

**Return the completed form within 30 days of the qualifying event to: Progress Energy Employee Service Center – PEB 16 ESC, P.O. Box 1551, Raleigh, NC 27602-1551. If you have questions, call 800-546-5705. Changes received in the Employee Service Center after the 15<sup>th</sup> of the month may not be reflected until the next pension payroll cycle.**

**A. General Information:**

Social Security Number		Birth Date	
Last Name	First	MI	Home Phone
Home Address			Alternate Phone
City	State	Zip	

**B. Reason for coverage change**  Moving out of service area  Dropping coverage  Qualifying event (Your reason for change must be due to one of the following events below. You must complete this form and return it within 30 days of the change.)

Check the qualifying event that applies:

<input type="checkbox"/> Marriage	<input type="checkbox"/> Birth of child	<input type="checkbox"/> Retirement	<input type="checkbox"/> Medicare eligibility
<input type="checkbox"/> Divorce	<input type="checkbox"/> Adoption	<input type="checkbox"/> Child no longer eligible*	<input type="checkbox"/> Domestic partner relationship declared **
<input type="checkbox"/> Legal separation	<input type="checkbox"/> Ineligible child became eligible*	<input type="checkbox"/> Changing place of residence to outside of the plan's service area	<input type="checkbox"/> Domestic partner relationship terminated
<input type="checkbox"/> You, your spouse or domestic partner, or dependent loses eligibility or becomes eligible to participate in a premium assistance program under Medicaid or Children's Health Insurance Program (CHIP) coverage (must notify Employee Service Center within 60 days of change; other qualifying events are 30 days)			

\* Please give details in comments section. \*\* Request declaration form

Date of qualifying event:	Comments:
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**C. Medical Enrollment**

Check the box next to your chosen retiree medical option and coverage level	Election		
	Self	Self+1	Family
Permanently Waive Retiree Medical Coverage	<input type="checkbox"/>		
BCBSNC HDHP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BU BCBSF-750	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AvMed HMO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BlueCare HMO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medicare Advantage Plan (You are waiving coverage with PGN and enrolling in a Medicare Advantage Plan)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>HEALTH SAVINGS ACCOUNT (only available if you elect the BCBS High Deductible Health Plan)</b>			
Elect Health Savings Account <input type="checkbox"/> Yes <input type="checkbox"/> No Annual contribution <sup>1</sup> \$_____ Annual Catch-Up contribution <sup>2</sup> \$_____			
<sup>1</sup> Your annual contribution for the Health Savings Account is a maximum of \$2,600 for self coverage; \$5,250 for self + 1 or family coverage (in addition to the company seed money).			
<sup>2</sup> Available to retirees who will be between ages 55 and 64 in 2012. The annual catch-up contribution limit is a maximum of \$1,000.			

**D. Participant Information - List below all participants to be covered under your retiree medical coverage (refer to the eligible dependent definition in the medical booklet to verify your dependent's eligibility)**

Last name	First	MI	Relationship to you	* Medical PCP (HMOs only)
<b>01 Employee</b>			Self	<input type="checkbox"/> New patient PCP # and Name
<b>02 Spouse/Domestic Partner (circle one) Name</b>				<input type="checkbox"/> New patient PCP # and Name
SSN	Birth Date			
Home Address				
City	State	Zip		
<b>03 Child Name</b>				<input type="checkbox"/> New patient PCP # and Name
SSN	Birth Date			
Home Address				
City	State	Zip		

\* **Medical PCP** - If you are changing plans or adding dependents, you must name a Primary Care Physician for each participant under the AvMed HMO or BlueCare HMO medical plans. Children may designate a pediatrician as their PCP. BlueCare and AvMed require a PCP #.

**OB/GYN Care** - Female members can obtain access to in-network OB/GYN care without prior authorization. The HMO plans do not allow an OB/GYN to be selected as the PCP. AvMed only allows Obstetricians as PCPs during pregnancy.

## The following provisions apply to your retiree medical coverage

### If you elect or keep your HMO or HDHP Option:

1. You may keep HMO or HDHP coverage up to the month of the calendar year either you or your spouse/domestic partner (if covered) will reach age 65 or become Medicare eligible due to disability. At that time you, your spouse/domestic partner and dependents (if applicable) must move to the BU BCBSF PPO-750 Plan or an outside Medicare Advantage Plan.
2. At annual enrollment, you may elect to change your coverage option for yourself, your spouse/domestic partner, and dependents (if covered) to the BU BCBSF-750 or BCBSNC HDHP Plans or one of the available HMO options. **If you waive coverage for you, your spouse/domestic partner, or dependents at any time, coverage will be permanently lost (except if you enroll in an outside Medicare Advantage Plan, you may re-enroll within 30 days if you lose coverage).**

### If you elect or keep your BU BCBSF-750 Plan:

1. At annual enrollment you, your spouse/domestic partner, and dependents (if covered) may elect to change medical coverage to one of the available HMO or HDHP Plans, if you meet the HMO and HDHP eligibility. **If you waive coverage for you, your spouse/domestic partner, or dependents at any time, coverage will be permanently lost (except if you enroll in an outside Medicare Advantage Plan, you may re-enroll within 30 days if you lose coverage).**
2. As each covered employee or spouse/domestic partner becomes eligible for Medicare Part A & B, your BU BCBSF-750 Plan coverage will be a secondary payer after Medicare Part A & B. This means that even if you do not elect Medicare Part A & B, the BU BCBSF-750 Plan **will not** default as your primary insurance. You will be responsible for paying out of pocket the amount that Medicare would normally pay for any claims if you waive Medicare Part A & B coverage. To obtain the maximum amount of medical coverage you must sign up for Medicare Part A & B.

### Payment of Medical Premiums:

1. Any contributions you must pay towards your medical coverage can be deducted from your pension check as long as your contribution amount does not exceed your pension check. Contributions may be adjusted annually. By signing this form you are authorizing deductions for medical insurance to be taken from your pension check for all covered participants.
2. If you are eligible for company subsidized retiree medical, the age/service matrix is used to determine the percentage of the premium you and the company will share up to the medical funding caps. Dependent child coverage is paid 100% by the retiree.
3. Employees who retired on or after January 1, 1998 are subject to retiree medical funding caps of \$6,500 for pre-65 retirees and \$3,500 for post-65 retirees<sup>1</sup>. This means when the average medical cost per retiree exceeds the cap amount, the company will no longer subsidize future increases in medical cost. The post-65 cap was reached in 2010 and the pre-65 medical cap was attained in 2011.

<sup>1</sup>Retirees and dependents that are Medicare eligible due to disability prior to age 65 are subject to the Post-65 cap.

### Change in Status:

You will be permitted to make changes to your coverage in certain instances. You must notify the Employee Service Center within 30 days of a qualifying event. If the Employee Service Center is not notified within the 30 days, eligibility may be permanently lost. A qualifying event includes:

- Legal marriage status – marriage, death of spouse, divorce, legal separation, or annulment.
- Number of dependents – birth, adoption, placement for adoption or death of a dependent.
- Dependent child no longer meets the dependent eligibility requirements.
- Dependent child meets the dependent eligibility requirements.
- Declaration or termination of domestic partner relationship.

### Surviving Spouse's/Domestic Partner's Medical Coverage Provision:

1. If the employee has 15 years or more of **eligible service** as of his/her retirement date, the surviving spouse/domestic partner will be offered continued post-retirement medical coverage if he/she is covered at the time of the retiree's death.
2. If the employee has less than 15 years of **eligible service** as of his/her retirement date, the surviving spouse/domestic partner **will not** be offered continued post-retirement medical coverage at the time of the retiree's death. However, the widow or widower will qualify for COBRA medical coverage for up to a maximum of 36 months.
3. If an employee dies while in active service, the same 15-year rule applies with regard to post-retirement medical coverage and COBRA benefits.
4. There are two ways that a surviving spouse/domestic partner could lose post-retirement medical coverage as explained below:
  - Remarriage/new domestic partner relationship (permanent loss of coverage).
  - Eligibility for coverage under another employer plan (temporary loss of coverage). If a surviving spouse/domestic partner is eligible for coverage under an employer's plan, he/she must take that coverage for as long as it is offered. When coverage is no longer available, they may be reinstated under the medical plan with no proof of insurability.

### AUTHORIZATION

The information furnished by me is true and complete to the best of my knowledge. I understand that if I elect benefits for ineligible dependents as defined by the health benefit plans, I will be in violation of the company's Code of Ethics. I may also be required to pay damages and costs to the company, including reimbursement of any benefit payments made with respect to an ineligible dependent. I agree that I and my dependents will abide by the provisions of the agreement for the Plans in which I am enrolling and that health care providers may furnish the claims administrator such information as may be required to process claims for myself and covered dependents. I have read and understand the information noted above and I will keep a copy of this document for my records. I understand that if I am eligible for company subsidized rates the age/service matrix percentage that determines the amount of the cost for post-retirement medical coverage will not change. However, the rates will be reviewed annually and may be adjusted. If I waive coverage for my spouse/domestic partner, dependents, or myself at any time, no future option will be available for post-retirement medical coverage of the person whose coverage was waived. **Retain a copy for your records.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date