

# Retirement - Frequently Asked Questions

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2012-2016 UA/AFA Agreement

November 2015

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# Retirement - Frequently Asked Questions

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## A. Retirement Eligibility

### 1) What are the eligibility requirements for early retirement?

Retirement from United is defined as eligible for retiree medical benefits, retiree life insurance, and retiree travel.

You must be age 55 with 10 years of company service. With the exception of a Medical Leave of Absence, all Flight Attendants must retire from active status or voluntary furlough. If you were age 50 with 10 years of service as of May 1, 2003, you also met the eligibility requirements for early retirement.

### 2) What happens if I do not meet the eligibility requirements for early retirement after my medical leave of absence ends?

You are terminated.

Flight Attendants who are unable to return to work at the end of the three (3) year Medical Leave of Absence (Seniority and service continue to accrue while on a Medical LOA.) and do not meet the minimum eligibility requirements for early retirement as stated in question #1 are terminated from employment.

**If you are eligible to retire at the end of your MEDLOA, you will be retired automatically and receive all retirement benefits due you.**

### 3) Do I get any contractual passes if I am not eligible to retire?

Flight Attendants who resign from the Company and who have 20 years of Company seniority would receive the following pass benefits. These passes are in lieu of any pass benefits they may have been entitled to under Company policy had they early retired when eligible. Those eligible to use the pass benefits would be the employee, spouse, and dependent children as defined in Company policy.

North America Including Hawaii:	Seven SA passes per year with service charge
Outside North America (excluding Hawaii):	One annual SA pass per year with service charge

Flight Attendants who resign with 20 years of service may be required to give the Company at least six months advance notice. All such resignations will be effective the first day following six months in the event such notice is required. Flight Attendants must request such travel at the time of their resignation in order to be eligible.

*AFA's note: (Flight Attendants on MEDLOA who are eligible for the termination passes do not need to provide the 6 month notice-however they must give the notice **before the MEDLOA ends**.)* The current company policy for retiree travel changed December 1, 2011. A Flight Attendant may be eligible for full retiree travel benefits under the terms of that policy. Please see section K of this document for more information.

#### 4) Is there a disability retirement if my disability is work related?

No. There is no disability retirement for Flight Attendants.

#### 5) Can I retire from a voluntary furlough?

Yes, a Flight Attendant will be treated as if they were retiring from active status if the minimum eligibility requirements for retirement age and (10) years of service are met.

#### 6) How is my vacation calculated in the year I retire?

A retiring Flight Attendant receives vacation pay for any vacation not yet taken and earned for next year. This next year "earned" vacation is calculated by the number of calendar months worked in the year of separation. Retiring on the 16<sup>th</sup> of the month or later includes that month in the vacation calculation.

The following is an example based upon the 2012-2016 Agreement.

A Flight Attendant with 32 years of service chooses to retire October 1, 2016, and he or she has taken or used all of his or her vacation for 2016. The Flight Attendant would be eligible to receive payment for all earned 2016 vacation. Depending on the number of hours flown in the previous year dictates the amount of vacation time is paid per day. See section 18.B of the contract for vacation day amounts applicable. If the Flight Attendant has been paid at least 936 hours of flight time credit he or she will be paid 3:15 per vacation day (Contract Section 18.K.1.c).

In our example the Flight Attendant has flown 1020 hours for the year in 2015 (eligible to be paid 3:15 per vacation day):

40 days (accrued vacation days for 30 years of service)  
÷12 (months of the year)  
=3.33 (days accrued days per month)  
x 9 months (January – September months worked in 2016)  
=30 days of 2016 vacation pay  
x 3.25 hours per day  
=97.50 hours of 2016 vacation pay  
\$46.86 domestic hourly rate (determined by the majority of trips flown the 5 months prior to retirement)  
x  
**=\$4,568.85 (total pay for 2016 vacation accrued in 2015)**

The Flight Attendant will receive this amount in 2-6 weeks after retirement, less taxes, in a separate check.

## B. Pension Benefit Guaranty Corporation (PBGC) Benefits

The Pension Benefit Guaranty Corporation assumed responsibility ("trusteeship") of the United Flight Attendant Defined Benefit Plan on June 30, 2005. As of that date, the pension plan was ended. Plan participants and their accrued United pensions fall into one of two categories: A Plan participant who was eligible to retire at the time of plan termination and a terminated vested participant.

### 1) What is the difference between a Plan participant who was eligible to retire at the time of plan termination and a terminated vested participant?

A participant who was eligible to retire at the time of plan termination meets the age and service requirement -- age 55 and 10 years of service on June 30, 2005 or age 50 and 10 years of service as of May 1, 2003 -- for early retirement. For those in this category, your pension is only reduced if it is taken before age 60, by 3% per year (prorated monthly).

A terminated vested participant met the vesting requirement of 5 years of service but terminated employment with United before meeting the age and eligibility requirement for early retirement as defined above. The Flight Attendant Pension Plan states that a vested terminated benefit is subject to different reduction tables, depending on date of hire. Any United Flight Attendant who did not meet the above retirement requirements is considered a Terminated Vested Participant.

For Plan termination purposes if the Flight Attendant was age 50 with 10 years of service on June 30, 2005 the frozen accrued pension benefit accrued as of May 1, 2003 would be subject to the 3% early retirement reduction pursuant to the Contract. The pension benefit, if any, accrued under the pension formula beginning June 01, 2003 would be subject to the vested terminated factors.

#### Vested Termination Adjustment Factors Chart

(Representing Percentage of Vested Benefit to Be Paid at Age Benefits Begin)

Participants Age at Date Benefits Begin	Hired After March 31, 1980	Hired Before April 1, 1980
65	100	100
64	92.8	100
63	85.6	100
62	78.4	100
61	71.2	100
60	64.0	100
59	60.4	94.0
58	56.8	88.0
57	53.2	82.0
56	49.6	76.0
55	46.0	70.0
54	43.6	66.4
53	41.2	62.8
52	38.8	59.2
51	36.4	55.6
50	34.0	52.0

## **2) I am age 48 and was hired on June 1, 1985. What happens to my pension benefit now that the Plan is terminated?**

The PBGC will determine a Flight Attendant's pension benefit in accordance with the Plan provisions and as though employment was terminated on the Plan termination date. In other words, once a Plan terminates, all active employees are considered to have terminated employment on that date. It does not matter whether you continue working after the Plan termination date, your PBGC benefit and your retirement eligibility are both determined on the Plan termination date.

If you continue to work until age 50, you would be eligible to receive the benefit accrued up to and frozen on June 30, 2003, but only 34% of the benefit would be payable to you because your benefit would be subject to the Vested Terminated Adjustment Factors. (See chart above)

If you continue to work until age 55, you would be eligible to receive **46% of whichever is greater:**

1. the benefit accrued up to and frozen on June 30, 2003, or
2. the benefit accrued up to the Plan termination date calculated on the final average earnings formula.
3. To start collecting a benefit you must no longer be employed by United Airlines or you have attained age 65.

## **3) What annuity options are available from the PBGC?**

### **PBGC Annuity Options for forms of monthly benefit payments:**

- Straight Life Annuity
- Certain and Continuous Annuities for 5,10, 15 years
- Joint and 50%, 75% or 100% survivor Annuities
- Joint and 50% survivor "pop-up" Annuity

These annuities are calculated using PBGC annuity factors.

## **4) At what age can I collect the PBGC benefit while continuing to work as a Flight Attendant for United Airlines?**

You must be of normal retirement age - age 65 to continue working as a Flight Attendant and collect your PBGC benefit.

## **5) Why must the PBGC 2005 Maximum Guarantee Chart continue to be used?**

The maximum guarantee is set by law for the year in which the plan was terminated. The Flight Attendant Defined Benefit pension was terminated on June 30, 2005, so the 2005 chart is always used.

Examples of the maximum guarantees are shown in the table below and apply to plans terminating in 2005. Example calculations are shown for a participant receiving a straight-life annuity (one with no survivor benefits) and a joint and 50% survivor annuity.

The amount you receive from PBGC will be based, in part, on your age at the date you begin receiving benefits from PBGC and, if your benefit provides payments to a survivor, your survivor's age. In joint and 50% survivor calculations below, the participant and survivor are assumed to be the same age.

**PBGC Maximum Monthly Guarantees for Plans Terminating in 2005**

<b>Age</b>	<b>2005 Straight-Life Annuity</b>	<b>2005 Joint and 50% Survivor Annuity</b>
65	\$3,801.14	\$3,421.03
64	\$3,535.06	\$3,181.56
63	\$3,268.98	\$2,942.09
62	\$3,002.90	\$2,702.61
61	\$2,736.82	\$2,463.14
60	\$2,470.74	\$2,223.67
59	\$2,318.70	\$2,086.83
58	\$2,166.65	\$1,949.99
57	\$2,014.60	\$1,813.15
56	\$1,862.56	\$1,676.30
55	\$1,710.51	\$1,539.46
54	\$1,634.49	\$1,471.04
53	\$1,558.47	\$1,402.62
52	\$1,482.44	\$1,334.20
51	\$1,406.42	\$1,265.78
50	\$1,330.40	\$1,197.36
49	\$1,254.38	\$1,128.94
48	\$1,178.35	\$1,060.52
47	\$1,102.33	\$992.10
46	\$1,026.31	\$923.68
45	\$950.29	\$855.26

PBGC Link:

<http://www.pbgc.gov/news/press/releases/pr05-14.html>

Keep in mind the PBGC guarantees the benefit you would have received from United, or the PBGC maximum guarantee, **whichever is less**.

**6) I am eligible to retire, but I am still working. If I die will my spouse or Qualified Domestic Partner get any of my pension benefit from the PBGC?**

Your spouse as defined by the Internal Revenue Service. He or she would be eligible for 50% of your pension benefit if you die before taking your Pension.

The PBGC recognizes same-sex marriages in their administration of benefits in terminated plans under the same rules applicable to opposite-sex marriages.

If you have any questions regarding Domestic Partner survivor eligibility, please call the PBGC.

## **7) Do I have to start collecting my PBGC pension benefit as soon as I retire, quit, or when I reach age 65 if I am still working?**

No. You may elect to defer collecting your pension benefit. Since your pension is an annuity, there is a prorated increase to your pension by taking it after age 65. You should be aware that if you die before you start collecting your pension, your pension will default to the standard survivor benefit of 50% for your spouse, and if you are not married there will be no benefit payable. If you want to elect a pension benefit option that provides for someone else (such as a domestic partner), or elect an option of more than the standard 50% survivor spousal benefit, you must submit your paper work to the PBGC, and **be living on the start date of your pension benefit.**

## **C. Fidelity 401(k) Benefits**

### **1) What happens to my 401(k) once I terminate/retire from United?**

You will receive a retirement kit from Fidelity listing options available to you regarding the disposition of your 401(k).

Generally, a distribution or withdrawal to a participant who has not attained age 59½ will also be subject to an additional early distribution tax equal to 10% of the amount includable in income.

The 10% early distribution tax will not be imposed; however, if the distribution is:

- made on account of the participant's termination of employment during or after the year a participant reaches age 55;
- made on account of termination due to death or disability;
- pursuant to certain qualified domestic relations orders;
- rolled over to an IRA or another employer's qualified plan;
- payments that are paid as equal (or almost equal) payments over your life or life expectancy (or you and your beneficiaries' lives or life expectancies); or
- deductible by the participant for medical expenses in the year of distribution (medical expenses are not deductible except to the extent they exceed 7½% of the participant's adjusted gross income.)

If you do take an "in service" withdrawal (you are still working and have attained the age of at least 59 ½) 20% tax will be withheld by Fidelity from any amount you withdraw. If you ask for \$20,000.00 to be withdrawn you will actually receive only \$16,000.00. \$4,000.00 will be withheld as tax by Fidelity.

Please consult with your tax advisor regarding these exceptions for your individual situation.

## **D. Starting the Retirement Process**

### **1) How do I get a pension estimate?**

Flight Attendants must call the Pension Benefit Guaranty Corporation (PBGC) at 1-800-400-7242 for a pension estimate.

### **2) How do I initiate the retirement process?**

This is now a two (2) step process. You must notify United and the PBGC:

#### **Step 1 - United Retirement Administration Process –**

Flight Attendants initiate, change or rescind the retirement process by completing a retirement request or rescind/change form located on Flyingtogether/Inflight Services/Flight Attendant Support Team (FAST)/Retirement/Resignation homepage.

If you do not have access to a computer, you will need to call the Flight Attendant Support Team (FAST) via FLT-LINE, option 4 then 4 again to initiate the retirement process.

#### **Step 2- PBGC Retirement Administration Process**

For PBGC pension benefits Flight Attendants must call the Pension Benefit Guaranty Corporation (PBGC) at 1-800-400-7242 to initiate the pension benefit process.

**\*PBGC Benefit Application** - When a participant terminates employment with United and wants to start their pension s/he needs to contact the Field Benefit Administrator (FBA). They will then send him/her the application with a letter including a statement that if s/he is an active employee, the PBGC would need a confirmation of Termination of Employment with United.

If you have any questions regarding benefit administration for United, please contact the PBGC FBA for United at 1-800-400-7242.

**When will I get my first check?** - A participant can expect a check about 25 - 60 days from the date PBGC receives the completed applications. The length of time depends on when in the payment processing cycle the completed application (with all the proofs and termination form) is received by PBGC.

In general, the payments are processed about 30 days in advance. However, the Flight Attendant will not lose any pension monies based on when the first check is issued. The first check will reflect the benefit amount starting the actual day the annuity would have started. The annuity start date will be the first of the month following the call to the PBGC, or a specific future date that the Flight Attendant requested, or 1st of the month following date of employment termination, whichever is later. (The Flight Attendant does not need to terminate employment if he/she is age 65 or older. They may start to collect their benefit while working if they chose to, but again they must have attained their 65<sup>th</sup> birthday.)



## E. Dental Benefits

There is no retiree dental coverage.

If you are enrolled in dental coverage as an active employee, dental COBRA\* coverage is available for a period of 18 months following retirement. The cost to the individual is the employer's cost plus a 2% administration fee. The employer's annual cost is subject to increase each year.

	2016 Dental COBRA Rates			
	1 Adult	2 Adults	1 Adult + Child(ren)	2 Adults + Child(ren)
2016 Active Rate	\$9.04	\$19.00	\$19.92	\$29.88
COBRA Rate	\$47.34	\$99.41	\$104.14	\$156.22

\*COBRA - Consolidated Omnibus Budget Reconciliation Act of 1985 provides for the continuation of medical and dental benefits for people who do not have any access to such coverage upon separation from their employer. In most cases it is only available for a limited amount of time.

## F. Retiree Vision Coverage

### 1) Is there vision coverage for retirees?

Yes. Retirees may continue the VSP vision coverage by paying the full premium.

2016 Cost for Vision Coverage - VSP Plus			
Retiree only	Retiree+ Spouse	Retiree + Children	Family
\$16.46	\$28.11	\$28.68	\$36.36

## G. Medical Coverage-Pre Medicare

### 1) Will I continue to receive medical benefits after I retire?

Yes, you may elect to receive medical coverage through The Medical PPO (Traditional) Plan or through an HMO, if available in your area. Retiring is an event that triggers a 45 day enrollment period to elect retiree medical coverage. If you elect retiree medical coverage, it is effective back to the first day of the month after active coverage has ended. The first two months of coverage are not charged to the retiree, and billing starts on the 3<sup>rd</sup> month of retiree coverage. If you do not elect coverage, you do not get the two months of free coverage. A retiree may also choose to voluntarily suspend their coverage (VSOP) at retirement (no two months free coverage with VSOP at retirement). If the retiree chooses to reenroll in United's plans at subsequent open enrollment or qualified event, they must show proof of creditable coverage from another qualified plan. Eligible Plans are: Employer sponsored group health plan, Medigap Plan F, G or J, Medicare Advantage HMO, Tri-Care, a qualified individual medical insurance policy eligible for the federal Health Coverage Tax Credit (HCTC), an individual policy under a state health insurance exchange, or a non-US national health insurance compliant plan.

**2) My spouse receives medical benefits from his/her employer and will continue to work after I retire. However, upon retirement he/she receives no retiree medical benefits. Can I cover him/her under the United Retiree Medical plan?**

Yes. Retirees may voluntarily suspend coverage (VSOP) for their spouse. When the spouse loses coverage after retirement, he/she has to provide a Certificate of Creditable Coverage (CCOC) from his/her employer to show continuous coverage since VSOP. The spouse must provide the COCC within 45 days of losing coverage.

A retiree however cannot suspend coverage for themselves and maintain coverage for a spouse.

**3) How much do I have to pay for my medical coverage after retirement?**

Section 33.A.3.v.(3) Monthly contribution for Pre-Medicare Medical PPO: A retired Flight Attendant or survivor electing to be covered for Pre-Medicare medical benefits will be required to make a monthly contribution for such coverage.

The required contribution of each month of coverage under the Medical PPO will be based on a 4-tier structure (1 Adult, 2 Adults, 1 Adult + Child(ren), and 2 Adults + Child(ren)).

The required contribution for each month of coverage under the Medical PPO is equal to a percentage of the total projected costs of the Medical PPO, based on the Flight Attendant's years of service as follows:

<u>Years of Service</u>	<u>Percentage of Cost</u>
10 through 19	80%
20 through 24	60%
25 and over	40%

**Pre-65 Retiree Medical Plans (Retirees after June 30, 2003)**

	<b>2016 Retiree Contributions</b>			
	<b>1 Adult</b>	<b>2 Adults</b>	<b>1 Adult + Child(ren)</b>	<b>2 Adults + Child(ren)</b>
Retired with Fewer than 20 Years of Service (80%)	\$573.10	\$1203.52	\$1088.90	\$1719.31
Retired with 20 Through 24 Years of Service (60%)	\$429.83	\$902.63	\$816.67	\$1289.48
Retired with 25 years and over (40%)	\$286.55	\$601.76	\$544.45	\$859.66

(See page 22 Chapter 9 for 2015 premiums for pre July 1, 2003 retirees.)

#### **4) Can these monthly contributions escalate on an annual basis with no cap?**

Yes.

#### **5) Is there any other way to be eligible for a retiree medical benefit?**

Yes, under the terms and conditions of Section 33.A.3.v.(1) Employment is terminated, by exhausting the period of the medical leave of absence (3 years); and Years of service are equal to or greater than 25 years; and Employee is collecting Social Security Disability Benefits; and continues to make required contributions.

#### **6) If I continue to work past age 65 what type of medical coverage will I receive from United?**

As long as you continue to work for United, both you and your dependents will be offered the same choices of medical benefits as any other active Flight Attendant. Federal law prohibits discrimination of medical (and pension) benefits based upon age. United remains primary even if you start on Medicare Part A.

## **H. Post Medicare Medical Coverage**

### **1) Will I be able to get medical coverage from United after I become eligible for Medicare at age 65?**

Yes, there are two options:

**Option 1** – One of United's After-Medicare Medical Plans. These Plans include a Medicare Traditional PPO Plan (which is the same as the Before Medicare PPO coverage), a Medicare Select Plan, and limited number of Medicare HMO plans. All of these plans include prescription drug coverage.

With the Medicare Traditional PPO plan, there is not a Coordination of Benefits (COB) between the Retiree Post Medicare Medical Plan and Medicare. The United retiree medical plan will not pay the additional 20% until the retiree's out-of-pocket reaches \$1,500.

For example, if Medicare pays 80% of a covered expense, the 20% will go toward the \$1500 out-of-pocket. However, if Medicare pays nothing of a Covered Expenses under the Medical PPO, the Medical PPO will pay up to 80%.

If the Flight Attendant is not eligible to enroll for Medicare s/he will continue to be covered by the Before Medicare Medical coverage.

**Option 2** - United's Prescription Drug only Plan.

This provides coverage for prescriptions purchased through the home delivery service or at retail pharmacies. Prescription medication will continue to be available through the home delivery service on the same basis as for active employees. For medications purchased at retail pharmacies, retirees will pay 10% of the cost of generic medications and 30% of the cost of brand-name medications.

The lifetime maximum for the Prescription Drug Plan is \$150,000. This means the cost of any prescriptions paid for by the Plan is deducted from this maximum.

Example: The cost of your prescription through the home delivery service is \$125.00 for a 90 day supply, you pay \$51.00 and the Plan pays \$74.00. At the end of the year, your lifetime maximum is decreased by \$296.00 ( $\$74.00 \times 4 = \$296.00$ ). The lifetime maximum continues to decrease each time a prescription is reimbursed until the \$150,000 is exhausted - at which time there is no coverage. (Amounts used only for example purpose, only)

## **2) I am retired and I've been found to be eligible for Social Security disability benefits and as a result I've become eligible for Medicare before age 65. What happens now?**

Any retiree or spouse eligible for early Medicare (prior to age 65) should contact the Benefits Service Center (BSC) at 1-888-825-0188 and send them a copy of their Medicare card. The BSC should then send them a Personal Enrollment Form (PEF) to enroll in one of the post-Medicare options.

### **Failure to do will result in the possible billing and coverage problems for the retiree (or spouse.)**

## **3) My spouse/domestic partner becomes eligible for Medicare while I'm still working for United. Who do I submit his/her medical bills to first?**

Submit them to United first. As long as you continue to work for United they are considered to be the primary payer, any balances are then submitted to Medicare. There is no change in coverage for your spouse/domestic partner upon Medicare eligibility while you remain an active Flight Attendant.

## **4) What happens to my (Medicare eligible) spouse/domestic partner once I retire?**

To continue Medical coverage, Retirees must enroll in the Retiree Medical Plan. If you enroll in a plan, you receive two months of coverage "free" upon retirement. The Benefits Service Center bills the retiree beginning the 3<sup>rd</sup> month after retirement.

***If the retiree waives medical coverage under the Voluntary Suspension of Coverage (VSOP) they do not get the 2 months of free coverage, enrollment is a requirement in order to get the 2 "free" months.***

If your spouse/domestic partner is Medicare eligible, Medicare becomes primary during the "free" period.

If the spouse/domestic partner is early (prior to age 65) Medicare entitled and has not notified Aon Hewitt, the election form will not have the post-Medicare option. Upon subsequent notification of early Medicare eligibility, Aon Hewitt will retroactively enroll the spouse/domestic partner in a post-Medicare plan and bill for any retroactive premiums due.

It's suggested that the retiree notify Aon Hewitt of their spouse/domestic partner's early Medicare eligibility prior to retirement so that the Election Form will have the correct retiree options listed. If the spouse/domestic partner is age 65 or older, prior notification is not necessary as the proper post-Medicare options will appear on the Election Form.

## 5) What happens to my retiree medical benefits if I'm rehired by United?

Retiree medical coverage ends upon reemployment with United. A rehired retiree has active benefits while working. Upon retirement (at any time), he/she will be moved back to retiree medical coverage. Retiree benefits are "suspended" during active service.

## 6) I plan to live outside the U.S. when I retire, what happens to my medical coverage when I become eligible for Medicare?

When a retired Flight Attendant or, if earlier, his/her dependent becomes eligible to enroll in Medicare s/he has two post Medicare options to consider. The options are: 1) United's Medical PPO Plan (which is virtually the same as the before Medicare coverage) or United's Prescription Drug Plan, only.

The Flight Attendant must elect one of these options within the 90-day period preceding the date that s/he or her/his dependent first attains age 65. Once the Flight Attendant elects one of these options, s/he may never elect the other option.

If s/he enrolls in the United's Medicare PPO coverage it doesn't make any difference where s/he lives. Medicare does not cover charges that are incurred outside the United States, so, if the Flight Attendant is enrolled in the Medicare PPO coverage and receives care outside the United States, the plan will pay regular benefits as if Medicare does not exist. If, however, s/he receives care in the United States the plan will coordinate with Medicare whether or not the Flight Attendant actually enrolled for Medicare.

If s/he enrolls in the Prescription Drug plan and moves/lives outside the United States or Canada, the coverage cancels and there is no insurance coverage from any United plan. Prescriptions filled through the mail order program may not be mailed outside of the United States.

Please refer to Medical Coverage Guidelines for International Retirees, Section 9 pages 23-25 for additional information.

## 7) What is the cost for the Post Medicare coverage from United?

The monthly contribution\* is equal to the total projected cost of the post-Medicare coverage for the calendar year, **per person**, minus a Company contribution of \$90 per month per covered person. These amounts may increase annually.

### Post-65 Retiree Medical Plans (Retired After June 30, 2003)

	2016 Cost		
	Full Rate	Company Subsidy	Monthly Contribution
Post Medicare Medical PPO	\$348.01	\$90.00	\$258.01
United Medicare Select Plan	\$320.50	\$90.00	\$230.50
Prescription Drug Only Plan	\$200.751	\$90.00	\$110.75

## 8) How do I sign up for Post Medicare medical coverage?

Three (3) months prior to a retiree's (or spouse/domestic partner's) 65th birthday they should receive a Personal Enrollment Form (PEF) for post-Medicare options along with the rates for each plan from the United Airlines Benefit Center to review and elect (or decline) post Medicare medical coverage.

**Once the election or declination of coverage is made, it will apply for both parties.**

**You may not change between one of United's After-Medicare Medical Plans and the Prescription Drug Only Plan after your initial enrollment.**

## 9) What type of medical coverage will my spouse/domestic partner\* have if I reach age 65 before him or her?

The retiree receives the post Medicare PPO coverage or Prescription Drug Only Plan they elected. The spouse/domestic partner continues to receive benefits under the pre Medicare (Traditional) Medical PPO Plan until he/she qualifies for Medicare, at which time the spouse/domestic partner will be covered by the same post Medicare plan as the retiree. The same applies if the spouse/domestic partner reaches age 65 before the retiree.

\*Only same sex domestic partners receive medical/dental benefits.

## 10) If I marry after retirement, is my spouse eligible for medical coverage?

Yes - If you gain an eligible dependent, you **must** enroll the dependent within 45 days of when he or she becomes eligible - for example, within 45 days of your marriage or declaration of your domestic partnership. or 60 days of your child's birth/adoption.

***If you do not enroll the dependent within the 45/60-day period, you may not enroll him or her at a later date.***

You have 45 days to report and make the corresponding election changes for dropping a dependent due to divorce, termination of domestic partnership, or loss of dependent eligibility.

To add or drop a dependent from your coverage, you can go to <https://benefits.ual.com/> or contact the United Airlines Benefit Center at 1-800-651-1007.

Retirees are responsible for following United's dependent eligibility rules. For more information contact the United Airlines Benefit Center at 1-800-651-1007.

# I. Survivor Medical Coverage

## 1) Will my spouse/domestic partner be eligible for medical coverage from United if I die before I'm retired?

Yes, if the Flight Attendant was active, on a medical leave or voluntary furlough and had ten (10) or more years of company seniority, the Spouse/Qualified Domestic Partner (QDP) will be covered by the active medical plan until the survivor becomes eligible for Medicare or remarries (or enters into a new qualified domestic partner relationship), whichever occurs first.

## **2) Are my children eligible for medical coverage from United if I die before I'm retired?**

Yes, as long as they satisfy the eligibility requirements of the Plan. Medical coverage will discontinue once they are no longer eligible, the widow/er or Qualified Domestic Partner is no longer covered, the child becomes eligible for other medical coverage through employment, or becomes eligible for Medicare, whichever comes first.

## **3) Will my spouse/domestic partner be covered for medical benefits if I predecease him/her as a retiree?**

Yes, provided the deceased retired Flight Attendant had not waived the medical benefits coverage. Medical coverage will continue as long as any required premiums are paid; until your spouse/domestic partner remarries; is employed by the Company or dies, at which time your Dependent children's coverage also ends. Coverage cannot be reinstated once it ends.

## **J. Retiree Life Insurance**

### **1) Are there any life insurance benefits for retirees?**

Yes, there is a \$10,000 life insurance benefit.

Section 33.F.6. Retiree Life Insurance - Effective for Flight Attendants who retire on or after July 1, 2003.

Eligibility: A Flight Attendant (and her/his eligible dependents and survivors) will be eligible for retiree life benefits if the Flight Attendant, at retirement, meets the following:

a) Age fifty-five (55) or older with ten (10) or more years of service, or b) On May 1, 2003 was age fifty (50) or older with ten (10) or more years of service, and c) In both cases above, retires from active status, voluntary furlough or Medical Leave of Absence.

## **K. Retiree Travel**

### **1) What are the eligibility requirements for retiree travel?\***

The current company policy on retiree travel is (effective December 1, 2011):

*The retiree travel policy for employees provides that retiree status for pass privileges occurs when an employee reaches the following age and active service requirements:*

**45-50 years of age and 20 years of service**  
**51 years of age and 18 years of service**  
**52 years of age and 16 years of service**  
**53 years of age and 14 years of service**  
**54 years of age and 12 years of service**  
**55 years of age and 10 years of service**

**2) In the past I needed to reach age 55 before I could get full retiree travel, is this still true?**

Prior to December 1, 2011 you needed to be age 55 with 10 years of service to receive full retiree travel benefits. The new age and company service chart above is the current company policy. Since this is company policy, it can change when the company changes its policies.

**3) If I leave the company at age 47 with 21 years of company service will I get retiree travel and medical benefits?**

According to the company's current policy (see the chart in question 1), you get full retiree travel benefits if you leave the company at age 47 with 21 years of company service. To be eligible for any other Retiree benefits including Retiree Medical Benefits, you must meet the contractual age and service requirements for retirement; age 55 or later with at least 10 years of company service.

**4) How does the pass travel plan work for retirees?\***

United changed their pass travel program effective March, 2012. This coincided with the migration to the SHARES Passenger Service System for the merged (UA/CO) company. This also changed many elements to retiree travel that United Retirees were accustomed to. For information on current pass travel programs, including pass travel for retirees please go to the travel section tab on Flying Together.

**5) I have heard that retirees now lose seniority for pass travel when they retire. Is this true, and why doesn't a retiree's company seniority match their travel seniority?**

Retirees don't lose seniority, however they also do not continue to accrue it in retirement. The current travel policies for retirees utilize a "board date" for travel. The board date is calculated by subtracting one's length of service from the travel date.

- Retiree "Board Date" = "date of travel" minus your "years of service".
- "Years of service" = "your retirement date" minus "your date of hire". Your "years of service" is fixed, it will not change. It's how long you worked for the company:

Example: Hired in 1977, retired in 2003.

"Years of service" = 26 (2003-1977 = 26)

"Board Date" = 1989 (2015-26 = 1989).

For more information view the [Boarding Priority](#) or the [Retiree Pass Travel](#) policies under Travel section of Flying Together.

***\*Please keep in mind that many of the components of pass travel are governed by Company Policy and can change. Contact United's Pass Travel department if you have any questions regarding retiree pass travel.***