



Hallmark Retiree Benefit Guide

2019





congratulations!

The decision to retire and transition into your next phase of life is one to celebrate.

As a Hallmark retiree, we want to help you transition by providing benefits to support your finances, your health, and your life after work.

Our retiree benefits are designed to give you choices. Whether you are leaving Hallmark to travel, spend time with family and friends, or pursue other interests, we want you to choose benefits that will enrich your life.

Playing an active role in your benefits experience is incredibly important. And that starts with understanding your choices.

- What benefits and coverage options are right for me?
- Can I take time to decide when to receive payments from my retirement savings accounts?
- What benefit options are available for my dependents?

Below is a snapshot of the benefits available to you during retirement. Take time to understand the choices available to you. **Choose wisely. Choose well.**

your benefits at a glance

| your finances | your health | your life |
|--|---|---|
| Cash Balance <i>(if hired prior to 2006)</i> | Choice of one: Retiree medical, dental and vision <i>(if hired prior to 2010)</i> OR COBRA medical, dental and vision OR Waive coverage* | Retiree discounts and activities |
| Profit Sharing & Savings Plans | COBRA for your covered dependents <i>(children)</i> | Retiree Club, newsletter and website |

Important! For benefits requiring enrollment you have one opportunity to either:

- Defer enrollment in Hallmark retiree health benefits—medical, dental and vision
- Waive and enroll in COBRA or another group medical coverage option.

Those who waive coverage and would like to return to Hallmark retiree benefits at a later date, are required to provide proof of continuous group coverage by submitting a certificate of credible coverage for all group medical plans they were enrolled in during the entire waive period.



table of contents

The Hallmark Retiree Benefits Guide offers a summary of retiree benefits choices. In this guide, you will find information on each benefit available to you in retirement, enrollment and eligibility information, and more.

| | |
|--------------------------|-----------------------|
| 4 getting started | 15 your health |
| 6 eligibility | 22 your life |
| 8 enrollment | 23 Medicare |
| 9 your finances | 25 resources |

This guide describes many of the features of Hallmark's retiree benefits in general terms. The specific terms and conditions of these benefits are governed by summary plan descriptions, insurance certificates, and service agreements. In the event of a conflict or ambiguity regarding the information represented in this document, the plan documents, contracts and agreements will govern.

Visit the Hallmark retiree website, corporate.hallmark.com/retirees/benefits to access and print these documents. To request a hard copy of any of these documents, call the HR Service Center at 816-545-6200 or 888-545-6200 or email HRservicecenter@hallmark.com.

Hallmark will continue to evaluate medical and other benefits on a regular basis and will make modifications in light of changing circumstances, such as increased costs and changes in national health care policy.

Hallmark reserves the right to amend, modify or discontinue medical and other benefit plans.



getting started

As you prepare for retirement, there are several steps to secure your retirement benefits.

To get started:

- **Review this benefit guide in detail** to understand important planning information for your retirement, including your benefit options, eligibility criteria, enrollment resources and more (*a Quick Summary of Retiree Benefits and Deadlines is available on page 5*).
- **Set a firm retirement date**
- At least 60 days prior to this retirement date:
 - **Inform your manager, ER representative and Hallmark’s retirement counselor** of your intended retirement date.
 - Complete the Request for Retirement Form available on the intranet (*Benefits and Programs > Retirement Planning*)
- Prior to your retirement date, you should **make a decision about your retiree medical, dental and vision benefits**. Once your decision is made:
 - **Complete and submit a Retiree Health Care Election Form** to notify Hallmark whether you wish to enroll in, decline or waive retirement benefits—medical, dental and vision.
 - *This form is personalized*. If you attend a retirement education session, you will receive your form there. If not, it will be mailed to your home address on file in HR Direct.

PRO TIP!

You will need to provide copies of your birth certificate, your spouse or domestic partner’s birth certificate, and marriage license or passport to the Hallmark Pension Center as part of the retirement process.

corporate.hallmark.com/retirees/benefits

Hallmark’s retiree website is specifically designed to provide you access to important information and documents. Visit this site to get information about your benefits, annual enrollment, premiums or to access the Summary Plan Descriptions and SBCs-plan summaries and certificates of coverage.



summary of retiree benefits and deadlines

| benefit | deadline | how to elect | key considerations | availability |
|---|---|--|---|---|
| Profit Sharing & Savings Plan | Age 70 1/2 | Contact Empower Retirement 866-233-6886 or empower-retirement.com/hallmark | Review beneficiary designation | 3 to 4 weeks after retirement |
| Cash Balance | Age 70 1/2 or 60 days before payment(s) begin | Contact Hallmark Pension Center 844-266-6313 to request your Retirement Packet and initiate pension payment. | Lump Sum: Spousal Consent Form, copies of birth/marriage certificates OR Passport required Annuity: W4P, Direct Deposit Form, copies of birth/marriage certificates or passport required | Lump Sum: 4-6 weeks after retirement Annuity: End of month following month of retirement. |
| Retiree Dental and Vision Insurance | No later than 30 days from your retirement date | Enrollment Election Form provided in retirement class or mailed to home address. <i>If you do not mail the completed form to Mercer w/in 30 days of retirement, you will not have coverage and will not be eligible in the future.</i> | Retiree Health Care Election Form - <i>return to Hallmark</i> 2019 Hallmark Enrollment Form - <i>mail directly to Mercer</i> | Effective date is the 1st of the month following retirement. <i>Premiums billed and auto pay information provided by Mercer.</i> |
| Retiree Medical and Prescription | No later than 30 days from your retirement date | Enrollment Election Form provided in retirement class or mailed to home address. More information or to enroll: hallmark.benefitsnow.com or 844-231-3475 | You must enroll at hallmark.benefitsnow.com no later than 30 days from retirement date. <i>Failure to enroll will result in permanent loss of eligibility for retiree medical coverage</i> | Effective immediately at retirement. <i>Premiums billed and auto pay information provided by Mercer.</i> |
| COBRA Coverage for Dependents | 60 days following retirement | COBRA packet mailed to home address. <i>If applicable, complete and return the COBRA Election form to WageWorks</i> | COBRA packet mailed to you by WageWorks approximately 2 weeks after retirement. | Immediately. <i>Coverage for up to 18 months.</i> |
| Basic Life, Supplemental Life & Dependent Life Policy Conversion | 30 days from your retirement date | Contact HR Service Center (888) 545-6200 | | Immediately. <i>Premiums will be billed by MetLife.</i> |



your eligibility

retiree medical, prescription, dental and vision

Hallmark offers group Pre-Medicare medical and prescription drug coverage, dental and vision insurance in retirement for eligible employees.

To receive this coverage, you must meet all the requirements outlined below.

- Have a hire date before January 1, 2010*
- Retire from Hallmark at or after age 50
- Have 15 vested years of service; 10 vested years, if retiring after age 65
- Have 10 or more years of continuous medical plan participation immediately preceding retirement (*either as a full- or part-time employee*)
- Have at least 10 years of full-time service (*40 hours/week continuous or non-continuous; need not be immediately preceding retirement*)

Retirees who meet the requirements outlined above are also eligible to enroll in dental and vision at retirement.

**Employees hired on or after January 1, 2010 are not eligible for retiree medical, dental and vision.*

A note on Medicare: Medicare is typically effective the 1st day of the month in which you turn age 65. For those whose birthday falls on the first day of the month, Medicare begins on the 1st day of the prior month. Pre-Medicare medical automatically ends at 11:59 p.m. the day prior to your Medicare eligibility date.

If you or your spouse are already 65 when you retire, in addition to enrolling in Medicare you may want to consider purchasing a Medicare supplement plan. You can find resources to help you research your options on page 8. You will also have the option at retirement to enroll in retiree dental and vision.

Important!

A subsidy is the amount Hallmark contributes to the total cost of your medical insurance.

Today (*for eligible employees*)

- Hallmark provides a subsidy for pre-Medicare medical coverage to those who retire and are at least 55 years of age with 15 or more years of service.
- Retirees age 50 to 55 with 15 or more years of service are eligible for unsubsidized medical coverage.

Beginning January 1, 2021 (*for eligible employees*)

- Hallmark will provide a subsidy for pre-Medicare medical coverage to those who retire and are at least 59 years of age with 20 or more years of service at the time of retirement.
- Retirees ages 50 to 59 with 15 or more years of service will be eligible for unsubsidized medical coverage.



your eligibility (cont.)

cash balance

Available if you were hired prior to 2006 and have three or more vested years of service.

profit sharing and savings plan

Hallmark provides for your financial future through profit sharing and 401k savings. In the year of retirement, you will be eligible for a profit-sharing contribution if you worked at least 1,000 hours prior to your retirement.

medical plan dependent eligibility

With your Hallmark retiree benefits, you can cover your:

- **Spouse at the time of retirement**
- **Domestic partner at the time of retirement**
 - You and your partner must meet eligibility criteria and submit a completed Declaration of Domestic Partnership form.
 - Your spouse or domestic partner can be added to your coverage at the time of retirement, but not after.

If you waive coverage prior to age 65, you must return to coverage on or before becoming Medicare-eligible (*typically age 65*) and your eligible spouse or domestic partner must return to coverage at that same time.

Children covered by Hallmark benefits at the time of retirement will be offered COBRA.

designate your beneficiaries

Get peace of mind that your benefits will be distributed according to your preference by updating your beneficiaries today.

Designate or update your beneficiaries on:

| | |
|---|---|
| Profit Sharing and Savings Plan | Empower empower-retirement.com/hallmark 1-866-233-6886 |
| Cash Balance Retirement <i>(if hired prior to 2006)</i> | Hallmark Pension Center https://ypr.aon.com/hallmark 1-844-266-6313 |



enrollment

REMINDER! If you are eligible to enroll in Hallmark Retiree Medical, Dental and Vision Benefits, you must complete the Retiree Health Care Election Form to notify Hallmark whether you wish to enroll in, decline or waive retirement benefits—medical, dental and vision. In addition to completing this form you must complete a separate enrollment process for your coverage described below.

- This form is personalized. If you attend a retirement education session, you will receive your form there. If not, it will be mailed to the home address you have on file in HR Direct.
- Completed forms should be returned to Benefits MD #510

You are encouraged to fully understand your benefits before enrolling; it is recommended that you review this guide in full prior to using the resources listed below.

Medical

Visit hallmark.benefitsnow.com to enroll in medical benefits (*pre-Medicare eligibility*); you have 30 days from your retirement date to enroll for coverage effective the first day of retirement.

If choosing to enroll in COBRA instead of Hallmark Retiree benefits, Hallmark's COBRA administrator will mail enrollment information and rates to your home approximately two weeks after your retirement date.

Medicare-eligible retirees, for a free, no-obligation consultation / quote for medical and prescription drug plans, you may contact one of the two independent agencies below or an agency of your choosing:

United Medicare Advisors
855-519-4529
quote.unitedmedicareadvisors.com/Hallmark

OR Select Quote 877-263-8107
www.hallmark.sqbenefits.com

Dental and Vision

All eligible retirees wishing to enroll in dental and vision must complete the Hallmark Enrollment Form and mail to Mercer (*address listed on the form*) within 30 days of your retirement date for coverage effective the first of the month following retirement.

Basic or Supplemental Life Insurance

You have options to continue your life insurance in retirement. For more information on conversion or portability of all or a portion of your basic or supplemental life insurance to an individual policy, contact the HR Service Center within 30 days of retirement to initiate the process.



your finances

cash balance retirement

Available to you if you were hired prior to 2006 and have three or more vested years of service.

benefit partner:
Hallmark Pension Center

benefit option:
Cash Balance Retirement

ypr.aon.com/hallmark
844-266-6313

Your benefit in the Cash Balance Plan is based on your accumulated pay credits and interest credits. You continue to receive monthly interest credits until you begin receiving monthly payment or take a lump sum payment after leaving the company.

For estimates of your cash balance benefit, visit ypr.aon.com/hallmark.

your payment options

A variety of options are available when you decide to begin payments. You can choose one of the options below; additional detail about each option is outlined on the next page.

- Single cash payment (*lump sum*)
- Monthly annuity (*if hired prior to 1997- have option to receive monthly annuity with or without Cost of Living Adjustments -COLA*)
 - Life annuity, joint & survivor, period & certain
 - Payments begin the month after your retirement
- Remain in the cash balance plan and defer payments to a later date (*can defer until age 70 1/2*)

Your selection of a payment option depends on your personal circumstances and when you're ready to receive payments.

To begin payments, call the Hallmark Pension Center at 844-266-6313. They can also answer questions you have regarding your pension calculation. Copies of birth certificate and marriage license or a copy of your passport will be required to process payment.

Payment from the Plan is issued by State Street Bank; once you begin payment, State Street will send you a 1099R for year-end tax purposes.



single cash payment (*lump sum*)

Single payment with 20% tax withholding

OR

Roll over to an IRA or your Profit Sharing and Savings Plan (*no taxes are withheld*).

**Payout typically requires 4-6 weeks to process.*

monthly annuity payment (*with or without COLA**)

- Life annuity
 - Pays you for the remainder of your life
 - Stops upon your death
 - Requires spousal consent if you are married
- Joint and Survivor annuity
 - Typical form of payment for married participants
 - Pays you and your spouse/partner for remainder of your lives
 - Can choose 100%, 75% 65% or 50% survivor benefit (*any option other than 100% Joint and Survivor requires spousal consent*)
- Period and Certain
 - Pays you for the remainder of your life
 - Guarantees payment to another person for either 10, 15 or 20 years if you do not live beyond the guarantee period
 - Beneficiary can be anyone
 - Spousal consent is required if you are married

You may opt to have federal and state taxes withheld, however where required by law, state taxes will be automatically withheld once payments begin. *Cost of living adjustment (COLA) is available to eligible retirees, if hired prior to 1997.

If you elect a monthly payment, your payments will begin the month after you retire. (Example: If you retire June 15 and elect monthly payments, the first payment is made July 28)

remain in cash balance retirement plan

You can choose to defer payment of the cash balance retirement funds up to age 70 1/2.

Monthly interest credits will be applied to the Cash Balance plan until you begin monthly payments or take a lump sum distribution



profit sharing and 401(k) savings

benefit partner:
Empower Retirement

benefit option:
Profit Sharing and 401(k) Savings

**empower-retirement.com/hallmark
866-233-6886**

Now that you've built a strong financial future, you have choices in deciding when and how to access your funds.

visit empower-retirement.com/hallmark to:

- Monitor your account balance.
- Learn more about plan features and available financial services.
- Change investment elections.
- Begin withdrawals.
- If eligible*, check your final profit-sharing contribution.

**To be eligible for a profit-sharing contribution in the year of retirement, you must have 1,000 hours of service, including any unused PTO accrual.*

profit sharing and 401(k) savings options:

When you retire, you have several options for your Profit Sharing and 401(k) Savings Plan.

- Remain in the plan for your lifetime; your spouse/domestic partner can remain for his/her lifetime as well
- Choose to defer payment of your retirement savings (*although you must begin payment no later than age 70 ½*).
- Rollover funds to an IRA or another qualified plan.
- Begin withdrawals- total or partial or installments (*monthly, quarterly semi-annual, or annual*); you can then:
 - Choose the date for your payments.
 - Change payment choices at any time.

To set up payments from the Plan, contact Empower Retirement. Once payments have begun, Empower will send a 1099R at year-end for tax purposes.



Tax considerations for withdrawal

| | |
|----------------------|---|
| Under age 55 | <ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• 10% additional tax on early withdrawals; see <i>tax advisor for options to avoid 10% penalty.</i> |
| Age 55 to 59½ | <ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• No additional tax on early withdrawal if you retire in or after the year you reach 55 and you remain in PSSP. |
| Over 59½ | <ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• No additional tax for early withdrawal |
| 70½ and over | <ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• Required minimum distribution (RMD)• 50% excise tax, if RMD is not taken <p><i>Empower Retirement will provide information on the Required Minimum Distribution (RMD) once you reach age 70½.</i></p> |



financial planning

As a retiree, you have the same investment options to choose from as an active Hallmark employee.

- **Get online help with your financial planning needs through Advised Assets Group, available at no additional cost.** Your on-line adviser forecasts your progress towards your retirement goal and advises you on specific fund recommendations.
- **For investment management support, Advised Assets Group Professional Management Program is available for an additional fee* to participants.** The program includes personalized investment advice and access to professionals who monitor your account on your behalf, along with telephone access to investment adviser representatives and printed progress reports. These professionals will rebalance your 401k portfolio for growth with the goal of steady income.

As a participant in the Professional Management Program, Empower's Income + feature can help get your account ready to provide an income stream during retirement years.

- Helps get your account retirement income ready
- Provides members the option to receive steady income payouts
- Continues to provide ongoing discretionary account management

**Fees will be based on your balance.*

investment options

The Profit Sharing and Savings Plan offers a wide range of investments to choose from based on your investment strategy. A variety of investment funds are available to you, including three lifestyle funds, equity, bond and stable income funds.



social security

Another important decision when retiring is choosing when to begin receiving your Social Security benefit. Visit ssa.gov/estimator to create "What If" scenarios based on different ages and earnings and ssa.gov/locator to find a local Social Security office.

Social Security retirement age:

- Reduced benefit at age 62
- Full benefit at age 66*
- Increased benefit for delayed retirement: between full retirement and age 70

**Full social security retirement benefit is based on your date of birth.*

Pro tip!

Review your finances and/or consult with a financial advisor to determine the role your Social Security benefits will play.

department of labor: retirement tool kit

A helpful resource to use when making your retirement decisions is the Department of Labor retirement tool kit. Access the toolkit to find information on topics such as Social Security, Medicare, and elder rights.

This kit can be accessed at:

www.dol.gov/sites/dolgov/files/ebsa/about-ebsa/our-activities/resource-center/publications/retirement-toolkit.pdf



your health

medical for pre-Medicare retirees

benefit partner:
Aon Exchange

benefit option:
Gold, Silver, Bronze and Bronze Plus
Plans offered by multiple carriers

learn more and enroll:
hallmark.benefitsnow.com

choosing your plan

You may select a new medical plan and carrier at the time of your retirement. The medical plan options offered to pre-Medicare retirees, spouses and domestic partners are the same as for active employees, but at retiree rates.

Important! If choosing a high-deductible plan, the amount you will pay when purchasing a prescription will be the total retail price of the drug until you meet your deductible.

your premiums

The price you pay for your plan (*your premium*) is based on which plan you choose and who you cover on your plan. To find rates applicable to you, contact the BenefitsNow Help Line at 844-231-3475. You will need to know your tier for the Help Line to provide you correct rate quotes.

your ID cards

- **Medical:** If you change plans at retirement, you will receive a new ID card. The same card is used for both medical and prescription drug benefits.
- **Dental:** Discard your old Cigna Dental card and print a new card by logging into MyCigna.com approximately one week after your retirement.
- **Vision:** Discard your old vision card. Cigna provides vision benefits to all retirees and will mail a new vision ID card to your home.



deductibles and out-of-pocket maximums

If you choose a different medical plan and carrier at the time of retirement, the deductible and out-of-pocket charges you have incurred in the current plan year prior to retirement are transferable.

| 2019 plan levels | bronze | bronze plus | silver | gold |
|-------------------------------------|--|--|--|--|
| deductible | \$3,000 employee only; \$6,000 family | \$2,250 employee only; \$4,500 family | \$750 employee only; \$1,500 family | \$600 employee only; \$1,200 family |
| coinsurance | 20% (after deductible) | 20% (after deductible) | 30% (after deductible) | 20% (after deductible) |
| out-of-pocket | \$5,950 employee only; \$11,900 family | \$3,575 employee only; \$7,150 family | \$5,000 employee only; \$10,000 family | \$3,500 employee only; \$7,000 family |
| prescription | 20% coinsurance (after deductible) | 20% coinsurance (after deductible) | \$10/\$40/\$60 copays | \$8/\$30/\$50 copays |
| premiums | \$ | \$ | \$\$ | \$\$\$ |
| key differences | | | | |
| deductible and out-of-pocket | Traditional | “True family” <i>Claims for all family members count toward a shared deductible and out-of-pocket max</i> | “Traditional” <i>Each person has an individual deductible and out-of-pocket max. Expenses up to the individual deductible count towards the family deductible.</i> | |
| prescription | *You pay 100% until you reach your deductible. | *You pay 100% until you reach your deductible. | You pay a copay for covered drugs. <i>Copay does not count toward your deductible.</i> | |

Additional Information:

- The carriers’ network of preferred providers is the same no matter what coverage level you choose.
- If you go to in-network providers, you will pay lower, negotiated costs. Out-of-network provider use will nearly always increase your cost; out of network charges also don’t apply toward your in-network deductible or out-of-pocket maximum.
- Certain medical services require pre-approval to ensure you know what’s covered in advance. If something requires prior review and you don’t get pre-approved, you may be required to pay most or all of the bill. In-network providers will assist with the pre-approval processes.



dental benefits

benefit partner:
Cigna

benefit option:
Regular and high option coverage; high option includes higher premiums for lower deductibles and higher benefits maximums.

find providers at:
mycigna.com

to enroll:
Complete and mail enrollment form to Mercer.

Hallmark offers regular or high-option dental benefits through Cigna. Both options cover the same services, but in the high option plan, you will have higher premiums in exchange for lower deductibles, as well as lower out of pocket costs for eligible expenses.

| | regular option <i>(monthly)</i> | high option <i>(monthly)</i> |
|---|---|--|
| employee/ surviving spouse | \$43.16 | \$52.36 |
| employee & spouse/domestic partner | \$83.06 | \$101.50 |

In either plan, you can visit any dental provider you choose. However, you will receive greater benefits and all necessary pre-approvals if you choose a provider in Cigna's dental network. For more details or to find an in-network provider, visit mycigna.com or call CIGNA customer service at 1-800-995-3396.

Important! To enroll in dental, submit your completed form to Mercer, Hallmark's Direct Billing Partner (*see more on page 20*).



| | | regular | high option* |
|---|--------|---|---|
| annual deductible | single | \$50 | \$25 |
| | family | \$100 | \$50 |
| Calendar year max | | \$1,500 | \$2,000 |
| Preventive care exams, cleanings, x-rays | | 80% <i>(no deductible)</i> | 100% <i>(no deductible)</i> |
| Basic restorative fillings, extractions, root canals | | 80% <i>(after deductible)</i> | 90% <i>(after deductible)</i> |
| Major restorative exams, cleanings, x-rays | | 50% <i>(after deductible)</i> | 60% <i>(after deductible)</i> |
| Implants | | 50% <i>(after deductible)</i> | 60% <i>(after deductible)</i> |
| TMJ benefit maximum | | 50% <i>(after deductible)</i> \$500 lifetime | 60% <i>(after deductible)</i> \$1,000 lifetime |

Review the SBC-plan summary on the retiree website to see a list of services covered by plan and to review the coordination of benefit provisions in the Summary Plan Description

Additional information:

- If there is more than one suitable covered treatment, Cigna will approve the least expensive one so long as the results meet acceptable dental standards; if you choose a more costly treatment, your out of pocket costs will increase.
- Your dentist should submit a treatment plan for pre-determination of benefits for periodontal surgery, major restorative, implants or TMJ services before they are performed to determine the amount of payable benefits.



vision benefits

| | |
|--|---|
| benefit partner: Cigna | benefit option: Standard or Premium |
| find providers at: mycigna.com | |
| to enroll: Contact Mercer | |

Hallmark offers retirees the choice between two vision plans through Cigna:

- The Standard Plan
- The Premium Plan (*reimbursement rates and premiums are higher*)

Both plans offer reimbursement for the cost of a vision exam and either frames or contact lenses, up to your annual allowance. Copays and allowances differ between the plans.

| | standard <i>(monthly)</i> | premium <i>(monthly)</i> |
|------------------------------------|------------------------------|-----------------------------|
| employee/surviving spouse | \$13.23 | \$18.61 |
| employee & spouse/domestic partner | \$17.07 | \$24.77 |

| | In-network member costs | Out-of-network allowances |
|---|---|-------------------------------------|
| Eye Exam once per calendar year | Fully covered after \$10 copay | \$35 |
| Standard lenses & frames exams, cleanings, x-rays | \$25 copay | Allowances vary by lens type |
| Frame once per calendar year | \$200 allowance-Premium Plan \$150 allowance-Standard Plan | \$75 |
| Lens options exams, cleanings, x-rays | Copays may apply | Some items not covered |
| Contact lenses Once per calendar year | Therapeutic: 100% up to \$200-Premium 100% up to \$150 Standard Elective: 100% up to \$150-Premium 100% up to \$100-Standard | \$200 therapeutic \$100 elective |



additional information on retiree medical benefits

billing

Hallmark partners with Mercer, a leading direct bill administrator for retiree health plans. The Mercer Retiree Service Center can assist with dental /vision enrollment and answer questions regarding payment options.

billing at a glance

- Premiums can be paid by check, auto pay through your bank, or Electronic Funds Transfer (*EFT*) at Mercer (*see below for more EFT details*).
 - Instructions for setting up EFT are included with the first statement mailed to your home.
 - Funds will be withdrawn on the 5th business day of the month for those who establish Electronic Funds Transfers for the current month.
 - EFT is the preferred method to ensure your premiums are paid in a timely manner and prevent cancellation of coverage due to nonpayment.
 - Paper statements are not mailed to those who elect to pay via EFT.
- Premiums can also be paid via a mailed check.
 - A monthly paper statement will be mailed to your home address showing the cost of your benefits.
 - Bills are processed the 1st Saturday of each month and mailed approximately one week later for the next month's premiums. Payments are due at the end of the current month.
 - Payments not received by the due date may result in permanent loss of retiree coverage.

things to think about

- If you drop Retiree medical, dental or vision coverage, coverage for your spouse/domestic partner will also be dropped. Exception: If you become Medicare eligible and your covered spouse/domestic partner is enrolled in Hallmark retiree pre-Medicare medical coverage, the pre-Medicare member may remain on Hallmark retiree medical until becoming Medicare eligible.
- If you drop any benefit for which you are eligible, you and your spouse/domestic partner will not be able to re-enroll in that benefit at a later date.
- Failure to pay premiums in a timely manner may result in loss of coverage for you and your spouse/domestic partner.
- If dropped for non-payment of premiums, you will lose the right to all Hallmark retiree health benefits.
- If you choose to enroll at retirement and later wish to exercise your one-time option to waive coverage, you must notify the HR Service Center a minimum of 30 days in advance of the date you wish to waive. Hallmark will notify Mercer when your waive becomes effective.
- Those who are not yet Medicare eligible and previously waived coverage, should contact the HR Service Center at least 30 days in advance of the date you want retiree coverage to be effective. You will be sent instructions for enrolling.



other options available to you

cobra

COBRA provides you the option to continue group health benefits for up to 18 months.

In some instances, COBRA may be less expensive than retiree medical, typically if you need to continue coverage for your dependent children or you are not eligible for subsidized retiree medical coverage.

If you choose to enroll in COBRA, make sure to elect “Waive” on the benefits form. WageWorks, Hallmark’s COBRA administrator, will mail a packet of information to you approximately two weeks after your retirement date with rates and enrollment instructions. You have up to 60 days from the date the notice is mailed to elect coverage.

Important! Do not enroll in COBRA for yourself and spouse/domestic partner if you are enrolling in retiree health benefits with Hallmark. You may choose to enroll your covered dependent children on COBRA separately even if you are electing retiree health benefits.

one-time waive of benefits

Don't need retiree health benefits yet? You have the option to waive your retiree health benefits one time if you are not yet Medicare eligible. You and your spouse or domestic partner, if eligible, can choose to “return from waive” prior to becoming Medicare eligible and enroll (*together*) in the benefits you were eligible for at the time of retirement.

If waiving retiree health benefits for now, you must complete the Retiree HealthCare Election Form and indicate each of the benefits you wish to waive.

If you would like to enroll in retiree health benefits at a later date, contact the HR Service Center at 888-545-6200.



your life

shopping and discounts

- **Halls:** 20% discount at Halls and varying discounts for many of the other Crown Center shops and restaurants
- **50/50 Performing Arts Discount:** Hallmark will pay half the cost of your ticket at certain performing arts venues
- **Product:** You will get 50% off Hallmark, DaySpring and Crayola product and 20% off non-Hallmark product sold in the employee card shops. You can also get up to 75% off product available in the surplus store, the Double D.
- **Auto and Homeowner's Insurance:** Retirees are eligible to receive discounted rates from Met Life. Call 1-844-447-1402

retiree club newsletter and website

The retiree newsletter is published and mailed quarterly to your address on file in HR Direct. To update your mailing address, contact the HR Service Center at 1-888-545-6200.

Visit corporate.hallmark.com/retirees/home

- Current and past online newsletters
- Remembrances
- Events
- Volunteer Opportunities
- Discount information



medicare

Eligibility: A person may qualify for Medicare on the basis of age (*at 65*) or earlier due to a disability; **visit medicare.gov/ for questions regarding eligibility**

options

- Part A (*hospital insurance*): Covers hospital costs and limited skilled nursing home care
- Part B (*medical insurance*): Covers physician services and most outpatient hospital services
- Part C (*Medicare Advantage Plans*)
- Part D (*prescription drug plans*)

enrollment

- Seven-month “initial enrollment period.” This period begins three months prior to the month you turn 65, and extends three months after the month you turn age 65.
- Most Medicare enrollees pay nothing for Part A coverage.
- If you are enrolled in the high-deductible medical plan and contributing to an HSA, enrolling in Medicare A, B, C and/or D will cause you to be ineligible to make further contributions to your HSA.
- For people who delay enrollment in Part A past age 65, Part A coverage is retroactive for six months (*but not to a date prior to the person’s 65th birthday*). Consequently, if you delay enrollment in Part A, you might consider stopping contributions to your HSA six months before filing your application for Part A.

Visit medicare.gov/ for questions on eligibility

impact to benefits when transitioning to medicare

Dental and vision coverage is the same for all eligible retirees regardless of Medicare status. Therefore, coverage and rates remain the same and **NO ACTION** is required on your part to maintain dental and/or vision coverage when you or your spouse becomes Medicare-eligible.

Hallmark medical coverage for pre-Medicare retirees or their covered spouse ends when the covered member becomes Medicare-eligible (*typically the 1st of the month in which you or your spouse turns 65*). When one member becomes Medicare eligible, the other can remain on Hallmark’s pre-Medicare retiree medical until he/she also becomes Medicare-eligible as long as premiums are paid timely.

Post-Medicare medical coverage is only available to those who retired prior to January 1, 2012. Mercer will mail enrollment information for this benefit to those eligible approximately 45 days prior to their eligibility.



medicare notice

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

This notice has information about your current prescription drug coverage with Hallmark Cards, Inc. 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.

If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area.

Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

medicare + prescription drug coverage

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.

Hallmark Cards, Inc. has determined that the prescription drug coverage offered by Hallmark Cards, Inc. is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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 Oct. 15th to Dec. 7th. However, if you lose your current creditable prescription drug coverage through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

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 Hallmark Cards, Inc. coverage will not be affected unless you notify Hallmark that you would like to drop your coverage for you and all covered dependents. If you do decide to join a Medicare drug plan and drop your current Hallmark Cards, Inc. coverage, be aware that you and your dependents will not be able to get this coverage back until annual open enrollment next year.

when will you pay a higher premium (penalty) to join a medicare drug plan?

You should also know that if you drop or lose your current coverage with Hallmark Cards, Inc. and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, 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 (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

for more information about this notice or your current prescription drug coverage:

Contact Hallmark HR Service Center at 816-545-6200 or 1-888-545-6200. 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 Hallmark Cards, Inc. changes. You also may request a copy of this notice at any time.

for 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).

remember: keep this creditable coverage notice.

If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained Creditable Coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).



a quick guide to benefits resources

Medical Coverage

Hallmark partners with Aon to administer medical plans through their private health exchange for Pre-Medicare retirees and their Pre-Medicare spouse/domestic partner at the time of your retirement. You will choose and enroll in your medical plan at hallmark.benefitsnow.com.

BenefitsNow Help Line Contact for help understanding available Pre-Medicare Retiree medical plans, costs and information on how to enroll.

1-844-231-3475 • hallmark.benefitsnow.com

Your medical insurance carrier

Contact information found on your insurance card. Call for questions regarding medical claims, coverage guidelines and locating in-network providers.

Dental Coverage

Provided by Cigna; contact them directly for questions regarding claims, coverage and provider participation.

1-800-995-3396 • mycigna.com

Vision Coverage

Provided by Cigna contact them directly for questions regarding claims, coverage and provider participation.

1-800-995-3396 • mycigna.com

Profit Sharing & Savings Plan

Hallmark partners with Empower Retirement to administer employee retirement benefits.

Empower is available to help you. Contact Empower to learn about investment choices, get retirement income estimates, investment help, or to begin withdrawals.

1-866-233-6886 • empower-retirement.com/hallmark

Cash Balance Retirement Plan

Hallmark Pension Center administers the Cash Balance Retirement program (*for those hired prior to 2006*).

Contact the Hallmark Pension Center to request a statement, choose a payment option or for questions regarding your account balance.

844-266-6313 • ypr.aon.com/hallmark

Hallmark's HR Service Center is an additional resource for retirees' benefit questions. Representatives are available to answer questions regarding eligibility for Hallmark's retirement benefit plans or to connect you to one of our outside partners for further support.

816-545-6200 or 1-888-545-6200 • HRservicecenter@hallmark.com

Retiree Billing - Mercer Retiree Service Center provides enrollment and billing support for retiree benefits. They are there to help with billing questions or if you wish to drop dental or vision coverage.

1-877-228-9061