

DALRC Medical Plans for Delta Retirees

FAQ's

Q. May a spouse of a post-65 elect a DALRC plan if the employee post-65 does NOT elect DALRC plan?

A. Yes. It is not necessary for both members of a household to join the medical plan at the same time. If one chooses not to enroll in the medical and prescription drug plans, they will continue to have the option to enroll at a later date if they are over 65, however, the \$50 subsidy may not be in effect depending on when/if the participant enrolls at a later date

Q. Can one member of the household enroll in the Dental Plan without the other member of the household joining the plan?

A. No, the retiree or survivor must elect dental and/or vision in order for the spouse to elect that coverage.

Q. What if I am having dental work in progress under the MetLife plan such as a crown?

A. Individuals who begin a procedure that has multiple visits like a crown would be covered under the old plan. The patient has 90 days to wrap up work in progress that began before 1/1/2007.

Q. If I am not enrolled in Medicare, can I join the DALRC Plan?

A. Yes. You can join the DALRC Plan however the plan will only pay the 20% not normally covered by Medicare since it is a plan that is designed to work in coordination with Medicare

Q. Can I contact the 800 number at Delta for help in answering question about the new DALRC Medical Plans?

A.. No. 1-800MYDELTA is not responsible for information regarding the over 65 program, "DALRC Medical Plans for Delta Retirees". You will need to contact Marsh for assistance with all over 65 programs. Marsh number (800) 923-4461

Q. What will happen if Delta should merge or be bought out by another airline? Will our benefits continue to be in place and the same levels of protections and subsidies continue?

A. Yes. The agreement reached by the 1114 Non Pilot committee is binding on Delta and any successor in the event of a merger or acquisition.

Q. I retired from Delta having worked with Delta and Western together for 11 years before my retirement. I have never elected to participate in the Delta insurance program to date however, I like the benefits of the new DALRC Program and now would like to participate in the over 65 program, Can I now join the plan if I am over 65 and receive the \$50 subsidy?.

A. Yes. You are eligible to participate in the DALRC Plan if you retired from Delta and draw a pension from Delta and are over the age of 65 and you will also qualify for the subsidy.

Q. Can I use Pension Deduction for my payments for the DALRC Medical Plans?

A. No. Deduction from your pension is not an option but you may elect to use the Electronic Transfer Form (ETF) from your checking account by filling out the form that will be included in your confirmation documents you will receive following your enrollment. The ETF form will have information specific to you on it and you will need to sign it and return it to Marsh in order for them to have the proper authorization to take the money from your checking account or whatever account you have designated as the account you would like to be used to pay for your insurance.

Q. I am over 65 and have received a notification in the mail that my current HMO Provider will allow me to continue to participate in my current HMO Program even though it will no longer be sponsored by Delta. Can I still get the subsidy that was negotiated by the 1114 committee for this HMO Program?

A. No. The only programs that are eligible for the Subsidy from Delta are the DALRC Medical Plan and if you are a pilot, the DPMP Plan.

Q. Is the Veterans Administration Benefits considered a qualified plan for receiving the subsidy?

A. No. The only plans eligible to qualify for the subsidy from Delta are the DALRC Medical Plan and the DPMP program for pilots.

Q. I will be 65 in May of 2007 and in January of 2007 I plan on enrolling in the DFCMP Dental Plan with a yearly max of 2500; then in May I will sign up with Cigna with a 1500 max. Do I receive a total for 2007 of \$4,000 in dental coverage or will my benefits be prorated?

A. These are two separate plans; each plan will provide the benefit specific to their plan design and you will be eligible to receive whatever benefits are available depending on the plan you choose as long as you are enrolled in the plan at the time of service.

Q. I retired under the PensionPlus Program, and will not be 59 until 2010 so I will not be eligible for the \$50 subsidy but my spouse is 66. Does my spouse qualify for the subsidy even though I do not?

A. Yes. The Retiree and the spouse are viewed as individual participants and the age of each participant will determine their eligibility in the over 65 plan as well as their eligibility to receive the subsidy.

Q. I am over 65 and married my wife after I retired from Delta. I am eligible for the subsidy and I would like to know if my wife is eligible for coverage through the DALRC Medical Plan and will she qualify for the subsidy if she is over 65?

A. Yes. Your wife will be eligible for coverage in the DALRC Medical Plan and the subsidy as long as you notified Delta within 30 days of your marriage that she was your spouse and eligible for benefits.

DALRC Additional Questions and Answers

Q. Can I address my under 65 questions to the Marsh people in the DALRC Retiree Service Center?

A. No, Marsh and the DALRC Retiree Service Center is for 65+ retiree issues only.

Q. Can one member of the household enroll in the Dental and Vision Plans without the other member of the household participating in that plan?

A. Originally, No...but after further discussions with Cigna and Superior Vision , they have agreed to allow individual selection of the benefit options available in both the Dental and Vision Plan. This means that the **retiree does not need to elect either of these benefits for the spouse to be covered as long as the spouse elects that benefit** and vice versa. Each plan participant can elect to take or decline each option individually. (Example: retiree enrolls in Dental and Spouse does not, Spouse enrolls in Vision and Retiree does not. They each had the option to enroll in each plan offered regardless of whether the other member in their household enrolled in the plan). It is only necessary to indicate this on the personal enrollment form and return it in the envelope provided. If only one member of the household takes the coverage they will choose the "Retiree" option regardless if it is the retiree or the spouse who selects the coverage, and they will pay the Retiree rate.

Q. I have been told that the Non Pilot retirees have a different rate for Cigna Dental coverage under the over 65 program "DALRC Medical Plan for Delta Retirees" than the Pilots in the same plan, Is this correct? If so...why do the two groups have different rates?

A. Yes there are different rates for Non Pilots and Pilots for their Dental coverage **when selecting the PPO option**. The other two options in the Dental coverage are priced at the same rate for both the Non Pilots and the Pilots. The correct rate for the Dental PPO Plan for Pilots is \$40.71 Retiree and \$82.19 Retiree + Spouse.

Due to the high cost of this plan, you might want to consider checking into the Cobra Continuation Coverage available for the MetLife Dental Plan through Delta. Our Consultants tried very hard to negotiate a better rate for the Pilot group but were unsuccessful. The increased rate was based on the Pilot's prior plan "loss experience" which was 62% higher than the Non Pilot group's loss experience for the same period. Since the Non Pilot Committee had already negotiated a rate for the Non Pilot group prior to the Pilots joining the plan the rates were never negotiated as one group.

Q. Will I receive a membership card for each of the plans in the over 65 program I sign up for?

A. Yes, each plan participant will receive a membership card following the completion of the enrollment forms and confirmation of your enrollment in the benefit. Each plan participant will also receive additional information on their respective plans from the Providers when they receive their membership cards.

Q. Will all my literature regarding the different DALRC Plans come from Marsh in the packet they have mailed to all age 65+ retirees?

A. No, You will also be receiving an additional information packet from MemberHealth and other vendors directly. These packets will provide additional information regarding the benefits you have recently enrolled in.

Q. I recently moved and am not sure Delta has my new address. Will I still receive my DALRC Benefits Package in time to enroll?

A. It is important to make sure Marsh has your correct information regarding your contact information especially if you have recently moved. If you recently had a change of address, please contact the DALRC Retiree Service Center immediately and provide your new address at 1-800-923-4461.

Q. I am 66 and currently paying 22% for my retiree health insurance. How will Delta know to stop taking the money out of my pension check since I will now be enrolled in the DALRC Medical Plan for Delta Retirees?

A. Pension deductions through Delta will cease for members age 65 and older for your health benefits coverage premium on December 31, 2006. If you would like to have premiums taken directly from your checking or savings account, you need to complete the Electronic Funds Transfer Form (ETF) that will be included in the bill you receive in January and return it to Marsh. Depending on when it is received, you will then have the payment automatically deducted from the account you have selected to pay the benefit from in the future with no further action required by you in the future.

Q. I am currently taking the Group Life Insurance, Spouse Life coverage and the Accident Insurance. Will I continue to have those benefits payments deducted from my pension check like they are currently doing or will I pay for those benefits through Marsh?

A. If you would like to continue participating in the additional insurance options Delta offers, Delta will continue to deduct those payments from your pension check if that is how you are currently paying for the programs unless you elect to pay for these options through another method that Delta offers. However you choose to pay for these additional benefits through Delta, they will not be eligible for payment through Marsh.

Q. I have not received my packet from the DALRC Medical Plan for Delta Retirees. What happens if I don't get my enrollment forms returned before the December 8, 2006 deadline? Will I not be able to participate in the plan for 2007?

A. You will still be able to participate in the plan. We realize that some people will be late receiving their enrollment packets because Delta was late in providing the names for some eligible participants in the DALRC Plan to Marsh which slowed down the process of mailing out the enrollment packets. The **December 8th deadline was the cutoff date for getting the enrollment information to Marsh including your Medicare number in order to receive the Prescription Drug Card before January 1, 2007.** The DALRC Medical Plan will continue to take enrollment applications after that date; however, we cannot promise you a Prescription Drug card by January 1, 2007 if you enroll after December 08, 2006. If you enroll after December 8th and you need to have a prescription filled after January 1, 2007 but before your card arrives, you would need to file a paper claim with MemberHealth RX for you reimbursement.

Q. I have not received a packet from Marsh with my enrollment information for the DALRC Retiree Medical Plan for Delta Retirees, so what should I do?

A. You need to contact Marsh (1-800 923-4461) and let them know that you have not received your enrollment package. They will be able to tell you if your name is in the computer as eligible to receive the enrollment package. If they determine your name is not in the data base, they will take your name and necessary information and follow up with Delta to make sure they have your correct information in order to send you a packet.

Q. I am a Pilot on long term disability, over the age of 65, do I qualify for the DALRC Medical Plan?

A. We are confirming this with Delta, but our understanding is yes, the definition of a "Retired Pilot" in the Delta term sheet covering pilot benefits is (a) a pilot that has retired from Delta on or before June 01, 2006 or a Western Pilot retired prior to April 01, 1987, or (b) pilots employed or formerly employed by Delta who on June 01, 2006 will be at least 60 years old, not on the pilot seniority list and eligible for health and welfare benefits. Survivors of retired pilots are also included in the eligibility for entrance into the program.

Q. I am under the age of 65 but I am on Medicare, do I qualify for the DALRC Medical Plan?

A. No, you must be both age 65 or older AND eligible for Medicare in order to qualify to enroll in the DALRC Medical Plan.

Q. I received an enrollment packet from DALRC but I am not 65 but my wife is over 65 and she did not get one.

A. More than likely, the packet you received was for your wife. Delta provided the contact information using the retiree address information therefore, the packets were mailed to the retiree even though the eligible participant was in some cases, the wife, not the retiree.

Q. I received a packet for my spouse that has been deceased for 10 years. What do I do?

A. You need to contact Marsh and advise them of the error and also contact Delta and make sure they have the correct information regarding your marital status and the status of your spouse.

Q. I will turn 65 in September of 2007. How will Marsh know that I will be eligible for the DALRC Plan when the time comes for me to join this plan?

A. Between 60 and 90 days of your 65th birthday, Delta will provide Marsh with your contact information and a package will be sent to you to let you know that you are now going to be eligible to join the DALRC Plan.

Q. I am a retired Non Pilot retiree and I am married to a retired Pilot, can we both get a subsidy from Delta for our insurance which would total a \$115 subsidy since I am eligible to receive a \$50 subsidy and my husband is eligible under the pilot program to receive \$65?

A. No, even though you both are retired Delta employees, only one subsidy per participant is permitted. You will be automatically assigned the higher subsidy of \$65 in the computer for your plan participation.

Q. I am planning on moving in March, how will Marsh know what my new address is. Should I notify them or will Delta notify them of my new address?

A. It will be your responsibility to notify Marsh of any change of status in your current profile. That includes your mailing address, your marital status and the death of a spouse. While the process has been designed so that Delta will provide any change in status information to Marsh, it is important to also provide that information to Marsh as soon as you can to make sure proper action is taken if necessary.

Q. I am a pilot over 65 and I understand that I may be getting a letter from Delta in early December advising me that I am eligible for "COBRA continuation coverage" for my health benefits, at 102% of the cost of providing those benefits. What should I do with that information?

A. You should carefully review it, along with the information about the benefits under the DALRC Medical Plan for Delta retirees and make the choice that you believe is best for you based upon the benefits provided, what they cover, their cost, and your personal situation.

Frequently Asked Questions regarding the 2007 Delta Retiree Enrollment

Premium Payment

I am enrolled in the DALRC plans for individuals over age 65. Can I have my premiums deducted from my pension check?

No. Administrative issues surrounding the fact that the DALRC plan is established and controlled by the Delta Air Lines Retiree Committee and administered by Marsh & McLennan Companies prevents Delta from making these deductions. Payments should be made according to instructions given by Marsh. Questions about premium payment or other DALRC plan issues should be referred to Marsh at 1-800-923-4461.

I am enrolled in DFCMP or DPMP coverage. Can I have my premiums deducted from my pension check?

Yes. Deductions may be made for DFCMP or DPMP retiree coverage as well as voluntary insurance such as Optional Life, Dependent Life, Group Accident and Private Pilot. However, if there are not sufficient funds in the pension check to cover all of the premiums, direct payment is required through direct bill. If you are impacted in this way, you will be notified by Delta Employee Service Center and sent a direct payment invoice each month.

Out of Area Coverage

Q. I am a ground retiree over age 65 and my spouse is under age 65. Last year we were in the Out-of Area option based on my age. Does my spouse need to continue with Out -of- Area option?

A. Your spouse's eligibility and premiums no longer are tied to your eligibility and age. Your spouse is eligible for the available options shown on her open enrollment worksheet. Depending on whether you reside in a UHC service area, she may be offered the standard medical option or the out of area option and perhaps a COBRA election. She may choose from those elections during the retiree enrollment period.

Q. I am an under age 65 ground employee. I was enrolled in HMO coverage last year. This year I am only offered the Out-of-Area option on my open enrollment worksheet. Can I enroll in the Standard Medical option and how is that accomplished?

A. You will need to enroll in the out-of-area option and call 1-800-MyDelta and ask to be manually enrolled in the standard medical option.

Delta Pilots Medical Plan (DPMP) for Pilots over age 65

Q. I am a pilot over age 65. Why did I receive an enrollment package from the DALRC and an enrollment package from Delta?

Pilots over age 65 and their dependents are eligible for DPMP out-of area retiree coverage. Also, because the premium is increasing for this coverage, retired pilots and family members are offered DPMP COBRA coverage (see COBRA questions below for more information) In addition, pilots over age 65 who were enrolled in the Delta Family Care Medical Plan (DFCMP) coverage on 12/31/06, have a right to continue that DFCMP coverage under COBRA. The COBRA elections and DPMP election you are eligible for are shown on your enrollment worksheet.

Q. Can you choose DALRC for medical and DPMP for Dental?

A. No, the DPMP is one plan that provides both medical and dental coverage, so both DPMP-medical and DPMP-dental are combined when making this election.

Q. Are age 65+ pilots, spouses and survivors, able to elect COBRA for Dental only?

A. Yes, if you are a pilot over age 65 you can take COBRA dental separately if you elect COBRA Comprehensive or COBRA Preventive Dental which are available as part of the DFCMP plan. Also, under the DFCMP, COBRA CIGNA Dental may be an option if the retiree resides in the CIGNA service area. If electing COBRA DPMP, you must take medical and dental as a package. In addition, family members have individual COBRA rights, as such a husband and wife may make individual elections providing each is eligible.

Q. What are the rates for the DALRC Medical and Prescription Drug plans compared with the DPMP plan?

A. You should be able to make the comparisons from looking at the information in the two enrollment packages you should have received by now. One package is from Delta and it displays your premiums for the DPMP and any COBRA coverage you may have. The second package is from Marsh that describes the coverage and premiums for the DALRC 65+ plan. Pilots, spouses or survivors age 65 or older are eligible for a subsidy from Delta of either \$80 per month per person (for pre-97 retirees or survivors) or \$65 per month per person (for post-97 retirees or survivors) whether or not you enroll in the DPMP or the DALRC plan. The subsidy is NOT taken into account on the Enrollment Worksheet you received from Delta. Therefore the retiree DPMP rate noted there will be

reduced by the subsidy amount for those eligible for it. **The subsidy is not available if you elect COBRA.** The Marsh package contains the rates for the DALRC plan. We have been informed by Marsh that the subsidy has already been reflected in the rates reflected for that plan.

Q. What is the difference between the DALRC medical and drug plans coverage, and the DPMP (DPMP Over 65 Out of Area) coverage?

The best way to compare these is to review the descriptions of coverage contained in each of the two enrollment packages you have received and, in the case of prescription drug coverage, to review the Delta plan “prescription drug list” as compared to the DALRC plan’s drug formulary.

The Delta package contains a document called the **2007 Benefit Options Brochure**. In that booklet, each of the medical (including prescription drug and dental) coverages available from Delta are described in detail, including the DPMP available to post-65 retirees (this is shown in the DPMP section of the Brochure under the column labeled “Out of Area” and under the DPMP Pharmacy Benefit section).

The DALRC plan enrollment package contained brochures that describe the medical, drug, dental and vision plan coverages available through DALRC.

The following is a general discussion of some of the main differences between the DPMP Out of Area and the DALRC medical and prescription drug plans:

DPMP Out of Area for 65+ participants:

It should be noted that the DPMP out of area coverage for post-65 participants is **secondary to Medicare**. This means that the DPMP coverage generally does not pay any benefits until after the DPMP deductible (\$200 per individual), Medicare Part A and/or Medicare Part B deductibles are met. After that, the DPMP covers expenses that are not covered by Medicare only to the extent that the Plan would cover those had it been primary coverage. For example, Medicare Part B generally pays 80% of a charge. Since the DPMP also pays 80% of a charge (after the \$200 deductible is met), the DPMP would not cover the 20% not paid by Medicare. Instead, you pay the remaining 20% out of pocket. When your out of pocket amount has reached \$2,500 (per individual) for a year, then the DPMP would cover 100% of what is not paid by Medicare.

With respect to prescription drug coverage, the DPMP is primary coverage in lieu of Medicare Part D. If you enroll the DPMP you will not need to enroll in Medicare Part D. The DPMP drug coverage is based on co-pays that you pay based on the tier (1-3) that applies to the prescription drug. Under DPMP there is no gap in coverage when a person reaches a certain dollar amount, like there can be in a traditional Medicare Part D plan.

DALRC Plans:

The DALRC plan is a Medicare supplement plan. This means that it is generally designed to cover expenses not paid by Medicare after a deductible is met. We encourage you to review the Marsh materials to better understand how much out of pocket expense you must pay before the DALRC plan pays benefits, but it is our understanding that it is less than the \$2500 generally required under the DPMP. Please refer your questions about this coverage to Marsh at 1-800-923-4461.

The DALRC drug plan is a Medicare Part D Prescription Drug Plan. This means that if

you enroll in this plan, you must also be enrolled in Medicare Part D and pay the Medicare Part D premium in addition to the premium required by the DALRC plan. Similar to the DPMP, the DALRC drug plan also bases coverage on what category a drug falls in (generic, preferred, etc) and has a different co-payment amount associated with each category. The drugs covered and the category they fall into is outlined on a formulary that should be available through Marsh. The DALRC plan offers two different drug options - one supplies coverage through the “donut hole” and the other does not. For more information about this coverage gap, please refer to the DALRC plan materials and the DALRC plan website at www.ebview.com/dalrc or call 1-800-923-4461.

Western Retirees

I am a Western retiree over age 65. Why didn't I receive a DALRC enrollment package?

Western retirees were not covered by the agreements with the 1114 Retiree Committees and their plan designs, offerings and costs from Delta have not changed as a result of the 1114 process.

For Further Information:

1114 Committee

<http://www.delta1114.org>

DALRC Retiree Service Center

<http://www.ebview.com/dalrc>

Marsh(DALRC) Call Center Phone Number

1-877-DALRC65

Operational Monday-Friday 7:30am-8:00pm CST.

DALRC

<http://www.dalrc.org>

The DALRC as the plan sponsor of the DALRC Retiree Benefit Trust plans certifies that the plans adopts and incorporates the provisions of the HIPAA Privacy Rules.