Who Is Eligible and How to Enroll — Medical and Vision Care Programs for Pre-Medicare Retirees

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Who Is Eligible and How to Enroll

Medical and Vision Care Programs for Pre-Medicare Retirees

BNSF Group Benefits Plan

Effective Jan. 1, 2021

Who Is Eligible?

Retirees

As an eligible retiree, you may participate in the Medical and Vision Care Programs for Pre-Medicare Retirees under the BNSF Group Benefits Plan.

You are eligible to participate in the Medical and Vision Care Programs as a retiree if you are not eligible for Medicare and meet all the following requirements *(*see Salaried employees note on next page)*:

- Were a regularly assigned, salaried employee of BNSF or a participating wholly owned subsidiary company,
- Were hired or promoted to a salaried position on or before Sept. 22, 1995,
- Retired after June 1, 1994, and with 10 or more years of service after reaching age 45,
- Continuously remained a BNSF salaried employee until your retirement date,
- Began receiving your benefit under the BNSF Retirement Plan immediately after you left active employment with BNSF, and
- Were a U.S. resident at the time of your retirement and continue to remain a U.S. resident after retirement.

Defined terms: For the meaning of terms in blue, click to see the *Defined Terms* section.

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Retirees who entered salaried employment with BNSF as a result of a transfer, initial hire or rehire after Sept. 22, 1995, are not eligible for benefits under the Medical and Vision Care Programs. In addition, coverage is not available to other retirees, such as former leased employees or independent contractors.

Retirees formerly covered under a collective bargaining agreement (this includes any retiree formerly employed in a temporary exempt position) are not eligible to participate in any program or plan of the BNSF Group Benefits Plan, unless they are covered by a collective bargaining agreement that specifically includes participation.

** Salaried employees who otherwise would have been eligible for Santa Fe retiree medical benefits (were a regularly assigned, salaried employee of Santa Fe Corporation or its participating affiliates on or before Sept. 22, 1995), and:*

- *Whose employment was terminated other than for cause as a result of the Comprehensive Outsourcing Agreement between BNSF and IBM, dated Aug. 12, 2002,*
- *Who had attained age 40 at the date of termination of employment,*
- *Who were employed by IBM or an affiliate of IBM after termination of BNSF employment, and*
- *Who appropriately executed a release prepared by BNSF or a wholly owned subsidiary of BNSF,*

have their service with IBM or its affiliates treated as service with BNSF, and termination of employment with IBM treated as termination of employment with BNSF, for purposes of meeting the above eligibility requirements.

When You Become Eligible

If you meet the above requirements, you become eligible on the first of the month following the end of your active employee medical coverage.

Dependents

Your eligible family members may participate in the Medical or Vision Care Programs for Pre-Medicare Retirees.

Family members you may cover as eligible dependents are defined below, provided that they are not eligible for Medicare. Note that the term “dependent” used in other chapters of this SPD generally means a family member eligible to participate in that program. Qualifying as a tax dependent under Internal Revenue Service rules is required in some cases, but not in others. For information, see the chapter of this SPD titled *Overview of Medical Options and Cash Accounts for Pre-Medicare Retirees*.

Spouse

You may cover the legal spouse to whom you are married at the time you retire unless the spouse is eligible for Medicare or you are legally separated or divorced.

Children

- You may cover your child (children) who is not eligible for Medicare, and who:
  - Is under age 26[1] and is ***any*** of the following:
    - Your natural child,

[1] *Or the age set by law in your state for vision care coverage, since it is an insured program.*

  - Adopted child (or placed for adoption),
  - Stepchild,
  - Foster child, or
  - Child for whom you and/or your spouse has legal custody.
- Is your grandchild (or other child related by blood or marriage) under age 19 (or under age 23 if a full-time student) and is ***all*** of the following:
  - Unmarried,
  - Living with you (unless a full-time student), and
  - Eligible to be claimed as a dependent on your federal income tax return.
- Is incapable of self-support due to a physical or mental disability, so long as the child became disabled before reaching a program's maximum age. See *Continued Coverage of a Disabled Child*.
- Is the subject of a Qualified Medical Child Support Order (QMCSO) issued under the Employee Retirement Income Security Act of 1974 (ERISA) Section 609, as determined by BNSF, or another court order or decree such as a divorce decree.

Who Is a Full-Time Student?
To be considered a full-time student, your child must be registered as a full-time student at an accredited high school, college, university, trade school, professional school, school in a foreign country or remedial education facility. BNSF or the Claims Administrator for an insured program may require proof that a child is registered as a full-time student.

When Coverage of a Child Ends
Coverage of a child who is an eligible dependent and is not disabled ceases at the end of the month during which the child no longer meets the eligibility requirements outlined in this *Dependents* section.

Coverage of a disabled child can continue as long as the child meets the eligibility requirements. See *Continued Coverage of a Disabled Child*.

If a covered dependent loses coverage due to his or her loss of dependent eligibility, he or she may choose to continue coverage by paying the full cost. For more information, please see the chapters of this Summary Plan Description (SPD) titled *When Coverage Ends – Medical and Vision Care Programs for Pre-Medicare Retirees* and *Continuing Health Care Coverage Under COBRA – Medical and Vision Care Programs for Pre-Medicare Retirees*.

If a child older than age 18 whose eligibility depends on being a full-time student at a post-secondary educational institution (see *Children*) takes a medically necessary leave of absence from the educational institution while suffering from a serious illness or injury, at minimum his or her coverage will continue until whichever of the following occurs first:

- One year after the start of the medically necessary leave of absence, or
- The date on which coverage would otherwise end due to the eligibility requirements of the Medical or Vision Care Programs for Pre-Medicare Retirees.

For the child to be eligible for continued coverage due to a medically necessary leave of absence, you must contact benefits.update@bnsf.com. You may be required to submit a written certification from the child's treating physician.

Continued Coverage of a Disabled Child
An eligible child who is mentally or physically disabled and is not eligible for Medicare may retain coverage beyond the applicable limiting age stated within this *Children* subsection as long as the disability began before reaching the age limit.

To be eligible for continued coverage, the child must be unmarried, incapable of self-sustaining employment and must not provide more than one-half of his or her own financial support. To continue coverage for a disabled child, *you must contact* the benefit plans manager at benefits.update@bnsf.com with proof of the disability *within 60 days* of the child reaching the applicable age limit.

The benefit plans manager may request proof of disability from time to time thereafter.

Coverage After Retiree's Death

At the time of your death, your dependents who remain eligible may continue coverage by paying the applicable premium. Your dependent spouse and child(ren) may continue coverage until they become covered by Medicare or otherwise become ineligible (e.g., no longer meet the age requirement for coverage).

If you would have been eligible for the BNSF Medicare-Eligible Retiree Medical Program had you lived, your eligible dependents may enroll in that program upon becoming eligible for Medicare.

Dependents Who Are Not Eligible

The following dependents (whether your spouse or children) are not eligible for coverage under the BNSF Group Benefits Plan:

- A spouse whom you married after you left active employment with BNSF.
- A person (whether your spouse or children) who is serving on active duty in the military.
- A person (whether your spouse or children) who lives outside of the United States or Canada (unless he or she is enrolled as a full-time student in an accredited foreign school and has a permanent address in the United States or Canada).
- A child who is a regularly assigned employee of BNSF or a participating wholly owned subsidiary employer.
- A child who has reached a program's age limit or otherwise does not meet eligibility requirements.

Dual Coverage Rule

If both you and your spouse are retired salaried employees of BNSF, you cannot *both* take coverage for your spouse and/or children under the Medical or Vision Care Programs for Pre-Medicare Retirees.

WHEN COVERAGE BEGINS

Retiree Coverage

Coverage Upon Becoming Eligible

Your coverage under the BNSF Medical and Vision Care Programs for Pre-Medicare Retirees begins when you are first eligible, as long as you have enrolled in each program as required. See *When You Become Eligible* in the previous section of this chapter for eligibility dates.

If You Do Not Enroll When First Eligible

If you do not enroll in the Medical or Vision Care Program for Pre-Medicare Retirees when first eligible because you have other employer group medical or vision plan coverage available (such as your spouse's employer-provided plan), you may initially waive (choose not to enroll in) BNSF retiree coverage and still retain special rights to enroll at a later date. Under the HIPAA special enrollment rights, you may enroll in BNSF's retiree medical or vision coverage if you lose coverage under the other employer plan for the following reasons:

- The other group plan is terminated, or the employer sponsoring the other group plan stops making employer contributions;
- Your eligibility for the other group coverage ends for reasons beyond your control, such as because of the termination of employment of you or your spouse (if you are enrolled as your spouse's dependent); or
- You become eligible for legally required enrollment rights, for example, due to a Qualified Medical Child Support Order (QMCSO).

Your disenrollment from the other coverage during annual enrollment or failure to pay required contributions for coverage under the other group plan is not a termination of the other plan under these special enrollment rights.

If you do not enroll in BNSF retiree medical and/or vision coverage when you are first eligible and you do not have other employer group plan coverage available, you forfeit eligibility to enroll in that BNSF coverage permanently and cannot enroll at a later date.[2]

Note that you must enroll in BNSF's retiree medical and/or vision coverage no later than 31 days from the date you lose coverage under the other group plan by notifying the BNSF Benefits Center at 833-277-8051. After this date, you forfeit eligibility to enroll in BNSF retiree coverage and cannot enroll at a later date. You will need to provide proof of both your coverage under the other group plan and the reason your coverage has ended.

[2] *BN retirees are provided a one-time opportunity to reenroll if coverage is waived due to enrolling in a plan that meets the Minimum Essential Coverage requirements of the Affordable Care Act. See healthcare.gov.*

Eligible Dependent Coverage

Eligible dependents are covered only if:

- You have enrolled them as required when they are eligible,
- You have timely provided proof of dependency status, and
- You pay any necessary contributions for their coverage.

Any dependent not verified within 30 days will have their coverage terminated on a prospective (going forward) basis.

Spouse

Coverage for your eligible spouse will begin on the latest of:

- The date your coverage begins, or
- The date your election of spouse coverage takes effect (if you later add spouse coverage because your eligible spouse lost other employer's group medical and/or vision coverage).

Children

Coverage of a child who is an eligible dependent begins on the latest of:

- The date your coverage begins,
- The date your election of children's coverage takes effect (if you later add children's coverage),
- The live newborn child's date of birth, or
- The date the child becomes your dependent.

You must notify the BNSF Benefits Center at 833-277-8051 within 31 days of the addition of a child, as it is a qualifying family status event, and you must elect dependent child coverage (if you do not already have a currently in-force election for child coverage). The child must be eligible for coverage on the date you notify the BNSF Benefits Center.

If You Do Not Enroll Family Members When First Eligible

If you do not elect coverage for your spouse and/or children when they are first eligible, you must wait until you have a qualifying family status event, HIPAA special enrollment event or the next annual enrollment period. Notify the BNSF Benefits Center within 31 days of a qualifying family status event and request enrollment or changes by calling 833-277-8051.

ENROLLING AND MAKING ENROLLMENT CHANGES

First Enrollment

Newly retired employees — You must enroll yourself and your eligible dependent(s) under the BNSF Medical and/or Vision Care Programs for Pre-Medicare Retirees within 31 days after the end of your active employee coverage.

Annual Enrollment

Each year, if you are eligible, you have the opportunity to change your current Medical and Vision Care Program coverage elections during the annual enrollment period. You must make your elections by the deadline set for each annual enrollment period.

Default Medical and Vision Care Coverage

If the Pre-Medicare Retiree Medical or Vision Care Program option in which you are enrolled is no longer available, and you do not make a new election, generally coverage for you and your eligible covered dependents will be changed as indicated in the annual enrollment information for that year, as long as you remain eligible.

When New Elections Take Effect

Coverage will be effective on the date indicated for the annual enrollment period.

Important Considerations if Opting Out of Medical Coverage

If you opt out of BNSF Medical Program coverage as a retiree, you should consider having other group or individual medical coverage in place to cover yourself and your dependents at the time you opt out. The law (HIPAA) allows you to carry over credited service from coverage under another medical plan (whether the coverage is individual coverage or group coverage, including the BNSF Medical Program) and use it to reduce a new group medical plan's pre-existing condition exclusion period. If you have a break in coverage of more than 62 days, you may not be able to carry over credit for any prior medical coverage to any new medical plan, which may delay coverage for pre-existing conditions.

Although the BNSF Medical Program for Pre-Medicare Retirees does not have a pre-existing condition exclusion period, you should still familiarize yourself with the creditable coverage rules since you may want to purchase medical coverage in the future that does have a pre-existing exclusion period.

Keep in mind that if you opt out of coverage under the BNSF Medical Program for any reason other than because you have other employer group medical coverage, you will not be eligible to reenroll at a later date.[3]

Changing Your Elections During the Year

Your elections normally remain in place for the entire year for which you enroll. You may make a change *only* if you remain eligible and have a qualifying family status event or otherwise qualify for HIPAA special enrollment. Otherwise, if you remain eligible, you must wait until the next annual enrollment period to make a change. Note that enrollment or re-entry into the Medical and Vision Care Programs is not possible unless you qualify for the special enrollment rights described in *If You Do Not Enroll When First Eligible*.

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[3] *BN retirees are provided a one-time opportunity to reenroll if coverage is waived due to enrolling in a plan that meets the Minimum Essential Coverage requirements of the Affordable Care Act. See healthcare.gov.*

Qualifying Family Status Event

Qualifying family status events include these changes in your family, employment or coverage situation:

- Your marriage, legal separation, divorce or annulment of your marriage;
- Birth, placement for adoption or adoption of a child, or court-appointed legal guardianship of a child;
- Death of a dependent (including your spouse);
- A change in your family's eligibility for benefits coverage due to your spouse beginning or losing employment, a change in hours worked by your spouse or an unpaid leave of absence taken by your spouse;
- Your eligible dependent becomes eligible or loses eligibility for other coverage, including Medicare or Medicaid coverage;
- A significant change in non-BNSF benefits coverage for you or your dependents, including changes due to your spouse's annual enrollment decisions, as determined by the BNSF Benefits Center; or
- Service of a Qualified Medical Child Support Order (QMCSO) issued under ERISA Section 609, as approved by the BNSF Benefits Team.

31-Day Deadline for Changes Due to Family Status Events

Except as noted in the following *HIPAA Special Enrollment Rules for Medical and Vision Care Coverage* section, you must request enrollment or a change in enrollment within 31 days following your qualifying family status event. If you experience one of the qualifying family status events listed and remain eligible, you may make only changes that directly relate to the event and are consistent with the event.

HIPAA Special Enrollment Rules for Medical and Vision Coverage

If you opted out of BNSF Medical and/or Vision Care Program coverage as a retiree for yourself or an eligible dependent when first eligible or during the annual enrollment period and remain eligible (see the *If You Do Not Enroll When First Eligible* section), you may enter or re-enter the BNSF Medical and/or Vision Care Program or add eligible dependents on a HIPAA special enrollment date or subsequent annual enrollment period. Except as noted, you must enroll through the BNSF Benefits Center ***within 31 days following*** one of the following events:

- If you opted out of coverage under BNSF's Pre-Medicare Medical or Vision Care Program because you were covered under another employer's group medical or vision plan, and you lose coverage under that plan for a reason specified above in *If You Do Not Enroll When First Eligible*. In this case, you may enroll yourself and any eligible dependents. However, enrollment is not available if you lost coverage because you did not pay premiums or because of your misrepresentation.
- If you opted out of coverage under BNSF's Pre-Medicare Medical or Vision Care Program coverage, or you opted not to enroll your dependents because COBRA coverage under another employer's plan was in effect on your eligibility date. In this case, you or your dependents must exhaust the COBRA continuation period before HIPAA special enrollment is available, provided that you and/or your dependents are eligible. This means you or your dependents must continue COBRA coverage for the entire COBRA period. If you stop paying COBRA premiums, you do not qualify as exhausting the COBRA continuation period.

Neither you nor your eligible dependent is required to elect COBRA continuation coverage under another employer's plan in order to become eligible for HIPAA special enrollment under the BNSF Medical and Vision Care Programs for Pre-Medicare Retirees. However, if you opted out of coverage under the BNSF Medical or Vision Care Program for Pre-Medicare Retirees, once you or your dependent elects COBRA continuation coverage under another employer's plan, the entire COBRA continuation period must be completed before you may enroll in the Medical or Vision Care Program under the HIPAA special enrollment rules, provided that you and/or your dependents are eligible.

- If you or your dependent is covered under a Medicaid plan or a state Child Health Insurance Plan (CHIP), and your coverage or your dependent's coverage under that plan is terminated because you or your dependent loses eligibility. In this case, if you remain eligible, you may elect coverage for yourself or your eligible dependent under the BNSF Medical or Vision Care Program for Pre-Medicare Retirees ***not later than 60 days*** after the date of termination of your prior coverage.

There is a 60-day deadline for certain special enrollment situations.

- If you or your dependent becomes eligible for government assistance with the cost of the BNSF Medical Program coverage through Medicaid or CHIP (including under any related waiver or demonstration project). In this case, if you remain eligible, you may elect coverage for yourself or your dependent under the BNSF Medical Program ***not later than 60 days*** after the date you or your dependent becomes eligible for assistance.

You must notify the BNSF Benefits Center and enroll in the Medical or Vision Care Program within 31 days, except as noted below.

Special enrollment is available at any time during the year, if you remain eligible.

Giving Notice of a Family Status Event

Except as noted for certain HIPAA special enrollment events, which allow 60 days for notification (regarding loss of Medicaid or CHIP coverage, or eligibility for government premium assistance), ***you must notify the BNSF Benefits Center of the event and make your enrollment election within 31 days after the event. Otherwise, you will not be allowed to make any changes until the next annual enrollment period unless you have a subsequent family status event or otherwise qualify for special enrollment.***

To notify the BNSF Benefits Center and change your election, call 833-277-8051 or go to the BNSF Benefits Center website at digital.alight.com/BNSF.

Cost of Coverage

You will be advised of the cost of coverage at the time you make your elections. From time to time, BNSF reviews the cost of the various program options. You will be notified of any changes in the cost of coverage before the change goes into effect.

Effective Date of Coverage

Coverage Requests Made During Annual Enrollment
If you remain eligible and request coverage during the annual enrollment period, the effective date of coverage under the Medical or Vision Care Program for Pre-Medicare Retirees is the Jan. 1 following the end of the annual enrollment period.

Coverage Requests Made Other than During Annual Enrollment
If you remain eligible and request coverage at any time other than the annual enrollment period due to a qualifying family status event or HIPAA special enrollment event as described in previous sections of this SPD, the effective date of coverage under the Medical or Vision Care Program for Pre-Medicare Retirees is the date of the event allowing the coverage request, provided that it is made within the applicable time limit.

WHO TO CALL ABOUT YOUR BENEFITS

For questions about eligibility for benefits or enrolling in any of the programs of the BNSF Group Benefits Plan, call the BNSF Benefits Center at 833-277-8051. Benefits Center representatives are available Monday through Friday, 7 a.m. to 7 p.m. Central time.

DEFINED TERMS

About These Terms

The following definitions of certain words and phrases will help you understand the benefits to which the definitions apply.

Some definitions apply in a special way to specific benefits. So, if a term that is defined in another chapter of this SPD also appears as a defined term listed here, the definition in the other chapter will apply to that specific chapter rather than the definition below.

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BNSF, company, employer – Burlington Northern Santa Fe, LLC, 2301 Lou Menk Drive, Fort Worth, TX 76131 and wholly owned subsidiary companies.

Claims Administrator – For identification of Claims Administrators, see the chapter of this SPD titled *Administrative Information – Medical and Vision Care Programs for Pre-Medicare Retirees*.

COBRA – Consolidated Omnibus Budget Reconciliation Act of 1985, as amended. For more information on your COBRA rights, see the chapter of this SPD titled *Continuing Health Care Coverage Under COBRA – Medical and Vision Care Programs for Pre-Medicare Retirees*.

Default coverages – See the *Enrolling and Making Enrollment Changes* section of this SPD chapter.

ERISA – Employee Retirement Income Security Act of 1974, as amended.

HIPAA special enrollment – Period defined in HIPAA legislation during which you may enroll in Medical or Vision Care Program for Pre-Medicare Retirees coverage when you otherwise would not be able to enroll. See the *Enrolling and Making Enrollment Changes* section of this SPD chapter.

Pre-existing condition – An injury, sickness or medical condition for which you, during a period before your effective date:

- Received medical treatment, consultation, care or services;
- Took prescription medications or had medications prescribed; or
- Had symptoms or conditions that would cause a reasonably prudent person to seek diagnosis, care or treatment.

QMCSO – Qualified Medical Child Support Order.

Qualifying family status event – See the *Enrolling and Making Enrollment Changes* section of this SPD chapter.

Salaried employee – An employee not covered by a collective bargaining agreement.