



Your 2018 Healthcare Benefits

Enclosed is a brochure with detailed information on the 2018 healthcare benefits for retirees under age 65. It's important for you to look through it to learn about your new offerings. Two of the plan options are Consumer-Directed Health Plan options, which work differently than the plans you've been offered before and can be paired with a Health Savings Account.

Informational meetings

In September, the Caterpillar benefits team will be hosting meetings to explain your new benefit offerings and answer any questions you may have. Please see the attached informational meeting schedule. If you're unable to attend a meeting, we encourage you to visit the UAW 2018 Healthcare section on benefits.cat.com, which contains several resources to help you learn about your new benefit options.

Additionally, you're invited to a healthcare benefits fair in Peoria on Sept. 27 featuring many of our healthcare benefit vendors. See the attached schedule for details.

When you reach age 65

When you reach age 65, your retiree healthcare benefit options will change again. Rather than being limited to the healthcare coverage offered by the Caterpillar-sponsored group health plan that is secondary to Medicare, you will have access to a number of individual health insurance offerings that work with Medicare, such as Medicare Advantage and Medicare Supplement plans.

To help you pay, Caterpillar will place benefit dollars in a tax-advantaged account called a health reimbursement arrangement (HRA). Caterpillar will deposit \$3,000 for you and \$3,000 for your eligible spouse or your surviving spouse after your death. In other words, you will receive as much as \$6,000 from Caterpillar to pay for your healthcare and the healthcare of your eligible spouse.

You will be able to use these dollars to pay the premiums for individual insurance coverage and for other qualifying medical expenses. Any unused dollars will remain in the account to be used in the future. This means you will have more choice and more control over your retiree healthcare benefits.

Caterpillar has chosen OneExchange to provide enrollment services for retirees age 65 and older. As professionals in the Medicare market, OneExchange's licensed advisors help retirees and their spouses enroll in individual coverage to fit their budget and their unique medical, dental, vision and prescription drug needs. OneExchange also will administer the HRA.

The Caterpillar benefits team, in partnership with OneExchange, will also host meetings about this benefit plan for retirees age 65 and older. The meetings will take place immediately following the pre-65 benefit meetings. If you're interested in learning more about it, you're welcome to attend. See the attached schedule for details.