

# Medical Plan

---

## 2020

The election period is from  
**Oct. 17 to Nov. 6, 2019.**



# Follow these easy steps to make your 2020 Medical Plan Choice

**1** Read “What’s New for 2020?” on page 2.

**2** Review your medical plan costs on page 15.

**3** **Do you want to change your current medical plan?**

YES – You must return the Election Form on page 17 to TVA. Read this booklet for enrollment information and important deadlines. Continue to step 4.

NO – You **do not** have to return the Election Form on page 17 to TVA. Continue to step 4.

**4** **Be sure to read the Medicare information in this booklet to learn about your responsibilities and your coverage when you become Medicare-eligible.**

**WAIT! IF YOU WILL BE ENROLLED IN THE CDHP OPTION IN 2020, YOU MUST GO TO STEP 5.**

**5** **In order to contribute to or receive TVA’s contribution to a Health Savings Account (HSA), you must have an HSA with HSA Bank.**

**Do you have an HSA with HSA Bank?**

YES – You do not need to take any action. TVA’s contribution will be automatically deposited.

NO – You have two options to open your HSA:

- Contact HSA Bank’s TVA-dedicated customer service phone line at 844-650-8934, or
- Complete the HSA Bank Application Form that is included in this packet. Fax the form to 920-803-4184, or mail it to the address shown on the form.

See page 11 for more information about the HSA.

# Medical Plan

---

## 2020

The election period is from  
**Oct. 17 to Nov. 6, 2019.**

## Contents

- 2**    **What's New for 2020?**
- 3**    **General Information and Enrollment Instructions**
- 5**    **Medicare Information**
- 7**    **Your 2020 Medical Plan Options**
- 10**   **Summary of Benefits and Coverage**
- 15**   **Your 2020 Medical Plan Costs**
- 15**   **Important Definitions**
- 16**   **Frequent Questions**
- 17**   **Retiree Medical Plan Election Form**

# What's New for 2020?

The following changes to your benefits begin Jan. 1, 2020.

## **1. NEW: Acupuncture covered in Medical Plan**

Beginning January 1, 2020, acupuncture will be covered under the TVA/BCBST medical plans (both the 80-percent PPO plan and the CDHP). Applicable deductibles, coverage limits, copays and coinsurance will apply.

The American Medical Association and other associations of medical professionals have recognized acupuncture as a legitimate medical treatment. Research has shown acupuncture to be effective at treating a variety of conditions, including pain, nausea, and headaches.

## **2. NEW: Changes in Consumer-Directed Health Plan (CDHP) Medical Plan**

The CDHP in-network deductible will increase from \$1,350 Individual / \$2,700 Family to \$1,400 Individual / \$2,800 Family. Deductibles for out-of-network services will not change.

## **3. NEW: Increase in Health Savings Account (HSA) Maximum Annual Contribution**

The maximum annual HSA contribution from all sources (i.e., TVA contribution plus employee contributions) will increase to \$3,550 Individual coverage / \$7,100 Family coverage as mandated by the IRS.

If you are age 55 or older, you can also make additional “catch- up” contributions. The maximum annual catch-up contribution is \$1,000 beginning in the year you turn 55.

**Be sure to read the Medicare information on pages 5 and 6 about prescription drug coverage available when you become eligible for Medicare.**

# General Information and Enrollment Instructions

Welcome to the annual Retiree Medical Plan Election Period. From October 17 through November 6 you may choose the medical plan you want for 2020.

## Your medical plan options for 2020 are:

- 80-percent PPO
- Consumer-Directed Health Plan (CDHP)

See “What’s New for 2020?” on page 2 for changes to the medical plan options. Premiums are on page 15.

Which plan is right for you? Only you can decide which plan best meets your healthcare and financial needs. One tool that might help you is available at [www.bcbst.com](http://www.bcbst.com).

- Log in or register if a first-time user.
- Under Find Care, click Compare Health Plans.

You can compare your costs under the medical plan options.

You can also compare medication prices under both medical plan options at [www.express-scripts.com/tva](http://www.express-scripts.com/tva).

- Click Go in the middle section, Open Enrollment Information.
- Select the TVA medical plan option you want to review.
- Select Compare prescription medication costs.

## Important enrollment information

If you want to change your medical coverage for 2020, you must complete the election form included in this book and return it in the postage-paid envelope. TVA Employee Benefits must receive your election form by Nov. 6, 2019.

**If you have medical coverage in 2019 and your election form is not received by Nov. 6, 2019, you will be enrolled in the same medical plan for 2020 at the level of coverage – individual or family – you have in 2019.**

**Remember that you cannot change your election after Jan. 1, 2020.**

If you wish to terminate your TVA coverage, you may do so by completing the election form. Please remember that canceling your coverage in a TVA-sponsored retiree medical plan means that you will not be allowed to enroll in a TVA medical plan in the future.

Remember that it is very important to keep your medical plan enrollment record current. Be sure to report any change of address.

It is your responsibility to notify TVA Employee Benefits when a dependent is no longer eligible for medical coverage. If a claim is paid for an ineligible dependent, you may be required to reimburse the medical plan for the amount of that ineligible payment.

## Important information for CDHP enrollees if new to the CDHP:

In order to contribute to or receive TVA’s contributions to a Health Savings Account, you must complete a separate election form to open your HSA. You have two options to open an HSA:

- Contact HSA Bank’s TVA-dedicated customer service phone line at 844-650-8934, or
- Complete the HSA Bank Application Form that is included in this packet. Fax the form to 920-803-4184, or mail it to the address shown on the form.

## If currently enrolled in the CDHP and will be remaining in it for 2020:

If you already have an HSA with HSA Bank, you do not need to take any action. TVA’s contribution will be automatically deposited.\*

\* If your account had a \$0 balance and no activity for 6 months or more, it may have been closed by HSA Bank. To re-open your account contact HSA bank at 844-650-8934 or speak to a benefits specialist at 888-275-8094. Accounts must be open and able to accept deposits by Dec. 20th in order for you to receive the TVA HSA annual contribution on Jan 1st.

## Will you be eligible for Medicare?

TVA offers medical and prescription drug coverage to Medicare-eligible retirees and spouses through a private Medicare exchange. Access to this private Medicare exchange, as well as support and enrollment assistance, is provided by Via Benefits. Via Benefits is a leading coordinator of individual coverage in the marketplace.

Additionally, Via Benefits offers vision and dental coverage; however, if you are currently enrolled in TVA’s retiree dental plan through Delta Dental of Tennessee, you can keep that coverage and it will remain in effect unless you cancel your coverage directly with Delta Dental.

As early as your 64th birthday, or 12 months prior to becoming Medicare-eligible, you will begin receiving information from Via Benefits providing you details about your retiree healthcare benefits as well as information about how and when to enroll.

You can enroll through Via Benefits during the Initial Enrollment Period (IEP). The IEP is a seven-month period that starts three months before your Medicare-eligible date, includes the month of your Medicare-eligible date, and the three months after your Medicare-eligible date.

Note that when you or a covered dependent becomes eligible for Medicare at age 65, your TVA-sponsored medical coverage will automatically terminate at the end of the month prior to your Medicare effective date. You can enroll in supplemental Medicare coverage outside of Via Benefits. If you choose to do so, it is important that you know the following:

**IMPORTANT: If you are the TVA retiree, or the surviving dependent of a deceased TVA retiree, become eligible for Medicare at age 65, and do not enroll in a medical plan through Via Benefits, none of your dependents will be eligible to be covered in TVA's Retiree Medical plans (i.e., 80% PPO or CDHP). You and any covered dependents will be canceled from TVA Retiree Medical coverage effective at the end of the month prior to your Medicare effective date.**

In addition, any TVA Contribution or TVA Healthcare Credit will no longer be provided. Once canceled, you and your dependents will not have another opportunity to enroll in TVA Retiree Medical coverage.

**If you are the TVA retiree, or the surviving dependent of a deceased TVA retiree, AND enroll in a medical plan through Via Benefits during your IEP:**

- Any covered dependents that are not yet eligible for Medicare will remain in the TVA-sponsored medical plan that you elect for next year. Note that they will receive new ID cards from BCBST and Express Scripts.
- The premium for any dependents remaining in the TVA group plan (i.e., 80% PPO or CDHP) will continue to be deducted from your retiree pension check or bank draft.

- If you currently have a Health Savings Account (HSA), once you are enrolled in Medicare, you will no longer be able to contribute to the account. You will, however, still be allowed to be reimbursed for eligible healthcare expenses from the account. If you have any dependents that continue to be enrolled in the CDHP medical plan and want to participate in an HSA, he/she must enroll with HSA Bank. See enclosed HSA enrollment material.

**Important Information about the TVA Healthcare Credit When Becoming Medicare-Eligible**

TVA's Healthcare Credit is based on, among other factors, plan enrollment. Therefore, if you are currently receiving the TVA Healthcare Credit, for the majority of retirees, this amount will be automatically reduced due to you or your covered dependent becoming eligible for Medicare. As noted above, if you are the retiree, or the surviving dependent of a deceased retiree, and do not enroll in a medical plan through Via Benefits, your TVA Retiree Medical coverage will be cancelled and the Healthcare Credit will no longer be provided. If you are the dependent and do not enroll in a medical plan through Via Benefits, the retiree's Healthcare Credit could be reduced even further.

**Are you becoming eligible for Medicare before reaching 65?**

If you or one of your covered dependents becomes eligible for Medicare before reaching age 65 due to disability, you will be given the option to stay in the plan you're currently enrolled in as secondary coverage to Medicare, or enroll in a plan through Via Benefits. If you want to enroll in a plan through Via Benefits, you must contact TVA Employee Benefits within three months of your Medicare effective date. Otherwise, you will remain in the plan you're currently enrolled in as your secondary coverage until reaching 65.

# Medicare Information

## **Important information for retirees and covered dependents who become eligible for Medicare**

If you are eligible for Medicare or will become eligible for Medicare in the next 12 months (or if you have a covered dependent eligible for or becoming eligible for Medicare), see the following important information about prescription drug coverage under Medicare and your TVA medical plan coverage.

When you (or a covered dependent) become eligible for Medicare, you are no longer eligible for coverage under the 80-percent PPO or Consumer-Directed Health Plan. You will, however, be eligible to enroll in healthcare coverage through a private Medicare exchange provided by Via Benefits. Most people will become eligible for Medicare at age 65. Your TVA-sponsored coverage will automatically terminate at the end of the month prior to your Medicare effective date. As early as your 64th birthday, or 12 months prior to becoming Medicare-eligible, you will begin receiving information from Via Benefits providing you details about your retiree healthcare benefits as well as information about how and when to enroll.

You can enroll through Via Benefits during the Initial Enrollment Period (IEP). The IEP is a seven-month period that starts three months before your Medicare-eligible date, includes the month of your Medicare-eligible date, and the three months after your Medicare-eligible date.

**IMPORTANT:** If you are the retiree, or the surviving dependent of a retiree, and do not enroll in a medical plan through Via Benefits during your IEP, any dependents covered on a TVA group plan (i.e., 80% PPO or CDHP) will be removed from coverage and any TVA Contribution or TVA Healthcare Credit will no longer be provided.

If you or one of your covered dependents becomes eligible for Medicare before reaching age 65 due to disability, you will be given the option to stay in the plan you're currently enrolled in, or enroll in a plan through Via Benefits. If you want to enroll in a plan through Via Benefits, you must contact TVA Employee Benefits within three months of your Medicare effective date. Otherwise, you will remain in the plan you're currently enrolled in.

## **Creditable coverage notice for retirees not eligible for Medicare**

Medicare offers prescription drug coverage (Part D) to eligible individuals. When you become eligible for Medicare, you will also have an opportunity to enroll in a Part D prescription drug plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage.

Read the following notice carefully and keep it where you can find it should you have questions about prescription drug coverage when you become eligible for Medicare. Prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.

Because prescription drug coverage under the TVA-sponsored retiree medical plan (the 80-percent PPO or Consumer-Directed Health Plan) is on average at least as good as standard Medicare prescription drug coverage, TVA has determined that your prescription drug coverage from the TVA plan is creditable and you will not pay a higher premium (penalty) when you enroll in a Medicare Part D prescription drug plan.

When you cancel or lose your coverage under the TVA-sponsored retiree medical plan (the 80-percent PPO or Consumer-Directed Health Plan) and are eligible for Medicare, you will be eligible to sign up for a Medicare Part D prescription drug plan at that time.

If you cancel or lose your coverage under the TVA-sponsored retiree medical plans, are eligible for Medicare, and do not enroll in Medicare prescription drug coverage after your TVA coverage ends, you may have to pay more to enroll in Medicare prescription drug coverage later. If you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium for Medicare prescription drug coverage will go up at least 1 percent per month for every month that you did not have that coverage. For example, if you go 19 months without coverage, your premium will always be at least 19 percent higher than what many other people pay. You will have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to enroll.

For more information about this notice, you may call TVA Employee Benefits at 865-632-8800, 423-751-8800 or toll-free at 888-275-8094.

**Note:** You may receive this notice at other times in the future, such as before the next Medicare prescription drug enrollment period or if this coverage changes. You may also request at any time a copy of this notice or a personalized notice specific to your creditable coverage under the TVA medical plans.

More detailed information about Medicare plans that offer prescription drug coverage is available in the “Medicare and You” handbook. If you are eligible for Medicare, you will get a handbook in the mail. You may also be contacted directly by Medicare prescription drug plans. You can get more information about Medicare prescription drug plans from the following:

- Visit [www.medicare.gov](http://www.medicare.gov).
- Call your state health insurance assistance program (see your copy of the “Medicare and You” handbook for the telephone number).
- Call 1-800-MEDICAR (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call 1-800-772-1213 (TTY 1-800-325-0778).

**Remember:** Keep this notice. If you enroll in one of the plans approved by Medicare which offer prescription drug coverage, you may need to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium.

Date	Oct. 1, 2019
Name of Entity/Sender	Tennessee Valley Authority
Contact	TVA Employee Benefits
Address	400 West Summit Hill Drive Knoxville, TN 37902
Phone	888-275-8094

# Your 2020 Medical Plan Options

## The 2020 medical plan options are:

- 80-Percent PPO plan
- Consumer-Directed Health Plan (CDHP)

The medical options are self-funded plans which are administered by BlueCross BlueShield of Tennessee. These plans are not fully insured plans and the plan administrator has no financial risk for the expenses of these plans. The funds from which claims are paid under these plans are a combination of contributions paid by those covered under the plan and TVA contributions on behalf of those covered. The premiums for these plans are based on the expenses incurred by the members of the plan. Premiums for each plan are shown on page 15.

## Both options include:

### Medical benefits

Medical benefits are administered through BlueCross BlueShield of Tennessee. Both options are PPO plans – that is, they both use the BlueCross BlueShield PPO networks that are available nationwide, so you have access to PPO network providers no matter where you live or where you are receiving medical care. Both options cover the same types of medical and surgical services needed for the diagnosis and treatment of illness and injury – physician, hospital, most durable medical equipment, etc. But the services are covered at different levels with differing deductibles and patient payments under each option.

You will receive greater benefits when using PPO providers (in-network providers). If you use out-of-network providers, benefits will be paid at a lower level and you will pay more out of your pocket for the services you receive, including any charges that are higher than the amounts allowed.

To find PPO network providers in your area, go to [www.bcbst.com](http://www.bcbst.com), log in and select “Find a Doctor” under “Find Care,” and follow the instructions. You can also call the BlueCard/BlueCard PPO Participating Doctor and Hospital Information Line at 1-800-810-BLUE (2583).

### Preventive care benefit

Each person covered under one of the medical plan options is eligible for plan payments for routine exams. This benefit is not subject to the deductible, and you do not have to pay coinsurance or a copayment for services covered under the preventive care benefit.

Any office visit, screening exam, lab work or other service in connection with a routine physical as defined by the American Medical Association is covered under the preventive care benefit. Services can include, but are not limited to:

- Gynecological exam, annual routine exam, mammogram screenings, pap smears, prostate screening, audiology screening, flu shots (both seasonal and H1N1), pneumonia shots, colonoscopies and related routine diagnostic services.
- Annual preventive health exams for adults and children age 6 and older, including screenings and counseling services with an A or B recommendation by the United States Preventive Services Task Force (USPSTF) and performed by the physician during the preventive health exam.
- Preventive health exams for children through age 5, including screenings with an A or B recommendation by the United States Preventive Services Task Force (USPSTF) and performed by the physician during the preventive health exam (“Well Child Care”).

These services are subject to guidelines under the Patient Protection and Affordable Care Act. If the services are billed as routine or preventive services, the claim(s) will be processed under the preventive care benefit. Contact BCBST for a complete listing or to verify coverage of preventive services.

### Prescription drug coverage

Both options include prescription drug benefits administered by Express Scripts.

Both plans have a three-tier prescription drug plan – generic, preferred brand (sometimes called formulary), and nonpreferred brand (nonformulary). When you use generics or preferred brand-name drugs, you can save money for yourself and the plan. Express Scripts establishes the preferred listing of brand-name drugs based on findings of a committee made up of physicians and pharmacists. The committee reviews the clinical effectiveness of the drugs as well as their cost-effectiveness to assign preferred status.

To find out if a particular brand-name medication is preferred or not, if it has a generic equivalent, or if it is not covered, call Express Scripts Member Service at 800-935-6203 or visit Express Scripts’ website at [www.express-scripts.com](http://www.express-scripts.com). The list is reviewed by the Express Scripts committee quarterly and is subject to change.

### Retail purchases

Your Express Scripts identification card allows you to access more than 67,000 retail pharmacies for short-term or emergency prescriptions. Prescriptions for up to a 30-day supply of eligible prescription drugs can be purchased at local pharmacies. You may be able to get 90-day supplies of maintenance medications as well. See page 8 for information on the Maintenance Medication Refill program.

### The Maintenance Medication Refill Program

The Maintenance Medication Refill Program provides you with two options to obtain refills of certain maintenance medications (those drugs you take regularly for ongoing conditions such as high blood pressure, diabetes, or high cholesterol). Under this program, the prescription plan will cover up to three retail pharmacy purchases of covered maintenance medications.

You then have two options to obtain up to a 90-day supply and typically pay less than you would pay for three 30-day supplies purchased at retail. Use Express Scripts Home Delivery for convenient and easy mail-order purchases through mail, telephone or the internet at Express Scripts' website, [www.express-scripts.com](http://www.express-scripts.com).

You will also have the option to obtain up to a 90-day supply at a participating retail SMART90 pharmacy. Your costs will be the same as through mail-order.

This prescription drug plan covers only legend drugs – that is, drugs that can only be dispensed with a prescription. The plan does not cover appetite suppressants or other weight-loss medications, or drugs with over-the-counter equivalents.

### Specialty Drugs

Specialty drugs are required to be filled through Express Scripts' specialty pharmacy, Accredo. Eligible specialty prescriptions up to a 30-day supply can be purchased through Accredo at the retail prices shown on page 10. Mail-order pricing does not apply to Accredo specialty drugs and you cannot get greater than a 30-day supply at a time. If you have questions about Accredo, or if you want to determine if the medication you are taking must be purchased through Accredo, please call Express Scripts at 800-935-6203.

### Vision Coverage

Each option includes vision benefits administered by BlueCross BlueShield of Tennessee and includes a network of providers. Retirees receive a higher level of benefits when network providers are used (see the table below).

**More information on these medical plan options is available at the TVA retirees website ([www.tva.com/retireportal](http://www.tva.com/retireportal)) or the BlueCross BlueShield of Tennessee website ([www.bcbst.com](http://www.bcbst.com)).**

Vision Benefits	In-Network	Out-of-Network
	MEMBER PAYS	MEMBER IS REIMBURSED
<b>Exam with Dilation as Necessary (once per calendar year):</b>	\$10 Copay	Up to \$35
<b>Standard Plastic Lenses (once per calendar year):</b>	\$10 Copay	Up to \$25
Single Vision	\$10 Copay	Up to \$40
Bifocal	\$10 Copay	Up to \$55
Trifocal	\$10 Copay	Up to \$55
Standard Progressives	\$10 Copay	Up to \$55
Lenticular	\$10 Copay	Up to \$45
<b>Frames (once every other calendar year):*</b>	\$10 Copay; \$130 Allowance; 20% off balance over \$130	
<b>Lens Options (added to the base price of the lenses):</b>		
UV Coating	\$12	
Tint (Solid and Gradient)	\$12	
Scratch-resistant	\$12	
Standard Polycarbonate	\$35	
Standard Anti-reflective	\$45	
<b>Contact Lenses (in lieu of standard plastic lenses; includes fit, follow-up and materials):</b>		
Conventional*	\$10 Copay; \$150 Allowance; 15% off balance over \$150	Up to \$98
Disposables*	\$10 Copay; \$150 Allowance	Up to \$98
Medically Necessary		Up to \$200

*\*For in-network benefits, children under 19 have a selection of frames and contacts to choose from. The allowance does not apply. For out-of-network benefits, children under 19 will be reimbursed up to 60% of maximum allowable charge.*

## 2020 Comparison of Medical Benefit Plans

BENEFITS	80% COINSURANCE PPO	CONSUMER-DIRECTED HEALTH PLAN
<b>Deductible</b>	<b>Medical Only:</b> In-network: \$450 Individual \$900 Family Out-of-network: \$900 Individual \$1,800 Family	<b>Medical and Prescription Drugs Combined</b> In-network: \$1,400 Individual Contract/ \$2,800 Family Contract Out-of-network: \$2,700 Individual Contract/ \$5,400 Family Contract
<b>Health Savings Account (HSA)</b>	N/A	TVA Contribution: \$600 Individual Contract/ \$1,200 Family Contract
<b>Preventive Care – Age 6 and above</b>	In-network covered 100% with no dollar limit	In-network covered 100% with no dollar limit
<b>Preventive Care – Children under age 6</b>	100% Birth to age 1 - 5 exams Age 1 up to 2 - 3 exams Age 2 up to 3 - 2 exams Age 3 up to 6 - 1 exam per year	100% Birth to age 1 - 5 exams Age 1 up to 2 - 3 exams Age 2 up to 3 - 2 exams Age 3 up to 6 - 1 exam per year
<b>Physician Services in Physician's Office</b>	In-network covered 80% after deductible	In-network covered 80% after deductible
Specialist referral required	No	No
<b>Allergy Services</b>	In-network covered 80% after deductible – allergy serum 80% after deductible	In-network covered 80% after deductible – allergy serum 80% after deductible
<b>Maternity Services</b> <i>Physician services</i> Prenatal, delivery, postnatal care Neonatal care Well care for newborn in hospital  <i>Inpatient hospitalization</i> Maternity hospitalization	In-network covered 80% after deductible      In-network covered 80% after deductible	In-network covered 80% after deductible      In-network covered 80% after deductible
<b>Approved Hospital Inpatient Services</b> Semi-private room	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Approved Outpatient Services</b> Surgery	In-network covered 80% after deductible	In-network covered 80% after deductible
Diagnostic services	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Emergency Room Services</b>	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Emergency Ambulance Services</b>	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Vision Care</b> Exam (covered once per calendar year)  Lenses (covered once per calendar year)  Frames (covered once every other calendar year)  Contacts*  <i>*Children under 19 have a selection of frames and contacts to choose from. The allowance does not apply.</i>	\$10 copay  \$10 copay  \$10 up to \$130 80% amount over \$130  \$10 up to \$150	\$10 copay  \$10 copay  \$10 up to \$130 80% amount over \$130  \$10 up to \$150
<b>Approved Durable Medical Equipment</b>	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Approved Prosthetic Devices</b>	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Mental Health/Substance Abuse</b> Inpatient	In-network covered 80% after deductible	In-network covered 80% after deductible
Outpatient	In-network covered 80% after deductible	In-network covered 80% after deductible
<b>Hearing Aids</b>	\$1,500 every three years	\$1,500 every three years

NOTE: This is a summary of benefits and explains the plans in general terms. Different benefits apply for out-of-network services. For a free copy of the Summary of Benefits and Coverage (see page 10), or for more information on the plan documents, please contact TVA Employee Benefits.

## 2020 Comparison of Medical Benefit Plans

BENEFITS	80% COINSURANCE PPO	CONSUMER-DIRECTED HEALTH PLAN
<b>Covered Prescription Drugs</b>		
Generic	\$10 copayment	Covered 80% after deductible Minimum of \$10 Maximum of \$100
Preferred Brand	\$30 copayment	Covered 80% after deductible Minimum of \$24 Maximum of \$100
Nonpreferred Brand	\$50 copayment	Covered 80% after deductible Minimum of \$39 Maximum of \$100
Mail-Order Pharmacy or SMART90 pharmacy (Mail-order pricing does not apply to Accredo specialty drugs)	2x retail copayment for up to a 90-day supply	Covered 80% after deductible 2x retail minimums and maximums for up to 90-day supply
<b>Out-of-pocket maximum</b>		
Medical, Prescription Drugs and Vision Combined	In-network: \$2,750 Individual \$5,500 Family  Out-of-network: \$5,500 Individual \$11,000 Family	In-network: \$4,500 Individual \$9,000 Family  Out-of-network: \$9,000 Individual \$18,000 Family

NOTE: This is a summary of benefits and explains the plans in general terms. Different benefits apply for out-of-network services. For a free copy of the Summary of Benefits and Coverage (see page 10), or for more information on the plan documents, please contact TVA Employee Benefits.

## Summary of Benefits and Coverage

In addition to the Comparison of Medical Benefit Plans on pages 9 and 10, a Summary of Benefits and Coverage (SBC) for the TVA Medical Plan options is also available to you. The SBC provides information to help you understand your medical plan options and make decisions about which medical plan to choose. In addition to providing a benefits and coverage summary, the SBC also includes details, called “coverage examples,” which are comparison tools that allow you to see what the plan would generally cover in two common medical situations.

To view and/or print a copy of the TVA Medical Plan’s SBC, go to [www.tva.com/retireportal](http://www.tva.com/retireportal) and click on Health Care Benefits.

To have a copy sent to you free of charge, contact TVA Employee Benefits at [TVAEmployeeBenefits@tva.gov](mailto:TVAEmployeeBenefits@tva.gov), or call 1-888-275-8094 (toll-free), 1-423-751-8800 (Chattanooga), 1-865-632-8800 (Knoxville) or 1-800-848-0298 (TDD/TTY TN Relay Service).

## 80-Percent PPO Plan

The 80-Percent PPO plan includes a deductible that must be met before medical benefits are paid (that is, benefits for doctors, hospitals, etc.). The deductible does not apply, however, to preventive care, prescription drugs or to vision-care services.

Prescription drug copayments you will make at the time of purchase are:

	Retail (up to 30-day supply)	Mail-order or SMART90
Generic	You Pay \$10	You Pay \$20
Preferred Brand	You Pay \$30	You Pay \$60
Nonpreferred Brand	You Pay \$50	You Pay \$100

The vision benefits are shown on page 8.

# Consumer-Directed Health Plan (CDHP)

The CDHP is a high-deductible health plan in which you assume more control of your healthcare spending and more financial responsibility in exchange for lower premiums. After the deductible is met, the CDHP provides 80 percent coverage for in-network medical services and prescription drugs until the out-of-pocket maximum is reached. Participants in the CDHP may be eligible for a Health Savings Account (see below).

<b>Preventive Care Benefit</b> (Plan pays 100%)	<b>In-Network Deductible</b> \$1,400 Individual Contract \$2,800 Family Contract	<b>Out-of-Network Deductible</b> \$2,700 Individual Contract \$5,400 Family Contract									
	<b>AFTER YOU MEET YOUR DEDUCTIBLE</b>										
	<b>In-Network Medical</b> Plan pays 80%	<b>Prescription-Drug Coverage</b> Plan pays 80%									
	<b>Out-of-Network Medical</b> Plan pays 60% (based on allowable amounts)	<b>Minimum to be paid by you:</b> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Retail:</td> <td style="width: 50%;">Mail-order or SMART90:</td> </tr> <tr> <td>\$10 generic</td> <td>\$20 generic</td> </tr> <tr> <td>\$24 preferred</td> <td>\$48 preferred</td> </tr> <tr> <td>\$39 nonpreferred</td> <td>\$78 nonpreferred</td> </tr> </table>		Retail:	Mail-order or SMART90:	\$10 generic	\$20 generic	\$24 preferred	\$48 preferred	\$39 nonpreferred	\$78 nonpreferred
	Retail:	Mail-order or SMART90:									
\$10 generic	\$20 generic										
\$24 preferred	\$48 preferred										
\$39 nonpreferred	\$78 nonpreferred										
<b>Maximum to be paid by you:</b> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Retail:</td> <td style="width: 50%;">Mail-order or SMART90:</td> </tr> <tr> <td>\$100 for any covered drug</td> <td>\$200 for any covered drug</td> </tr> </table>			Retail:	Mail-order or SMART90:	\$100 for any covered drug	\$200 for any covered drug					
Retail:	Mail-order or SMART90:										
\$100 for any covered drug	\$200 for any covered drug										
<b>100% After Out-of-Pocket Maximum</b> \$4,500 Individual/\$9,000 Family In-Network \$9,000 Individual/\$18,000 Family Out-of-Network											

An HSA is a tax-exempt account you own for the purpose of paying qualified medical expenses for yourself, your spouse and your dependents. You decide whether to use your HSA money now for qualified medical expenses or save it for future use.

<b>HEALTH SAVINGS ACCOUNT</b>
<b>TVA Contribution</b> \$600 Individual/\$1,200 Family
<b>Retiree Contribution (Optional)</b> The retiree chooses whether or not to contribute.
<b>Maximum Contribution (all sources)*</b> \$3,550 Individual/\$7,100 Family
Unused balance can carry over for future years with no limits.
<i>*If you are 55 or older, you can also make additional "catch-up" contributions. The maximum annual catch-up is \$1,000.</i>

## Deductibles

There are in-network and out-of-network deductibles in the CDHP. The deductibles must be met on a contract basis under a CDHP. That means that if you have a family contract under the CDHP you must meet the entire family deductible before anyone in the family receives benefit payments under the plan. The family deductible can be met by one member of the family or it can be met by a combination of charges from any of the covered family members.

After you have satisfied the deductible in the CDHP, you will receive plan benefits for covered medical and prescription drug expenses. Prescription drugs are covered by the plan at 80 percent, and you pay the remaining 20 percent – subject to the minimum and maximum payments as follows.

If your 20-percent share of a covered drug is less than the minimum shown below, you will pay the minimum amount (or the price of the drug, whichever is less). If your 20-percent share of a covered drug is greater than the maximum shown below, you will pay the maximum amount.

	Retail (up to 30-day supply)	Mail-order or SMART90 (up to 90-day supply)
Generic	Minimum you will pay: \$10 Maximum you will pay: \$100	Minimum you will pay: \$20 Maximum you will pay: \$200
Preferred Brand	Minimum you will pay: \$24 Maximum you will pay: \$100	Minimum you will pay: \$48 Maximum you will pay: \$200
Nonpreferred Brand	Minimum you will pay: \$39 Maximum you will pay: \$100	Minimum you will pay: \$78 Maximum you will pay: \$200

Some examples of how the prescription drug coverage works under the CDHP:

### Generic, 30-day supply at retail, cost is \$80

20% = \$16  
You pay \$16

### Preferred Brand, 30-day supply at retail, cost is \$90

20% = \$18 (below minimum)  
You pay \$24 (minimum)

### Nonpreferred Brand, 90-day supply through mail-order or SMART90 pharmacy, cost is \$200

20% = \$40 (below minimum)  
You pay \$78 (minimum)

### Preferred Brand, 90-day supply through mail-order or SMART90 pharmacy, cost is \$1,200

20% = \$240  
You pay \$200 (maximum)

After you have met your deductible, medical benefits are payable at 80 percent for in-network PPO services and at 60 percent of the allowable amount for out-of-network PPO services. If you choose to use providers not in the PPO network, you will pay 40 percent of the allowable amount plus any charges in excess of the allowable amount.

## Out-of-pocket maximums

The amounts you pay to meet your deductible and the coinsurance you pay for covered prescription drugs, medical services and vision after the deductible is met count toward your out-of-pocket maximum. Once you have reached the out-of-pocket maximum, the plan pays 100 percent of your covered expenses for the remainder of the calendar year.

## Health savings account

The HSA is a tax-exempt account owned by you to which you and TVA can make contributions to pay for qualified medical expenses.

Amounts contributed to the HSA accumulate on a tax-free basis, and withdrawals are not subject to tax if they are used to pay for eligible medical expenses for you and your dependents. Contributions made in one year and not used to pay expenses in that year may be used to pay eligible medical expenses in later years.

An HSA is fully vested at all times and portable, meaning that it can move with you as your circumstances change. Once you reach age 65, you may use the HSA funds to pay for Medicare premiums (but not Medigap policies) or other medical expenses on a tax-free basis, or you may take a distribution for any other reason and pay only ordinary income tax.

The HSA is serviced by HSA Bank.

**REMINDER:** If you are newly enrolling in the Consumer-Directed Health Plan (CDHP) in 2020 you must open an HSA to receive the TVA contribution.

## HSA eligibility requirements

You must meet the following requirements to be eligible for an HSA:

- Must be covered by a qualified high-deductible health plan. This means you must be enrolled in the CDHP medical option to be eligible for the HSA.
- Cannot be enrolled in Medicare or Tricare.
- Cannot be claimed as a dependent on someone else's tax return.
- Cannot be covered by another health plan that is not HSA-qualified (with some exceptions, including vision coverage, dental coverage, accident and disability coverage, and employee assistance programs).

## HSA fees

HSA Bank will deduct a monthly administrative fee of \$0.25 if your account balance is under \$3,000. There is no fee if you maintain a balance of \$3,000 or more. Other fees, such as those for checks and account closing, will be highlighted in the welcome kit you receive upon enrolling in the HSA.

## Contributing to your HSA

You choose whether or not to contribute to the HSA. Your contributions are tax-deductible. TVA will make a contribution to the HSA. If you have an individual contract under the CDHP, TVA places \$600 in the HSA. If you have a family contract under the CDHP, TVA places \$1,200 in the account. You must have opened your account in order for your TVA contribution to be deposited.

You can make contributions by mailing contributions using deposit slips from your HSA checkbook or automatically transferring monthly contributions from a personal checking or savings account.

The maximum annual HSA contribution from all sources (including TVA's contribution) for 2020 is \$3,550 per individual and \$7,100 per family. If you are age 55 or older, you can also make additional "catch-up" contributions. The maximum annual catch-up contribution is \$1,000. These amounts are mandated by the IRS.

The money in your HSA earns tax-free interest daily. You have the choice to invest the money, and which investments to select. If you do not use all of the money in the account, it is rolled over year to year. There is no limit to the amount that can be rolled over.

TVA contributions will be made to HSA Bank. If you wish, you have the option to move your funds to another trustee of your choice. If you discontinue your enrollment in the CDHP in the future, you can continue to use the funds in your HSA for qualified medical expenses until they are depleted, but can no longer contribute to the account.

## Using your HSA

You decide whether to use the money in your HSA to pay for current medical expenses, including your deductible, or save for future medical needs.

After opening your account you will be sent an HSA Bank Visa® debit card. Checks are also available. You can use one of these methods to access your HSA money to pay for any qualified medical expense permitted under federal tax law that you incur after you open your HSA. You can use the money to pay for medical expenses for yourself, your spouse and dependent children. You can pay for expenses of your spouse and dependent children even if they are not covered by the CDHP.

In order to be considered qualified, the expense has to be primarily for the prevention or alleviation of a physical or mental defect or illness. This would include office visits, hospitalization or prescription drugs. Qualified medical expenses are defined in section 213(d) of the Internal Revenue Code, and a list of qualified expenses is available on the IRS web site, [www.irs.gov](http://www.irs.gov), Publication 502, "Medical and Dental Expenses."

Any HSA money used for purposes other than to pay for qualified medical expenses is taxable as income and subject to an additional 20-percent tax penalty. After you turn age 65, the 20-percent additional tax penalty no longer applies.

## Maintaining your HSA

The trustee of your HSA will track the total dollar amount spent from your HSA and provide that information to both you and the IRS. You will receive a quarterly statement similar to the one you get for your regular checking account showing average balance, closing balance, and any debits or credits to the account. You also have online access to your account. Each year you will receive a 1099-SA and a 5498-SA statement for filing income tax. **Keep copies of your medical receipts to verify how you use your funds. You are responsible to the IRS for all types of withdrawals made from your HSA.**

## For more HSA information

Call HSA Bank at 844-650-8934 or visit [www.hsabank.com/tva](http://www.hsabank.com/tva). Questions can be directed to a customer service representative by phone or email at [askus@hsabank.com](mailto:askus@hsabank.com). More information is also available at [www.tva.com/retireportal](http://www.tva.com/retireportal).

### **How the CDHP works with an HSA**

Assume you have a family contract, with TVA depositing \$1,200 in your HSA.

#### **Meeting your deductible**

You and your family members go to the physician and purchase prescription drugs just as you would normally do, presenting your BlueCross identification card for physician and hospital services and your Express Scripts identification card for prescription drug purchases.

You can use your HSA funds to pay for the covered services by using your HSA debit card or checks drawn on your HSA. If you have already paid for expenses out of your own pocket, you may reimburse yourself by writing a check out of your HSA.

However, you may choose to save the money in your HSA for a future expense. If you do not use your HSA funds and have not met your deductible, you will pay for the expenses out of your pocket.

After your HSA funds have been used (or if you decide not to use your HSA), you must pay in full for all covered medical and prescription drug purchases for your family until you have met the deductible. You must continue to present your BlueCross or Express Scripts identification cards even though you are paying out of your pocket in order to get credit for the amounts you pay and have those payments applied toward your deductible.

#### **Plan benefits**

Covered prescription drugs are paid by the plan at 80 percent after the in-network deductible has been met. If your 20-percent share of the cost is less than the minimum, you will pay the minimum, not to exceed the full cost of the drug. If your 20-percent share is greater than the maximum, you will pay only the maximum.

After meeting the deductible, hospital, physician and other covered medical services will be paid at 80 percent if they are received from PPO in-network providers, and you will be responsible for 20 percent. If you use out-of-network providers, the plan will pay 60 percent of the allowable amount, and you will pay 40 percent plus any charge that exceeds the allowable amount.

#### **Out-of-pocket maximum**

You will continue to pay your share of prescription drug expenses and covered medical expenses until you reach the out-of-pocket maximum. The payments you make to meet your deductible and your share of prescription drug, medical expenses and vision apply toward the out-of-pocket maximums shown on the chart on page 11. If you reach the out-of-pocket maximum, plan benefits are payable at 100 percent (based on in-network and out-of-network usage) for the remainder of the calendar year.

#### **Vision coverage**

Vision coverage is not subject to the deductible.

When using in-network providers, you are responsible for set copays as defined in the Vision Benefits chart on page 8. If out-of-network providers are used, you will pay in advance and then be reimbursed up to the dollar amounts shown in the Vision Benefits chart.

# Your 2020 Medical Plan Costs

The following monthly premiums are the total premiums and do not reflect any pension supplement or contribution you may receive to help offset the cost of your medical coverage.

Remember, if your payment for medical plan coverage is deducted from your monthly pension benefit and you change coverage, you will see a change in the deduction amount on the check you receive at the end of December 2019. This is the deduction for January 2020 coverage.

Plan Costs		
	Individual	Family
80-Percent PPO Plan	\$ 754	\$ 1,814
Consumer-Directed Health Plan	\$ 442	\$ 1,053

## How do you pay your premium?

Look closely at the 2020 premium amount for the plan you select. If you are currently having premiums deducted from your monthly pension benefit but your monthly pension will not be large enough for the 2020 premium to be deducted, you must change your method of premium payment to automatic bank drafting. TVA will review records in early 2020 and will notify you if it appears that your premium can no longer be deducted from your monthly pension benefit. If, however, you want to go ahead and change to automatic bank drafting, please call TVA Employee Benefits at 888-275-8094.

---

## Healthcare Assistance Program (Chronic Condition Management)

This voluntary and confidential program provides health education, information, support and assistance to employees, retirees and their covered dependents. Its features include a 24-hour nurse line, an online personal health record and support from specialty nurses or health coaches to members dealing with certain chronic medical conditions.

Nurses working with members in the program will be able to access information from Express Scripts regarding your current prescriptions and can contact your physician upon request.

You may access your personal health record at [www.bcbst.com](http://www.bcbst.com), or speak to a nurse by calling 1-800-245-7942.

---

## Important Definitions

### Copayment, or coinsurance

The amount you pay for services covered by the medical plan once you have paid your deductible.

### Eligible dependents

- Your spouse
- Your natural child, adopted child, foster child, stepchild, or child for whom you are the legal guardian or of whom you have legal custody, under the age of 26.

### Out-of-pocket maximum

In the medical plan, the most you pay for covered services during a benefit period. This maximum can be met by a combination of in-network or out-of-network providers' eligible charges. Those do not include any charges in excess of the allowable usual, customary and reasonable (UCR) amount or any penalty paid for a failure to follow preadmission certification requirements. Once you reach the maximum amount, the plan pays 100 percent of your covered expenses for the remainder of the plan year.

# Frequent Questions

## **Do I have to submit the Retiree Medical Plan Election Form to continue my coverage for next year?**

TVA encourages you to review the options for 2020 carefully. If you want to change your medical plan, you must return the Election Form. If you don't want to change your plan, do not return the election form.

If you have medical coverage in 2019 and your election form is not received by Nov. 6, 2019, you will be enrolled in the same medical plan for 2020 at the level of coverage – individual or family – you have in 2019.

If you wish to waive, or terminate, your TVA coverage, you may do so by completing the election form. Please remember that canceling your coverage in a TVA-sponsored retiree medical plan means that you will not be allowed to enroll in a TVA medical plan in the future.

## **Do I have to submit the enclosed HSA Bank enrollment form?**

If you will be enrolled in the CDHP option in 2020 and do not have an HSA with HSA Bank, you must complete a separate election in order to receive TVA's contributions or contribute to your HSA yourself. You have two options to open your HSA:

- Contact HSA Bank's TVA-dedicated customer service phone line at 844-650-8934, or
- Complete the HSA Bank Application Form that is included in this packet. Fax the form to 920-803-4184, or mail it to the address shown on the form.

If you already have an HSA with HSA Bank, do not submit the form.

## **Is this an open enrollment period for all retirees?**

No. Retirees not eligible for Medicare who currently participate in TVA's medical plan can choose from the available medical plan options. Retirees who do not now have medical coverage may not elect coverage at this time.

## **What if I change my mind and want to change my plan option after the first of the year?**

The plan you choose during this election period will remain in effect for all of 2020. You may not change your plan option during the year. You will be given an opportunity next fall to make an election for 2021.

## **I'll go on Medicare in 2020. What will happen to coverage for my spouse?**

When you become eligible for Medicare at age 65, your TVA-sponsored coverage will automatically terminate at the end of the month prior to your Medicare effective date. As early as your 64th birthday, or 12 months prior to becoming Medicare-eligible, you will begin receiving information from Via Benefits providing you details about your retiree healthcare benefits. If your spouse (or any eligible dependent covered on your medical plan) is not yet eligible for Medicare, his or her coverage will continue under the TVA-sponsored plan you elect for 2020 so long as you enroll in a medical plan through Via Benefits during your Initial Enrollment Period. In that case, your spouse or dependent will receive a new medical plan identification card.

## **Please remember**

If you or one of your covered dependents becomes eligible for Medicare before reaching age 65 due to disability, you will be given the option to stay in the plan you're currently enrolled in, or enroll in a plan through Via Benefits. If you want to enroll in a plan through Via Benefits, you must contact TVA Employee Benefits within three months of your Medicare effective date. Otherwise, you will remain in the plan you're currently enrolled in.

## **Who can answer my questions about the medical plan options?**

BlueCross BlueShield of Tennessee administers the medical plans. Its Member Service can assist you. TVA Employee Benefits can also help you. See contact information at the end of this booklet.

## **Who can answer my questions about the Health Savings Account?**

Call HSA Bank at 844-650-8934 or visit [www.hsabank.com/tva](http://www.hsabank.com/tva). Questions can be directed to a customer service representative by phone or email at [askus@hsabank.com](mailto:askus@hsabank.com).

TO KEEP YOUR CURRENT COVERAGE, DO NOT RETURN THIS FORM.

# Retiree Medical Plan Election Form 2020

PLEASE PRINT

Retiree Name (Last, First, Middle Initial)	Retiree SSN
Subscriber Name (if not retiree)	Subscriber SSN (if not retiree)
Address (Street, City, State, Zip Code)	Phone Number

My retiree medical plan election for 2020 is: (Check the appropriate box)

<b>80-Percent PPO Plan</b>	<input type="checkbox"/> Individual	<input type="checkbox"/> Family
<b>Consumer-Directed Health Plan</b> <i>If you select this plan, review the enclosed HSA enrollment information.</i>	<input type="checkbox"/> Individual	<input type="checkbox"/> Family

- Waive all coverage\*
- Cancel spouse coverage only
- Cancel dependent (other than spouse) coverage only

List the dependents (other than spouse) for whom you are canceling medical coverage effective 01/01/2020.

Dependent Name	Dependent SSN

This authorizes a change in my monthly premium to be effective with the payment for January 2020 coverage.

I understand that this option will remain in effect for all of calendar year 2020. I understand that I may not change my election during 2020.

\*By waiving all medical coverage, I understand that I will not be offered another opportunity to enroll in a TVA-sponsored retiree medical plan. By canceling coverage for my spouse, I understand that my spouse will not be offered another opportunity to enroll in a TVA-sponsored retiree medical plan. By canceling coverage for my dependent for reasons other than loss of eligibility, I understand that my dependent will not be offered another opportunity to enroll in a TVA-sponsored retiree medical plan. By canceling coverage for my dependent due to loss of eligibility, I understand that my dependent will not be allowed coverage in the future unless the dependent again becomes eligible.

Signature \_\_\_\_\_ Date \_\_\_\_\_

This form must be received by TVA Employee Benefits no later than Nov. 6, 2019, in order for this change to be made.

**BLANK PAGE FPO**

## Notice of Privacy Practices

### LEGAL OBLIGATIONS

The group health plan (the Plan) sponsored by the Tennessee Valley Authority (TVA) is required by the Health Insurance Portability and Accountability Act of 1996, commonly referred to as HIPAA, to maintain the privacy of all protected health information (PHI) in accordance with HIPAA; provide this notice of privacy practices to all enrollees; inform enrollees of our legal obligations with respect to their PHI; and advise enrollees of additional rights concerning their PHI. The Plan must follow the privacy practices contained in this notice from its effective date of September 23, 2014, and continue to do so until this notice is changed or replaced. As used in this notice, the Plan means the self-insured health plans sponsored by TVA for the payment of medical, dental, or prescription drug and vision claims. The Plan also includes the self-referral Employee Assistance Program to the extent you request medical services under it, the health care flexible spending account to the extent that you maintain one to help reimburse medical expenses, the Health Check Program, and the TVA-sponsored Disease Management Program.

Since 1974, TVA has maintained its records under the Federal Privacy Act, which requires TVA to protect employees' personal information. The requirements under HIPAA reinforce TVA's current practices relating to the protection of employees' personal information.

HIPAA privacy requirements are related to PHI. PHI includes all individually identifiable health information transmitted or maintained by the Plan, regardless of the form (oral, written, or electronic). PHI also includes genetic information as defined in Title I of the Genetic Information Nondiscrimination Act (GINA), which includes information about an individual's genetic tests, genetic tests of the individual's family members, or the "manifestation of a disease or disorder" in these family members (i.e., family medical history).

The Plan reserves the right to change its privacy practices and the terms of this notice at any time, provided applicable law permits the changes. Any changes made in these privacy practices will be effective for all PHI that is maintained, including information created or received before the changes were made. All present enrollees of the Plan and all past enrollees for whom the Plan still maintains PHI will be notified of any material changes by receiving a new Notice of Privacy Practices.

You may request a copy of this Notice of Privacy Practices at any time by contacting the Tennessee Valley Authority group health plan at 400 W. Summit Hill Drive, WT 8D-K, Knoxville, Tennessee 37902.

### USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

#### Treatment, Payment and Health Care Operations

Your PHI may be used and disclosed by the Plan or its business associates for treatment, payment, and health care operations without your authorization.

**Treatment:** Treatment generally means the provision, coordination or management of health care. For example, the Plan may disclose information to a doctor or hospital that asks for it for purposes of your medical treatment.

**Payment:** Payment generally encompasses the activities of the Plan to fulfill its coverage responsibilities and to provide benefits on your behalf. For example, information on Plan coverage and benefits may be used or disclosed to pay claims for services provided to you by doctors or hospitals which are covered under your health insurance policy.

**Health Care Operations:** Health Care Operations generally means the activities which the Plan must undertake to operate the Plan and to support your treatment and the payment of your claims. For example, PHI may be used and disclosed to conduct quality assessment and improvement activities, to engage in care coordination, to provide disease management or case management, and to pursue rights of recovery and subrogation.

#### OTHER USES AND DISCLOSURES FOR WHICH AUTHORIZATION IS NOT REQUIRED

Your PHI may also be used or disclosed by the Plan without your authorization under the following circumstances:

**Disclosures to Family and Friends:** Your PHI may be disclosed under certain circumstances to family members, other relatives and your close personal friends who can reasonably demonstrate that they are involved with your care or payment for that care if the information is directly relevant to such involvement or payment. If you do not wish any particular family member, relative or friend to receive any of your information, you may send a letter to us, at the address listed at the end of this notice, making this request.

**Plan Sponsors:** Your PHI and that of others enrolled in the Plan may be disclosed to the Plan's sponsor, TVA, so that it can assist in the administration of the Plan.

**Research:** Your PHI may be used or disclosed for research purposes in limited circumstances.

**As Required by Law:** Your PHI may be used or disclosed as required by law. For example,

PHI must be disclosed to the U.S. Department of Health and Human Services upon request for purposes of determining the Plan's compliance with Federal privacy laws.

**Court or Administrative Order:** PHI may be disclosed in response to a court or administrative order, subpoena, discovery request, or other lawful process, under certain circumstances.

**Health or Safety:** PHI may be released to the extent necessary to avert a serious and imminent threat to your health or safety or to the health or safety of others under certain circumstances.

**Health Oversight and Law Enforcement Activities:** PHI may be disclosed to Health Oversight agencies for oversight activities, including TVA's Office of Inspector General, and Law Enforcement agencies for law enforcement purposes, under certain circumstances.

**Public Health Activities:** PHI may be disclosed to public health authorities for purposes of certain public health activities. PHI may also be used or disclosed under certain circumstances if you have been exposed to a communicable disease, are at risk of spreading a disease or condition, or to a school as proof of immunization.

**Abuse or Neglect:** Your PHI may be disclosed when authorized by law to report information about abuse, neglect or domestic violence to public authorities if there exists a reasonable belief that you may be a victim of abuse, neglect or domestic violence.

**Coroners and Funeral Directors:** PHI may be disclosed to a coroner or medical examiner under certain circumstances. PHI may also be disclosed to a funeral director as necessary to carry out their duties with respect to the decedent.

**Specialized Government Functions:** PHI of Armed Forces personnel may be disclosed to Military authorities under certain circumstances. PHI may be disclosed under certain circumstances to authorized Federal officials for the conduct of lawful intelligence, counter-intelligence and other national security activities and for the provision of protective services to the President and other authorized officials.

**Workers' Compensation:** PHI may be disclosed as authorized by and to the extent necessary to comply with laws relating to workers' compensation or other similar programs established by law.

### USES AND DISCLOSURES PURSUANT TO AUTHORIZATION

**Written Authorizations:** You may provide written authorization to use your PHI or to disclose it to anyone for any purpose. You may revoke

this authorization in writing at any time, but this revocation will not affect any use or disclosure permitted by your authorization while it was in effect. Unless you give written authorization, we cannot use or disclose your PHI for any reason except those described in this notice.

**Psychotherapy Notes:** Except under certain circumstances, your written authorization must be obtained before the Plan will use or disclose psychotherapy notes about you from your psychotherapist. The Plan may use and disclose such notes when needed by the Plan to defend against you in litigation filed by you.

**Marketing:** The Plan cannot use your PHI for marketing purposes without your authorization, unless the activity relates to certain specific exceptions as permitted by HIPAA. The Plan will never sell your PHI unless you have authorized the Plan to do so.

#### **Genetic Nondiscrimination**

The Plan will use genetic information only as permitted by GINA. As required by GINA, the Plan will not (i) adjust premiums based on genetic information; (ii) request or require that an individual or family member undergo a genetic test; (iii) request, require or purchase genetic information for underwriting or before enrollment in the Plan; or (iv) use or disclose genetic information for underwriting purposes (even with an authorization).

#### **INDIVIDUAL RIGHTS**

##### **Breach Notification**

The Plan will notify individuals if a breach of their unsecured PHI occurs in accordance with and as required by HIPAA as amended by the American Recovery and Reinvestment Act of 2009 (P.L. 111-5, "ARRA"), ARRA's Health Information Technology for Economic and Clinical Health (HITECH) Act and their implementing final rules. Unsecured PHI is PHI that is not secured using a technology or methodology specified by the U.S. Department of Health and Human Services (i.e., encryption or destruction).

##### **OTHER RIGHTS**

You have the right to look at or get copies of your PHI, with limited exceptions. You must make the request in writing to obtain access to your PHI. You may obtain a form to request access by using the contact information at the end of this notice, or you may send a letter to us, at the address listed at the end of this notice, requesting access to your PHI. If you request copies of your PHI, you will be charged a reasonable fee for the copies and postage if you want the copies mailed to you. You may also request information from our plan administrators (e.g., BlueCross BlueShield of Tennessee, Wameworks, Express Scripts, Delta Dental, etc.), who maintain information regarding claims, diagnoses, and treatment in order to pay your claims.

In the event the Plan maintains electronic health records ("EHRs"), you have the right to request an electronic copy of your EHR.

You have the right to receive an accounting of the disclosures of your PHI by the Plan or by a business associate of the Plan. This accounting will list each disclosure that was made of your PHI to anyone other than you or someone authorized by you for any reason, other than treatment, payment, health care operations and certain other activities not subject to an accounting as set forth in HIPAA, since six (6) years prior to the date of the request. This accounting will include the date the disclosure was made, the name of the person or entity the disclosure was made to, a description of the PHI disclosed, the reason for the disclosure, and certain other information. You may also request an accounting of disclosures from our plan administrators. In the event the Plan maintains EHRs, you have the right to receive an accounting of the disclosure of your EHR by the Plan, which will list each disclosure that was made of your EHR to anyone other than you or someone authorized by you for any reason, including for purposes of treatment, payment, and healthcare operations.

You have the right to request restrictions on the Plan's use or disclosure of your PHI. While we will consider all requests for restrictions carefully, we are not required to agree to all requests. You may also request this of our plan administrators.

You have the right to request confidential communications about your PHI by alternative means or alternative locations. While we will consider reasonable requests carefully, we are not required to agree to all requests, unless the request is to restrict the disclosure of PHI for purposes of plan payment or health care operations where you have already paid the provider in full out-of-pocket for the services related to that PHI. You may also request this of our plan administrators.

You have the right to request that the Plan amend your PHI. **Your request must be in writing, and it must explain why the information should be amended.** The Plan may deny your request if the PHI you seek to amend was not created by the Plan, if the PHI is accurate and complete, or for certain other reasons. You may also request this of our plan administrators.

Your rights may be exercised through a personal representative. Your personal representative will be required to provide evidence of authority to act on your behalf. Once this has been determined, except under certain limited circumstances, the personal representative will have all the rights you have as listed above. If under applicable law an executor, administrator or other person has authority to act on your behalf upon death or behalf of your estate, the Plan will treat such person as a personal representative with respect to PHI relevant to such personal representation.

#### **QUESTIONS AND COMPLAINTS**

If you want more information concerning the Plan's privacy practices or have questions or concerns, please contact the Complaint Official listed below.

If you are concerned that the Plan has violated your privacy rights, or you disagree with a decision made about access to your PHI, or in response to a request you made to amend or restrict the use or disclosure of your PHI or to have us communicate with you by alternative means or at alternative locations, you may file a complaint with us using the contact information below. You may also submit a written complaint to the U.S. Department of Health and Human Services if you believe that your privacy rights have been violated. The address to file a complaint with the U.S. Department of Health and Human Services will be provided upon request.

The Plan supports your right to protect the privacy of your PHI. There will be no retaliation in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human Services.

##### **Privacy Official:**

Director  
Employee Benefits  
400 W. Summit Hill Drive, WT 8D  
Knoxville, TN 37902

##### **Complaint Official:**

Program Manager  
400 W. Summit Hill Drive, WT 8D  
Knoxville, TN 37902

Or call TVA Employee Benefits at  
1-888-275-8094.

## **PRIVACY ACT STATEMENT**

### **TVA Benefit Plans**

#### **ENROLLMENT AND ADMINISTRATION**

The information requested in the forms you complete and return to the human resources department becomes part of the TVA Personnel Files or Medical Records Privacy Act systems of records (TVA-2 or TVA-9). Authority for maintenance of these systems of records is provided by the Tennessee Valley Authority Act of 1933, as amended, 16 U.S.C. §§831-831ee (2012).

In order for TVA to enroll you in the benefit plans and administer your benefits, you are asked to provide all of the requested information and any supporting documentation. Compliance is voluntary, but failure to provide the requested information may result in delay in plan enrollment or claims processing. You may not be able to participate in certain benefit programs if you do not provide the requested information.

TVA uses the requested information to provide and administer its employee benefit programs. Information may be provided to TVA consultants, contractors, and subcontractors who are engaged in providing services or supporting TVA in these areas. Information may also be used in studies and evaluation of TVA's benefit programs, to the extent necessary to the performance of such studies and evaluation, should a dispute arise or congressional inquiry be made concerning TVA's employee benefit programs; for oversight or similar purposes; and for corrective action, litigation, or law enforcement, or in response to process issued by a court of competent jurisdiction. Information provided, including information that you provide for claims reimbursement, may also be used in and verified through a computer match. Additional disclosures may be made as required or permitted by the Freedom of Information Act.

This booklet explains the plan in general terms and does not give details of all terms of the plan. In the event that any conflict should occur between the wording contained in this booklet and the official plan document, the official plan document will serve as the final authority in all matters relating to plan interpretations.

Copies of the plan document are available for review by all members of the plan. They can be examined in the Employee Benefits office, Knoxville, during normal working hours.

You may obtain a copy of the plan document by submitting a written request to TVA Employee Benefits, Knoxville. A reasonable fee may be charged for all copies provided.

TVA reserves the right to amend, modify, suspend or terminate its retiree health plans, in whole or in part. Amendments, modifications, suspensions or terminations to the TVA retiree health plans may be made for any reason and at any time, and may, in certain circumstances, result in the reduction or elimination of benefits or other features of the plans to the extent permitted by law. TVA's rights described above include the right, at any time, to (1) obtain coverage and/or administrative services from additional or different insurance carriers or third party administrators, (2) revise the amount of the retirees' contributions toward the cost of coverage, and (3) revise or eliminate TVA's contributions toward the cost of coverage.

# Contact Information

Vendor/Customer Service	Contact	Website
<b>TVA Employee Benefits</b>	888-275-8094 8:00 a.m.-4:45 p.m. ET Monday-Friday	www.tva.com/retireeportal email: TVAEmployeeBenefits@tva.gov
<b>BlueCross BlueShield of Tennessee</b> (Medical and Chronic Condition Management)	800-245-7942 24 hours a day, seven days a week	www.bcbst.com
<b>BlueCross BlueShield of Tennessee</b> (Vision)	877-342-0737 7:30 a.m.-11:00 p.m. ET Monday-Saturday 11:00 a.m.-8:00 p.m. ET Sunday	www.bcbst.com
<b>Express Scripts</b> (Prescription Drugs)	800-935-6203 24 hours a day, seven days a week	www.express-scripts.com
<b>HSA Bank</b> (Health Savings Account)	844-650-8934 8:00 a.m.-10:00 p.m. ET Monday-Friday  10:00 a.m.-2:00 p.m. ET Saturday	www.hsabank.com/tva
<b>Via Benefits</b> (Medicare)	844-620-5725 8:00 a.m.-9:00 p.m. ET Monday-Friday	my.viabenefits.com/tva

For alternate formats of this document, call 865-632-6824 and allow five working days for processing.