



## **Frequently Asked Questions for Under Age 65 DP3 Retirees**

The questions and answers contained below cover topics that may possibly need further clarity and details to be provided. If after reading the entire Q&A you find yourself still with questions, please use the following links and phone numbers as resources available to you.

In the fall of 2010, Cone Insurance Group, the broker for the DP3 VEBA Trust will be developing a new web based platform as a resource for the Delta Pilot Retirees. Once the site is complete, you can go to [www.ConeInsurance.com](http://www.ConeInsurance.com) and click on the DP3 Retiree icon. You will be asked to enter basic information to authenticate yourself, name and zip code. Once into the site, you will be asked to create a new user name and password which you will use in the future to log on to the website.

To find a doctor or hospital in the Aetna network, go to <http://www.aetna.com>

To speak to someone at Marsh regarding your eligibility or enrollment, call:

**1-877-928-8322**

The topics contained in this document have been divided into the following sections:

- Eligibility and Administration
- Enrollment
- Billing/Premium Payment
- Claims
- Health Coverage Tax Credit (HCTC)

<b>Eligibility and Administration</b>		
<b>Q.</b>	<i>What healthcare options will be available under the VEBA Trust plan?</i>	<b>A.</b> You have the ability to enroll in Medical, Prescription Drugs, Dental, and Vision plans at this time. Hopefully in the future, there will be options for Life and Long Term Care (LTC) Insurance as well.
<b>Q.</b>	<i>What insurance carriers will we have a choice of for the VEBA program?</i>	<b>A.</b> Aetna will be the insurance carrier for the Under 65 and Over 65 medical plans (Medical and Prescription Drug) and also the provider for the Dental Plan. VSP is the insurance carrier for the Vision plan.
<b>Q.</b>	<i>Who is my retiree health coverage going to be administered by?</i>	<b>A.</b> Marsh Global Consumer, a service of Seabury & Smith, is administrating the eligibility and billing for the Under 65 plan. Aetna is the administrator for the Over 65 plan.
<b>Q.</b>	<i>How many medical programs do we have to choose from?</i>	<b>A.</b> There are 2 programs to choose from: Premium and Standard.
<b>Q.</b>	<i>How does the VEBA Trust operate and pay for the administration of the program for things like audits, tax filings, and necessary insurance for Board Members.</i>	<b>A.</b> Traditionally VEBA programs are funded with a small administrative fee that gets added to the total monthly insurance premium cost for members. A \$15 admin fee has been included in the total cost of the monthly premiums for 2011 to pay to support the required expenses to maintain the VEBA Trust. This fee is determined by the cost associated with maintaining the plan (insurance for board members, meeting expense, administrative expense, etc.) and the number of people enrolled in the plan to pay the cost.

<b>Q.</b>	<i>I see that the medical program being offered says it is from Aetna. If I live in New York, will I be covered under this program?</i>	<b>A.</b>	Yes. In fact, all of the programs (Medical, Prescription Drug, Dental, and Vision) provide nationwide coverage in the US. You could live in New York for 6 months out of the year and in Florida for the other 6 months out of the year if you wanted. For the medical plan, you will need to check the Aetna provider directory to locate In-Network doctors and find hospitals to receive the highest In-Network benefits.
<b>Q.</b>	<i>What type of medical plans are being offered (HMO, POS, PPO, etc)?</i>	<b>A.</b>	Both plans (Premium and Standard) are Preferred Provider Organization (PPO) plans. PPO plans provide you with much more flexibility than HMO's and there are many more options of doctors and hospitals to choose from. In a PPO you are not required to have a referral from your primary care doctor before going to a specialist. PPOs allow you to have more control over your medical needs.
<b>Q.</b>	<i>I am permanently disabled and am on Medicare, do I qualify for the HCTC?</i>	<b>A.</b>	No, if you are eligible for Medicare, per the HCTC eligibility rules then you are not eligible to receive the HCTC subsidy. There is a separate plan specifically designed to coordinate benefits with Medicare with creditable prescription drug coverage. If you or your dependent is under 65 and on Medicare please contact Marsh at <b>1-877-928-8322</b> to request more information.
<b>Q.</b>	<i>Am I eligible to participate in the DP3 VEBA Trust Plan if I reside out of the United States?</i>	<b>A.</b>	No. The DP3 VEBA Trust Plan will not cover claims incurred by <b>residents</b> of a foreign country. You must reside in the United States to receive benefits under the DP3 VEBA Trust.
<b>Q.</b>	<i>Can I choose to participate in the DP3 medical plan without participating in the prescription drug plan?</i>	<b>A.</b>	No. The DP3 VEBA Trust does not allow medical coverage to be selected without the prescription drug coverage as well.
<b>Q.</b>	<i>What is the DP3 VEBA Trust and what is its relationship to the Delta Pilots?</i>	<b>A.</b>	The DP3 VEBA Trust is an independent, tax exempt voluntary employee benefit association (VEBA) set up to be the plan sponsor and group policy holder for Delta retirees, spouses, dependents, and surviving spouses.
<b>Enrollment</b>			
<b>Q.</b>	<i>Do I have to complete an enrollment form to enroll in the DP3 VEBA Trust Plan?</i>	<b>A.</b>	Yes. You must complete the enclosed enrollment form and return it to Marsh in the enclosed envelope.
<b>Q.</b>	<i>Can my spouse and I have different Medical/ Prescription Drug coverage?</i>	<b>A.</b>	No. If you choose "Two Person" coverage, then your spouse or domestic partner will have the same coverage you do.
<b>Q.</b>	<i>What does it mean when it says that the Premium and Standard plan have been bundled?</i>	<b>A.</b>	It represents the total cost of your Medical, Prescription Drug, Dental, and Vision program. The bundled packages were created in order to allow the HCTC eligible group to take advantage of the 80% tax credit and have all 4 programs paid for at that level. If the Dental and Vision programs were offered separately, then the 80% tax credit could only be applied to the Medical and Prescription programs and then you would have to pay for Dental and Vision at 100% of the cost.

<b>Q.</b>	<i>Do I have to worry about pre-existing conditions?</i>	<b>A.</b>	If you are coming from credible coverage and have not had a lapse in your healthcare coverage of more than 90 days, there will be no pre-existing condition restrictions. You are covered in full starting on the effective date you enroll in the plan. If you have had a lapse in your coverage of more than 90 days in the past year, you may be required to have limitations on certain pre-existing conditions for a period of time not to exceed 1 year.
<b>Q.</b>	<i>What if I am turning 55 in the next few months? Should I enroll now or wait until I am HCTC eligible?</i>	<b>A.</b>	You have to decide for yourself concerning the timing of your enrollment. Approximately 60-90 days before your 55 <sup>th</sup> birthday, you will receive information in the mail with specific instructions and communication regarding your options to change your coverage and also how to enroll in the HCTC program if eligible. Keep in mind, you become eligible for the HCTC subsidy on the first day of the month following your birthday. (example: birthday is May 15, you become eligible June 01)
<b>Q.</b>	<i>As a new enrollee, when will I receive ID cards for these plans?</i>	<b>A.</b>	You will receive a separate ID card directly from each of the carriers for the coverage you elect. If you enroll in the dental coverage without medical coverage and if you enroll in the vision plan, you will receive separate ID cards for these as well.
<b>Q.</b>	<i>Where do I get more information about the DP3 plan?</i>	<b>A.</b>	Call the representatives at the DP3 Retiree Service Center. Representatives are available Monday through Friday 7:30 a.m. to 5:00 p.m. Central Time at: <b>1-877-928-8322</b> .
<b>Q.</b>	<i>Can I enroll in the DP3 Program at anytime?</i>	<b>A.</b>	No. If you choose not to enroll when you first become eligible, you will have wait for the annual open enrollment or you can enroll during the year as the result of a Qualified Life Event.
<b>Q.</b>	<i>Do I have to enroll in the Medical plan in order to join the Dental and/or Vision plans?</i>	<b>A.</b>	No, you can elect coverage for Dental and/or Vision only if you choose to do so. The type and level of coverage that is selected is intended to be for a 12 month coverage period, or until the next enrollment period, whichever comes first. Once you make your initial elections, you cannot make changes unless you have a “qualifying event” to make you eligible for changes. Qualifying events are: <ul style="list-style-type: none"> <li>• Certain changes in employment status for your spouse or an eligible dependent;</li> <li>• Marriage or divorce;</li> <li>• Addition of a dependent;</li> <li>• Loss of a spouse or dependent;</li> <li>• Eligibility for Health Coverage Tax Credit (HCTC) due to age (turning 55 or TAA status change)</li> <li>• Eligibility for Medicare due to age (turning 65 or disabled)</li> </ul>
<b>Billing/Premium Payment</b>			
<b>Q.</b>	<i>What will be my monthly cost for the medical plan?</i>	<b>A.</b>	The costs of the plan are outlined on the enrollment worksheet included in <u>this</u> packet. The HCTC calculated costs are also included on the enrollment worksheet as well.
<b>Q.</b>	<i>Is my first month’s premium payment required when I submit my enrollment form?</i>	<b>A.</b>	Yes. You will need to include a check for your first month’s premium payment in full (100%) with your enrollment form. The check should be made out to DP3 VEBA Trust.

<b>Q.</b>	<i>If I am eligible for the HCTC should I sign up for the Secure Pay Option?</i>	<b>A.</b>	No. The IRS will begin billing the 20% portion of the premium you will be responsible for when approved for the HCTC. Signing up for Secure Pay is not an option if eligible for the HCTC.
<b>Q.</b>	<i>Can my premium come directly out of my bank account?</i>	<b>A.</b>	Anyone <u>not eligible</u> for the HCTC should sign up for Secure Pay through Marsh. This will allow your monthly premium to come directly out of your bank account. Secure Pay will allow you to do an electronic funds transfer (EFT) on a monthly basis from the account you designate. This is a convenient option, especially if you travel and do not want to risk having your coverage lapse. A <b>SECURE PAY</b> form will be mailed to you after you enroll and will be included with your first premium invoice. Complete the form and return it to Marsh and they will work to set-up the ongoing transfer.
<b>Q.</b>	<i>How will my premium be billed?</i>	<b>A.</b>	Marsh will bill and collect the premium for the DP3 VEBA Trust Plan for the non-HCTC eligible. Retirees under 65 will be responsible for 100% of their premium prior to the HCTC being effective for those that are eligible. After the HCTC is effective, the IRS will collect the required 20% contribution.
<b>Claims</b>			
<b>Q.</b>	<i>How are my medical claims paid?</i>	<b>A.</b>	When you go to visit your doctor, simply present your ID card. Your provider will submit a claim to Aetna and will then pay your provider directly the allowed amount of the claim. If there is any remaining amount due, you will receive an Explanation of Benefits.
<b>Q.</b>	<i>What happens if I am hospitalized for treatment through the effective date of the change in Administrators? Who is going to pay my claims?</i>	<b>A.</b>	Typically the coverage you had when admitted to the hospital would remain until you are discharged. After your release from the hospital, your new DP3 VEBA plan coverage will begin.
<b>Q.</b>	<i>How are deductibles satisfied for a Retiree + Spouse in the Premium Plan?</i>	<b>A.</b>	You must individually satisfy the full \$250 deductible for the Retiree and then also have an additional \$250 deductible for the Spouse. If the Retiree has \$1000 in eligible charges and the Spouse has \$0, the deductible has not been met for the Spouse.
<b>Q.</b>	<i>How are deductibles satisfied for a Retiree + Family in the Premium Plan?</i>	<b>A.</b>	You must satisfy the full \$250 deductible for at least 2 members in your plan. If there are 4 members enrolled in your plan, Member 1 and Member 2 must individually satisfy their \$250 deductible. Once 2 members satisfy the family deductible of \$500, there are no further deductibles to be met for Member 3 and Member 4.
<b>Q.</b>	<i>How are deductibles satisfied for a Retiree + Spouse in the Standard Plan?</i>	<b>A.</b>	You must individually satisfy the full \$1250 deductible for the Retiree and then also have an additional \$1250 deductible for the Spouse. If the Retiree has \$1000 in eligible charges and the Spouse has \$0, the deductible has not been met for the Spouse.
<b>Q.</b>	<i>How are deductibles satisfied for a Retiree + Family in the Standard Plan?</i>	<b>A.</b>	You must satisfy the full \$1250 deductible for at least 2 members in your plan. If there are 4 members enrolled in your plan, Member 1 and Member 2 must individually satisfy their \$1250 deductible. Once 2 members satisfy the family deductible of \$2500, there are no further deductibles to be met for Member 3 and Member 4.
<b>Q.</b>	<i>Is there a lifetime maximum on these medical plans?</i>	<b>A.</b>	No, due to Health Care Reform changes, there is no lifetime maximum on these plans.

<b>Q.</b>	<i>How will my prescription drug claims paid?</i>	<b>A.</b>	When you go to the pharmacy, simply present your ID card to the pharmacist who will determine your portion to be paid. The balance of the cost will be automatically paid by Aetna. You will not have to submit any claims forms.
<b>Q.</b>	<i>On the Premium plan, when do the Rx co-pays go into effect?</i>	<b>A.</b>	The Rx co-pays apply immediately when the plan begins. There are no deductibles required for the Premium plan for prescription drugs.
<b>Q.</b>	<i>On the Standard plan, when do the Rx co-pays go into effect?</i>	<b>A.</b>	The Rx co-pays apply immediately when the plan begins. There are no deductibles required for the Standard plan for prescription drugs.
<b>Health Coverage Tax Credit (HCTC)</b>			
<b>Q.</b>	<i>What is the Health Coverage Tax Credit (HCTC)?</i>	<b>A.</b>	The HCTC is a federal tax credit that enables you to currently pay just 20% of qualified health insurance premiums. If you are eligible, the HCTC is available to you monthly as premiums become due, or yearly when you file your federal tax return, or a combination of both. In order to receive the HCTC you must be enrolled in a qualified health plan, and meet all HCTC eligibility requirements.
<b>Q.</b>	<i>Who is eligible for the HCTC?</i>	<b>A.</b>	To be eligible for the HCTC, you must be: <ul style="list-style-type: none"> <li>• age 55 or older and receive benefits from the Pension Benefit Guaranty Corporation (PBGC), or</li> <li>• a Trade Adjustment Assistance (TAA), Alternative Trade Adjustment Assistance (ATAA), or Reemployment Trade Adjustment Assistance (RTAA) recipient.</li> </ul> <p>You must also meet some general requirements and be enrolled in a qualified health plan.</p>
<b>Q.</b>	<i>What are the qualified health plans for the HCTC?</i>	<b>A.</b>	Qualified health plans include the following: <ul style="list-style-type: none"> <li>▪ COBRA (federal legislation that lets employees extend their job-based health coverage if they lose their job <b>or a VEBA trust health plan established in lieu of COBRA.</b></li> <li>▪ State-qualified health plan: health plans that a state's Department of Insurance approves as meeting the certain requirements of the Trade Act of 2002.</li> <li>▪ Spousal Coverage – only applicable if you are paying <b>more than</b> 50% of the premium.</li> <li>▪ Non-Group/Individual Plans – only applicable if you were enrolled in an individual policy 30 days prior to the date you became eligible for HCTC and your last day of employment (should not apply to anyone at DP3).</li> </ul>
<b>Q.</b>	<i>What is the process for enrolling in the HCTC?</i>	<b>A.</b>	You must return the enclosed DP3 Enrollment form along with the HCTC Monthly Registration Form and your first month's premium payment to Marsh in the enclosed envelope. Marsh will provide the HCTC Monthly Registration Form and confirmation of your first month's payment to the HCTC. The HCTC processes the Monthly Registration Forms. Once HCTC has approved your enrollment you will begin receiving monthly invoices from the HCTC. Questions regarding your HCTC enrollment should be directed to the HCTC at 1-866-628-4282.

<b>Q.</b>	<i>What are the general requirements for the HCTC?</i>	<b>A.</b>	At the time of your registration, you will need to certify that: <ul style="list-style-type: none"> <li>▪ You were not enrolled in Medicare Part A, B, or C.</li> <li>▪ You were not enrolled in Medicaid or the State Children’s Health Insurance Program (SCHIP).</li> <li>▪ You were not enrolled in the Federal Employees Health Benefits Program (FEHBP) or eligible to receive benefits under the U.S. military health system (TRICARE).</li> <li>▪ You were not imprisoned under federal, state, or local authority.</li> <li>▪ You are not receiving a 65% COBRA Premium Reduction (For more information on the COBRA Premium Reduction, (visit: <a href="http://www.dol.gov/COBRA">www.dol.gov/COBRA</a>))</li> </ul>
<b>Q.</b>	<i>I am 53 years old and a Delta Pilot. When do I become eligible for HCTC?</i>	<b>A.</b>	You become eligible the month <b>after</b> you turn 55. Example: You turn 55 on October 6 <sup>th</sup> . You become eligible for the HCTC on November 1 <sup>st</sup> . HCTC eligibility also requires that you are a PBGC pension recipient and you are enrolled in a “qualified” plan.
<b>Q.</b>	<i>I understand that the HCTC currently pays for 80% assistance regarding my health care. What is that 80% calculated on? My monthly premiums, deductible, or total Out of Pocket?</i>	<b>A.</b>	The Health Coverage Tax Credit (HCTC) is a federal tax credit that currently pays 80% of qualified health insurance premiums for eligible individuals and their qualified family members. If you pay \$300 a month in premiums, then the HCTC would pay for \$240 and you would be responsible for \$60. Please note that the HCTC does not pay for health insurance premiums for family members who are not qualified or have a separate dental or vision plan.
<b>Q.</b>	<i>Does the HCTC program expire on December 31<sup>st</sup>, 2010? How long is the HCTC good for?</i>	<b>A.</b>	The HCTC program started in 2002 and has no end date for PBGC recipients. Depending on your age now, you could be eligible for up to 10 years in the HCTC program. The Dec. 31 <sup>st</sup> 2010 deadline has to do with all the changes to the HCTC associated with the American Recovery and Reinvestment Act (ARRA), including the % of the credit and the continuation for family member provision. The current tax credit is 80% until at least Dec 31 <sup>st</sup> 2010, and then it could go back down to the original 65% (where it was prior to being modified in the ARRA legislation). No decision has been made regarding the reduction of the 80% subsidy for 2011 and beyond at this time. We currently do not anticipate any changes to the subsidy levels for 2011 but if any changes are made, we will make every effort to keep you informed of those changes in a timely manner. For more information on the ARRA changes to the HCTC, visit <a href="http://www.irs.gov">www.irs.gov</a> , Key word/search “HCTC.”
<b>Q.</b>	<i>Am I eligible to receive the HCTC if I enroll in the VEBA program?</i>	<b>A.</b>	If you are a Delta Pilot retiree and your pension plan was turned over to the PBGC during the Delta bankruptcy, and you are between the ages of 55 and 64, you may be eligible for the HCTC program.
<b>Q.</b>	<i>I am eligible to receive a pension from Delta, but have not started receiving the checks yet. Am I eligible for the HCTC right now?</i>	<b>A.</b>	No, you are not eligible until you start receiving a pension check from the PBGC. You must be a PBGC recipient, not a future recipient.

<b>Q.</b>	<i>I just started my own company. When I start drawing an income from my new business, will I still be eligible for the HCTC?</i>	<b>A.</b>	Yes, there are no limits/caps regarding wage amounts. Your income has nothing to do with your HCTC eligibility. The answer above assumes that you are receiving a pension check or lump sum distribution from the PBGC, you are between the ages of 55-64, and that you are enrolled in a “qualified” health plan.
<b>Q.</b>	<i>My son is receiving Medicaid only and is disabled, is he a qualified dependent?</i>	<b>A.</b>	No, he is not eligible, but you as a retiree are eligible. If you or your dependents have health coverage through Medicaid, State Children's Health Insurance Program (SCHIP), or Federal Employees Health Benefits Program (FEHBP), you/they are not eligible.
<b>Q.</b>	<i>I am the owner of a company where I pay 100% of my insurance premium cost. Am I still eligible to receive the HCTC?</i>	<b>A.</b>	No, you are only eligible to use the coverage of your spouse's insurance plan. Your company insurance program is not considered as a qualified plan for the HCTC program. The answer above assumes that you are receiving a pension check or lump sum distribution from the PBGC, you are between the ages of 55-64, and that you are not enrolled in a “qualified” health plan.
<b>Q.</b>	<i>How do I know if I am paying more than 50% of the monthly premium for my spouse's plan?</i>	<b>A.</b>	You need to go your spouse's HR department and ask for a breakdown of the premium costs and provide that letter/proof to the IRS.
<b>Q.</b>	<i>I am currently on my spouse's insurance plan and we are <u>not</u> paying more than 50%. Am I allowed to move to the VEBA program and be eligible for HCTC?</i>	<b>A.</b>	Yes, if it is to your advantage to move over to this program, then you are eligible to do so. Your spouse is allowed to enroll as well under your plan as a qualified dependent. The answer assumes that you meet all other HCTC eligibility requirements.
<b>Q.</b>	<i>My husband is Under 65 and receiving Medicare Part A &amp; Part B. Is he eligible for the HCTC? Am I eligible as the spouse since I am not on Medicare?</i>	<b>A.</b>	Your husband is not eligible for HCTC since he is enrolled in Medicare Part A & B. The government believes that if you are enrolled in Medicare, you are already receiving a government health benefit and that makes you ineligible for the HCTC. Unfortunately, as the spouse you are not eligible either for the HCTC since the PBGC recipient (your husband) is not eligible.
<b>Q.</b>	<i>When our Delta insurance coverage was cancelled, I moved over to a High Deductible. Would I be eligible for the HCTC under this plan? What do you recommend?</i>	<b>A.</b>	You would only be eligible for the HCTC if that plan you are enrolled in is a “qualified” health plan as declared by your state. You have to evaluate your own personal situation and make decisions based upon what is best for you and your qualified dependents.
<b>Q.</b>	<i>Am I eligible for the HCTC if I am a US veteran?</i>	<b>A.</b>	If you are entitled to health coverage through the military health system, TRICARE / CHAPMUS then you are not eligible for HCTC. This does not include health benefits received as a Veterans Affairs benefit.

<b>Q.</b>	<i>I am a Delta Pilot retiree that is 65 years old. My spouse is 62 years old. Can my spouse stay in the VEBA plan?</i>	<b>A.</b>	Prior to the passing of the American Recovery and Reinvestment Act (ARRA), the answer was no, your spouse was no longer eligible. But, a recent enhancement was made to the HCTC program to allow qualified spouses and dependents an additional 24 months of eligibility, or until the PBGC recipient turns 67, whichever comes first. This law was effective January 1 <sup>st</sup> , 2010. Upon conclusion of the 24 month period the Qualified Family Member (spouse) no longer qualifies for the HCTC credit.
<b>Q.</b>	<i>I am a surviving spouse. Do I use my age or my spouse's age to determine eligibility for the HCTC?</i>	<b>A.</b>	Since you are now the PBGC recipient, you would use your age.