



Retiree Health

Summary of Material Modifications

This is a summary of material modification (“SMM”) to the **Phillips 66 Retiree Health booklet**, as required by law. This SMM, the separate Retiree Health booklet and Other Information booklet together serve as the summary plan description (“SPD”) for the Phillips 66 Retiree Medical Plan (“Retiree Medical Plan”), which is a component plan of the Phillips 66 Medical and Dental Assistance Plan (“Plan”). This SMM, when combined with the Retiree Health booklet and Other Information booklet, summarizes the terms of the Retiree Medical Plan, including amendments through January 1, 2015, and advises you of changes to your SPD.

Please read this notice and keep a copy of it in the **Updates** pocket of your **Retiree Health booklet**.

CHANGES TO PRESCRIPTION DRUG CLAIMS ADMINISTRATOR

Effective January 1, 2015, CVS/caremark replaces Express Scripts, Inc. as the Plan’s prescription drug claims administrator.

- For maintenance medications where use of CVS/caremark’s mail-order pharmacy program is required after one initial fill and two refills at a retail pharmacy, the Plan participates in CVS/caremark’s Maintenance Choice® program.
 - The Maintenance Choice® program gives participants the flexibility to refill up to a 90-day supply of a maintenance medication at a local CVS/pharmacy at the same cost as mail-order.
 - The Maintenance Choice® program applies to maintenance medications where greater than an 83-day supply is prescribed.
- For specialty medications, after one initial fill at a retail pharmacy, participants must obtain additional refills through CVS/caremark’s mail-order specialty pharmacy.
 - Where permitted by state law, the Plan participates in CVS/caremark’s Specialty Connect program, which gives participants the flexibility to obtain a refill of a specialty medication at a local CVS/pharmacy at the same cost as mail order.
 - Where the Specialty Connect program is not permitted under state law (currently Oklahoma, Arkansas and West Virginia), participants are permitted to obtain specialty medication refills at a local CVS/pharmacy at the copayment and coinsurance rates applicable to CVS/caremark’s specialty pharmacy.

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- A compound medication is covered under the Plan **only if**:
 - Preauthorization is received for any compound medication costing more than \$300.00 per prescription.
 - A compound medication containing any of the same ingredients has not been covered during the previous 25 days.
- The contact information for CVS/caremark is:

CVS Health
 1 CVS Drive
 Woonsocket, RI 02895
 1-888-208-9634
www.caremark.com

ADDED BENEFITS

Effective January 1, 2015, the following are covered under the Consumer Plan and the PPO Plan:

- One hearing aid device every three years.
- Coverage for approved medically necessary treatments for autism spectrum disorder, including applied behavior analysis. Care will be coordinated through ValueOptions.
- Nutritional counseling that is medically necessary for chronic diseases for which dietary adjustment has a therapeutic role, if the nutritional counseling is:
 - Prescribed by a physician; **and**
 - Provided by a licensed health care provider recognized under the Plan.
- Blood and blood plasma products.

CHANGES TO THE PPO PLAN ANNUAL OUT-OF-POCKET MAXIMUM

Effective January 1, 2015, the annual out-of-pocket maximum for participants in the PPO Plan is:

- Network: \$4,500 for *You only* coverage; \$9,000 for *You + one* or *You + two or more* coverage
- Non-network: \$7,000 for *You only* coverage; \$14,000 for *You + one* or *You + two or more* coverage

Effective January 1, 2015, prescription drug costs count toward the annual out-of-pocket maximum.

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NORTH CYPRESS MEDICAL CENTER

Effective May 1, 2012, North Cypress Medical Center of Houston, Texas is not an excluded service provider.

THE RETIREE MEDICAL ACCOUNT

Effective January 1, 2015, premiums for retiree medical coverage through Tricare are eligible for reimbursement from participants' retiree medical account.

Receipt of this information does not guarantee eligibility. Please refer to the summary plan description (SPD) and any summaries of material modifications (SMMs) for details, including information regarding eligibility, benefits provided under the plan, when coverage begins and ends, claims procedures and your legal rights. Phillips 66 reserves the right to amend, change or terminate the plans, any underlying contract or any other program, at any time without notice, at its sole discretion, according to the terms of the plan.