



# Update to the Summary Plan Description Effective January 1, 2016

**All changes described in this SMM are effective January 1, 2016 unless otherwise indicated.**

This enclosed newsletter serves as an official summary of material modification (SMM) for the plans referenced herein. Please keep this information with your other plan documents for future reference. This communication provides only certain highlights about changes of benefit provisions. It is not intended to be a complete explanation. If there are any discrepancies between this communication and the legal plan documents, the legal plan documents will prevail to the extent permitted by law. There are no vested rights with respect to Chevron health care plans or any company contributions towards the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision. Some benefit plans and policies described in this document may be subject to collective bargaining and, therefore, may not apply to union-represented employees.

You can access the summary plan descriptions for your benefits on the Internet at [hr2.chevron.com](http://hr2.chevron.com) or by calling the HR Service Center at 1-888-825-5247 (610-669-8595 if you're outside the U.S.), option 2.

This SMM applies to the following summary plan description:

- **January 1, 2014 Medical PPO Plan Summary Plan Description** (both the individual SPD posted online and the Your Chevron Health Benefits Summary Plan Description for U.S.-Payroll Employees compilation available in print.)

# Tobacco Surcharge Changes

## *New Tobacco User Trying to Quit* requirements for 2016.

**Open enrollment – October 19 through October 30, 2015 – is your only opportunity to update your tobacco use status for 2016.**

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. All active U.S.-payroll employees (and those on a leave of absence) were previously required to certify their tobacco use status. **Open enrollment – October 19 through October 30, 2015 – is your only opportunity to change your tobacco use status for 2016.** If you miss this deadline, you cannot change your 2016 tobacco use status until the next open enrollment period. And you cannot change your 2016 tobacco use status during the year, even if you experience a qualifying life event – like getting married or having a baby.

If your 2015 certification status is **Tobacco User, But Will Try to Quit**, you may need to take action during open enrollment to update your 2016 tobacco use status. **If you do not make a new tobacco use certification during open enrollment, your 2016 tobacco use status will be automatically assigned as Tobacco User and the tobacco surcharge will apply to you for all of 2016.** If you make a new 2016 tobacco use certification during open enrollment, your certification choice will determine whether or not the tobacco surcharge applies to you for all of 2016.

If your 2015 certification status is either **Not a Tobacco User, Tobacco User** or **Decline to Disclose**, your 2015 status will continue automatically in 2016 unless you make a change to your status during open enrollment. You do not need to do anything if this designation still accurately describes your tobacco use status.

There is no change to the tobacco surcharge amounts. The tobacco surcharge effective January 1, 2016 is as follows:

- **\$25** more each month in 2016 for medical coverage.
- **20 percent** more each month in 2016 for Chevron Supplemental Life Insurance Plan coverage, if enrolled.

### How to Update Your Tobacco Use Status

You can update your tobacco use status by calling the HR Service Center (see Page 8) or by going online to Benefits Connection, the same website you use to make open enrollment elections. Follow the instructions on Page 8 to make open enrollment elections and update your tobacco use status for 2016.

## Certification Choices for 2016

Your 2016 tobacco certification choices and requirements are as follows:

- **Not a Tobacco User.** You will not be subject to the surcharge during 2016.
- **Tobacco User.** If you're a tobacco user and don't intend to stop using tobacco, the surcharge will apply to you in 2016.
- **Tobacco User, But Commit to Coaching.** This is a new certification choice for 2016. See below for details.
- **Decline to Disclose.** If you decline to disclose your tobacco use, you will be defaulted to Tobacco User and the surcharge will apply to you in 2016.

### New for Choice for 2016: Tobacco User, But Commit to Coaching

If you commit to complete at least **three** Tobacco Cessation Specialty Coaching sessions through WebMD between July 1, 2015 and December 31, 2016, the surcharge will not apply to you during 2016. Tobacco Cessation Specialty Coaching combines one-on-one telephone coaching, nicotine replacement therapy and integrated online resources to help participants try to stop using tobacco products. Contact WebMD at **1-888-321-1544** (or 925-842-8346 from outside the U.S.) to enroll. You can also go to [hr2.chevron.com/wellness](http://hr2.chevron.com/wellness) to learn more about this and other Tobacco Free Program resources.

## What's Considered Tobacco Use

Indicate your tobacco use status only; you don't have to certify the tobacco use status of your spouse or domestic partner and other dependents for 2016. The definition of tobacco use has not changed for 2016. Any use, regardless of frequency or location, is considered use. This includes daily, occasional or social use. It also includes if it's used only at your home. Tobacco use means you've used any of the following at any point since July 1, 2015:

- Tobacco (cigarette, pipe, cigar).
- Smokeless tobacco (such as snuff or chewing tobacco).

E-cigarettes do not contain tobacco, so at this time e-cigarettes are not included in the tobacco use definition. However, the Federal Drug Administration is currently reviewing e-cigarettes. We continue to monitor this review and may choose to include e-cigarettes in the tobacco use definition in the future.

# Medical PPO Plan

## (Option 1, Option 2)

This is a preferred provider organization (PPO) health plan. With a PPO you can choose to see any doctor, hospital, pharmacy you want. If you choose a provider outside of the network, you will have a lower level of coverage, which means you might have to pay more for the service. You don't need a referral to a specialist under this plan.

This plan has two coverage options: Option 1 and Option 2. The only differences between Options 1 and 2 are your costs – the monthly premium cost, the deductible amount, and the out-of-pocket maximum amount. Otherwise, both options cover the same kinds of medical services and prescription drugs, including office visits, emergency services, hospital care, lab services, outpatient care, pregnancy and newborn care, and rehabilitative services.

- **Medical Services:** UnitedHealthcare
- **Prescription Drugs:** Prescription Drug Program with Express Scripts
- **Basic Vision:** Automatically covered by the Vision Program for basic vision coverage with VSP.

## Preventive Care

The Medical PPO Plan includes 100 percent coverage with no deductible for certain preventive care services as specified by the Affordable Care Act when you see a network provider (100 percent of allowable charges for an out-of-network provider). Additional preventive screenings and services may also be covered, depending on factors like your age and gender.

## Deductibles

There are two separate deductibles in the Medical PPO Plan:

- **Medical deductible.** (No deductible for mental health and substance abuse services.)
- **Prescription drug deductible.** (No deductible for mail-order.)

## Health Care Spending Account (HCSA)












You *are eligible* to participate in the Health Care Spending Account (HCSA), a flexible spending account. The funds you contribute to this account do not roll over from year to year. Learn more about the HCSA on [hr2.chevron.com](http://hr2.chevron.com). Choose **Open Enrollment**.

## Health Savings Account (HSA)

You *cannot* participate in a health savings account when enrolled in the Medical PPO Plan. However, you can use funds from an *existing* HSA to pay for qualified medical expenses while participating in the Medical PPO Plan.

## Mental Health and Substance Abuse (MHSA) Plan

You're automatically covered by the MHSA Plan. You can choose to use any provider, network or out-of-network. There is no deductible to satisfy. See Page 33 for more information about the MHSA Plan.

	Medical PPO Plan - Option 1	Medical PPO Plan - Option 2
<p><b>Monthly Premium</b></p> <p>This is the fixed amount of money you pay each month to be covered by your health plan. Chevron also currently contributes money each month to help pay for your premium.</p>	<p>\$165 ↑ You Only</p> <p>\$331 ↑ You + One Adult</p> <p>\$283 ↑ You + Child(ren)</p> <p>\$447 ↑ You + Family</p>	<p>\$120 ↑ You Only</p> <p>\$241 ↑ You + One Adult</p> <p>\$204 ↑ You + Child(ren)</p> <p>\$325 ↑ You + Family</p>
<p><b>Annual Deductible</b></p> <p>This is the amount you pay out of pocket before your health plan begins to help pay for covered health care services.</p>	<p> \$300 You Only</p> <p>\$600 You + One Adult</p> <p>\$600 You + Child(ren)</p> <p>\$900 You + Family</p> <p>Doesn't count toward the deductible: vision and health care this plan doesn't cover.</p>	<p> \$600 You Only</p> <p>\$1,200 You + One Adult</p> <p>\$1,200 You + Child(ren)</p> <p>\$1,800 You + Family</p>
	<p> \$150 Individual</p> <p>\$300 Family</p>	<p> \$150 Individual</p> <p>\$300 Family</p>
	<p> \$0 There is <b>no deductible</b> for mental health and substance abuse coverage, but copayments or coinsurance do apply.</p>	
<p><b>Out-of-Pocket Maximum</b></p> <p>This amount is the most you will have to pay out of pocket for covered health care services for the year. When you reach this amount, your health plan begins to pay 100 percent of the allowed amount for covered health care services. This amount is important because it protects you in the event you have a year with major health expenses. Your deductible is included in your out-of-pocket maximum. Your monthly premium, charges in excess of the allowable charges, and services your plan doesn't cover are examples of things not included in the out-of-pocket maximum.</p>	<p> \$2,300 You Only</p> <p>\$4,600 You + One Adult</p> <p> \$4,600 You + Child(ren)</p> <p>\$6,900 You + Family</p> <p>Deductible, copayments, coinsurance, mental health and substance abuse apply toward the out-of-pocket maximum.</p>	<p> \$3,000 You Only</p> <p>\$6,000 You + One Adult</p> <p> \$6,000 You + Child(ren)</p> <p>\$9,000 You + Family</p>
	<p> \$1,800 Individual</p> <p>\$3,600 Family</p> <p>Deductible, copayments, coinsurance apply toward the out-of-pocket maximum.</p>	<p> \$1,800 Individual</p> <p>\$3,600 Family</p>



Covered **Medical Services and Supplies**



Covered **Prescription Drugs**



Covered **Mental Health and Substance Abuse Services**

**Tobacco Surcharge**

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. This means there are different monthly rates for this coverage for tobacco and non-tobacco users. The rates above do not include a tobacco surcharge. See Page 16 for tobacco surcharge information.

**For More Information**

Be sure to go to [hr2.chevron.com](http://hr2.chevron.com) for access to a variety of other resources.

## Changes to Medical Coverage

- Currently, the Medical PPO Plan requires that another method of pain management has been tried and failed before **acupuncture coverage** begins. This requirement will be removed effective January 1, 2016.
- Effective January 1, 2016, **virtual visits** are available for covered health services that include the diagnosis and treatment of low acuity medical conditions for covered persons, through the use of interactive audio and video telecommunication and transmissions, and audio-visual communication technology. Benefits are available only when services are delivered through a Designated Virtual Network Provider. You can find a Designated Virtual Network Provider by going to [www.myuhc.com](http://www.myuhc.com) or by calling 1-800-654-0079. Note that not all medical conditions can be appropriately treated through virtual visits. The Designated Virtual Network Provider will identify any condition for which treatment by in-person physician contact is necessary. In addition, benefits under this provision do not include email, fax and standard telephone calls, or for telehealth/telemedicine visits that occur within medical facilities. UnitedHealthcare will provide more information to plan participants when virtual visits become available next year.

## Changes to Prescription Drug Coverage

If you are enrolled in the **Medical PPO Plan**, you automatically have prescription drug coverage through the Prescription Drug Program with Express Scripts. The prescription drug changes described in this section take effect on January 1, 2016. For additional details, contact Express Scripts Member Services at **1-800-987-8368**, or review the documents and links available from [hr2.chevron.com](http://hr2.chevron.com). Choose the **Open Enrollment** link to get started.

## New Medications Subject to Preferred Step Therapy

Certain drugs are covered by the Prescription Drug Program only if preferred drugs – which include generics – are tried first. This is called **Preferred Step Therapy (PST)**. The following are new classes of medications that will be subject to PST effective January 1, 2016. This means that you will be required, when clinically appropriate, to try a preferred drug before Express Scripts will authorize coverage for the use of non-preferred drugs:

- **Topical Acne**  
(For example: Cleocin T, Ancanya, Ziana, Veltin, Benzac AC, Azelex)
- **Topical Corticosteroids**  
(For example: Synalar, Cordran, Halog, Topicort, Diprolene)

## New Prior Authorizations

The Prescription Drug Program covers some drugs only if they're prescribed for certain uses or only up to certain quantity levels. For this reason, some medications will require your doctor to provide additional clinical information so that use of the medication can be approved in advance before you can receive plan benefits. This is called **prior authorization**. The following drugs will require prior authorization effective January 1, 2016:

- Anticoagulants (Pradaxa, Xarelto, Eliquis)
- Suboxone

## Some Compound Medications Not Covered

According to the FDA, compounding is the practice in which a licensed pharmacist combines, mixes or alters ingredients in response to a prescription to create a medication tailored to the medical needs of an individual patient. Individual active ingredients within the compound might be FDA approved, but the FDA does not approve the quality, safety and efficacy of the actual compound with multiple active ingredients.

**A number of commonly used primary ingredients for compounds have been identified and will no longer be covered by the Chevron Prescription Drug Program. Beginning January 1, 2016, if you are using a compound medication in which the primary ingredient is no longer covered, then the compound medication will no longer be covered.**

For a few of the excluded compound medications, there are commercially available products that don't require a compounded product. Only your medical provider and you can determine a suitable alternative since it is often difficult to determine the condition for which a compound medication is being prescribed. **If you continue to use the affected compound medications, you will pay the full retail price if you refill that prescription starting January 1, 2016.**

Please note that not all compounded prescriptions are being excluded from coverage. There is still an inclusion list of compound ingredients that will remain covered and are considered appropriate. For example, certain pediatric compounds remain covered.

If you are currently taking or are prescribed a compound medication, you can call **Express Scripts Member Services at 1-800-987-8368** to verify if your medication is covered or excluded. After January 1, 2016, you can also go to the Express Scripts website at [www.express-scripts.com](http://www.express-scripts.com) and search for your medication to verify the coverage status.

## PCSK9 Inhibitor Drug Class

### New Prior Authorization Program

The FDA has approved the first formulas in a new class of cholesterol-lowering maintenance drugs called **PCSK9 inhibitors**. These new drugs are self-injectable specialty medications. Although studies are still underway, PCSK9 inhibitors may be used alone or in combination with current statin drugs to further lower the hardest-to-treat elevated cholesterol levels for patients who cannot tolerate any statin drug. This new generation of injectable biologics could offer an alternative for statin-intolerant patients.

While these new drugs will offer an alternative to statins, they may not be right for everyone. In addition, these drugs have the potential to drastically increase prescription drug costs under our **Medical PPO Plan** for both you and Chevron.

In an effort to provide appropriate access to this new class of drugs while protecting plan costs, Express Scripts started the Cholesterol Care Value Program. This is a separate prior authorization program designed specifically for the new PCSK9 inhibitor drug class. This prior authorization program features:

- **A clinical review process by a dedicated clinical team.** With every new request for PCSK9 inhibitors, a dedicated Express Scripts clinical team, with pharmacists who specialize in cardiovascular disease, will employ a robust clinical review, which includes collecting clinical documentation and holding discussions with your physician, before approving your use of a PCSK9 inhibitor.
- **Enhanced care for patients starting PCSK9s.** If you're changing therapy, you will automatically receive assistance and education from the Cholesterol Care team at Accredo, the Express Scripts specialty pharmacy. Accredo, will initially dispense three, 30-day prescriptions to ensure therapy tolerance before moving to a 90-day fill.

If you have questions, contact Express Scripts Member Services at **1-800-987-8368**.





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There is no change to the tobacco surcharge amounts. The tobacco surcharge effective January 1, 2016 is as follows:

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### How to Update Your Tobacco Use Status

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- Tobacco (cigarette, pipe, cigar).
- Smokeless tobacco (such as snuff or chewing tobacco).

E-cigarettes do not contain tobacco, so at this time e-cigarettes are not included in the tobacco use definition. However, the Federal Drug Administration is currently reviewing e-cigarettes. We continue to monitor this review and may choose to include e-cigarettes in the tobacco use definition in the future.

# High Deductible Health Plan (HDHP)

With the HDHP you pay a low monthly premium in exchange for a high deductible. The HDHP is a preferred provider organization (PPO) health plan. This means you can choose to see any doctor, hospital, pharmacy you want. If you choose a provider outside of the network, you will have a lower level of coverage, which means you might have to pay more for the service. You don't need a referral to a specialist under this plan. The Chevron HDHP is the only Chevron medical plan that is compatible with a health savings account (HSA). The HDHP offers comprehensive coverage for the major medical services you'd expect, including office visits, emergency services, hospital care, lab services, outpatient care, pregnancy and newborn care and rehabilitative services.

- **Medical Services:** UnitedHealthcare
- **Prescription Drugs:** Prescription Drug Program with Express Scripts
- **Basic Vision:** Automatically covered by the Vision Program for basic vision coverage with VSP.

## Preventive Care

The HDHP includes 100 percent coverage with no deductible for certain preventive care services as specified by the Affordable Care Act when you see a network provider (100 percent of allowable charges for an out-of-network provider). Additional preventive screenings and services may also be covered, depending on factors like your age and gender.

## Deductibles

There is *one combined deductible* in the HDHP for **medical, prescription drugs (retail and mail-order), mental health and substance abuse services**. This means you'll have to pay the full cost for covered services and supplies until you reach the deductible for the year. After you meet the deductible, coinsurance or copayments will apply.

## Health Savings Account (HSA)

If you enroll in the HDHP, you may also be eligible to open and contribute to a health savings account (HSA). An HSA is like a savings plan for health care. Your savings grow from year to year. There is no use it or lose it rule. And you can take your money with you if you change medical plans or you leave Chevron. You can use an HSA to pay for qualified medical expenses this year, three years from now or at any point in the future – even in retirement. It's your responsibility to learn about the strict eligibility rules and restrictions imposed by the IRS and determine if you meet the requirements to open and contribute to an HSA. Eligible employees enrolled in Chevron's HDHP may be able to make contributions to the **BenefitWallet Health Savings Account (HSA)** through payroll deductions. You can also choose from HSAs offered by any financial institution that offers them. In addition, you'll be responsible for understanding how an HSA works and making contributions. Participating in an HSA is a voluntary choice. Chevron does not provide an HSA, and Chevron cannot offer counsel about HSAs. You should consult your tax advisor and read about the requirements in IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans* available at [www.irs.gov](http://www.irs.gov). Learn more about an HSA and the BenefitWallet HSA on [hr2.chevron.com](http://hr2.chevron.com). Choose **Open Enrollment**.

## Mental Health and Substance Abuse (MHSA) Plan

You're automatically covered by the MHSA Plan. You can choose to use any provider, network or out-of-network. **Mental health and substance abuse services are subject to the combined deductible.** This means you'll have to pay the full cost for covered services and supplies until you reach the deductible for the year. See Page 33 for more information about the MHSA Plan.

## High Deductible Health Plan (HDHP)

### Monthly Premium

This is the fixed amount of money you pay each month to be covered by your health plan. Chevron also currently contributes money each month to help pay for your premium.

\$13	You Only
\$28	You + One Adult
\$22	You + Child(ren)
\$36	You + Family

### Annual Deductible

This is the amount you pay out of pocket before your health plan begins to help pay for covered health care services.

			
\$2,650	You Only		
\$5,300	You + One Adult		
\$5,300	You + Child(ren)		
\$7,950	You + Family		

One combined deductible for medical, prescription drugs, mental health and substance abuse services. Deductible applies to prescription mail-order and mental health and substance abuse services. Doesn't count toward the deductible: vision and health care this plan doesn't cover, difference between cost of generic and brand-name drug, or between network and out-of-network pharmacy price, drugs this plan doesn't cover.

### Out-of-Pocket Maximum

This amount is the most you will have to pay out of pocket for covered health care services for the year. When you reach this amount, your health plan begins to pay 100 percent of the allowed amount for covered health care services. This amount is important because it protects you in the event you have a year with major health expenses. Your deductible is included in your out-of-pocket maximum. Your monthly premium, charges in excess of the allowable charges, and services your plan doesn't cover are examples of things not included in the out-of-pocket maximum.

			
\$5,000	You Only		
\$9,000	You + One Adult		
\$9,000	You + Child(ren)		
\$12,900	You + Family		

Deductible, coinsurance, mental health and substance apply toward the out-of-pocket maximum.



Covered **Medical Services and Supplies**



Covered **Prescription Drugs**



Covered **Mental Health and Substance Abuse Services**

### Tobacco Surcharge

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### For More Information

Be sure to go to [hr2.chevron.com](http://hr2.chevron.com) for access to a variety of other resources.

### Health Care Spending Account (HCSA)

If you enroll in the HDHP, you *cannot* participate in the HCSA. If you enroll in the HDHP, and you meet the requirements to qualify for health rewards, a **Limited Purpose Health Care Spending Account (LHCSA)** will automatically be established for you. See Page 14 for more information.

## Health Savings Account (HSA) Updates

The IRS limits how much you can contribute to your HSA for each year. Your contribution limits are determined by the level of coverage (such as *You Only* or *You + One Adult*) you've selected in a qualifying, high deductible health plan, such as the Chevron HDHP. Monitor your contributions carefully. It is your responsibility to track the total contributions you make during the year; Chevron cannot track your contributions against the annual limit. If you contribute over the limit, you may be subject to taxes and penalties. For 2016 the limits are:\*

- **You Only:** \$3,350
- **You + One Adult:** \$6,750
- **You + Child(ren):** \$6,750
- **You + Family:** \$6,750

\* You are allowed to make an extra \$1,000 in catch-up contributions starting in the calendar year in which you turn age 55.

## Changes to Medical Coverage

- Currently, the HDHP requires that another method of pain management has been tried and failed before **acupuncture coverage** begins. This requirement will be removed effective January 1, 2016.
- Effective January 1, 2016, **virtual visits** are available for covered health services that include the diagnosis and treatment of low acuity medical conditions for covered persons, through the use of interactive audio and video telecommunication and transmissions, and audio-visual communication technology. Benefits are available only when services are delivered through a Designated Virtual Network Provider. You can find a Designated Virtual Network Provider by going to [www.myuhc.com](http://www.myuhc.com) or by calling 1-800-654-0079. Note that not all medical conditions can be appropriately treated through virtual visits. The Designated Virtual Network Provider will identify any condition for which treatment by in-person physician contact is necessary. In addition, benefits under this provision do not include email, fax and standard telephone calls, or for telehealth/telemedicine visits that occur within medical facilities. UnitedHealthcare will provide more information to plan participants when virtual visits become available next year.

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### New Prior Authorizations

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- Anticoagulants (Pradaxa, Xarelto, Eliquis)
- Suboxone

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- **Topical Acne**  
(For example: Cleocin T, Ancanya, Ziana, Veltin, Benzac AC, Azelex)
- **Topical Corticosteroids**  
(For example: Synalar, Cordran, Halog, Topicort, Diprolene)

## Some Compound Medications Not Covered

According to the FDA, compounding is the practice in which a licensed pharmacist combines, mixes or alters ingredients in response to a prescription to create a medication tailored to the medical needs of an individual patient. Individual active ingredients within the compound might be FDA approved, but the FDA does not approve the quality, safety and efficacy of the actual compound with multiple active ingredients.

**A number of commonly used primary ingredients for compounds have been identified and will no longer be covered by the Chevron Prescription Drug Program. Beginning January 1, 2016, if you are using a compound medication in which the primary ingredient is no longer covered, then the compound medication will no longer be covered.**

For a few of the excluded compound medications, there are commercially available products that don't require a compounded product. Only your medical provider and you can determine a suitable alternative since it is often difficult to determine the condition for which a compound medication is being prescribed. **If you continue to use the affected compound medications, you will pay the full retail price if you refill that prescription starting January 1, 2016.**

Please note that not all compounded prescriptions are being excluded from coverage. There is still an inclusion list of compound ingredients that will remain covered and are considered appropriate. For example, certain pediatric compounds remain covered.

If you are currently taking or are prescribed a compound medication, you can call **Express Scripts Member Services** at **1-800-987-8368** to verify if your medication is covered or excluded. After January 1, 2016, you can also go to the Express Scripts website at [www.express-scripts.com](http://www.express-scripts.com) and search for your medication to verify the coverage status.



## PCSK9 Inhibitor Drug Class

### New Prior Authorization Program

The FDA has approved the first formulas in a new class of cholesterol-lowering maintenance drugs called **PCSK9 inhibitors**. These new drugs are self-injectable specialty medications. Although studies are still underway, PCSK9 inhibitors may be used alone or in combination with current statin drugs to further lower the hardest-to-treat elevated cholesterol levels for patients who cannot tolerate any statin drug. This new generation of injectable biologics could offer an alternative for statin-intolerant patients.

While these new drugs will offer an alternative to statins, they may not be right for everyone. In addition, these drugs have the potential to drastically increase prescription drug costs under our High Deductible Health Plan for both you and Chevron.

In an effort to provide appropriate access to this new class of drugs while protecting plan costs, Express Scripts started the Cholesterol Care Value Program. This is a separate prior authorization program designed specifically for the new PCSK9 inhibitor drug class. This prior authorization program features:

- **A clinical review process by a dedicated clinical team.** With every new request for PCSK9 inhibitors, a dedicated Express Scripts clinical team, with pharmacists who specialize in cardiovascular disease, will employ a robust clinical review, which includes collecting clinical documentation and holding discussions with your physician, before approving your use of a PCSK9 inhibitor.
- **Enhanced care for patients starting PCSK9s.** If you're changing therapy, you will automatically receive assistance and education from the Cholesterol Care team at Accredo, the Express Scripts specialty pharmacy. Accredo, will initially dispense three, 30-day prescriptions to ensure therapy tolerance before moving to a 90-day fill.

If you have questions, contact Express Scripts Member Services at **1-800-987-8368**.



# Update to the Summary Plan Description Effective January 1, 2016

**All changes described in this SMM are effective January 1, 2016 unless otherwise indicated.**

This enclosed newsletter serves as an official summary of material modification (SMM) for the plans referenced herein. Please keep this information with your other plan documents for future reference. This communication provides only certain highlights about changes of benefit provisions. It is not intended to be a complete explanation. If there are any discrepancies between this communication and the legal plan documents, the legal plan documents will prevail to the extent permitted by law. There are no vested rights with respect to Chevron health care plans or any company contributions towards the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision. Some benefit plans and policies described in this document may be subject to collective bargaining and, therefore, may not apply to union-represented employees.

You can access the summary plan descriptions for your benefits on the Internet at [hr2.chevron.com](http://hr2.chevron.com) or by calling the HR Service Center at 1-888-825-5247 (610-669-8595 if you're outside the U.S.), option 2.

This SMM applies to the following summary plan description:

- **January 1, 2014 Medical and Dental HMO Summary Plan Description** (both the individual SPD posted online and the Your Chevron Health Benefits Summary Plan Description for U.S.-Payroll Employees compilation available in print.)

# Tobacco Surcharge Changes

## *New Tobacco User Trying to Quit* requirements for 2016.

**Open enrollment – October 19 through October 30, 2015 – is your only opportunity to update your tobacco use status for 2016.**

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. All active U.S.-payroll employees (and those on a leave of absence) were previously required to certify their tobacco use status. **Open enrollment – October 19 through October 30, 2015 – is your only opportunity to change your tobacco use status for 2016.** If you miss this deadline, you cannot change your 2016 tobacco use status until the next open enrollment period. And you cannot change your 2016 tobacco use status during the year, even if you experience a qualifying life event – like getting married or having a baby.

If your 2015 certification status is **Tobacco User, But Will Try to Quit**, you may need to take action during open enrollment to update your 2016 tobacco use status. **If you do not make a new tobacco use certification during open enrollment, your 2016 tobacco use status will be automatically assigned as Tobacco User and the tobacco surcharge will apply to you for all of 2016.** If you make a new 2016 tobacco use certification during open enrollment, your certification choice will determine whether or not the tobacco surcharge applies to you for all of 2016.

If your 2015 certification status is either **Not a Tobacco User, Tobacco User** or **Decline to Disclose**, your 2015 status will continue automatically in 2016 unless you make a change to your status during open enrollment. You do not need to do anything if this designation still accurately describes your tobacco use status.

There is no change to the tobacco surcharge amounts. The tobacco surcharge effective January 1, 2016 is as follows:

- **\$25** more each month in 2016 for medical coverage.
- **20 percent** more each month in 2016 for Chevron Supplemental Life Insurance Plan coverage, if enrolled.

### How to Update Your Tobacco Use Status

You can update your tobacco use status by calling the HR Service Center (see Page 8) or by going online to Benefits Connection, the same website you use to make open enrollment elections. Follow the instructions on Page 8 to make open enrollment elections and update your tobacco use status for 2016.

## Certification Choices for 2016

Your 2016 tobacco certification choices and requirements are as follows:

- **Not a Tobacco User.** You will not be subject to the surcharge during 2016.
- **Tobacco User.** If you're a tobacco user and don't intend to stop using tobacco, the surcharge will apply to you in 2016.
- **Tobacco User, But Commit to Coaching.** This is a new certification choice for 2016. See below for details.
- **Decline to Disclose.** If you decline to disclose your tobacco use, you will be defaulted to Tobacco User and the surcharge will apply to you in 2016.

### New for Choice for 2016: Tobacco User, But Commit to Coaching

If you commit to complete at least **three** Tobacco Cessation Specialty Coaching sessions through WebMD between July 1, 2015 and December 31, 2016, the surcharge will not apply to you during 2016. Tobacco Cessation Specialty Coaching combines one-on-one telephone coaching, nicotine replacement therapy and integrated online resources to help participants try to stop using tobacco products. Contact WebMD at **1-888-321-1544** (or 925-842-8346 from outside the U.S.) to enroll. You can also go to [hr2.chevron.com/wellness](http://hr2.chevron.com/wellness) to learn more about this and other Tobacco Free Program resources.

## What's Considered Tobacco Use

Indicate your tobacco use status only; you don't have to certify the tobacco use status of your spouse or domestic partner and other dependents for 2016. The definition of tobacco use has not changed for 2016. Any use, regardless of frequency or location, is considered use. This includes daily, occasional or social use. It also includes if it's used only at your home. Tobacco use means you've used any of the following at any point since July 1, 2015:

- Tobacco (cigarette, pipe, cigar).
- Smokeless tobacco (such as snuff or chewing tobacco).

E-cigarettes do not contain tobacco, so at this time e-cigarettes are not included in the tobacco use definition. However, the Federal Drug Administration is currently reviewing e-cigarettes. We continue to monitor this review and may choose to include e-cigarettes in the tobacco use definition in the future.

# Medical HMO Plans

Chevron offers several health maintenance organization (HMO) medical plan options that include medical coverage, prescription drug coverage and basic vision coverage. With an HMO you must visit a provider in the HMO's network, otherwise your benefits aren't covered (except for certain emergency situations). HMOs are not available in all areas and the plan choices vary based on your zip code. The Benefits Connection enrollment website will indicate if an HMO is available in your area and the website will display the monthly cost for each plan available to you. Typically, you need a referral to a specialist under the Medical HMO Plans.

The Medical HMO Plans offer comprehensive coverage for the major medical services you'd expect, including office visits, emergency services, hospital care, lab services, outpatient care, pregnancy and newborn care and rehabilitative services.

- **Medical Services, Prescription Drugs, Basic Vision:** Provided by the HMO

## Preventive Care

All Medical HMO Plans include 100 percent coverage with no deductible for certain preventive care services as specified by the Affordable Care Act when you see a network provider. Additional preventive screenings and services may also be covered, depending on factors like your age and gender.

## Deductibles

There are generally no deductibles in the Medical HMO Plans, but coinsurance or copayments generally apply for all covered services and supplies.

## Health Care Spending Account (HCSA)

You *are eligible* to participate in the Health Care Spending Account (HCSA), a flexible spending account. The funds you contribute to this account do not roll over from year to year. Learn more about the HCSA on [hr2.chevron.com](https://hr2.chevron.com). Choose **Open Enrollment**.

## Health Savings Account (HSA)

You *cannot* participate in a health savings account when enrolled in a Medical HMO Plan. However, you can use funds from an *existing* HSA to pay for qualified medical expenses while participating in a Medical HMO Plan.

## Mental Health and Substance Abuse (MHSA) Plan

If you are enrolled in a Chevron Medical HMO Plan, you have the choice to use the mental health and substance abuse benefits provided by your HMO Plan, or to use the benefits provided under the MHSA Plan administered by ValueOptions, a Beacon Health Company. However, you cannot make a claim to **both** your HMO Plan and ValueOptions for the same service. If you are enrolled in a Chevron Medical HMO Plan and you choose to use your ValueOptions MHSA benefit, remember you **must** use a ValueOptions network provider to receive benefits. Out-of-network provider services are covered for emergencies only.

## Medical HMO Plans

### Monthly Premium

This is the fixed amount of money you pay each month to be covered by your health plan. Chevron also currently contributes money each month to help pay for your premium.

**Varies.** The monthly premium is based on the plans available in your area (if any). Go to the Benefits Connection website to see your HMO options and the monthly cost. (See Page 8.)

### Annual Deductible

This is the amount you pay out of pocket before your health plan begins to help pay for covered health care services.

**No Deductibles.** You generally don't need to satisfy a deductible before your plan shares costs with you – you'll just have to pay a copayment and/or coinsurance for covered services and prescription drugs. Remember, to receive coverage, you *must* use an HMO network provider, except in certain emergency situations.

*Note: Certain union HMO plans have a deductible requirement. See your plan's Summary of Benefits and Coverage (SBC) on [hr2.chevron.com](http://hr2.chevron.com) for details.*

### Out-of-Pocket Maximum

This amount is the most you will have to pay out of pocket for covered health care services for the year. When you reach this amount, your health plan begins to pay 100 percent of the allowed amount for covered health care services. This amount is important because it protects you in the event you have a year with major health expenses.

**Varies.** The out-of-pocket maximum is based on the plans available in your area (if any). Go to the Summary of Benefits and Coverage (SBC) posted on [hr2.chevron.com](http://hr2.chevron.com) to review the limits for each of your available HMO plans.

### Tobacco Surcharge

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. This means there are different monthly rates for this coverage for tobacco and non-tobacco users. The rates above do not include a tobacco surcharge. See Page 16 for tobacco surcharge information.

### For More Information

Be sure to go to [hr2.chevron.com](http://hr2.chevron.com) for access to a variety of other resources.

## Medical HMO - Altius UT Will Not Be Offered in 2016

**This plan will no longer be available to active employees effective January 1, 2016.** If you are currently enrolled in this plan, you will be automatically enrolled in the **Medical PPO Plan – Option 1** effective January 1, 2016. No action is required, but if you want to enroll in another Chevron medical option available to you, you must make an election during open enrollment, October 19 through October 30, 2015.

## Other Medical HMO Plan Changes

If you participate in a Medical HMO offered by Chevron, note that your provider or other plan features, like monthly premiums, copayments or prescription drug coverage could still change. **We've provided the highlights of major changes in the table below, but there could be additional details or other changes received after the printing of this newsletter. Always refer to the 2016 Evidence of Coverage document available for each plan to learn about your HMO plan changes.** Contact the HMO directly to request a copy. You can find HMO contact information on [hr2.chevron.com](http://hr2.chevron.com) or by calling the HR Service Center.

## 2016 Medical HMO Plan Change Highlights

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### Medical HMO - Health Plan HI

- Durable Medical Equipment coverage will increase from 50% to **80% covered**.
- Hawaii mandate for **autism coverage** now included.

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### Medical HMO - Group Health WA

- Outpatient Rehabilitation visit limit will be reduced from 60 visits per year to **45 visits per year**.
- Inpatient Rehabilitation visit limit will be reduced from 60 days per year to **30 days per year**.

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### Medical HMO - Kaiser HI

- Specialty Drug tier added (**\$75** retail, **\$150** mail-order).
- Skilled Nursing Facility care day limit will be increased from 100 days to **120 days**.

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### Medical HMO - Altius UT

- This plan **will no longer be available** to active employees effective January 1, 2016.

## Medical HMO Plan Reminders

An HMO option may be available to you in your area. The Benefits Connection website will list the HMOs available to you next year (if any).

- **Your provider or other plan features, like monthly premiums, copayments or prescription drug coverage could change.** See your plan's Summary of Benefits and Coverage (SBC) for more information about your plan's features or contact the HMO directly (See Page 10).
- **Even if your current HMO will be available in 2016, that doesn't guarantee that it is still available to you.** Each year, the HMOs review the ZIP codes and counties in which they have providers. An HMO may choose to discontinue coverage to residents of certain areas.
- **Your HMO provider may have changed.** Remember that HMOs require you to use doctors, dentists and hospitals that are part of their provider network. Contact your medical or dental HMO directly to find out if your current providers continue to be in the network. If they are not, you will need to change providers or choose a new plan to ensure that your medical and dental services continue to be covered.
- **Copayment and other changes in your current HMO coverage may apply** because of state filings, compliance with the Health Care Reform law provisions, or to make them more closely align with Chevron's standard benefit design. You'll be able to view more information about HMO plan changes, if any, in the 2016 Evidence of Coverage document available for each HMO plan. Contact the HMO directly to request a copy.







# Update to the Summary Plan Description Effective January 1, 2016

**All changes described in this SMM are effective January 1, 2016 unless otherwise indicated.**

This enclosed newsletter serves as an official summary of material modification (SMM) for the plans referenced herein. Please keep this information with your other plan documents for future reference. This communication provides only certain highlights about changes of benefit provisions. It is not intended to be a complete explanation. If there are any discrepancies between this communication and the legal plan documents, the legal plan documents will prevail to the extent permitted by law. There are no vested rights with respect to Chevron health care plans or any company contributions towards the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision. Some benefit plans and policies described in this document may be subject to collective bargaining and, therefore, may not apply to union-represented employees.

You can access the summary plan descriptions for your benefits on the Internet at [hr2.chevron.com](http://hr2.chevron.com) or by calling the HR Service Center at 1-888-825-5247 (610-669-8595 if you're outside the U.S.), option 2.

This SMM applies to the following summary plan description:

- **January 1, 2014 Global Choice Plan (U.S.-Payroll Expatriates) Summary Plan Description** (both the individual SPD posted online and the Your Chevron Health Benefits Summary Plan Description for U.S.-Payroll Employees compilation available in print.)

# Tobacco Surcharge Changes

## *New Tobacco User Trying to Quit* requirements for 2016.

**Open enrollment – October 19 through October 30, 2015 – is your only opportunity to update your tobacco use status for 2016.**

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. All active U.S.-payroll employees (and those on a leave of absence) were previously required to certify their tobacco use status. **Open enrollment – October 19 through October 30, 2015 – is your only opportunity to change your tobacco use status for 2016.** If you miss this deadline, you cannot change your 2016 tobacco use status until the next open enrollment period. And you cannot change your 2016 tobacco use status during the year, even if you experience a qualifying life event – like getting married or having a baby.

If your 2015 certification status is **Tobacco User, But Will Try to Quit**, you may need to take action during open enrollment to update your 2016 tobacco use status. **If you do not make a new tobacco use certification during open enrollment, your 2016 tobacco use status will be automatically assigned as Tobacco User and the tobacco surcharge will apply to you for all of 2016.** If you make a new 2016 tobacco use certification during open enrollment, your certification choice will determine whether or not the tobacco surcharge applies to you for all of 2016.

If your 2015 certification status is either **Not a Tobacco User, Tobacco User** or **Decline to Disclose**, your 2015 status will continue automatically in 2016 unless you make a change to your status during open enrollment. You do not need to do anything if this designation still accurately describes your tobacco use status.

There is no change to the tobacco surcharge amounts. The tobacco surcharge effective January 1, 2016 is as follows:

- **\$25** more each month in 2016 for medical coverage.
- **20 percent** more each month in 2016 for Chevron Supplemental Life Insurance Plan coverage, if enrolled.

### How to Update Your Tobacco Use Status

You can update your tobacco use status by calling the HR Service Center (see Page 10) or by going online to Benefits Connection, the same website you use to make open enrollment elections. Follow the instructions on Page 10 to make open enrollment elections and update your tobacco use status for 2016.

## Certification Choices for 2016

Your 2016 tobacco certification choices and requirements are as follows:

- **Not a Tobacco User.** You will not be subject to the surcharge during 2016.
- **Tobacco User.** If you're a tobacco user and don't intend to stop using tobacco, the surcharge will apply to you in 2016.
- **Tobacco User, But Commit to Coaching.** This is a new certification choice for 2016. See below for details.
- **Decline to Disclose.** If you decline to disclose your tobacco use, you will be defaulted to Tobacco User and the surcharge will apply to you in 2016.

### New for Choice for 2016: Tobacco User, But Commit to Coaching

If you commit to complete at least **three** Tobacco Cessation Specialty Coaching sessions through WebMD between July 1, 2015 and December 31, 2016, the surcharge will not apply to you during 2016. Tobacco Cessation Specialty Coaching combines one-on-one telephone coaching, nicotine replacement therapy and integrated online resources to help participants try to stop using tobacco products. Contact WebMD at **1-888-321-1544** (or 925-842-8346 from outside the U.S.) to enroll. You can also go to [hr2.chevron.com/wellness](http://hr2.chevron.com/wellness) to learn more about this and other Tobacco Free Program resources.

## What's Considered Tobacco Use

Indicate your tobacco use status only; you don't have to certify the tobacco use status of your spouse or domestic partner and other dependents for 2016. The definition of tobacco use has not changed for 2016. Any use, regardless of frequency or location, is considered use. This includes daily, occasional or social use. It also includes if it's used only at your home. Tobacco use means you've used any of the following at any point since July 1, 2015:

- Tobacco (cigarette, pipe, cigar).
- Smokeless tobacco (such as snuff or chewing tobacco).

E-cigarettes do not contain tobacco, so at this time e-cigarettes are not included in the tobacco use definition. However, the Federal Drug Administration is currently reviewing e-cigarettes. We continue to monitor this review and may choose to include e-cigarettes in the tobacco use definition in the future.

# Global Choice Plan (U.S.-Payroll Expatriates)

The Global Choice Plan is the only medical plan option available to you while you're on expatriate assignment. The Global Choice Plan offers comprehensive coverage for the medical services you'd expect, including office visits, emergency services, hospital care, lab services, outpatient care, pregnancy and newborn care, and rehabilitative services.

- **Medical Services**
  - All medical services are insured by Cigna – whether inside or outside the United States.
- **Prescription Drugs:**
  - Cigna administers your prescription drugs for prescriptions obtained outside the United States.
  - Express Scripts administers your prescription drugs for prescriptions obtained in the United States or by mail-order within the United States.
- **Basic Vision:** Automatically covered by the Vision Program for basic vision coverage with VSP.

## Preventive Care

The Global Choice Plan includes 100 percent coverage with no deductible for certain preventive care services as specified by the Affordable Care Act when you see a network provider (100 percent of allowable charges for an out-of-network provider). Additional preventive screenings and services may also be covered, depending on factors like your age and gender.

## Deductibles

There are two separate deductibles under the Global Choice Plan:

- There is a deductible that applies to **all medical services** (inside and outside the United States).
- There is a deductible that applies to **prescription drugs obtained inside the United States** (no deductible for mail-order).

There is no deductible for prescription drugs obtained outside the U.S., and no deductible for mental health and substance abuse services.

## Health Care Spending Account (HCSA)

You *are eligible* to participate in the Health Care Spending Account (HCSA), a flexible spending account. The funds you contribute to this account do not roll over from year to year. Learn more about the HCSA on [hr2.chevron.com](http://hr2.chevron.com). Choose **Open Enrollment**.

## Health Savings Account (HSA)

You *cannot* participate in a health savings account when enrolled in the Global Choice Plan. However, you can use funds from an *existing* HSA to pay for qualified medical expenses while participating in the Global Choice Plan.

## Mental Health and Substance Abuse (MHSA) Plan

You're automatically covered by the MHSA Plan. You can choose to use any provider, network or out-of-network (there are no network providers outside the United States). There is no deductible to satisfy. See Page 21 for more information about the MHSA Plan.

## Global Choice Plan (U.S.-Payroll Expatriates)

### Monthly Premium

This is the fixed amount of money you pay each month to be covered by your health plan. Chevron also currently contributes money each month to help pay for your premium.

You Pay		Chevron Pays
\$88	You Only	\$356
\$175	You + One Adult	\$712
\$148	You + Child(ren)	\$606
\$235	You + Family	\$962

### Annual Deductible

This is the amount you pay out of pocket before your health plan begins to help pay for covered health care services.

#### Service Inside or Outside U.S.



\$300	You Only
\$600	You + One Adult
\$600	You + Child(ren)
\$900	You + Family

#### Inside the U.S.



\$150	Individual
\$300	Family

#### Outside the U.S.

No deductible, but copayments or coinsurance do apply.

No deductible for retail prescriptions obtained outside the U.S. No deductible for mail-order prescriptions (only available within the U.S.). Doesn't count toward the deductible: vision and health care this plan doesn't cover, difference between cost of generic and brand-name drugs, or between network and out-of-network pharmacy price, drugs this plan doesn't cover.



\$0 There is **no deductible** for mental health and substance abuse coverage, **but copayments or coinsurance do apply.**

### Out-of-Pocket Maximum

This amount is the most you will have to pay out of pocket for covered health care services for the year. When you reach this amount, your health plan begins to pay 100 percent of the allowed amount for covered health care services. This amount is important because it protects you in the event you have a year with major health expenses. Your monthly premium, charges in excess of the allowable charges, and services your plan doesn't cover are examples of things not included in the out-of-pocket maximum.

#### Medical Services (Inside and Outside the U.S.) Prescription Drugs (Outside the U.S.) Mental Health and Substance Abuse Services



\$2,300	You Only
\$4,600	You + One Adult
\$4,600	You + Child(ren)
\$6,900	You + Family



Deductible, copayments, coinsurance, mental health and substance abuse apply toward the out-of-pocket maximum.

#### Prescription Drugs (Inside the U.S.)



\$1,800	Individual
\$3,600	Family

Deductible, copayments, coinsurance apply toward the out-of-pocket maximum.



Covered **Medical Services and Supplies**



Covered **Prescription Drugs**



Covered **Mental Health and Substance Abuse Services**

### Tobacco Surcharge

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. This means there are different monthly rates for this coverage for tobacco and non-tobacco users. The rates above do not include a tobacco surcharge. See Page 14 for tobacco surcharge information.

### For More Information

Be sure to go to [hr2.chevron.com](http://hr2.chevron.com) for access to a variety of other resources.



## Changes to Prescription Drug Coverage

Cigna is the insurer for prescription drugs obtained **outside the United States**. There are no changes to your Cigna prescription drug coverage for 2016.

Express Scripts is the insurer for the Prescription Drug Program which covers prescription drugs obtained **inside the United States and through mail order within the United States**. The prescription drug changes described in this section apply to your coverage through Express Scripts and take effect on January 1, 2016. For additional details, contact Express Scripts Member Services at **1-800-987-8368**, or review the documents and links available from [hr2.chevron.com](http://hr2.chevron.com). Choose the **Open Enrollment** link to get started.

## New Medications Subject to Preferred Step Therapy

Certain drugs are covered by the Prescription Drug Program only if preferred drugs – which include generics – are tried first. This is called **Preferred Step Therapy (PST)**. The following are new classes of medications that will be subject to PST effective January 1, 2016. This means that you will be required, when clinically appropriate, to try a preferred drug before Express Scripts will authorize coverage for the use of non-preferred drugs:

- **Topical Acne**  
(For example: Cleocin T, Ancanya, Ziana, Veltin, Benzac AC, Azelex)
- **Topical Corticosteroids**  
(For example: Synalar, Cordran, Halog, Topicort, Diprolene)

## New Prior Authorizations

The Prescription Drug Program covers some drugs only if they're prescribed for certain uses or only up to certain quantity levels. For this reason, some medications will require your doctor to provide additional clinical information so that use of the medication can be approved in advance before you can receive plan benefits. This is called **prior authorization**. The following drugs will require prior authorization effective January 1, 2016:

- Anticoagulants (Pradaxa, Xarelto, Eliquis)
- Suboxone

## Some Compound Medications Not Covered

According to the FDA, compounding is the practice in which a licensed pharmacist combines, mixes or alters ingredients in response to a prescription to create a medication tailored to the medical needs of an individual patient. Individual active ingredients within the compound might be FDA approved, but the FDA does not approve the quality, safety and efficacy of the actual compound with multiple active ingredients.

**A number of commonly used primary ingredients for compounds have been identified and will no longer be covered by the Chevron Prescription Drug Program. Beginning January 1, 2016, if you are using a compound medication in which the primary ingredient is no longer covered, then the compound medication will no longer be covered.**

For a few of the excluded compound medications, there are commercially available products that don't require a compounded product. Only your medical provider and you can determine a suitable alternative since it is often difficult to determine the condition for which a compound medication is being prescribed. **If you continue to use the affected compound medications, you will pay the full retail price if you refill that prescription starting January 1, 2016.**

Please note that not all compounded prescriptions are being excluded from coverage. There is still an inclusion list of compound ingredients that will remain covered and are considered appropriate. For example, certain pediatric compounds remain covered.

If you are currently taking or are prescribed a compound medication, you can call **Express Scripts Member Services at 1-800-987-8368** to verify if your medication is covered or excluded. After January 1, 2016, you can also go to the Express Scripts website at [www.express-scripts.com](http://www.express-scripts.com) and search for your medication to verify the coverage status.

## PCSK9 Inhibitor Drug Class New Prior Authorization Program

The FDA has approved the first formulas in a new class of cholesterol-lowering maintenance drugs called **PCSK9 inhibitors**. These new drugs are self-injectable specialty medications. Although studies are still underway, PCSK9 inhibitors may be used alone or in combination with current statin drugs to further lower the hardest-to-treat elevated cholesterol levels for patients who cannot tolerate any statin drug. This new generation of injectable biologics could offer an alternative for statin-intolerant patients.

While these new drugs will offer an alternative to statins, they may not be right for everyone. In addition, these drugs have the potential to drastically increase prescription drug costs under our **Global Choice Plan** for both you and Chevron.

In an effort to provide appropriate access to this new class of drugs while protecting plan costs, Express Scripts started the Cholesterol Care Value Program. This is a separate prior authorization program designed specifically for the new PCSK9 inhibitor drug class. This prior authorization program features:

- **A clinical review process by a dedicated clinical team.** With every new request for PCSK9 inhibitors, a dedicated Express Scripts clinical team, with pharmacists who specialize in cardiovascular disease, will employ a robust clinical review, which includes collecting clinical documentation and holding discussions with your physician, before approving your use of a PCSK9 inhibitor.
- **Enhanced care for patients starting PCSK9s.** If you're changing therapy, you will automatically receive assistance and education from the Cholesterol Care team at Accredo, the Express Scripts specialty pharmacy. Accredo, will initially dispense three, 30-day prescriptions to ensure therapy tolerance before moving to a 90-day fill.

If you have questions, contact Express Scripts Member Services at **1-800-987-8368**.





# Update to the Summary Plan Description Effective January 1, 2016

**All changes described in this SMM are effective January 1, 2016 unless otherwise indicated.**

This enclosed newsletter serves as an official summary of material modification (SMM) for the plans referenced herein. Please keep this information with your other plan documents for future reference. This communication provides only certain highlights about changes of benefit provisions. It is not intended to be a complete explanation. If there are any discrepancies between this communication and the legal plan documents, the legal plan documents will prevail to the extent permitted by law. There are no vested rights with respect to Chevron health care plans or any company contributions towards the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision. Some benefit plans and policies described in this document may be subject to collective bargaining and, therefore, may not apply to union-represented employees.

You can access the summary plan descriptions for your benefits on the Internet at [hr2.chevron.com](http://hr2.chevron.com) or by calling the HR Service Center at 1-888-825-5247 (610-669-8595 if you're outside the U.S.), option 2.

This SMM applies to the following summary plan description:

- **January 1, 2014 Mental Health and Substance Abuse Plan (U.S.-Payroll) Summary Plan Description** (both the individual SPD posted online and the Your Chevron Health Benefits Summary Plan Description for U.S.-Payroll Employees compilation available in print.)

# Mental Health and Substance Abuse Plan

The Mental Health and Substance Abuse (MHSA) Plan, administered by ValueOptions, a Beacon Health Company, provides confidential support for a wide range of personal issues – from everyday challenges to more serious problems. You and your covered dependents have access to support services 24 hours a day for a variety of concerns such as:

- Depression
- Stress and anxiety
- Parenting and family problems
- Relationship difficulties or problems at work

## MHSA Basics

- **You do not need to enroll.** This benefit is automatically provided to you, as long as you're eligible to participate. And you're still covered by this plan even if you are not enrolled in a medical plan offered by Chevron.
- **Your eligible dependents are covered,** if they are enrolled in a medical plan to which Chevron contributes, such as the Medical PPO, a Medical HMO or the HDHP.
- **You do not pay a monthly cost for this coverage.** Chevron pays the full monthly cost for coverage. However, you do share a portion of the costs if you receive benefits under the plan.
- If you're enrolled in the **Medical PPO Plan**, a **Chevron Medical HMO Plan** or a **medical plan with another employer**, there is no deductible to satisfy, no matter if you're receiving mental health or substance abuse benefits in the network or out-of-network.
- If you're enrolled in the **Chevron HDHP**, your combined deductible applies to mental health and substance abuse services. This means you must satisfy your deductible before the HDHP plan shares the cost of mental health or substance abuse services.
- If you are enrolled in a **Chevron Medical HMO Plan**, you have the choice to use the mental health and substance abuse benefits provided by your HMO Plan, or to use the benefits provided under the MHSA Plan administered by ValueOptions. However, you cannot make a claim to both your HMO Plan and ValueOptions for the same service. If you choose to use the ValueOptions MHSA benefit, you must use a ValueOptions network provider to receive benefits. Out-of-network benefits are not covered, except for emergency services.

**If you need assistance, you can talk to either ValueOptions, Chevron's Employee Assistance and WorkLife Services, or both. Contact ValueOptions at 1-800-847-2438. Contact Chevron's Employee Assistance WorkLife Services at 1-800-860-8205 (CTN 842-3333).**

## ValueOptions has merged with Beacon Health Strategies.

ValueOptions, the current administrator of your MHPA Plan, has merged with Beacon Health Strategies to form Beacon Health Options. There will be no changes to your MHPA Plan, other than a new logo and administrator name – **ValueOptions, a Beacon Health Options company**. Your MHPA benefits generally remain the same, with the exception of the 2016 plan design changes discussed in this newsletter.

- The **provider network** remains the same.
- The **phone number** remains the same.
- The **website address** remains the same.
- **ID cards** issued to *new* participants will reflect the new name and logo.

You will begin to see the Beacon name, logo and branding over time. For this reason, it's possible you may see some overlap of ValueOptions and Beacon Health Options branding. Providers have also started to see this change, so if your provider mentions it, there is no cause for concern.



**ValueOptions, a Beacon Health Options company**  
1-800-847-2438  
[www.valueoptions.com](http://www.valueoptions.com)

## New Office Visit Coinsurance Maximum

### Medical PPO (Option 1, Option 2) and High Deductible Health Plan (HDHP)

#### Mental Health Benefits

##### Outpatient

Office visit (individual, group, family, medication management).

*Some services require pre-certification (for example, psychological testing and electroconvulsive therapy).*

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##### Network

90% after 10% coinsurance (maximum \$25) per visit.

##### Out-of-Network

80% of allowed charges.

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#### Substance Abuse Benefits

##### Outpatient

Office visit (individual, group, family, medication management).

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##### Network

90% after 10% coinsurance (maximum \$25) per visit.

##### Out-of-Network

80% of allowed charges.

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## ValueOptions has merged with Beacon Health Strategies.

ValueOptions, the current administrator of your MHSa Plan, has merged with Beacon Health Strategies to form Beacon Health Options. There will be no changes to your MHSa Plan, other than a new logo and administrator name – **ValueOptions, a Beacon Health Options company**. Your MHSa benefits generally remain the same, with the exception of the 2016 plan design changes discussed in this newsletter.

- The **provider network** remains the same.
- The **phone number** remains the same.
- The **website address** remains the same.
- **ID cards** issued to *new* participants will reflect the new name and logo.

You will begin to see the Beacon name, logo and branding over time. For this reason, it's possible you may see some overlap of ValueOptions and Beacon Health Options branding. Providers have also started to see this change, so if your provider mentions it, there is no cause for concern.



**ValueOptions, a Beacon Health Options company**  
1-800-847-2438  
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## New Office Visit Coinsurance Maximum

### Global Choice Plan (U.S.-Payroll Expatriates)

#### Mental Health Benefits

##### Outpatient

Office visit (individual, group, family, medication management).

*Some services require pre-certification (for example, psychological testing and electroconvulsive therapy).*

##### Network

90% after 10% coinsurance (maximum \$25) per visit.

##### Out-of-Network

80% of allowed charges.

#### Substance Abuse Benefits

##### Outpatient

Office visit (individual, group, family, medication management).

##### Network

90% after 10% coinsurance (maximum \$25) per visit.

##### Out-of-Network

80% of allowed charges.

## New Notification Requirements for Inpatient Admission

Medical PPO (Option 1, Option 2) and High Deductible Health Plan (HDHP)  
Also applies if you have waived Chevron medical coverage

### Mental Health Benefits

#### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

*Some services require pre-certification (for example, psychological testing and electroconvulsive therapy).*

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All inpatient services require notification to ValueOptions within 3 business days of admission. **If notification requirements are met the plan pays:** 90% of network charges for network services or 80% of allowed charges for out-of-network services. **If you don't meet the notification requirement the plan pays:** 60% of network charges for network services or 60% of allowed charges for out-of-network services.

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### Substance Abuse Benefits

#### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

#### Network

##### Employees:

- The plan pays 100% of network charges of first \$5,000<sup>1</sup> if you voluntarily notify EAP-WorkLife within 3 business days of admission. After the first \$5,000, the plan pays 90% of network charges<sup>2</sup>.
- If you do not notify EAP-WorkLife but you notify ValueOptions within 3 business days of admission, the plan pays 90% of network charges<sup>2</sup>.

##### Dependents:

If you notify ValueOptions within 3 business days of admission, the plan pays 90% of network charges<sup>2</sup>.

##### Employees and Dependents:

If you do not meet the notification requirements within 3 business days of admission, the plan pays 60% of network charges<sup>2</sup>.

#### Out-of-Network

##### Employees and Dependents:

The plan pays 80% of allowed charges<sup>2</sup> if you notify ValueOptions or EAP-WorkLife within 3 business days of admission.

##### Employees and Dependents:

The plan pays 60% of allowed charges<sup>2</sup> if you *don't* notify ValueOptions or EAP-WorkLife within 3 business days of admission.

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<sup>1</sup> Paid once per lifetime.

<sup>2</sup> If you are enrolled in the High Deductible Health Plan, you must first meet the annual combined deductible before the plan pays its share of charges.

# New Notification Requirements for Inpatient Admission

## ValueOptions Network Services Only

Applies to the following Medical HMO Plans: Health Plan Hawaii, Kaiser Hawaii, Humana USW (Local 447), Kaiser USW (Local 5 HIGH), and Kaiser USW (Local 5 LOW).

### Mental Health Benefits

#### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

*Some services require pre-certification (for example, psychological testing and electroconvulsive therapy).*

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All inpatient services require notification to ValueOptions within 3 business days of admission. If notification requirements are met, no charge. If you don't meet the notification requirement, the plan pays 60% of network charges.

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### Substance Abuse Benefits

#### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

#### Employees:

If notification is made to EAP-WorkLife within 3 business days of admission, no charge.

#### Dependents:

If notification is made to ValueOptions within 3 business days of admission, no charge.

#### Employees and Dependents:

If the above notification requirements are not met, the plan pays 60% of network charges.

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## New Notification Requirements for Inpatient Admission

### ValueOptions Network Services Only

#### Medical HMO Plans\*

\*Excludes the following Medical HMO Plans: Health Plan Hawaii, Kaiser Hawaii, Humana USW (Local 447), Kaiser USW (Local 5 HIGH), and Kaiser USW (Local 5 LOW).

### Mental Health Benefits

#### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

*Some services require pre-certification (for example, psychological testing and electroconvulsive therapy).*

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All inpatient services require notification to ValueOptions within 3 business days of admission. If notification requirements are met, the plan pays 100% after a \$250 copayment, per admission. If you don't meet the notification requirement, the plan pays 60% of network charges.

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### Substance Abuse Benefits

#### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

**Employees** must notify EAP-WorkLife Services within 3 business days of admission.

**Dependents** must notify ValueOptions within 3 business days of admission.

If the above notification requirements are met, the plan pays 100% after a \$250 copayment, per admission.

If the above notification requirements are not met, the plan pays 60% of network charges.

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## New Notification Requirements for Inpatient Admission

### Global Choice Plan (U.S.-Payroll Expatriates)

Also applies if you have waived Chevron medical coverage

#### Mental Health Benefits

##### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

*Some services require pre-certification (for example, psychological testing and electroconvulsive therapy).*

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All inpatient services require notification to ValueOptions within 3 business days of admission. **If notification requirements are met the plan pays:** 90% of network charges for network services or 80% of allowed charges for out-of-network services. **If you don't meet the notification requirement the plan pays:** 60% of network charges for network services or 60% of allowed charges for out-of-network services.

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#### Substance Abuse Benefits

##### Inpatient

Acute inpatient treatment, structured outpatient treatment, intensive outpatient treatment, residential treatment and partial hospitalization.

##### Network

###### Employees:

- The plan pays 100% of network charges of first \$5,000<sup>1</sup> if you voluntarily notify EAP-WorkLife within 3 business days of admission. After the first \$5,000, the plan pays 90% of network charges<sup>2</sup>.
- If you do not notify EAP-WorkLife but you notify ValueOptions within 3 business days of admission, the plan pays 90% of network charges<sup>2</sup>.

###### Dependents:

If you notify ValueOptions within 3 business days of admission, the plan pays 90% of network charges<sup>2</sup>.

###### Employees and Dependents:

If you do not meet the notification requirements within 3 business days of admission, the plan pays 60% of network charges<sup>2</sup>.

##### Out-of-Network

###### Employees and Dependents:

The plan pays 80% of allowed charges<sup>2</sup> if you notify ValueOptions or EAP-WorkLife within 3 business days of admission.

###### Employees and Dependents:

The plan pays 60% of allowed charges<sup>2</sup> if you *don't* notify ValueOptions or EAP-WorkLife within 3 business days of admission.

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<sup>1</sup> Paid once per lifetime.

<sup>2</sup> If you are enrolled in the High Deductible Health Plan, you must first meet the annual combined deductible before the plan pays its share of charges.





# Update to the Summary Plan Description

## Effective January 1, 2016

**All changes described in this SMM are effective January 1, 2016 unless otherwise indicated.**

This enclosed newsletter serves as an official summary of material modification (SMM) for the plans referenced herein. Please keep this information with your other plan documents for future reference. This communication provides only certain highlights about changes of benefit provisions. It is not intended to be a complete explanation. If there are any discrepancies between this communication and the legal plan documents, the legal plan documents will prevail to the extent permitted by law. There are no vested rights with respect to Chevron health care plans or any company contributions towards the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision. Some benefit plans and policies described in this document may be subject to collective bargaining and, therefore, may not apply to union-represented employees.

You can access the summary plan descriptions for your benefits on the Internet at [hr2.chevron.com](http://hr2.chevron.com) or by calling the HR Service Center at 1-888-825-5247 (610-669-8595 if you're outside the U.S.), option 2.

This SMM applies to the following summary plan description:

- **January 1, 2014 Supplemental Life Insurance Plan Summary Plan Description** (both the individual SPD posted online and the Your Chevron Health Benefits Summary Plan Description for U.S.-Payroll Employees compilation available in print.)

# Tobacco Surcharge Changes

## *New Tobacco User Trying to Quit* requirements for 2016.

**Open enrollment – October 19 through October 30, 2015 – is your only opportunity to update your tobacco use status for 2016.**

Chevron has established a tobacco surcharge for medical and supplemental life insurance coverage. All active U.S.-payroll employees (and those on a leave of absence) were previously required to certify their tobacco use status. **Open enrollment – October 19 through October 30, 2015 – is your only opportunity to change your tobacco use status for 2016.** If you miss this deadline, you cannot change your 2016 tobacco use status until the next open enrollment period. And you cannot change your 2016 tobacco use status during the year, even if you experience a qualifying life event – like getting married or having a baby.

If your 2015 certification status is **Tobacco User, But Will Try to Quit**, you may need to take action during open enrollment to update your 2016 tobacco use status. **If you do not make a new tobacco use certification during open enrollment, your 2016 tobacco use status will be automatically assigned as Tobacco User and the tobacco surcharge will apply to you for all of 2016.** If you make a new 2016 tobacco use certification during open enrollment, your certification choice will determine whether or not the tobacco surcharge applies to you for all of 2016.

If your 2015 certification status is either **Not a Tobacco User, Tobacco User** or **Decline to Disclose**, your 2015 status will continue automatically in 2016 unless you make a change to your status during open enrollment. You do not need to do anything if this designation still accurately describes your tobacco use status.

There is no change to the tobacco surcharge amounts. The tobacco surcharge effective January 1, 2016 is as follows:

- **\$25** more each month in 2016 for medical coverage.
- **20 percent** more each month in 2016 for Chevron Supplemental Life Insurance Plan coverage, if enrolled.

### How to Update Your Tobacco Use Status

You can update your tobacco use status by calling the HR Service Center (see Page 8) or by going online to Benefits Connection, the same website you use to make open enrollment elections. Follow the instructions on Page 8 to make open enrollment elections and update your tobacco use status for 2016.

## Certification Choices for 2016

Your 2016 tobacco certification choices and requirements are as follows:

- **Not a Tobacco User.** You will not be subject to the surcharge during 2016.
- **Tobacco User.** If you're a tobacco user and don't intend to stop using tobacco, the surcharge will apply to you in 2016.
- **Tobacco User, But Commit to Coaching.** This is a new certification choice for 2016. See below for details.
- **Decline to Disclose.** If you decline to disclose your tobacco use, you will be defaulted to Tobacco User and the surcharge will apply to you in 2016.

### New for Choice for 2016: Tobacco User, But Commit to Coaching

If you commit to complete at least **three** Tobacco Cessation Specialty Coaching sessions through WebMD between July 1, 2015 and December 31, 2016, the surcharge will not apply to you during 2016. Tobacco Cessation Specialty Coaching combines one-on-one telephone coaching, nicotine replacement therapy and integrated online resources to help participants try to stop using tobacco products. Contact WebMD at **1-888-321-1544** (or 925-842-8346 from outside the U.S.) to enroll. You can also go to [hr2.chevron.com/wellness](http://hr2.chevron.com/wellness) to learn more about this and other Tobacco Free Program resources.

## What's Considered Tobacco Use

Indicate your tobacco use status only; you don't have to certify the tobacco use status of your spouse or domestic partner and other dependents for 2016. The definition of tobacco use has not changed for 2016. Any use, regardless of frequency or location, is considered use. This includes daily, occasional or social use. It also includes if it's used only at your home. Tobacco use means you've used any of the following at any point since July 1, 2015:

- Tobacco (cigarette, pipe, cigar).
- Smokeless tobacco (such as snuff or chewing tobacco).

E-cigarettes do not contain tobacco, so at this time e-cigarettes are not included in the tobacco use definition. However, the Federal Drug Administration is currently reviewing e-cigarettes. We continue to monitor this review and may choose to include e-cigarettes in the tobacco use definition in the future.



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This SMM applies to the following summary plan description:

- **January 1, 2014 Long-Term Disability (LTD) Summary Plan Description** (both the individual SPD posted online and the Your Chevron Health Benefits Summary Plan Description for U.S.- Payroll Employees compilation available in print.)

# 2016 Plan Changes

This section describes the changes to your benefits that take effect on January 1, 2016.

*This section of the newsletter (Page 15 - Page 37) serves as an official summary of material modification (SMM) to the summary plan description (SPD) book(s) for the plans referenced herein. **Please keep this information with your other plan documents for future reference.** This SMM provides only certain information about changes of benefit provisions. It is not intended to be a complete explanation. If there are any discrepancies between this SMM and the legal plan documents, the legal plan documents will prevail to the extent permitted by law. There are no vested rights with respect to Chevron health care plans or any company contributions towards the cost of such health care plans. Rather, Chevron Corporation reserves all rights, for any reason and at any time, to amend, change or terminate these plans or to change or eliminate the company contribution toward the cost of such plans. Such amendments, changes, terminations or eliminations may be applicable without regard to whether someone previously terminated employment with Chevron or previously was subject to a grandfathering provision. Some benefit plans and policies described in this document may be subject to collective bargaining and, therefore, may not apply to union-represented employees.*

Summary plan descriptions (SPDs) provide detailed information about your Chevron benefit plans such as eligibility, claims and participation. You can get your SPDs in two ways:

- **Online.** Visit [hr2.chevron.com](http://hr2.chevron.com) and choose the **Your Benefits** tab.
- **By phone.** To request a free printed copy by mail, contact the HR Service Center at 1-888-825-5247 (inside the U.S.) or 610-669-8595 (outside the U.S.), and select option 2.

## Long-Term Disability Plan

If you're enrolled in **Optional Long-Term Disability (LTD) coverage**, your annual rate will increase from \$1.39 per \$100 of coverage to **\$1.42 per \$100 of coverage**. You'll see your new monthly cost on the Benefits Connection website during open enrollment and on your confirmation statement. If you want to enroll in or increase your Optional LTD coverage level during open enrollment, you'll need to provide proof of good health. You'll receive further instructions when you enroll if this applies to you.