

HEALTH **101** INSURANCE for Caterpillar employees

A general guide to understanding Caterpillar
consumer-directed health plan (CDHP) benefits
and your health savings account (HSA)

Total health



CATERPILLAR[®]

Total health



Emotional



Financial



Physical



Purpose



Social

Health insurance is very important. It provides you coverage for **preventive care** services to help you live a healthy life, and it protects you financially when you are sick or injured.

Understanding your Caterpillar health care benefits doesn't have to be overwhelming. We created this guide to help you better understand:

- **Health insurance basics**
- **Getting care**
- **Health insurance billing**
- **Resources**

On the next pages, you will see a visual journey of the health care experience. Throughout this guide, we will provide greater detail on each part of the journey.



Note: Important health care terms used throughout this guide are **blue** and **italicized**. Definitions can be found in the "Resources" section on pages 23–24.

Let's get started. →

Your Health Care Journey



1



After enrolling in the CDHP option, you and Caterpillar may contribute money to your **HSA**, which can be used to pay for qualified health care expenses. You are able to contribute to your **HSA** each pay period with pre-tax dollars. (Pages 4–9)

2



You get care. You save money when you use doctors and hospitals in your network (**UnitedHealthcare** network or **Caterpillar NetWork**, depending on where you live). (Pages 10–13)



3



Provider sends **claim** to **UnitedHealthcare**. (Pages 14–19)

4



UnitedHealthcare sends you a **Health Statement** so you understand what was covered by insurance and what you owe. (Pages 14–19)



5



Provider sends you a bill for any remaining balance. (Pages 14–19)

6



You pay the bill. You can use your **HSA** to pay for it. (Pages 14–19)



7



Now you are on track to making better health care decisions!

LESSON 1:

Health Insurance Basics



How the Caterpillar CDHP Works

Caterpillar health care plans are self-funded. That means Caterpillar (along with the employee **premiums** collected) pays the costs of the plans. **UnitedHealthcare** administers the medical **claims** but doesn't insure the benefits under the plans.

In addition, **UnitedHealthcare** negotiates prices with **UnitedHealthcare** network **providers** (e.g., doctors), while Caterpillar negotiates prices with **Caterpillar NetWork providers**. Your residential ZIP code determines which **provider** network you will use to receive the maximum benefit coverage. Check your health plan ID card to see which network you're in.



CDHPs with HSAs

Caterpillar offers CDHP options that can be paired with an **HSA** to help you pay for health care expenses for you and your eligible dependents. You and Caterpillar can contribute pre-tax* dollars to the **HSA**. CDHPs are designed to get you more involved in making informed health care decisions and using your benefits wisely.

*State tax treatment of **HSAs** varies.



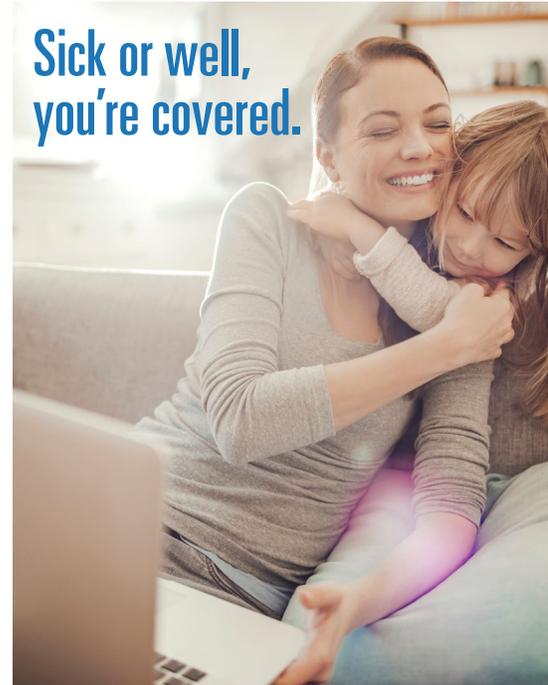
Benefits of the CDHP:

You'll get to decide if you want to:

- Spend your **HSA**.
- Grow your **HSA** balance tax-free over time, which can be a safety net if you have high health care costs.
- Save your **HSA** for health care expenses after retirement.

Just like our other plan options, the CDHP offers:

- 100% coverage of in-network **preventive care** covered under your medical plan. Please refer to your summary plan description (SPD) for additional information.
- A **maximum out-of-pocket** to help protect you financially in case of an unexpected and expensive health event.
- A variety of interactive health and wellness resources on **myuhc.com**[®] to help you understand healthy behaviors and the steps needed to lead a healthier life.
- Tools to help you estimate the cost of your health care and manage your account.
- If you have benefit coverage questions, call **UnitedHealthcare** at **1-866-228-4215**. UnitedHealthcare is there to help!



How CDHPs Work with an HSA:

1

Your deductible

You pay 100%
until your
deductible is met.

2

Your medical co-insurance

The plan pays 80%.* + You pay 20%.*

IN-NETWORK CO-INSURANCE

*You share expenses with the plan until you meet your **maximum out-of-pocket** with in-network expenses.

Your HSA:** If you are eligible for an **HSA** and seed money, Caterpillar contributes dollars to your account after you join the plan. You can also contribute dollars to your **HSA**, up to the annual IRS-allowed amount (for 2020: Individual \$3,550/Family \$7,100), through pre-tax dollars each pay period or as lump sums whenever you choose. Both Caterpillar's and your own (employee) contributions count toward the limit.

The **HSA is not administered by Caterpillar, is not an employer-sponsored plan and is not an ERISA plan.

3

Your prescription cost share

**You pay a
co-payment
or co-insurance.**

You pay a co-pay or co-insurance amount based on the drug formulary.

4

Your maximum out-of-pocket

You are protected.

When you reach your ***maximum out-of-pocket***, the plan pays 100%.

Certain preventive care services and Health Care Reform medications are covered at 100% when you use a network provider. Also, some CDHP preventive medications do not charge a deductible before you co-pay or co-insurance* applies.

***Co-insurance** amounts are for in-network services.

LESSON 2:

Getting Care



When, Where and How to Get Care

Now that you know how health insurance works, it's important that you know what **preventive care** is recommended for you and where to go for care.

Getting recommended **preventive care** can help you understand your health, maintain good health or start focusing on identified health risks.

When it comes to getting care, you have options. Remember, where you get care determines the cost of your services.



Preventive Care

Most **preventive care** is covered 100% in the network. Talk with your doctor about how often and what type of **preventive care** is recommended for you. Contact **UnitedHealthcare** for specific coverage details.

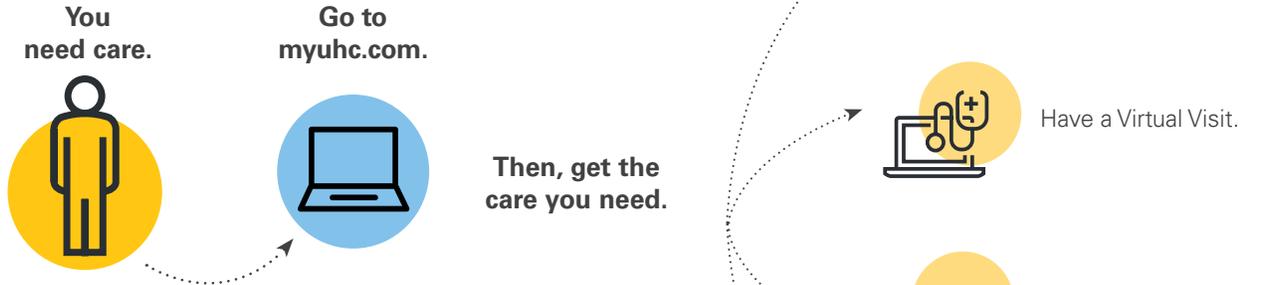
Example preventive care services:

Exam/Screening	Recommended Age	Details
Routine Preventive Care Exam	Any age	Talk to your doctor about what routine preventive care exams are recommended for you, e.g., annual physical exam, well-child/baby visits.
Certain Biometric Screenings	Age-specific	Tests, such as cholesterol, glucose (blood sugar), blood pressure, etc., that tell you whether your numbers are in the normal range, which can help identify potential health risks.
Immunizations	Age-specific	Recommended immunizations at certain ages (e.g., annual flu shots, routine childhood vaccinations, shingles vaccine at age 60+).
Pap Smear	21+	Pap smears are covered once every three years for women ages 21–65.
Mammogram	40+	Annual mammogram for women age 40+.
Colonoscopy	50+	Colonoscopy covered once every 10 years for those age 50+.

These guidelines are based on the recommendations of the U.S. Preventive Services Task Force (USPSTF), U.S. Department of Health and Human Services, and the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention. They are provided for informational purposes only and do not constitute medical advice. Individuals with symptoms or at high risk for disease may need additional services or more frequent interventions.

Where to Go

When you need care, you have options. **UnitedHealthcare** can help you decide the best place for care to maximize your health care benefits.



All Caterpillar employees should begin using **myuhc.com** effective January 1, 2020. Caterpillar NetWork providers will be reflected on **myuhc.com** with a green diamond. Quickly and easily compare costs before you get care with the cost estimator on **myuhc.com**. The information is personalized to calculate out-of-pocket expenses based on your plan and current benefit status. Estimated costs are based on available charged rates from in-network **providers**. Go to **myuhc.com** to estimate your costs and search for health care **providers**. If you haven't registered on **myuhc.com**, you'll need to enter your name, date of birth and member ID from your health plan ID card or your Social Security number.

LESSON 3:

Health Insurance Billing



When, What and How to Pay

The health care journey on pages 2–3 shows how **claims** are processed and health care bills are paid. Review pages 16–19 for more details on the process, including how your **HSA** is used to help pay expenses.

If you have questions about your **claims**, contact **UnitedHealthcare** by calling **1-866-228-4215**.

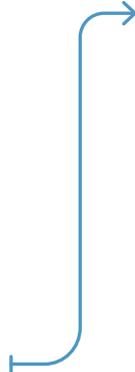


Standard Claim Process

1 You present your *UnitedHealthcare* health plan ID card at your *provider's* office.



2 *Provider* submits *claim* to *UnitedHealthcare* for the cost of the visit.



3 *UnitedHealthcare* processes your *claim* and then provides you a *Health Statement*.



The Caterpillar health care plan pays its portion of the *provider's* bill according to the terms of your benefit plan.

4

Your *provider* bills you directly if you owe money.



5

You pay your bill out of your pocket.



If you have an *HSA*:

You can use your *HSA* dollars to pay your bill if available. Remember to keep your receipts for any bills you pay.

Example Details

- **Employee-only** coverage
- Monthly payroll deduction of \$33 to pay **employee premium**
- \$1,500 **HSA** total — includes \$550 seed money contribution from Caterpillar for individual coverage plus \$79.16 per month (\$950 annually) in contributions from the employee
- \$3,000 **individual deductible** and a \$5,000 **individual maximum out-of-pocket**

Employee-only Coverage with the Consumer Max Plan with HSA

Your in-network health care expenses:	Cost:	How the expenses were paid:	The Plan pays:	You pay:
In January, you turned 40 and had a mammogram.	\$150	Because the visit was for preventive care , the plan paid for the cost of the visit at 100%.	\$150	\$0
In February, you went to the doctor to have your throat checked.	\$135	Because you had not met your deductible , you used \$135 from your HSA to pay the bill.	\$0	\$135 HSA dollars
In October, you were in a bicycle accident. You were taken by ambulance to the hospital where you were treated for a broken femur.	\$12,865	You paid \$2,865 to reach your deductible (\$3,000), using \$500 from your HSA . You also paid 20% in co-insurance (\$2,000) out of your pocket to reach your maximum out-of-pocket (\$5,000). The plan paid the rest of the bill (\$8,000). You saved \$706.60 in your HSA for the future.	\$8,000	\$500 HSA dollars \$4,365 in cash
In November, you had physical therapy to address range-of-motion issues resulting from the broken femur.	\$750	Because you met your annual maximum out-of-pocket , you paid \$0 and the plan paid 100% of the bill.	\$750	\$0

The costs in the example above are for illustrative purposes only. They are not actual amounts.

Example Details

- **Family** coverage
- Monthly payroll deduction of \$186 to pay **family premium**
- \$1,000 **HSA** total — includes \$600 seed money contribution from Caterpillar for family coverage plus \$33.33 per month (\$400 annually) in contributions from the employee
- \$3,000 **family deductible** and a \$6,000 **family maximum out-of-pocket**

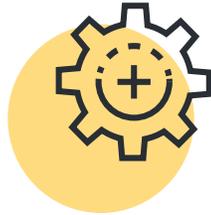
Family Coverage with the Consumer Choice Plan with HSA

Your in-network health care expenses:	Cost:	How the expenses were paid:	The Plan pays:	You pay:
In April, you went to the doctor for your annual preventive care exam.	\$150	Because the visit was for preventive care , the plan paid for the cost of the visit at 100%.	\$150	\$0
In June, your daughter broke her foot while biking and went to the emergency room.	\$950	Because you had not met your family deductible , you used \$700 from your HSA to pay a portion of the bill. You paid the rest (\$250) out of your own pocket. You saved \$99.98 in your HSA for the future.	\$0	\$700 HSA dollars \$250 in cash
In September, you had an angioplasty to clear your clogged coronary arteries.	\$20,000	You paid \$2,050 to reach your family deductible (\$3,000) and 20% co-insurance (\$3,000) to reach your family maximum out-of-pocket (\$6,000). The plan paid the rest of the bill (\$14,950).	\$14,950	\$5,050
In November, your wife had a hip replacement.	\$16,000	Because you met your annual family maximum out-of-pocket , you paid \$0 and the plan paid 100% of the bill.	\$16,000	\$0

The costs in the example above are for illustrative purposes only. They are not actual amounts.

LESSON 4:

Resources



What About ...

Knowing who to call or where to go online for more information and answers to your questions is important for making wise and informed health care decisions.

benefits.cat.com: General information about your health care benefits, vendor contact info, links to websites and tools, etc.

myuhc.com: Download health plan ID cards and **Health Statements**, check **claims** status and more.

HealthEquity (HealthEquity.com/Caterpillar or 1-844-311-9732):
Manage your **health savings account** — check your balance, use online bill pay, learn more about your **HSA**, etc.

For eligibility questions, contact the Caterpillar Benefits Center at **1-877-228-4010** or visit **CatBenefitsCenter.com**.

For prescription drug questions, contact **Magellan Rx** at **1-877-228-7909** or visit **MagellanRx.com/member/login**.



Mobile resources

UnitedHealthcare® app

Get instant access to your family's health information, check the status of a claim, speak with a customer care professional, etc.

HealthEquity mobile app

Access your **HSA**, take a photo for claims/ payments, manage transactions, etc.

All apps are available through the App Store® and Google Play®.

Digital benefits directory

Add Caterpillar benefit contacts to your smartphone for quick access to resources such as contact numbers and websites when you need them. You can also share this resource with your covered family members.

Step 1. Text **CAT** to **313131**.

Step 2. Click on the link in the text response.

Step 3. iPhone® tap the Share button. 

Android® tap the Option button. 

Step 4. Click *Add to Home Screen*.



Health Care Terms to Know

Caterpillar NetWork

Network of providers available in specific counties of Illinois. Subscribers can reference their insurance card to determine if they are in the Caterpillar NetWork and can review **benefits.cat.com** to find providers.

Claim

An itemized statement of your services and costs sent from your provider to UnitedHealthcare for payment.

Co-insurance

After reaching your deductible, you pay a percentage and the plan pays a percentage of the health care expense.

Deductible

The amount of money you pay before co-insurance begins.

Health savings account (HSA)

If eligible, this is a health care savings account available with the CDHP that Caterpillar and you may fund to help pay for eligible health care costs. Your contribution is optional and is in addition to the premiums you pay. The account offers tax benefits, but the IRS limits how much money can be put in the account. You own the account, and the money is yours to use for qualified medical expenses even if you leave Caterpillar.

Note: If you have an **HSA**, you can open a Limited Purpose Flexible Spending Account (FSA) for dental and vision expenses. You may also open a Dependent Care FSA for childcare expenses.

Health Care Terms to Know

Health Statement

Statement provided to you by UnitedHealthcare by mail or electronically explaining what health care services you had and how your provider was paid.

Maximum out-of-pocket

The total amount — including deductible — that you could pay for in-network covered health care expenses during the plan year. The maximum out-of-pocket does not include premiums.

Premium

The amount deducted from your paycheck each pay period to contribute toward your share of the health care coverage cost.

Preventive care

Recommended exams and screenings used to determine current health status and identify any potential health issues. The specific terms of the benefit plan are used to determine whether certain exams and screenings are preventive care.

Provider

Health care professional or facility that provides you with health care services.

UnitedHealthcare

Health insurance company that administers your benefits and provides you with access to a network of health care professionals.

Next Steps

If you've read through this guide, you are becoming more knowledgeable about how your health care benefits work. Review this guide as necessary and use the checklist below to use your benefits wisely.

- Locate an in-network primary care **provider** and urgent care facility near you and add the phone numbers to your phone contact list.
- Schedule any needed **preventive care** appointments for you/your family.
- Spend some time using the tools and resources available to help you manage your account and estimate health care costs.
 - Text **CAT** to **313131** to save your benefit contact information.





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Virtual Visits are not an insurance product, health care provider or a health plan. Unless otherwise required, benefits are available only when services are delivered through a Designated Virtual Network Provider. Virtual Visits are not intended to address emergency or life-threatening medical conditions and should not be used in those circumstances. Services may not be available at all times or in all locations. Payment for Virtual Visit services does not cover pharmacy charges; members must pay for prescriptions (if any) separately.

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The HSA is not administered by Caterpillar, is not an employer-sponsored plan and is not an ERISA plan.

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