



August 2017

## Changes to your Caterpillar retiree healthcare benefits eligibility

In March 2017, Caterpillar and the United Auto Workers (UAW) ratified a new six-year Central Labor Agreement. Employees covered by the new agreement will be eligible, starting Jan. 1, 2018, for the same healthcare benefit plans that management and executive employees and retirees participate in today, pursuant to the terms of those plans. We wanted to extend this same opportunity to those who retired under the 2005 or later agreements between Caterpillar and the UAW.

Effective Jan. 1, 2018, Caterpillar will provide you and your eligible spouse\* (or your eligible surviving spouse after your death) with the same healthcare benefit plans that management and executive retirees participate in today, **unless you opt out of the change**. As an eligible retiree (or surviving spouse), you need to understand the change so you can make the decision that is right for you. The management and executive retiree healthcare benefit plans you and your spouse will be eligible for in 2018 are explained in detail in the enclosed brochures. Some of the benefits are very different from what you've previously been eligible for.

### Different healthcare benefits for retirees/spouses under age 65 and those age 65 and older

One major difference is there are different healthcare benefits for retirees and spouses under age 65 and those age 65 and older. The enclosed brochures explain them. The healthcare benefit options for retirees and spouses under age 65 include traditional PPO and EPO options, as well as Consumer-Directed Health Plan options, which can be paired with a health savings account. The healthcare benefits for retirees and spouses age 65 and older involve a health reimbursement arrangement, which is administered by OneExchange.

### To Know.

- **If you're currently enrolled in Caterpillar-sponsored group health coverage**  
If you're currently enrolled in Caterpillar-sponsored group health coverage, effective Jan. 1, 2018, you will be automatically enrolled in the same healthcare benefit plan as Caterpillar management and executive retirees. Your covered spouse (or your covered surviving spouse after your death) will also be automatically enrolled. (Note that if an individual is age 65 or older, he or she must enroll in a plan option through OneExchange to have access to the benefit dollars under the health reimbursement arrangement.)
- **If you're not currently enrolled in Caterpillar-sponsored group health coverage**  
If you're not currently enrolled in Caterpillar-sponsored group health coverage because you previously declined it, you will become eligible for the same healthcare benefit plan as Caterpillar management and executive retirees, unless you opt out. Your eligible spouse (or eligible surviving spouse after your death) will also be eligible for it.

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\* For purposes of healthcare benefits for those under age 65, the term "spouse" also includes your same-sex domestic partner. For purposes of the health reimbursement arrangement, the term "spouse" also includes your same-sex domestic partner who is your tax dependent under the Internal Revenue Code.

## To Do.

1. Carefully review the enclosed brochures. You can also review other resources available on [benefits.cat.com](http://benefits.cat.com) in the UAW 2018 Healthcare section.
2. Attend informational meetings (schedule enclosed). There are separate meetings for retirees/spouses under age 65 and those age 65 and older. The meetings for those age 65 and older will immediately follow the meetings for those under age 65.
3. After the informational meeting, if you decide you want to participate in the same healthcare benefit plan as Caterpillar management and executive retirees, **no further action is necessary.**
4. **If you do NOT want to participate in the same healthcare benefit plan as Caterpillar management and executive retirees, you must contact Caterpillar's UAW 2018 Healthcare hotline at 309-675-1700 by Oct. 6, 2017 to begin the opt out process.**

## Questions?

This notice and the enclosed information are intended to provide you with what you need to make an informed decision that is right for you.

If you have questions, call Caterpillar's UAW 2018 Healthcare hotline at **309-675-1700** and leave a message with your name, phone number and a brief description of your question. A Caterpillar benefits team member will return your call within three business days.