this guide.
BENEFITS ELIGIBILITY AND COVERAGE (CONTINUED)

Eligible dependents*

It is important that you review the AEP dependent eligibility definitions to ensure that all of your covered dependents or any dependents you want to add during Annual Enrollment meet the eligibility requirements. If any one of your currently covered dependents no longer meets the eligibility requirements listed, you should contact the AEP Benefits Center as soon as possible to report this information. Covering ineligible dependents under your AEP medical, dental or vision plans is considered a violation of AEP’s rules of conduct and could subject you to disciplinary action, up to and including termination of benefits.

Note: Your eligible dependents do not include any individual who is also covered as an AEP employee or retiree or who is covered by another AEP employee or retiree as a dependent.

* Surviving dependents may be covered only if they also are described in the “Surviving spouse and dependent eligibility for AEP benefits” section of this guide.

Your eligible dependents include:

Your legal spouse:

Note: Upon termination of your marriage (by divorce, legal separation by a court decree or otherwise), a spouse ceases to be eligible for coverage regardless of whether the divorce decree or court order requires you to provide coverage for your former spouse. It is your responsibility to inform the AEP Benefits Center of the termination of your marriage. Failure to do so within 60 days after the date the marriage ends will not prevent their loss of coverage retroactively BUT WILL result in their loss of eligibility to elect COBRA continuation coverage.

Children:

To qualify for coverage, your dependent child(ren) must meet all of the following criteria:

• Child is under age 26, and the child is:
  – Your natural child or the natural child of your spouse.
  – Or a child legally adopted by you or your spouse or placed with you or your spouse for adoption.
  – Or your foster child.
  – Or a child who resides in your household for whom you or your spouse is the court-appointed guardian.
  – A child for whom you are required to provide coverage as a result of a Qualified Medical Child Support Order (QMCSO).
  – Any other child you claim as a dependent on your federal income tax return, provided that neither natural parent of the child lives with the child and you are acting as the child’s guardian.

Disabled dependents:

To qualify for coverage beyond the child-limiting age, your disabled child(ren) must meet all the criteria listed under the “Children” section above plus:

• Disability must have occurred prior to age 26.
• Remain continuously covered.

You must submit proof that the child reaching age 26 is disabled and incapable of self-support within 31 days after he or she reaches age 26. If you are enrolling the child for the first time after the child has already reached age 26, you must submit proof that the child has been disabled and incapable of self-support since age 26 within 31 days after enrolling the child. The claims administrator has the right to require, at reasonable intervals, proof that the child continues to be disabled and incapable of self-support. If you fail to submit any required proof or if you refuse to permit a medical examination of the child, he or she will not be considered disabled and therefore will not be eligible for coverage.
**Tax considerations when covering your dependents**

Certain AEP benefits qualify for tax advantages (such as nontaxable employer contributions) only to the extent that they cover the employee’s dependents as defined for tax purposes. AEP allows you to provide medical coverage for certain dependents who may not qualify as your tax dependents. As a result, the contributions you make for their coverage may not qualify for tax-favored treatment, and you will be subject to imputed income on the value of the company-paid portion of their coverage and be taxed accordingly.

If your dependent child qualifies under any of the following relationships and has not attained age 27 before the end of the year, he or she is considered your qualified tax dependent for group health plan purposes:

- Your son or daughter.
- Your stepson or stepdaughter.
- Your foster child (placed with you by an authorized placement agency or by court order).
- Your or your spouse’s adopted child.
- A child placed with you or your spouse for adoption.

If your dependent child does not qualify under any of the relationships listed above, you should review the additional information provided on the AEP Benefits Center website before you enroll to help you determine whether your child qualifies as a tax dependent for group health plan purposes.

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**Important note**

Dependent Social Security numbers, or tax identification numbers for non-US citizens, must be provided to AEP within six months of adding a dependent. You must enroll your dependent within 31 days of a qualifying event (or within 90 days of birth or adoption of a newborn), even if a Social Security number has not yet been obtained.

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**If both you and your eligible dependents have AEP benefits**

If both you and your spouse or eligible dependents are eligible for an AEP benefit plan as an AEP retiree or employee:

- You may each enroll as a retiree or employee, as appropriate.
- One of you may enroll as a retiree or employee and the other as a spouse or eligible child.
- Neither of you may be covered both as a retiree or an employee and as a dependent.
- Neither of you can cover the same eligible dependent children.