

RETIREE BENEFITS (effective January 1, 2018)

Union College greatly appreciates the dedicated service of its employees and provides a program that allows for continuation of medical, dental and vision insurance coverage in retirement.

Retirement Eligibility

Beginning January 1, 2025, the eligibility definition and minimum age for retirement will be 15 years of service after age 47 (effectively minimum age of 62). Between January 1, 2018 and the January 1, 2025 full implementation date, the following “7-Year Graded Transition Period” will apply based on the pre-2018 retiree eligibility requirement of at least 15 years of service after age 40.

Seven-Year Graded Transition Period

| age in 2017 | eligible to retire in | age when eligible for retirement | 'old' years to eligibility | 'new' years to eligibility | additional years to eligibility |
|-------------|-----------------------|----------------------------------|----------------------------|----------------------------|---------------------------------|
| 55 | 2017 | 55 | 0 | 0 | 0 |
| 54 | 2019 | 56 | 1 | 2 | 1 |
| 53 | 2021 | 57 | 2 | 4 | 2 |
| 52 | 2023 | 58 | 3 | 6 | 3 |
| 51 | 2025 | 59 | 4 | 8 | 4 |
| 50 | 2027 | 60 | 5 | 10 | 5 |
| 49 | 2029 | 61 | 6 | 12 | 6 |
| 48 | 2031 | 62 | 7 | 14 | 7 |
| 47 | 2032 | 62 | 8 | 15 | 7 |
| 46 | 2033 | 62 | 9 | 16 | 7 |
| 45 | 2034 | 62 | 10 | 17 | 7 |
| 44 | 2035 | 62 | 11 | 18 | 7 |
| 43 | 2036 | 62 | 12 | 19 | 7 |
| 42 | 2037 | 62 | 13 | 20 | 7 |

Retiree Medical Insurance Subsidy and Reimbursement

Employees, retiring on or after January 1, 2018, are eligible to receive a one-time, lump sum subsidy, payable through reimbursement of eligible expenses. The spouse/domestic partner and/or eligible dependent of a retiree are eligible to receive a lump sum subsidy equal to 50% of the retiree amount. Please consult with Human Resources regarding current lump sum subsidy amounts. The lump sum subsidy is available to participants within a Union College sponsored plan (either directly through Union or through the Aptia 365), for reimbursement of medical and prescription drug insurance-related premiums, medical expenses (copays, deductibles, etc.), approved over-the counter healthcare products, and prescription drug out-of-pocket expenses during the Part D catastrophic phase.

Employees, retiring prior to January 1, 2018, who did not elect to change to the one-time lump sum option, shall receive a continuing monthly subsidy for the retiree, spouse, domestic partner and/or dependents.

For retirees under age 65, the College will self-administer the lump sum subsidy by applying available funds, until exhausted, toward the full premium cost of medical insurance through Union. Thereafter, the retiree and/or spouse/domestic partner/dependent will be responsible for the full cost of coverage.

For retirees age 65 or older, the College will deposit the subsidy into a Health Reimbursement Account (HRA) administered by Aptia 365 for receiving coverage through a Aptia 365 arranged medical insurance plan (Pre 2018 retirees directly enrolled in an AARP Medicare Supplement plan for 2018 placed prior to 1/1/2018 are also eligible). Subsidy eligibility, dependent upon enrollment restrictions, will be available at a later date should a retiree and/or their spouse/domestic partner or dependent elect to temporarily Opt Out of coverage, or lose coverage due to failure to pay premiums and new coverage is obtained at next available date .

Union provides supplemental Catastrophic RX reimbursement for retirees who experience prescription drug expenses that exceed the Part D donut hole (generally 5% of prescription drug costs). Aptia 365 will facilitate the Catastrophic RX reimbursement. A pharmacy statement, proof of payment and an Explanation of Benefits (EOB) statement will be required to document expenses.

Upon the death of the retiree or applicable spouse/domestic partner or dependent, any monies remaining in either person's account will revert to the surviving spouse/domestic partner or dependent. Remaining monies will revert to the College upon the death of all eligible individuals.

For a complete description of benefits, please refer to the Union College Retiree Health Reimbursement Arrangement Plan Document and Summary Plan Description.

Retiree Medical Insurance Coverage

For retirees under age 65, medical insurance will be the same plan as for active employees and administered/billed by the College. Retirees under age 65 may not exit and rejoin the active employee plans but may rejoin the program, after attaining age 65, by utilizing the Aptia 365 arranged plans.

For retirees age 65 and older, medical insurance is arranged through Aptia 365. Aptia 365 provides significant choice in health plans, licensed and unbiased experts, opportunity for cost savings, and personal concierge service. Aptia 365 will assist retirees with the selection of an appropriate plan that meets the retiree's individual needs, and will provide assistance with claim denials, billing issues, or Medicare coordination concerns. The selected insurance provider will handle billing for insurance premiums. For medical plan participation, continuous enrollment is not required and

retirees may discontinue and later rejoin Aptia 365 for services and insurance placement. However, premium penalties may apply if continuous creditable Part D coverage is not retained.

Please note that a retiree and/or their spouse/domestic partner/dependent may not be able to enroll at any time depending upon Medicare enrollment rules and the participant's unique situation. Generally, with the exception of qualifying events, participants can enroll in Medicare Advantage and/or Medicare Part D during the Medicare Annual Enrollment Period. Participants may be able to enroll in Medicare Supplement policies throughout the year; however, underwriting may apply depending upon the participant's situation. If a participant fails to enroll in Part D, and would like to enroll at a future date, the participant may be subject to a Part D late enrollment penalty.

Dental and Vision Insurance

Dental and vision insurance coverage, for all retirees, will be administered and billed by the College. Dental and vision coverage must be in place prior to retirement and remain in place during retirement. A retiree/spouse/domestic partner/dependent who discontinues either the dental or vision coverage will not be allowed to rejoin the respective plan at a future date. Detailed College provided Dental and Vision insurance information is available from Human Resources. For retirees age 65 and older who do not have coverage through the College, coverage is available through Aptia 365.

Other Insurance Coverage(s)

Upon retirement, some insurance (i.e. life insurance, auto/home/renters insurance, universal life, and long-term care insurance) can be converted to a private policy with direct billing from the company.

Retirement Plan (403(b)) Benefits

All participants in the College Retirement Plan are fully vested (the funds belong to the employee) after 3 years of employment. A retiree should work with his/her respective retirement plan vendor to discuss options for accessing retirement plan accumulations during retirement.

RESERVATION OF RIGHTS

While it is Union's intent to continue all current benefit plans and policies, Union reserves the right to amend or terminate any of the plans or to change contribution levels toward benefits at its discretion and for whatever reasons it considers appropriate. The Reservation of Rights provision pertains to all current, former, and retired employees/participants and applies to the retirement plan, the tuition remission program and all insurance plans including, but not limited to, life, disability, medical, dental, and vision insurance. No oral statement made by a representative of Union College may contradict this reservation of Rights provision.

If you have any questions, please contact Human Resources at ext. 6108.