

Ready to retire?

# Your Retiree Medical and Postretirement Life Insurance Guide



## Your retiree medical and postretirement life packet

The packet you received with this booklet should include:

- Personalized Enrollment Worksheet showing your PG&E-sponsored retiree medical plan options
- Cover letter
- Kaiser Permanente Senior Advantage Medicare Advantage HMO enrollment form if you're a current Kaiser member and you or your dependents will be eligible for Medicare on your retirement date
- 2016 medical plan comparison charts
- *Benefits 2016* Open Enrollment guide for retirees and surviving dependents
- Retiree Medical Savings Account (RMSA) Frequently Asked Questions
- 2016 RMSA Retiree Medical Plan Monthly Premiums

**If anything is missing, contact the PG&E Benefits Service Center immediately.**

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 **Look for the flag. It means you need to take action.**



## What you need to do

### Ready to retire?

- 1 Decide what medical coverage to elect.**
  - Do you know how much your PG&E-sponsored retiree medical coverage will cost?
  - Is the plan you want available in your area?
  - Have you considered other coverage options outside PG&E?
  
- 2 Enroll in Medicare Parts A and B at least three months before you turn 65.**
  - If you or your spouse are eligible for Medicare\*—and you waived Medicare because you had coverage at work—you need to enroll in Medicare Parts A and B at least three months before your retirement date.
  - Enroll at [socialsecurity.gov/medicare](https://socialsecurity.gov/medicare).
  
- 3 Decide if you need dental or vision coverage.**
  - You won't have it through PG&E after you retire. Do you really need it?
  - Are you willing to pay the full cost to buy it through COBRA?
  - Have you considered buying individual coverage?
  
- 4 Decide if you need extra life insurance coverage.**
  - Is your PG&E postretirement life insurance enough for your needs?
  - Have you talked with an estate planner or financial advisor about how much you'll need?
  - Do you want the same amount of coverage you have as an employee? **You have up to 31 days after your retirement date** to get the same amount of coverage through MetLife by converting your group policy to an individual policy at your own expense.

\*You're eligible for Medicare if you're 65 or older—or under 65 and disabled.

Under 65?	
<b>What</b> <b>Elect your PG&amp;E-sponsored retiree medical coverage</b> You can enroll online or by phone. See page 8 for details.	<b>When</b> As early as 90 days before your retirement date No later than 31 days after your retirement date
Age 65 or disabled and eligible for Medicare?	
<b>What</b> <b>1 Elect your PG&amp;E-sponsored retiree medical coverage*</b> You can enroll online or by phone. See page 8 for details.  <b>*Enrolling in a Medicare HMO?</b> You need to complete that plan's enrollment form and send it to the plan—postmarked at least 45 days before your retirement date. See page 10 for details.	<b>When</b> As early as 90 days before your retirement date No later than 31 days after your retirement date Completed Medicare HMO enrollment forms must be postmarked at least 45 days before your retirement date and mailed directly to the plan
<b>2 Enroll in Medicare Parts A and B</b> <ul style="list-style-type: none"> <li>• Call the Social Security Administration at <b>1-800-772-1213</b> <b>OR</b></li> <li>• Enroll online at <a href="https://socialsecurity.gov/medicare">socialsecurity.gov/medicare</a> <b>OR</b></li> <li>• Visit your local Social Security Office</li> </ul>	<b>As soon as you're eligible</b> Age 65 or older—or under age 65 and eligible for Medicare due to disability  <b>By the date you retire if you're already 65</b> See page 26 for details

**Your PG&E-sponsored retiree medical coverage can start on your retirement date—even if you delay your pension.**

## Don't be late



If you're late electing PG&E-sponsored retiree medical coverage, you'll have no coverage until the next Open Enrollment. Then, you can elect coverage for the following year.

**For most plans:** You have up to 31 days after your retirement date to elect PG&E-sponsored retiree medical coverage.

**For Medicare HMOs:** You must complete your Medicare Advantage or Medicare COB HMO enrollment form and mail it directly to the HMO. Completed forms must be postmarked at least 45 days before your retirement date. See page 10 for details.

## Enrolling 31 days after you retire?

If you enroll for PG&E-sponsored retiree medical coverage within 31 days after your retirement date:

- Your coverage will be retroactive to your retirement date.
- You'll be responsible for paying premiums back to your retirement date.

## Who's eligible?

You can elect PG&E-sponsored retiree medical coverage for yourself and your eligible dependents if:

You retire with at least 10 years of service

OR

You're a Management or A&T employee hired before 2004 (no minimum service requirement)

## Who needs to enroll?

You'll need to enroll if you want retiree medical coverage.

Your employee coverage will end when you retire. You can change plans and dependents when you enroll for retiree medical coverage.

# Late? Not enrolling?

If you're late or you don't enroll, you'll have no coverage until the next Open Enrollment. Then, you'll be able to elect coverage for the following year.

You can decline coverage when you retire—and enroll later.

- Your employee medical coverage will end on your retirement date.
- You'll be responsible for any medical costs you have after you retire.
- Your next opportunity to enroll will be the next Open Enrollment in the fall.
- Coverage you elect during Open Enrollment will start January 1.

Example: Late enrollment	
March 1	Retirement date
April 1	Deadline to enroll <b>31 days after your retirement date</b>
April 3	Date you try to enroll <b>You'll have no coverage when you retire because you missed the deadline</b>
Fall	Open Enrollment <b>Your next opportunity to enroll</b>
January 1	Coverage start date for benefits you elect during Open Enrollment

# Make sure you have minimum essential coverage

## Planning to opt out of PG&E-sponsored retiree medical coverage?

If you're not eligible for Medicare, make sure you have other medical coverage that meets the federal government's minimum essential coverage requirements. Medicare satisfies those requirements.

**If you don't have minimum essential coverage, you could be subject to a tax penalty.**

## How to enroll

Enroll online or by phone:

### Log on to your Mercer BenefitsCentral<sup>SM</sup> account:



- From your personal computer or mobile device: [mypgebenefits.com](http://mypgebenefits.com)
- From work: *PG&E@Work for Me* > About Me > My Benefits > Mercer BenefitsCentral

Once you're logged on, go to: Menu > My Account > Life Events > Changes at Work > Intent to Retire

OR

### Call the PG&E Benefits Service Center:



Listen for the Initiate or Enroll Retiree Medical Benefits option: 1-866-271-8144

### + Adding a dependent?

You'll need to provide your dependent's name, birth date and Social Security number when you enroll.

**Do you have a dependent not listed on your Personalized Enrollment Worksheet?** You'll need to call or go online to add that dependent.

### Want to enroll your children?

You can enroll your children up to age 26 as long as they're not eligible for coverage under another employer-sponsored health plan (except for a plan of their other parent).

### Is your dependent child disabled?

If your child is under age 26 and currently enrolled in a PG&E-sponsored medical plan, you'll need to get your child medically certified as disabled **before he or she reaches age 26** to continue coverage from age 26 onward. You'll need to get the certification directly from your medical plan.

You can cover disabled dependents age 26 or older **only if** they meet both of these conditions:

They were already enrolled in a PG&E-sponsored plan when they turned 26

**AND**

They were medically certified as disabled by a PG&E-sponsored medical plan before they turned 26

**You may not cover disabled dependents age 26 or older if they fail to meet either one of these conditions.**



### Are you or your dependents eligible for Medicare?

Anyone eligible for Medicare will need to enroll in Medicare Parts A and B. You need Medicare Parts A and B even if you elect PG&E-sponsored retiree medical coverage. See page 25 for details.

### Want to elect a Medicare Advantage or Medicare COB HMO?

You'll need to:

- 1 Elect your medical plan through the PG&E Benefits Service Center

**AND**

- 2 Complete and mail your plan's Medicare HMO enrollment form directly to the plan—**postmarked at least 45 days before** your retirement date

## What if you're late enrolling in a Medicare HMO?

You won't have coverage in your Medicare HMO. You'll need to wait until the next Open Enrollment to elect the plan you want for the following year.

If you try to elect a Medicare HMO within 31 days after your retirement date, you'll be automatically enrolled in the Anthem Comprehensive Access Plan (CAP), and you'll be responsible for monthly premium contributions for that plan.

If you try to elect a Medicare HMO—or any plan—32 or more days after your retirement date, you won't have any PG&E-sponsored retiree medical coverage when you retire because you'll have missed all the deadlines. Make sure you're at least enrolled in Medicare Parts A and B to avoid potential tax penalties. See page 7 for details about minimum essential coverage.



### Current Kaiser members

#### Want to continue with Kaiser?

- 1 Complete the Kaiser Senior Advantage enrollment form enclosed in this packet.
- 2 Mail it to Kaiser at the address on the form—**postmarked at least 45 days before** your retirement date.

#### Want to switch from Kaiser?

- 1 Call the PG&E Benefits Service Center immediately for information about available plans and to request a Medicare Advantage or Medicare COB enrollment form.
- 2 Complete the form and mail it directly to the plan—**postmarked at least 45 days before** your retirement date.

### Everyone else

#### Want to elect a Medicare Advantage or Medicare COB HMO?

- 1 Call the PG&E Benefits Service Center immediately for information about available plans and to request a Medicare Advantage or Medicare COB enrollment form.
- 2 Complete the form and mail it directly to the plan—**postmarked at least 45 days before** your retirement date.

#### EXAMPLE: Medicare HMO enrollment timeline



# Your medical plan options

## Changing coverage if your life changes

### Getting married or divorced? Moving out of your plan's service area?

Big changes like these are **life events**. Chances are, you'll want to change your benefits coverage, too—like adding or dropping a dependent.

**Already enrolled?** You have 31 days from the date of your life event to make allowable midyear changes to your coverage (180 days from the birth or adoption of a child).



For details on allowable changes, see the *Summary of Benefits Handbook for Retirees and Surviving Dependents* at [spd.mypgebenefits.com](http://spd.mypgebenefits.com).

**Not enrolled?** If you're not enrolled when you experience a life event, you'll need to wait until the next Open Enrollment period to elect coverage.

The Personalized Enrollment Worksheet you received with this booklet shows the medical plan options available to you. These options are based on:

Whether you're eligible for Medicare

**AND**

Where you live

**Want more details?** See the medical plan comparison charts included in this packet.

## Moving?

You can switch to another plan midyear only if you're enrolled in a plan with a defined service area and you move out of that plan's service area.

## Did your doctor leave your plan?

You can't change medical plans if any of your primary care physicians (PCPs), specialists, medical groups, Independent Practice Associations (IPAs), hospitals or other providers leave your medical plan.

Instead, you'll need to use other providers in your plan's network. You can elect a different plan during the next Open Enrollment period in the fall.

# Paying for coverage

You and PG&E share the cost of your PG&E-sponsored retiree medical premiums. How much you pay depends on:

- The medical plan and level of coverage you elect
- Your eligibility for Medicare
- How long your Retiree Medical Savings Account (RMSA) will last

See page 20 for details about how long your RMSA will last.

## Will you be billed?

Usually, your share of the cost for your monthly premiums is deducted automatically from your monthly pension benefit.

You'll get a monthly bill from Conexis, the Direct Billing administrator, if:

Your share of the monthly medical premium would take 85% or more of your monthly pension benefit

OR

You received a lump-sum pension benefit when you retired instead of a monthly annuity

OR

You delayed the start of your pension payments

## How the RMSA works

PG&E creates separate Retiree Medical Savings Accounts (RMSAs) for you and your eligible spouse or registered domestic partner when you retire.

Your enrolled children won't get a separate RMSA—but you can use your RMSA to help pay for their coverage.

### Here's how the RMSA works:

- PG&E credits your RMSA with non-taxable contributions.
- You can't contribute to your account.
- Your account has no cash value.
- You can only use your RMSA to help pay for your PG&E-sponsored retiree medical premiums.

## How your RMSA grows

The amount PG&E contributes to your RMSA and to your spouse or registered domestic partner's RMSA is based on your age and service.

The more years of service you have and the older you are when you retire, the higher the value of your RMSA.

### Your RMSA—PG&E contributions

Before you retire Based on age	Before and after you retire Based on age	When you retire Based on service	When you retire Based on service
<p><b>\$5,000 a year to your account:</b></p> <ul style="list-style-type: none"> <li>• Starts at age 45 (later if hired after 45)</li> <li>• For each year you're employed by PG&amp;E from age 45 onward</li> <li>• Includes partial years</li> </ul>	<p><b>4.5% interest to your account:</b></p> <ul style="list-style-type: none"> <li>• Starts at age 46</li> <li>• Compounded annually</li> </ul>	<p><b>Extra \$1,000 a year to your account:</b></p> <ul style="list-style-type: none"> <li>• For each full year of credited service beyond 15 years</li> <li>• Includes credited service before age 45</li> </ul>	<p><b>Up to an additional lump sum of \$7,500 to your account:</b></p> <ul style="list-style-type: none"> <li>• Based on your years of credited service</li> <li>• Prorated from 10 to 25 years of service</li> </ul>
<p>Your RMSA gets the \$5,000 annual allocation even if you're employed for only one day in that year.</p>	<p>Interest is credited as long as there's a balance—even after you retire.</p>	<p>Your RMSA gets the \$1,000 annual allocation only for full years of credited service.</p> <p><b>EXAMPLE:</b> Unbroken service from July 15, 2014–July 15, 2015 = one full year of credited service.</p>	

### Your spouse or registered domestic partner's RMSA—PG&E contributions\*

Before you retire Based on your age	Before and after you retire Based on your age
<p><b>\$5,000 a year to your spouse or registered domestic partner's account:</b></p> <ul style="list-style-type: none"> <li>• Starts when you turn 45 (later if hired after 45)</li> <li>• For each year you're employed by PG&amp;E from age 45 onward</li> <li>• Includes partial years</li> </ul>	<p><b>4.5% interest to your spouse or registered domestic partner's account:</b></p> <ul style="list-style-type: none"> <li>• Starts when you turn 46</li> <li>• Compounded annually</li> </ul>
<p>Your spouse or registered domestic partner's RMSA gets the \$5,000 annual allocation even if you're employed for only one day in that year.</p>	<p>Interest is credited as long as there's a balance—even after you retire.</p>

\*For your spouse or registered domestic partner to be eligible for the RMSA, you must be married or in your registered domestic partnership on your retirement date.

# How much your RMSA is worth

Your RMSA builds over time starting the year you turn 45. You can see how much your RMSA is worth by using the Retiree Medical Estimator Tool.

Log on to your Mercer BenefitsCentral account:

- From your personal computer or mobile device: [myggebenefits.com](http://myggebenefits.com)
- From work: *PG&E@Work for Me* > About Me > My Benefits > Mercer BenefitsCentral

Once you're logged on, scroll to the bottom of the page and click on: Tools > Retiree Medical Estimator Tool

## Here's an example:

- Joe turns 45 July 4, 2006.
- He retires December 1, 2016, with 33 years of service.
- He started working for PG&E January 15, 1983, at age 22.
- He has no breaks in service.

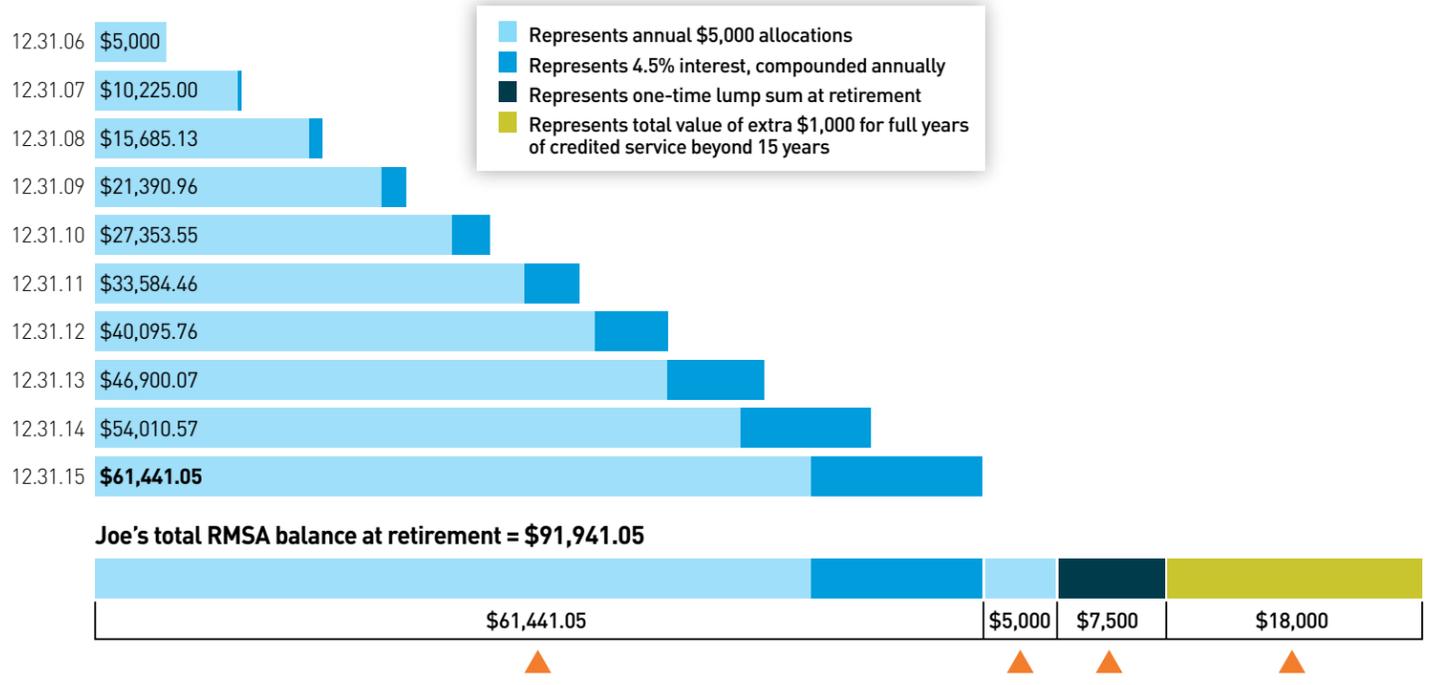
### RMSA credits based on age

1983–2005 Age 22–44	No RMSA until age 45 Joe doesn't have a RMSA balance because he's not yet 45.
2006 Age 45	\$5,000 annual allocation starting at age 45 Joe's RMSA gets the first \$5,000 allocation the year he turns 45. Joe now has a RMSA balance that he can see on Mercer BenefitsCentral.
2007–2015 Age 46–54	4.5% interest, compounded annually, starting at age 46 Joe's RMSA is credited with 4.5% interest, compounded annually every December 31, starting at age 46. Joe's RMSA will be credited with interest December 31, 2016, after he retires December 1, 2016. Plus, Joe's RMSA will be credited with interest in future years as long as there's a balance.

### RMSA credits based on service

1983–2016	Up to \$7,500 lump sum for 10–25 years of credited service—credited at retirement Joe's RMSA gets the full \$7,500 lump-sum credit because Joe retires with more than 25 years of credited service.
1999–2016	Extra \$1,000 annual allocation for each full year of credited service beyond 15 years Joe's 15-year service anniversary was January 15, 1998—and he retired December 1, 2016. 1999–2016 is the period that Joe's RMSA is credited with the extra \$1,000 annual allocation. At retirement, Joe's RMSA is credited with \$18,000 for the 18 years of full credited service he worked beyond his first 15 years.

## Here's how Joe's RMSA grows with compound interest:



## Joe retires December 1, 2015

\$61,441.05	Joe's total RMSA balance as of 12.31.15
\$ 5,000.00	2015 allocation—credited 12.31.16
\$ 7,500.00	Lump sum at retirement
+ \$18,000.00	Extra \$1,000 for full years of credited service beyond 15 years
<b>\$91,941.05</b>	<b>Joe's total RMSA balance at retirement</b>

## How much the RMSA pays

Each year, the RMSA will pay a monthly percentage of your cost for PG&E-sponsored retiree medical coverage until your account is used up.

At that point, you'll pay 100% of the cost. The RMSA pays different percentages based on whether you're eligible for Medicare:

Not eligible for Medicare	Eligible for Medicare
55% of the cost of coverage	30% of the cost of coverage

The RMSA percentage won't change from year to year, but the dollar amount it pays will vary based on actual premium costs.

## How long will your RMSA last?

Your RMSA automatically starts paying when you elect PG&E-sponsored retiree medical coverage. You don't need to set up your RMSA payments, and you can't change or stop your RMSA payments.

How long your RMSA will last depends on:

- How much it's worth when you retire (the amount PG&E contributes to your RMSA is based on your age and service when you retire)
- How soon you enroll for PG&E-sponsored retiree medical coverage and start using your RMSA
- The rate of medical plan inflation
- The cost of the medical plans you elect
- Whether you enroll eligible children (part of their cost for coverage comes out of your RMSA)

Once your RMSA is used up, it stops paying. At that point, you'll be responsible for paying 100% of your PG&E-sponsored retiree medical premiums.

## How much you pay

The actual dollar amount you have to pay for your PG&E-sponsored retiree medical coverage depends on the total cost of your medical premium minus how much the RMSA pays.



Usually, the amount you have to pay will be deducted automatically from your monthly pension benefit.

You'll get a monthly bill for your share of the cost if:

- Your monthly medical premium would take 85% or more of your monthly pension benefit; or
- You don't have a monthly pension benefit (an annuity)—but instead, you received a one-time lump-sum payout of your pension benefit; or
- You don't have a monthly pension benefit (an annuity) because you elected to defer collecting your payment.

### EXAMPLE:

These are sample calculations for you and an enrolled spouse or registered domestic partner.\*

<b>Monthly premium:</b>	<b>\$3,000</b>
– your RMSA payment	– \$1,000
– your spouse's RMSA payment	– \$ 700
<b>The amount you pay</b>	<b>\$1,300 per month</b>

\*Dollar amounts are for illustration purposes only.

## Not sure about your premium costs?

You can model the cost of different medical plans and coverage levels with the Retiree Medical Estimator Tool at Mercer BenefitsCentral. To talk with someone about your medical plan options or your premium costs, call the PG&E Benefits Service Center.

## Bottom line:

You need to budget for your retiree medical coverage. You'll always have to pay part of the cost—regardless of your RMSA.

- Your RMSA won't pay the full monthly cost of coverage—no matter how much is in your account. It only pays a percentage of the monthly cost.
- You pay part of the cost of coverage—whether through automatic deductions from your pension or through a monthly bill.



## Dropping coverage?

If you decide to drop your PG&E-sponsored retiree medical coverage and enroll in any other medical plan, your RMSA balance will be frozen.

Your frozen balance will continue to earn interest even when you're not using it. You won't lose your RMSA balance, but you can't use it to pay for any other coverage. You can only use it to help pay for PG&E-sponsored retiree medical coverage.

Your RMSA balance will be unfrozen, and you start using it again if you later re-enroll in a PG&E-sponsored retiree medical plan.

## Rehired after retiring before 2011?

PG&E may contribute toward your retiree medical premiums under the Retiree Medical Employer Contribution (RMEC) method when you retire again.

If you think this situation applies to you, call the PG&E Benefits Service Center for more information.

## Is your pension delayed?

If your pension is delayed but your PG&E-sponsored retiree medical coverage is starting on time, you'll be billed for your share of the cost.

## Want more information?

<b>Specific premium costs</b>	See your <b>Personalized Enrollment Worksheet</b> included in this packet.
<b>Retiree Medical Savings Account (RMSA) balance</b>	Use the online <b>Retiree Medical Estimator Tool</b> to get an estimate of how long your RMSA might last and how much you might have to pay for coverage every month. <b>Log on to your Mercer BenefitsCentral account:</b> <ul style="list-style-type: none"><li>• From your personal computer or mobile device: <a href="http://mypgbenefits.com">mypgbenefits.com</a></li><li>• From work: <i>PG&amp;E@Work for Me</i> &gt; About Me &gt; My Benefits &gt; Mercer BenefitsCentral</li></ul> <b>Once you're logged on, go to:</b> Tools > Retiree Medical Estimator Tool
<b>Help with your medical plan options and premium costs</b>	Call the <b>PG&amp;E Benefits Service Center</b> to talk to an expert about your medical plan options and premium costs: <b>1-866-271-8144</b> Representatives are available Monday–Friday, 7:30 a.m.–5 p.m. Pacific time.

# You must enroll in Medicare

## Do you have Health Account credits?

### Were you enrolled in the Health Account Plan (HAP) as an employee?

You can use any leftover Health Account credits after you retire as long as you're eligible for PG&E-sponsored retiree medical coverage. You don't have to be enrolled in a PG&E-sponsored retiree medical plan to use your Health Account credits—you just need to be eligible for the coverage.

### How it works

PG&E won't contribute to your Health Account after you retire—but you can use leftover credits to pay for eligible medical, dental, vision and mental health expenses. You can even use your Health Account to help pay for your PG&E-sponsored retiree medical premiums and any Medicare Part B premiums.

**Your health payment card will not work after you're retired—so you'll need to file claims manually.\*** Contact your Health Account administrator for help submitting claims for reimbursement after you retire.

\*Kaiser members can still use their Kaiser Health Payment Cards at the Kaiser pharmacy, but not at Kaiser medical offices or labs.

Are you, your spouse or your dependent children eligible for Medicare?

Age 65 or older

OR

Disabled

**You must enroll in Medicare Parts A and B to get full benefits.**

## How Medicare works with PG&E plans

**All PG&E-sponsored Medicare plans coordinate benefits with Medicare—which means they pay only the difference between what Medicare Parts A and B would pay and what the PG&E plan would pay—even if you're not enrolled in Medicare Parts A and B.**

Medicare is your primary plan, and your PG&E coverage is secondary. This means Medicare pays benefits first, and your PG&E plan pays any remaining eligible benefits second.

## Why enroll in Medicare?

### Two reasons:

1

If you don't enroll in Medicare Parts A and B, you won't get full benefits.

Your PG&E-sponsored plan won't pay any charges that Medicare would have covered. You'll have to pay those charges—**usually about 80% of the bill**—out of your own pocket.

2

Your choice of PG&E-sponsored plans will be limited.

You won't be able to enroll in a Medicare Coordination of Benefits (COB) HMO or a Medicare Advantage HMO.

## When to enroll in Medicare

The following rules apply to you and any eligible dependents you want to cover under your PG&E-sponsored retiree medical plan.

Turning 65 soon?	Age 65 or older?	Disabled?
You or your spouse must apply for Medicare Parts A and B <b>three months before</b> turning 65.	You or your spouse must be enrolled in Medicare Parts A and B <b>by the date you retire.</b>	If you've been getting Social Security disability benefits for at least <b>two years</b> , you should be automatically enrolled in Medicare Parts A and B.  Otherwise, you need to contact the Social Security Administration <b>three months before</b> turning 65.

**IMPORTANT:** Enrollment in Medicare Part B is not automatic. You'll need to actively contact the Social Security Administration to enroll in Medicare Part B.

Even though Medicare gives you an eight-month window when you retire (called a Special Enrollment Period) to sign up for Part B without late enrollment penalties, you'll need Part B right away if you want to receive full benefits from Medicare and your PG&E-sponsored retiree medical plan.

### Late enrollment in Part B

If you don't enroll in Medicare Part B when you're first eligible, you will have to pay a Medicare Part B late enrollment penalty for the rest of your life.

## Did you waive Medicare coverage?

Did you or your spouse waive Medicare coverage because you were still working and had employee coverage?

You'll need to enroll in Medicare Parts A and B **before you retire—and your Medicare coverage must be effective by the date you retire.**

Otherwise, you won't have full coverage. This means you'll have to pay the charges Medicare would have covered. You'll start getting full coverage when you finally enroll in Medicare Parts A and B and your Medicare coverage becomes effective.

**Social Security will require you to have PG&E complete a *Request for Employment Information form* as part of your Medicare Part B application. That way, you won't be charged a late enrollment penalty.**

### Submit the form to PG&E:

**Fax:** 1-925-459-7329  
Attention: Retirements

**Email:** [HRPensionQuestions@pge.com](mailto:HRPensionQuestions@pge.com)

**Mail:** PG&E Benefits Department  
Attention: Retirements  
1850 Gateway Blvd., 7th Floor  
Concord, CA 94520

### Questions about enrolling in Medicare?



Contact the Social Security Administration:  
1-800-772-1213  
[socialsecurity.gov/medicare](https://www.socialsecurity.gov/medicare)

## How to enroll in Medicare

There are three ways you can enroll in Medicare Parts A and B.

- Call the Social Security Administration at [1-800-772-1213](tel:1-800-772-1213)
- Visit your local Social Security office
- Enroll online at [socialsecurity.gov/medicare](https://socialsecurity.gov/medicare)



### When coverage starts

**If you enroll on time, your Medicare coverage will be effective on the first day of the month in which you reach age 65.**

If your birthday is on the first day of the month, your Medicare coverage will be effective the first day of the prior month.

## How Medicare works

**Medicare Part A is called hospital insurance.** You pay nothing for this coverage.

**Medicare Part B is called medical insurance.** You pay a premium for this coverage, automatically deducted from your Social Security checks. How much you pay for your Part B premium depends on your level of income. The higher your income, the higher your Part B premium.

### \$15 monthly credit

You and your spouse will each get a \$15 monthly credit toward your Medicare Part B premium when you're enrolled in Medicare Part B and a PG&E-sponsored Medicare plan. If you think you should be getting the credit, call the PG&E Benefits Service Center.

### Disabled and under 65? You'll get a higher credit.

If you or your dependents are under 65 and eligible for Medicare due to a disability, you'll get the full amount of the standard Medicare Part B premium instead of the \$15 credit. When you or your dependents turn 65, the credit will change to \$15 per month.

## Prescription drug coverage



**DO NOT ENROLL in any Medicare Part D prescription drug plan or Medicare Advantage plan that is not sponsored by PG&E.**

All PG&E-sponsored plans have better prescription drug benefits than the basic Medicare Part D prescription drug benefit. PG&E plans don't coordinate prescription drug benefits with Medicare, except for some drugs covered by Medicare Part B.

**If you enroll in a Medicare Part D prescription drug plan or in any other external plan:**

- You and your enrolled dependents will be disenrolled from your PG&E-sponsored plan—**AND**
- You will lose all of your prescription drug and medical coverage through PG&E.

That's because if you enroll in an external plan, your Medicare benefits will be paid to that plan—not to your PG&E-sponsored plan.

# COBRA coverage

You won't have dental, vision, Employee Assistance Plan (EAP) or Health Care Flexible Spending Account (FSA) benefits after you retire—but you can buy these benefits through COBRA (the Consolidated Omnibus Reconciliation Act of 1985).

Your dental and vision coverage will end on the last day of the month before your retirement date. Within 30 days after you retire, PG&E's COBRA administrator will automatically send you forms to elect COBRA coverage.

## What you can elect

Under COBRA, you can elect to continue these benefits for up to 18 months by paying 100% of the cost plus an administration fee:

### Dental, vision, EAP and medical coverage

For you and your enrolled dependents—for up to 18 months after you retire.

### Health Care Flexible Spending Account (FSA)

You can continue to make after-tax contributions through the end of the calendar year—but only if you're enrolled in the Health Care FSA when you retire.

**Why make after-tax contributions?** It's the only way you can continue to submit claims to use up any remaining balance through the end of the calendar year.

## COBRA medical coverage

If you plan to enroll in a PG&E-sponsored retiree medical plan, do not elect COBRA medical coverage.

COBRA coverage could cost less than PG&E-sponsored retiree medical coverage—but it may not be such a good deal.

Risk of a coverage gap	Higher out-of-pocket premium costs
COBRA coverage ends 18 months after you retire.	There's a subsidy for PG&E-sponsored retiree medical coverage that you don't get with COBRA—the Retiree Medical Savings Account (RMSA). You can only use the RMSA to help pay for PG&E-sponsored retiree medical coverage—not for COBRA coverage.
After that, you could be without coverage until you elect other coverage.	
You wouldn't be able to elect PG&E-sponsored retiree medical coverage until the next Open Enrollment—for coverage effective the next January 1.	You can use your pension to pay for COBRA coverage—but there's no automatic pension deduction. Instead, you'll get a monthly bill. You'll probably pay less out of pocket for PG&E-sponsored retiree medical premiums than for COBRA premiums.

If you decide to elect COBRA medical coverage, your benefits will be identical to your current employee coverage. You won't be able to change plans or add dependents under COBRA until Open Enrollment. Any changes to the plans for active employees will also apply to your coverage.

### Paying for COBRA coverage

The costs for COBRA medical coverage will be in your COBRA packet. PG&E's COBRA administrator will mail the packet to you within 30 days after you retire.

PG&E's COBRA administrator will bill you for your COBRA premiums, and you'll need to write a check every month. There is no automatic deduction from your pension.

# Other options for health care coverage

## Medical options

Just because you're eligible for PG&E-sponsored retiree medical coverage doesn't mean you have to take it when you retire. You can always enroll during the annual Open Enrollment period.

In the meantime, you may be able to save money by enrolling in a different plan. Federal law requires that you have minimum essential coverage to avoid tax penalties—but you may be able to find more affordable coverage outside PG&E.

- Does your spouse have a plan at work?**  
Consider enrolling as a dependent.
- Do you plan to get a new job?**  
You may be able to enroll in an employee health plan.
- Are you a veteran?**  
You may be able to enroll in a Veterans Affairs (VA) plan.
- Not yet eligible for Medicare?**  
You may qualify for government-subsidized coverage through [coveredca.com](https://www.coveredca.com) or other health exchange if you live in another state.
- Like to shop?**  
Warehouse clubs, online brokers, insurance carriers and senior organizations like AARP or AMAC\* offer a variety of plans that you can compare and buy online or over the phone with a representative.

\*AARP and AMAC stand for American Association of Retired Persons and the Association of Mature American Citizens.

### Why consider other coverage?

You and PG&E share the cost of your PG&E-sponsored retiree medical premiums through your Retiree Medical Savings Account (RMSA) and your pension payments.

The longer you wait to use your RMSA and pension to pay for your PG&E-sponsored retiree medical premiums, the longer those resources will be available for future use.

Consider taking other coverage to stretch your RMSA balance and your pension income—for example, by enrolling as a dependent in your spouse's plan at work.

## Dental and vision options

Looking for a better deal on dental and vision coverage than you can get through COBRA?

**Group rates:** You might qualify for group rates through credit unions, college alumni groups, AARP, AMAC or other organizations.

The Pacific Service Employees Association (PSEA) offers dental and vision coverage to former PG&E employees at group rates. PG&E does not endorse or contribute to PSEA plans. For details about PSEA benefits, visit [psea.info](https://psea.info) or call 1-800-272-7732.

**Individual plans:** Some insurance companies like VSP and Delta Dental sell individual and family policies. Coverage and costs will be different from the employee plans.

# Medical benefits for surviving dependents

Your dependents will be eligible for PG&E-sponsored medical coverage only if they're enrolled under your coverage when you die.

**Surviving spouses** lose eligibility for PG&E coverage if they:

- Remarry or register a domestic partnership,
- Have other medical coverage (except Medicare),
- Don't enroll in a PG&E-sponsored retiree medical plan when first eligible, or
- Cancel coverage for any reason.

**Surviving children** become ineligible if they:

- Have other medical coverage,
- Are covered under a surviving spouse or registered domestic partner who dies, or
- Reach age 26—unless they were certified as disabled by a PG&E-sponsored medical plan before they turned 26 and were already enrolled.

## Dropping coverage

Surviving spouses or dependents who drop PG&E-sponsored coverage won't be eligible to enroll in a PG&E-sponsored plan in the future.

## Paying for coverage

Your spouse or other dependents will need to pay the full monthly premium. PG&E doesn't contribute toward the cost of medical coverage for surviving spouses except in these two cases.

### 1 If your spouse has a remaining Retiree Medical Savings Account (RMSA) balance and isn't eligible for Medicare:

Your spouse can continue to use the RMSA to help pay for PG&E-sponsored retiree medical premiums for him or herself and any eligible dependent children. Your spouse can use the RMSA until the account is used up, until your spouse becomes eligible for Medicare, or until your spouse becomes ineligible for PG&E coverage—whichever occurs first.

### 2 If you have a remaining Retiree Premium Offset Account (RPOA) balance:

Your spouse may be eligible to inherit the balance, and can use it to help pay for PG&E-sponsored retiree medical premiums. The RPOA benefit only applies if you retired before 2011, and you haven't used it up.



## Your coverage

Your employee life insurance coverage stops 31 days after you retire, but PG&E automatically provides Postretirement Life Insurance at no cost to you.



The amount of your coverage is based on your total years of service and whether you're covered by a bargaining agreement.

The amount of coverage for Management and A&T employees also depends on the date you were first hired or promoted into a Management or A&T position.

## Union-represented employees

You automatically get \$8,000 in coverage.

### Check your beneficiary



Do you have the right beneficiary for Postretirement Life Insurance?

You can change your beneficiary anytime by logging on to your Mercer BenefitsCentral account:

- From your personal computer or mobile device: [mypgbenefits.com](https://mypgbenefits.com)
- From work: [PG&E@Work for Me](#) > [About Me](#) > [My Benefits](#) > [Mercer BenefitsCentral](#)

Once you're logged on, go to: [Menu](#) > [My Account](#) > [Beneficiaries](#)

Information about your life insurance benefits can only be disclosed to your named beneficiary—so it's important that you **keep your beneficiary designation up to date throughout your lifetime.**

Make sure your beneficiary knows the life insurance benefit is due to him or her. Only your beneficiary can initiate the life insurance payment (except in the case of a minor beneficiary, when a legal guardian may initiate the payment).

## Management and A&T employees

You:	Your coverage:
Fewer than 15 years of service*	\$8,000
Hired or promoted into a Management position <b>before January 1, 1986</b> — and have 15+ years of service*	Last 12 months of base salary <b>OR</b> Optional \$50,000 to avoid imputed income taxes on amounts over \$50,000**  <b>You have 31 days after your retirement date to elect the optional \$50,000. Log on to your Mercer BenefitsCentral account or call the PG&amp;E Benefits Service Center.</b>
Hired or promoted into a Management or A&T position <b>on or after January 1, 1986</b> , with 15+ years of service*	<b>Whichever is less:</b> \$50,000 <b>OR</b> Last 12 months of base salary

\*Were you hired directly by PG&E Corporation (not the utility) before April 1, 2007? Your service will be based on your original hire date, not your credited service date under the Retirement Plan.

\*\*You should have received a separate letter in this packet explaining how to limit your coverage to \$50,000 if your last 12 months' salary equals \$50,000 or more.

### Are you an officer or director?

Check with the PG&E Benefits Service Center to find out if you have an election on file for a lump-sum payment of life insurance benefits.

## 31 days to convert your policy

Your Postretirement Life Insurance may be a big drop from your employee coverage.



**Within 31 days after your retirement date**, you can convert your MetLife coverage and any Dependent Life coverage to an individual policy.

In other words, **you can buy the difference between your employee coverage and your retiree coverage**. This can be expensive, but you won't have to provide proof of good health.

Call MetLife at [1-877-275-6387](tel:1-877-275-6387), **option 1**, within the first **31 days** after your retirement date to convert your coverage to an individual policy. After you call, MetLife will send you a conversion notice showing how much you can convert to an individual policy and the cost of that policy.

**You have 31 days after your retirement date to convert your coverage.** After that, you can no longer elect conversion coverage.

## Are you a beneficiary?

### How to collect life insurance benefits

You'll need to call the PG&E Benefits Service Center at [1-866-271-8144](tel:1-866-271-8144) to collect life insurance benefits.



The PG&E Benefits Service Center will need a certified copy of the death certificate to pay your life insurance benefit.

Information about the retiree's life insurance benefits can only be disclosed to the retiree's named beneficiary—and only the named beneficiary can initiate the life insurance payment. If the beneficiary is a minor, a legal guardian can initiate the payment.

# Staying in touch with PG&E

Whether you're a retiree or a surviving dependent, it's important that you stay in touch with PG&E to make sure you get your benefits.

## Have you moved?



Here's how to update your address and phone number.

Have a pension?	
Retirees	Surviving spouses and joint pensioners
Go to the PG&E online Pension Center at <a href="https://pge.benefitcenter.com">https://pge.benefitcenter.com</a> <b>OR</b> Call the PG&E Pension Call Center at <b>1-800-700-0057</b>	Call the PG&E Pension Call Center at <b>1-800-700-0057</b>

Don't have a pension—but have retiree medical or life insurance?
Retirees, surviving spouses and joint pensioners
Log on to your Mercer BenefitsCentral account at <a href="http://mypgebenefits.com">mypgebenefits.com</a> <b>OR</b> Call the PG&E Benefits Service Center at <b>1-866-271-8144</b>

### Don't call your insurance company

Don't call the insurance companies to update your address. They can't help you update your address on file. Instead, they have to get updates directly from PG&E.

## PG&E benefits and other resources

### PG&E benefits

#### Mercer BenefitsCentral<sup>SM</sup>

Help with PG&E-sponsored retiree medical and postretirement life insurance benefits

Log on to your account from your computer or mobile device:  
**[mypgebenefits.com](http://mypgebenefits.com)**

#### Logging on from work before you retire?

Click on **PG&E@Work for Me > About Me > My Benefits > Mercer BenefitsCentral**

#### PG&E Benefits Service Center

Help with PG&E-sponsored retiree medical and postretirement life insurance benefits

**Surviving dependents and beneficiaries:** Call to report a retiree's death and to collect life insurance benefits

Representatives are available  
Monday–Friday, 7:30 a.m.–5 p.m. Pacific time

**1-866-271-8144**

#### Life Insurance Conversion

Call MetLife for conversion information within 31 days of retiring:

**1-877-275-6387**

#### PG&E's Summary of Benefits Handbook

Details about PG&E benefits

**[spd.mypgebenefits.com](http://spd.mypgebenefits.com)**

Call the PG&E Benefits Service Center to request a free copy

### Address updates

#### Have a pension?

##### Retirees:

Go to the PG&E online Pension Center at

**<https://pge.benefitcenter.com>**

##### OR

Call the PG&E Pension Call Center at

**1-800-700-0057**

##### Surviving spouses and joint pensioners:

Call the PG&E Pension Call Center at

**1-800-700-0057**

#### Don't have a pension—but have retiree medical or life insurance?

##### Retirees, surviving spouses and joint pensioners:

Log on to your Mercer BenefitsCentral account at **[mypgebenefits.com](http://mypgebenefits.com)**

##### OR

Call the PG&E Benefits Service Center at

**1-866-271-8144**

### Other resources

#### Social Security Administration

Medicare enrollment and Medicare cards

**1-800-772-1213**

**[socialsecurity.gov/medicare](http://socialsecurity.gov/medicare)**

#### Medicare

General or claims-specific Medicare information

**1-800-633-4227**

**[medicare.gov](http://medicare.gov)**

#### IRS Publications

Tax information and forms

**1-800-829-1040**

**[irs.gov](http://irs.gov)**

#### Pacific Service Employees Association

Information about dental, vision and accidental death and dismemberment insurance you can buy—and other discounts and activities

**1-800-272-7732**

**[psea.info](http://psea.info)**

## Legal disclaimer

The benefit plans described in this guide are governed by the terms of each plan's respective plan document. In the case of discrepancies between the summary in this guide and the plan documents, the plan documents take precedence.

Copies of plan documents are available from the PG&E Benefits Service Center on request. PG&E reserves the right to amend or terminate any benefit plan, subject to collective bargaining where applicable.