

Emeriti Retiree Health Plan

The Emeriti program is designed as a retirement benefit for employees, hired on or after July 1, 2012, that meet the eligible criteria. Upon retirement from the University, contributions and earnings accumulated in the account(s) for an eligible retiree can be applied to pay medical expenses for the retiree and the retiree's eligible dependents.

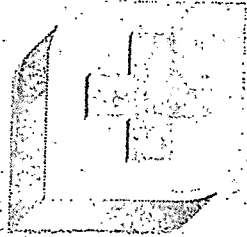
The University will make a monthly contribution to eligible employee accounts when an employee reaches age 40. The contributions will continue for a maximum of 25 years. The 2023-2024 contribution is \$86.52 on a monthly basis (\$1,038.18 annualized) and is currently set to increase by 3% for each subsequent year.

Employees can make voluntary contributions on an after-tax basis by completing the Salary Deduction Agreement for the Emeriti program. This provides a tax-advantaged way to invest and accumulate assets to pay for your insurance premiums and other eligible health expenses in retirement.

The University contributions, along with any voluntary employee contributions, are invested through TIAA. You can direct these investments among the available funds that closest meets your retirement goals.

Should the employee leave Colgate University prior to meeting the retirement eligibility, the funds in the account from Colgate will be returned to the University. Voluntary employee contributions will remain in the account.

Enclosed you will find additional information on how you can learn more about the program. If you have any questions, please contact the Emeriti Service Center at 1-866-363-7484 or our office at 315-228-7565. You can also visit www.EmeritiHealth.org for more information.



Colgate University Retirement Healthcare Savings Plan

Preparing today for a healthier tomorrow

Plan features

- Easy online access to account and investment information.
- Dedicated, toll-free customer service center.
- Online claims management.
- Convenient Rx debit card.
- Reimbursement for you, your spouse, your same or opposite sex domestic partner and other eligible dependents.
- Group retiree health insurance underwritten by Aetna.



Need more information? Call the Emeriti Service Center toll-free at **866-363-7484** and press option #2, weekdays, 9 a.m. to 5:30 p.m. (ET).



Download the TIAA app or log in to the TIAA.org website:

- Check account balance
- View pending transactions
- Transfer funds

Colgate University established the Retirement Healthcare Savings Plan (RHSP), administered by Emeriti and TIAA, as a way to help you prepare and pay for your medical expenses in retirement. As you get older, healthcare costs are likely to take up a larger portion of your budget, and Medicare may not be enough.¹

The RHSP complements your retirement plan and offers a number of tax advantages both while you are accumulating savings and later when you are retired, including:

- Tax-free employer contributions
- Tax-free investment earnings
- Tax-free reimbursement for qualified medical expenses during retirement

What you get



A tax-advantaged account

Money is set aside now to help you pay for your healthcare costs in retirement.

- Funded with tax-free employer contributions and your voluntary after-tax contributions
- Contributions are allocated to an age-appropriate TIAA-CREF Lifecycle mutual fund



A tax-free reimbursement benefit in retirement

Money in your account can be used for qualified medical expenses, such as:

- Health insurance premiums, deductibles and copays; prescription drug costs; Medicare and long-term-care premiums
- Other medical expenses as defined by the Internal Revenue Service



Access to employer-sponsored retiree health insurance plans

If you meet your employer's RHSP eligibility when you separate from employment and qualify for Medicare, you and your eligible dependents can enroll in your choice of Medicare Advantage and Medicare-approved prescription drug and dental plans underwritten by Aetna. For pre-65 eligible dependents and pre-65 retirees, there are medical and prescription drug combination plans and a dental plan available.² Calculate insurance premiums and get more information at EmeritiHealth.org.

Colgate University Retirement Healthcare Savings Plan

About the plan

Eligibility and contributions	Your employer will begin making contributions for you starting at age 40 for new hires as of July 1, 2012. The amount of the contribution will be determined by your employer annually. Your employer will stop making contributions on the earliest of the following events: your employer has made 25 years of contributions to your account; your separation from employment; your death during employment.
Investments	Initial contributions will be invested in a TIAA-CREF Lifecycle mutual fund that has a date closest to the year you will turn age 65. Once your account is established, you will have the opportunity to change your investment option(s) if you so choose.
Vesting and entitlement	Your voluntary after-tax contributions are always 100% vested. Your employer's contribution is vested when you are age 62 with 15 years of continuous service. Employees who terminate employment prior to attaining eligibility will forfeit any employer contributions plus any earnings attributable to the employer contributions.
Employer-sponsored retiree health insurance	You will also be eligible for retiree health insurance underwritten by Aetna if you satisfy the criteria for retirement eligibility under the plan: attain age 62 while employed by the institution with at least 15 years of continuous service; or become permanently disabled during active service and receive a disability determination letter from the Social Security Administration.
Benefits after death	After your death, your spouse or domestic partner and eligible dependents may continue to receive reimbursement for their qualified medical expenses. Eligible dependents may also stay enrolled in the Aetna health insurance. However, if there is no surviving spouse or domestic partner or eligible dependents, any unused benefits, including your voluntary after-tax contributions, will be forfeited back to the plan.



¹ eври.org, Employee Benefit Research Institute, Issue Brief, May 16, 2019, No. 481.

² Aetna dental plan is not available in Maryland.

Subject to the rules of your Summary Plan Description (SPD), your account assets are available to pay health insurance premiums and other qualified medical expenses for your life and the lifetime of your eligible dependents. Once you have died and once all your eligible dependents have died (or reached majority, in the case of children), any remaining balance in your account is forfeited back to the Plan for use under the terms of the Plan for other eligible participants of your Institution. This Plan Highlights Sheet is intended to provide you with a brief overview of certain key features of your Institution's Plan. Please consult your Summary Plan Description (SPD) sent separately to you for a more complete explanation of the terms of the Plan and your rights and responsibilities under the Plan. The terms of the Summary Plan Description (SPD) will prevail.

The full name of Emeriti Retirement Health Solutions is The Emeriti Consortium for Retirement Health Solutions, an Illinois Nonprofit Corporation. Emeriti Retirement Health Solutions is not an insurance company, insurance broker or insurance provider. The Emeriti Program is delivered in collaboration with TIAA, CBIZ RPS, Aetna Life Insurance Company, and Health Partners. Emeriti, TIAA, CBIZ RPS, Aetna Life Insurance Company, and HealthPartners are independent corporations and are not legally affiliated.

Teachers Insurance and Annuity Association of America (TIAA) is Emeriti's accumulation record keeper, trust services provider, and investment manager. Teachers Insurance and Annuity Association of America (TIAA) will provide services to the plan and may issue plan communications on behalf of the plan sponsor, in its capacity as a plan record keeper. CBIZ RPS is Emeriti's disbursement record keeper for Emeriti group insurance administration and Emeriti medical expense reimbursement processing.

Aetna Life Insurance Company is the primary health insurer for the Emeriti Program, providing fully insured medical insurance and health-related products. For over 150 years, Aetna has been an innovator in the delivery of insurance solutions and is a nationwide provider of Medicare-approved Part D prescription drug services.

For Minnesota institutions and their Minnesota-resident retirees, HealthPartners provides participants with medical insurance and health-related products. HealthPartners is the largest consumer-governed nonprofit health care organization in the nation.

The TIAA group of companies does not provide legal or tax advice. Please consult your legal or tax advisor.

Interests in any retiree healthcare plan discussed herein are offered solely by the employer.

TIAA Individual & Institutional Services, LLC serves as a broker-dealer with respect to underlying mutual funds only, and does not offer, market or sell interests in such plans or otherwise provide broker-dealer services with respect to the interests in such plans.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

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Welcome to the Emeriti Program

Emeriti Retirement Health Solutions is a nonprofit organization that pioneered the defined contribution approach to retiree health saving, benefits, and services on behalf of the education and education-related community nationwide. Emeriti was developed through the generous support of The Andrew W. Mellon Foundation and also The William and Flora Hewlett Foundation.

The key components of the Emeriti Program are:

- O **Emeriti Health Accounts:** Established through contributions from Colgate University when you reach age 40, and from voluntary contributions from you at any time. The Emeriti Health Accounts are a tax-advantaged way to invest and accumulate assets to meet your medical expenses in retirement, with mutual fund choices and administrative services provided by TIAA-CREF.
- O **Emeriti Health Insurance:** A choice of portable, group health insurance options for you and your dependents whenever you decide to retire. The Emeriti Pre-65 coverage provides a bridge between your working years and Medicare eligibility. The Emeriti Post-65 coverage compliments Medicare and includes Medicare-approved Part D coverage. Emeriti's health insurance is underwritten by Aetna Life Insurance Company.
- O **Emeriti Reimbursement Benefit:** Think of it as a lifetime flexible spending account that enables you to use assets from your Emeriti Health Account (tax-free) to pay for qualified out-of-pocket medical expenses not covered by Medicare or other insurance. The Reimbursement Benefit is administered by Savitz.
- O **Emeriti's Robust Educational Services:** Emeriti is deeply committed to helping you plan for health security in retirement through various online resources, campus workshops and lifestage communications. Please see the enclosed *Communications Channels* one sheet for more information.

The Importance of Retiree Health Benefits

There is growing concern nationally about the future ability of Medicare to provide the same level of benefits as it does today. Currently, Medicare covers just over 50% of health care costs for those over 65, and medical expenses continue to rise. Clearly we will all need to save more and review carefully our health insurance coverage and ability to pay out-of-pocket medical expenses in retirement.

Colgate University has evaluated options to help faculty and staff become better prepared to meet retiree medical costs, and gain access to quality, comprehensive insurance to supplement Medicare. **Colgate University's plan becomes effective July 1, 2012. We are pleased to offer the Emeriti retiree health benefit to new hires beginning employment on or after July 1, 2012.**

Under this new Plan, Colgate University will make contributions for eligible employees beginning at age 40 to help pre-fund the health benefits that may become available to you and your family under the terms of the Plan after you retire. **You will also have an opportunity to make voluntary contributions.** You will determine how the funds will be invested, choosing from several mutual fund investment options available through TIAA-CREF.

Understanding the Emeriti Health Accounts

The Emeriti Program uses a "defined contribution" funding approach, which means that the amount of funds available to you in retirement under the Plan is determined by the contributions made to your Emeriti Health Accounts and the investment performance of those contributions. This makes the retiree medical plan similar to a 403(b) retirement plan in terms of how it is funded. In both types of plans, Colgate University makes before-tax contributions on your behalf during your working years, and any earnings accumulate tax free. However, the two plans are quite different in terms of how benefits are paid out. Under a 403(b) plan, distributions can be used for any purpose, but they are generally fully taxable as ordinary income. In contrast, the balances in your Emeriti Health Accounts are available only for payment of health insurance premiums and reimbursement of other qualified medical expenses in retirement—but the contributions plus all earnings are paid out tax free, which can mean significant savings over paying medical expenses and health insurance premiums with 403(b) distributions. Any contributions that you elect to make are contributed on an after-tax basis; at retirement the full value of the assets are paid out tax free to cover your medical expenses and insurance premiums.

A few important points about your Emeriti Health Account:

- Colgate's and your own contributions will be directed to the default age-appropriate TIAA-CREF lifecycle

fund unless and until you decide to change future allocations, which you may do at any time.

- You may make fund transfers among investment options at any time in amounts of \$1,000 or more or the full value of your account (if less than \$1,000).
- To make investment changes, you may call the Emeriti Service Center at 1-866-EMERITI (1-866-363-7484) and select option #3, or you may log in your Emeriti Health Account at www.tiaa-cref.org.

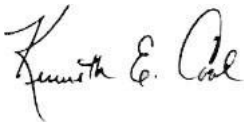
Learn More About the Emeriti Program

In order to help you take full advantage of this important new benefit, there are numerous ways for you to learn more about the Emeriti Program:

- **New Hire Packet.** Learn about the Plan and the Emeriti Program.
- **Campus Workshop.** Campus workshops may be available in the future, where a representative from Emeriti will be on hand to review investment options and specific details of Colgate University's Plan.
- **Emeriti Website.** Learn about all of the components of the Emeriti Program at www.EmeritiHealth.org.
- **Ongoing Lifestage Communications.** Periodic communications to help you understand the importance of saving for retiree health expenses.

We invite you to learn more about the Emeriti Program via the resources outlined above. If you have any additional questions, please don't hesitate to contact the Emeriti Service Center at 1-866-363-7484.

Sincerely,



Kenneth E. Cool,

President



EMERITI[®]
RETIREMENT HEALTH SOLUTIONS



Your Plan Highlights at a Glance

Key Features of the Emeriti Program

Colgate University has adopted a retiree health plan through the Emeriti Program, a comprehensive retiree health benefits solution for employees of colleges, universities, and other education-related nonprofit organizations. The three core components of the Emeriti Program include:

- **Emeriti Health Accounts** - a tax-advantaged way for you to save and invest assets exclusively to help meet future retiree medical expenses. Services provided by TIAA-CREF.
- **Emeriti Health Insurance Options** - a specially designed group retiree health insurance program for yourself and your eligible dependents that complements Medicare. Underwritten by Aetna Life Insurance Company.
- **Emeriti Reimbursement Benefit** - a tax-free way to receive reimbursement for you and your eligible dependents' qualified out-of-pocket medical expenses. Managed by Savitz.

About Your Plan

You are a participant in the Emeriti Retiree Health Plan for Colgate University.

Under the Plan, your spouse, same sex or opposite sex domestic partner, dependent children* and dependent relatives* may also be eligible to receive benefits while you are receiving benefits and may continue to do so after you die.

*As defined by IRS guidelines

For more information, please contact the Emeriti Service Center at 1-866-363-7484 and visit www.emeritihealth.org.

Your Employer's Contributions

Colgate University will begin making contributions for you when you reach age 40. The amount of the contribution will be determined by the Institution. Colgate University will cease making its contributions on the earliest of the following:

- the date Colgate University has made 25 years of contributions to your account
- the date you cease employment at Colgate University
- the date of your death during employment

Your Own Contributions

You can begin to make voluntary contributions from your payroll to the Plan on a whole percentage of base salary each payroll period. The amount will be determined by you and there is a 20% per payroll maximum on the amount you can contribute. Your contributions will be made on an after-tax basis, but all contributions and earnings will accumulate and be paid out tax free for your retiree health insurance and other qualified medical expenses.

Your Eligibility for Emeriti Benefits

Using Your Emeriti Reimbursement Benefit

You will be able to utilize the Emeriti Reimbursement Benefit to pay for any qualified out-of-pocket medical expenses after termination of employment with Colgate University if at least age 62 with 15 years of service at termination, or age 65 with 10 years of service. See Emeriti's website at www.emeritihealth.org (click on Emeriti Reimbursement Benefit at the bottom of the home page) for a list of eligible expenses.

If you meet the above criteria, you have the right to use any Employer contributions in your Health Account to pay for qualified out-of-pocket medical expenses through the Emeriti Reimbursement Benefit after you leave Colgate University. Any voluntary contributions that you make are immediately vested and will be available for reimbursement of qualified medical expenses when you terminate employment, up to \$5000 before the age of 55. When you turn age 55, you may use the remainder of the assets from your voluntary contributions.

Please read your Summary Plan Description (SPD) for further details about special conditions allowing for early withdrawal of your Emeriti assets in the case of a terminal illness or a catastrophic health situation.

To check your account balance go to www.emeritihealth.org, "Check Your Health Account Balance" link under "Already a Participant," or call the Emeriti Service Center: 1-866-363-7484.

Using Your Emeriti Pre- & Post-65 Health Insurance

You will also be eligible for the Emeriti Health Insurance Plan Options if you satisfy the criteria for Retirement Eligibility under the Plan:

- attained age 62 while employed by Colgate University with at least 15 years of continuous service
- attained age 65, while employed by Colgate University, with at least 10 years of service
- became permanently disabled during active service and received a disability determination letter from Social Security

Having met the criteria for Retirement Eligibility, you will be able to enroll in the Emeriti Post-65 Health Insurance after terminating service with Colgate University. You may also choose to enroll in Emeriti's Pre-65 Retiree Health Insurance Options before moving into the Post-65 coverage.

If your spouse (or domestic partner) is also age 65 or older and is enrolled in Medicare Parts A and B, he/she may also enroll when you do in the same Emeriti Health Insurance Plan Option you have elected. If your spouse (or domestic partner) or eligible dependents are not Medicare-eligible, they may enroll in Emeriti's pre-65 Health Insurance Plan Options when you enroll.

Your Right to Emeriti Benefits

Subject to the rules of your Summary Plan Description (SPD), your Emeriti Health Account assets are available to pay health insurance premiums and other qualified medical expenses for your life and the lifetime of your eligible dependents. Once you have died and once all your eligible dependents have died (or reached majority, in the case of children), any remaining balance in your Health Account is forfeited back to the Plan for use under the terms of the Plan for other eligible participants of your Institution.

This Plan Highlights Sheet is intended to provide you with a brief overview of certain key features of Colgate University's Plan. Please consult your Summary Plan Description (SPD) sent separately to you for a more complete explanation of the terms of the Plan and your rights and responsibilities under the Plan. The terms of the Summary Plan Description (SPD) will prevail.

Emeriti Retirement Health Solutions, Aetna Life Insurance Company, TIAA-CREF, HealthPartners (in Minnesota), and Savitz are independent organizations and are not legally affiliated.

The retirement healthcare program is offered by the employer. Teachers Insurance and Annuity Association (TIAA) will provide services to the plan and make available investment options. TIAA-CREF Trust Company, FSB provides investment management and trust services.

Insurance plans and COBRA administration for the Emeriti Program are provided by Aetna, Inc, 151 Farmington Avenue MOB, Hartford, CT 06156.



1-866-363-7484

www.emeritihealth.org



7 WAYS TO GET MORE INFORMATION



www.MyEmeritiBenefits.org



SERVICE CENTER

Call toll-free at 1-866-EMERITI (1-866-363-7484)
Monday through Friday, 9:00am to 5:30pm (ET)

PARTICIPANT DASHBOARD

An at-a-glance benefits website with access to information about your Emeriti Health Account balances, Health Insurance plans and Reimbursement Benefit transactions.

WEBSITE

WWW.EMERITIHEALTH.ORG

The Emeriti web site contains information about each component of the program, as well as Medicare updates, campus workshop materials and premium rate guides.



ENROLLMENT KITS

Emeriti mails age-in retirement kits and annual insurance enrollment kits to your residence.

WORKSHOPS & SESSIONS

Scheduled annually on campus, these workshops are designed to provide you with details about the Program, including plan provisions.

LIFE STAGE COMMUNICATIONS

Various media to inform and educate participants about the Emeriti Program throughout their working years and into retirement.

QUARTERLY STATEMENTS

Two different print and electronic statements that detail your Health Account investments, as well as your Health Insurance and Reimbursement Benefit transactions.

GET MORE INFORMATION

Third Party Resources

Medicare.gov

www.medicare.gov

Access **MEDICARE AND YOU 2010** from the Centers for Medicare and Medicaid Services. All information is free.



www.kff.org

The Kaiser Family Foundation, a leader in health policy and communications, is a nonprofit, private operating foundation focusing on the major health care issues facing the U.S. Kaiser acts as a non-partisan source of facts, information, and analysis for policy makers, the media, the health care community, and the public. All information is free.

ebri.org

Employee Benefit
Research Institute

www.ebri.org

The mission of the Employee Benefit Research Institute (EBRI) is to contribute to, encourage, and to enhance the development of sound employee benefit programs and sound public policy through objective research and education. You will find research and education-related information pertaining to retiree health care on this web site. All information is free.



www.irs.gov

The IRS web site provides detailed explanations of eligible dependents, and qualified medical expenses. The Emeriti web site also provides a general overview of these items.



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RETIREMENT HEALTH SOLUTIONS

The Emeriti Service Center. 1-866-EMERITI (1-866-363-7484)
Monday through Friday, 9:00am to 5:30pm (ET).

Colgate University
Salary Deduction Agreement
Voluntary Contributions to the Emeriti Health Account

By this Agreement, made between _____ (employee) and Colgate University (the University), the parties hereto agree as follows:

Effective with respect to amounts earned on or after _____ (date), a deduction from the employee's salary will occur each pay period biweekly; monthly in the amount indicated below. The deductions will be remitted to the employee's Emeriti Health Account.

This Agreement shall be legally binding on both parties (named above) while employment continues, or until such time as the employee provides written notice of a change in his/her contribution amount or termination of his/her contributions to the Emeriti Health Account. An employee may make changes to his/her salary deduction agreement at any time, in accordance with the advanced notice procedures and other processes established by the University.

The employee elects the following option for voluntary contributions to the Emeriti Health Account by means of salary deduction:

Emeriti Retiree Health Plan For Colgate University

This plan allows voluntary employee contributions for those hired on or after July 1, 2012.

The percent of "basic University compensation": _____ (please enter whole percentages).
Maximum limit of 20% per pay period.

For this purpose, your "basic University compensation" means (a) the salary paid pursuant to the academic year appointment for faculty, and (b) for all other employees, base wages, excluding benefits and overtime.

The amount of this election will be remitted as a contribution to the employee's Emeriti Health Account.

Employee voluntary contributions to the Emeriti Health Account are made on an after-tax basis and are subject to rules established under the University's Emeriti Plan described in your Summary Plan Description.

Employee name (please print full name)

Employee Identification Number

Employee signature

Date

Human Resources Representative

Date
