

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.