



The enclosed government-required notice applies to post-65 retirees and/or their post-65 eligible dependents that are eligible for Medicare and are currently participating in the Chevron Corporation Post-65 Retiree Health Reimbursement Arrangement Plan (Retiree HRA Plan). **No action is required because of this notice.**

Why you've received this notice

The Medicare Modernization Act (MMA) requires companies, like Chevron, to notify Medicare-eligible participants whether their prescription drug coverage is creditable coverage. *Creditable coverage* means that the prescription drug coverage is expected to pay on average as much as the standard Medicare prescription drug coverage. The Retiree HRA Plan includes a **Catastrophic Supplemental Prescription Drug Benefit**. For this reason, Chevron is required to issue the enclosed notice to Retiree HRA Plan participants. The notice applies to the Catastrophic Supplemental Prescription Drug Benefit under the Retiree HRA Plan *only*. **The notice does not apply to the prescription drug plan you may have purchased through ViaBenefits or elsewhere.**

The Catastrophic Supplemental Prescription Drug Benefit has a very limited scope. It only provides reimbursement for qualifying Medicare Part D expenses that are paid out-of-pocket after a Retiree HRA Plan participant reaches the federal government's expense threshold for Medicare Part D catastrophic coverage. It is not what is considered a *standard* Medicare prescription drug benefit, but rather works in coordination with your Medicare prescription drug benefit in certain circumstances. In addition, the Catastrophic Supplemental Prescription Drug Benefit is not a replacement for the prescription drug plan you may have purchased through ViaBenefits or elsewhere. For these and several other reasons it's considered *non-creditable coverage*. In addition, please note Chevron is required to use prescribed wording for the enclosed notice and is unable to change the wording. Keep in mind that the standard wording on this notice was primarily created for *standard* Medicare prescription drug plans. The Catastrophic Supplemental Prescription Drug Benefit is not a standard Medicare prescription drug plan, so the prescribed wording does not work well for this type of benefit.

For questions about the Catastrophic Supplemental Prescription Drug Benefit or the prescription drug coverage you may have purchased through ViaBenefits, please contact ViaBenefits directly at 1-844-266-1392 (1-801-994-9805 outside the U.S.). You can also learn more about the MMA and Creditable Coverage notices online at: **www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage/**

Where to find Summary Plan Descriptions and retiree enrollment milestones

Summary Plan Descriptions (SPDs) provide detailed information about your Chevron pre-65 and post-65 retiree benefits (including the Retiree HRA Plan) such as eligibility, enrollment milestones, claims and participation. They are available on hr2.chevron.com/retiree. You can also call the HR Service Center or Via Benefits to request that a copy be mailed to you, free of charge.

How to contact Via Benefits

Contact Via Benefits (formerly OneExchange) to discuss or manage post-65 individual health benefits – including post-65 open enrollment elections – and your Retiree HRA account and reimbursements.

- 1-844-266-1392 (Inside the U.S.)
- 1-801-994-9805 (Outside the U.S.)
- 5 a.m. - 6 p.m. Pacific time (7 a.m. - 8 p.m. Central time)

When to contact the Chevron HR Service Center

You should still contact the HR Service Center to speak with a Customer Service Representative to manage retiree life insurance benefits (if any), report a death, update your home address or make changes to your beneficiary designations. You should also call the HR Service Center within 31 days of a retiree health coverage enrollment milestone or to discuss or manage pre-65 group health benefits – including pre-65 open enrollment elections.

- 1-888-825-5247
- 6 a.m. to 5 p.m., Pacific time (8 a.m. to 7 p.m., Central time)
- Monday through Friday, except holidays.

Important Notice from Chevron Corporation About Your Prescription Drug Coverage and Medicare

October 1, 2018

Please read this notice carefully and keep it where you can find it.

This notice has information about your current prescription drug coverage with Chevron Corporation and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are three important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare prescription drug plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Chevron Corporation has determined that the prescription drug coverage offered by the Retiree HRA Plan is, on average for all plan participants, **NOT** expected to pay out as much as standard Medicare prescription drug coverage pays. Therefore, your coverage is considered **Non-Creditable Coverage. This is important because, most likely, you will get more help with your drug costs if you join a Medicare drug plan, than if you only have prescription drug coverage from the Retiree HRA Plan. This also is important because it may mean that you may pay a higher premium (a penalty) if you do not join a Medicare drug plan when you first become eligible.**
3. You can keep your current coverage from the Retiree HRA Plan. However, because your coverage is non-creditable, you have decisions to make about Medicare prescription drug coverage that may affect how much you pay for that coverage, depending on if and when you join a drug plan. When you make your decision, you should compare your current coverage, including what drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your areas. Read this notice carefully – it explains your options.

When can you join a Medicare drug plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15 through December 7.

When will you pay a higher premium (penalty) to join a Medicare drug plan?

Since the coverage under the Retiree HRA Plan is **not** creditable, depending on how long you go without creditable prescription drug coverage, you may pay a penalty to join a Medicare drug plan. Starting with the end of the last month that you were first eligible to join a Medicare drug plan but didn't join, if you go 63 continuous days or longer without prescription drug coverage that's creditable, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

What happens to your current coverage if you decide to join a Medicare drug plan?

If you decide to join a Medicare drug plan, your current Retiree HRA Plan coverage will not be affected.

How to get more information about this notice or your current prescription drug coverage.

Call the Human Resources (HR) Service Center toll-free at 1-888-825-5247 to speak with a Customer Service Representative. Customer Service Representatives are available from 6 a.m. to 5 p.m., Pacific time (8 a.m. to 7 p.m., Central time), Monday through Friday, except on holidays. **Note:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan and if this coverage through the Retiree HRA Plan changes. You also may request a copy of this notice at any time by calling the HR Service Center.

How to get more information about your options under Medicare Prescription Drug coverage.

More detailed information about Medicare plans that offer prescription drug coverage is in the *Medicare & You* handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit **www.medicare.gov**.
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the *Medicare & You* handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227).
TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at **www.socialsecurity.gov**, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Date:	October 1, 2018
Name of Entity/Sender:	Chevron Corporation
Contact:	Chevron Human Resources Service Center
Address:	P.O. Box 18012 Norfolk, VA 23501
Phone Number:	1-888-825-5247

Please note: This is a government-required notice. This communication provides only certain highlights of benefits provisions. It is not intended to be a complete explanation. If there are any discrepancies between this communication and legal plan documents, the legal documents will prevail to the extent permitted by law. This is not a plan text, a summary plan description, or a summary of material modification. There are no vested rights with respect to Chevron health care plans or any company contributions toward the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change, or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations, or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision.