



Hallmark Retiree Benefit Guide

2020





congratulations!

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

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

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

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

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

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

your benefits at a glance

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

Important! For benefits requiring enrollment, eligible employees have one opportunity to either:

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

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



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

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

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

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

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



getting started

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

To get started:

- **Review this benefit guide in detail** to understand important planning information for your retirement, including your benefit options, eligibility criteria, enrollment resources and more (*a Quick Summary of Retiree Benefits and Deadlines is available on page 27*).
- **Set a firm retirement date**
- At least 60 days prior to this retirement date:
 - **Inform your manager, ER representative and Hallmark’s retirement counselor** of your intended retirement date.
 - Complete the Request for Retirement Form available on the intranet (*Benefits and Programs > Retirement Planning*)
- Prior to your retirement date, you should **make a decision about your retiree medical, dental and vision benefits**. Once your decision is made:
 - **Complete and submit a Retiree Health Care Election Form** to notify Hallmark whether you wish to enroll in or waive retirement benefits—medical, dental and vision.
 - If you attend a retirement education session, you will receive a form there. If not, it will be mailed to your home address on file in HR Direct.

PRO TIP

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

corporate.hallmark.com/retirees/benefits

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



your eligibility

retiree medical, prescription, dental and vision

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

To be eligible for medical, dental and vision coverage in retirement, you must have been hired before January 1, 2010 and meet the following criteria:

- Retire from Hallmark at or after age 50
- Have 15 vested years of service
- Have 10 or more years of continuous medical plan participation immediately preceding retirement (either as a full-or part-time employee).
- Have at least 10 years of full-time service (40 hours/week continuous or non-continuous; need not be immediately preceding retirement).

For spouses to be eligible for retirement benefits:

- Spouse or domestic partner must be added to retiree coverage or waived with the retiree coverage at the time of retirement. They cannot be added later.
- If coverage was waived prior to age 65, retiree must come back onto coverage on or before turning age 65 and spouse or domestic partner must come back onto coverage at that same time.

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

If you or your spouse are already 65 when you retire, in addition to enrolling in Medicare you may want to consider purchasing a Medicare supplement plan. You can find resources to help you research your options on page 20. You will also have the option at retirement to enroll in retiree dental and vision if you have 10 or more vested years of service.



your eligibility (cont.)

subsidy

**The amount Hallmark contributes to the total cost of your medical insurance.*

TODAY (for eligible employees)

TIER 1	TIER 2	TIER 3
25+ years	20-24 years	15-19 years

Hallmark provides a subsidy, based on years of service, for pre-Medicare medical coverage to those who retire and are at least age 55 with 15+ years of service.

TIER 4	Retirees age 50 to 55 with 15+ years of service are eligible for unsubsidized medical coverage.
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BEGINNING JANUARY 1, 2021 (for eligible employees)

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

BEGINNING JANUARY 1, 2022 (for eligible employees)

Hallmark will no longer provide a subsidy for pre-Medicare medical coverage but will continue to offer group pre-Medicare medical and prescription drug, dental and vision insurance coverage at negotiated group rates; this applies to pre-Medicare retirees age 50 or greater with 15 years of service.

cash balance

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

profit sharing and savings plan

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



your eligibility (cont.)

medical plan dependent eligibility

With your Hallmark retiree benefits, you can cover your:

- **Spouse at the time of retirement**
- **Domestic partner at the time of retirement**
 - You and your partner must meet eligibility criteria and submit a completed Declaration of Domestic Partnership form.
 - Your spouse or domestic partner can be added to your coverage at the time of retirement, but not after.
 - Based on IRS rules, the value of medical benefits for non-tax dependent domestic partners is subject to tax and the retiree will receive a 1099 each year.

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

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

designate your beneficiaries

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

DESIGNATE OR UPDATE YOUR BENEFICIARIES ON:

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



your finances

cash balance retirement

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

BENEFIT PARTNER:
Hallmark Pension Center

BENEFIT OPTION:
Cash Balance Retirement

ypr.aon.com/hallmark • 844-266-6313

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

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

your payment options

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

- Single cash payment (*lump sum*)
- Monthly annuity (*if hired prior to 1997- have option to receive monthly annuity with or without Cost of Living Adjustments -COLA*)
 - Life annuity, joint & survivor, period & certain
 - Payments begin the month after your retirement
- Remain in the cash balance plan and defer payments to a later date (*can defer until age 72*)

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

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

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



single cash payment (*lump sum*)

Single payment with 20% tax withholding

OR

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

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

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

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

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

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

remain in cash balance retirement plan

You can choose to defer payment of the cash balance retirement funds up to age 72.

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



profit sharing and 401(k) savings

BENEFIT PARTNER:

Empower Retirement

BENEFIT OPTION:

Profit Sharing and 401(k) Savings

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

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

visit empower-retirement.com/hallmark to:

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

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

profit sharing and 401(k) savings options:

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

- **Remain in the plan** for your lifetime; your spouse/domestic partner can remain for his/her lifetime as well.
- **Choose to defer payment** of your retirement savings; although, you must begin payment no later than age 72.
- **Rollover funds** to an IRA or another qualified plan.
- **Begin withdrawals** — total, partial, or installments (*monthly, quarterly semi-annual, or annual*).

You can then:

- Choose the date for your payments.
- Change your payment choices at any time.

To set up payments from the Plan, contact Empower Retirement at 866-233-6886. Once payments have begun, Empower will send a 1099R at year-end for tax purposes.



TAX CONSIDERATIONS FOR WITHDRAWAL

Under age 55	<ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• 10% additional tax on early withdrawals; <i>see tax advisor for options to avoid 10% penalty.</i>
Age 55 to 59½	<ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• No additional tax on early withdrawal if you retire in or after the year you reach 55 and you remain in PSSP.
Over 59½	<ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• No additional tax for early withdrawal
72 and over	<ul style="list-style-type: none">• Taxed as ordinary income• 20% withholding for federal tax• Required minimum distribution (RMD)• 50% excise tax, if RMD is not taken <p><i>Empower Retirement will provide information on the Required Minimum Distribution (RMD) once you reach age 72.</i></p>



financial planning

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

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

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

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

**Fees will be based on your balance.*

investment options

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

loan repayment options

If you leave an account balance in the plan, you can:

- Set up loan payments through ACH bank payment based on original term of loan.
- Or repay the loan in full.

If you do nothing, your loan will default four months after termination and the remaining balance on the loan is considered a deemed distribution. Contact Empower to set up a loan repayment plan.



social security

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

Social Security retirement age:

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

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

PRO TIP

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

department of labor: retirement tool kit

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

This kit can be accessed at:

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



your health

medical for pre-Medicare retirees

BENEFIT PARTNER:
UnitedHealthcare (UHC)

BENEFIT OPTION:
High-Deductible Plan
Traditional Plan

LEARN MORE AND ENROLL:
myuhc.com

choosing your plan

Pre-Medicare retirees will automatically be enrolled at retirement in the same medical plan they had when active. Any deductible and out-of-pocket incurred year-to-date will transfer to your retiree medical plan.

If you prefer to not be enrolled in retiree medical, complete the Retiree Healthcare Election Form indicating “waive” and return to Benefits, MD 510. You can change plans at annual enrollment if you wish to enroll in different coverage for the following year.





your medical premiums

The price you pay for your plan (*your premium*) is based on which plan you are enrolled in at the time of your retirement, your age and your years of service. Premiums noted below are monthly.

	TIER 1 25+ years	TIER 2 20-24 years	TIER 3 15-19 years	TIER 4
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UHC HIGH-DEDUCTIBLE PLAN

Retiree only	\$423.25	\$499.37	\$572.80	\$734.37
Retiree & Spouse	\$1,026.36	\$1,198.48	\$1,374.73	\$1,762.48
Spouse / Surviving Spouse	\$603.11	\$699.12	\$801.93	\$1,028.11

UHC TRADITIONAL PLAN

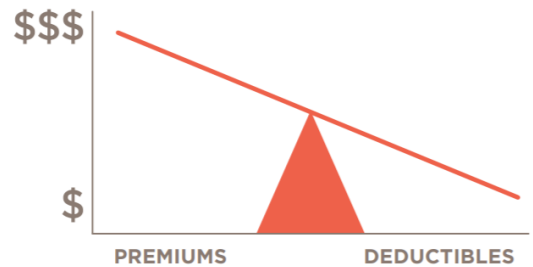
Retiree only	\$570.12	\$660.93	\$749.05	\$881.24
Retiree & Spouse	\$1,378.86	\$1,586.23	\$1,797.73	\$2,114.97
Spouse / Surviving Spouse	\$799.00	\$925.30	\$1,048.67	\$1,233.73



deductibles and out-of-pocket maximums

Your Deductible is what you pay out of your own pocket before your insurance begins to share costs. You pay the “negotiated” costs of all in-network services until you meet your deductible.

Your Out-of-Pocket is the most you and your covered family members have to pay in a year for health care costs.



plan options: a deeper look

	HIGH-DEDUCTIBLE	TRADITIONAL
Deductible	\$2,800 employee only; \$5,600 family	\$1,000 employee only; \$2,000 family
Out-of-pocket	\$5,600 employee only; \$11,200 family	\$3,600 employee only; \$7,200 family

Hallmark medical plans use **embedded** deductibles and out-of-pocket maximums.

For employee and dependent coverage, once one family member meets the employee-only deductible or out-of-pocket max, insurance will pay benefits for that family member.

Two covered members must incur claims to satisfy the family deductible and out-of-pocket max.

Coinsurance	20% Tier 1 provider 30% other, in-network (after deductible)	20% Tier 1 provider 30% other, in-network (after deductible)
Prescription	20% coinsurance (after deductible; you pay 100% until you reach your deductible)	\$15 / \$50 / \$75 / \$175 Tier 1 - 4

Out-of-network providers will increase your cost; out-of-network charges also don't apply toward your in-network deductible or out-of-pocket maximum.

Certain medical services require pre-approval to ensure you know what's covered in advance. If something requires prior review and you don't get pre-approved, you may be required to pay most or all the bill. **Tier 1 Providers** and all in-network providers will assist with pre-approval processes.



dental benefits

BENEFIT PARTNER: Cigna	BENEFIT OPTION: Regular and high option coverage; high option includes higher premiums for lower deductibles and higher benefits maximums.
FIND PROVIDERS AT: mycigna.com	TO ENROLL: Complete and mail enrollment form to Mercer.

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

	REGULAR	HIGH OPTION
	MONTHLY	
employee/ surviving spouse	\$44.73	\$54.30
employee & spouse/domestic partner	\$86.23	\$105.40

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

Important! To enroll in dental, submit your completed form to Mercer, Hallmark’s Direct Billing Partner (see more on page 22).



		REGULAR	HIGH OPTION
ANNUAL DEDUCTIBLE	Single	\$50	\$25
	Family	\$100	\$50
Calendar year max		\$1,500	\$2,000
Preventive care exams, cleanings, x-rays		80% (no deductible)	100% (no deductible)
Basic restorative fillings, extractions, root canals		80% (after deductible)	90% (after deductible)
Major restorative dentures, crowns, bridgework		50% (after deductible)	60% (after deductible)
Implants		50% (after deductible)	60% (after deductible)
TMJ benefit maximum		50% (after deductible) \$1,000 lifetime	60% (after deductible) \$1,000 lifetime

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

Additional information:

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



vision benefits

BENEFIT PARTNER: Cigna	BENEFIT OPTION: Standard or Premium
FIND PROVIDERS AT: mycigna.com	TO ENROLL: Contact Mercer

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

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

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

	STANDARD	PREMIUM
	MONTHLY	
employee/surviving spouse	\$12.30	\$18.11
employee & spouse/domestic partner	\$16.45	\$24.76

	IN-NETWORK MEMBER COSTS	OUT-OF-NETWORK ALLOWANCES
Eye Exam once per calendar year	Fully covered after \$10 copay	\$35
Standard lenses & frames exams, cleanings, x-rays	\$25 copay	Allowances vary by lens type
Frame once per calendar year	\$200 allowance-Premium Plan \$150 allowance-Standard Plan	\$75
Lens options exams, cleanings, x-rays	Copays may apply	Some items not covered
Contact lenses Once per calendar year	Therapeutic: 100% up to \$200-Premium 100% up to \$150 Standard Elective: 100% up to \$150-Premium 100% up to \$100-Standard	\$200 therapeutic \$100 elective



enrollment

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

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

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

Medical

Your active employee medical coverage will end on the last day of the month in which you retire; if pre-Medicare eligible, it will then transition to retiree coverage in the same plan and coverage level, but at retiree rates (employee or employee + spouse only).

If you wish to waive coverage, complete the Retiree Healthcare Election form indicating waive and return the form to Benefits, MD 510.

If you choose to enroll in COBRA instead of Hallmark retiree benefits, you must first waive retiree benefits and then complete and return the COBRA enrollment form (*mailed to your home approx. 14 days after active coverage ends*).

Medicare-eligible retirees, for a free, no-obligation consultation / quote for medical and prescription drug plans, you may contact Select Quote or an agency of your choosing:

Select Quote 877-263-8107

www.hallmark.sqbenefits.com

Dental and Vision

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

Basic or Supplemental Life Insurance

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



your ID cards

- **Medical:** You will receive a new ID card if you add your spouse/domestic partner or remove a dependent at the time of retirement; it will be mailed to your home address. If you do not add or remove any of these individuals, keep your current ID card for your medical and prescription drug benefits.
- **Dental:** Discard your old dental ID card. Print a new card by logging into MyCigna.com approximately one week following your retiree coverage date.
- **Vision:** Discard your old vision ID card. Cigna will mail a new vision ID card following your retiree coverage date.





additional information on retiree medical benefits

billing

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

billing at a glance

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

things to think about

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



other options available to you

cobra

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

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

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

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

one-time waive of benefits

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

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

If you would like to come off waive and enroll in retiree health benefits, contact the HR Service Center at 888-545-6200 at least 30 days prior to the date you want your coverage to begin.



your life

shopping and discounts

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

retiree club newsletter and website

The retiree newsletter is published quarterly and posted on the retiree website.

Visit corporate.hallmark.com/retirees/home

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



medicare

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

options

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

enrollment

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

Visit medicare.gov for questions on eligibility

impact to benefits when transitioning to medicare

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

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

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



medicare notice

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

This notice has information about your current prescription drug coverage with Hallmark Cards, Inc. and about your options under Medicare's prescription drug coverage.

This information can help you decide whether or not you want to join a Medicare drug plan.

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

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

medicare + prescription drug coverage

Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.

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

when can you join a medicare drug plan?

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

what happens to your current coverage if you decide to join a medicare drug plan?

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

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

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

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

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

Contact Hallmark HR Service Center at 816-545-6200 or 1-888-545-6200. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan and if this coverage through Hallmark Cards, Inc. changes. You also may request a copy of this notice at any time.

for more information about your options under medicare prescription drug coverage: More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans. For more information about Medicare prescription drug coverage, visit www.medicare.gov.

Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help. Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov or call them at 1-800-772-1213 (TTY 1-800-325-0778).

remember: keep this creditable coverage notice.

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



summary of retiree benefits and deadlines

BENEFIT	DEADLINE	HOW TO ELECT	KEY CONSIDERATIONS	AVAILABILITY
YOUR FINANCES				
Profit Sharing & Savings Plan	Age 72	Contact Empower Retirement 866-233-6886 or empower-retirement.com/hallmark	Review beneficiary designation	3 to 4 weeks after retirement
Cash Balance	Age 72 or 60 days before payment(s) begin	Contact Hallmark Pension Center 844-266-6313 to request your Retirement Packet and initiate pension payment.	Lump Sum: Spousal Consent Form, copies of birth/marriage certificates OR Passport required Annuity: W4P, Direct Deposit Form, copies of birth/marriage certificates or passport required Review beneficiary designation.	Lump Sum: 4-6 weeks after retirement Annuity: End of month following month of retirement.
YOUR HEALTH				
Retiree Medical and Prescription* (Pre-Medicare only)	No later than 30 days from your retirement date	Enrollment Election Form provided in retirement class or mailed to home (return to Benefits Mail Drop 510).	Your current coverage will continue but at retiree rates. If you do not want coverage, complete the Retiree Healthcare Election form indicating your choice to waive coverage.	Effective date is the 1st of the month following retirement. <i>Premiums billed and auto pay information provided by Mercer.</i>
Retiree Dental and Vision Insurance* (Pre-Medicare and Medicare-eligible)	No later than 30 days from your retirement date	Enrollment Election Form provided in retirement class or mailed to home. <i>If you do not mail the completed form to Mercer w/in 30 days of retirement, you will not have coverage and will not be eligible in the future.</i>	Retiree Health Care Election Form - <i>return to Hallmark</i> 2020 Hallmark Enrollment Form - <i>mail directly to Mercer</i>	Effective date is the 1st of the month following receipt of your form. <i>Premiums billed and auto pay information provided by Mercer.</i>
COBRA Coverage for Dependents	60 days following retirement	COBRA packet mailed to home. <i>If applicable, complete and return the COBRA Election form.</i>	COBRA packet mailed approximately 2 weeks after retirement.	Immediately. <i>Coverage for up to 18 months.</i>
Basic Life*, Supplemental Life and Dependent Life Policy Conversion	30 days from your retirement date	Contact HR Service Center (888) 545-6200		Immediately. <i>Premiums will be billed by MetLife.</i>

*Active coverage ends at 11:59pm on the last day of the month in which you retire.



a quick guide to benefits resources

Medical Coverage

Contact UnitedHealthcare for help understanding how your prescriptions will be covered, how a claim was processed or to learn if your doctor is a Tier 1 provider. **1-833-209-5469 • myuhc.com**

BenefitsNow Help Line

Contact for help with enrolling in medical. **1-844-231-3475 • hallmark.benefitsnow.com**

Dental Coverage

Provided by Cigna; contact them directly for questions regarding claims, coverage and provider participation. **1-800-995-3396 • mycigna.com**

Vision Coverage

Provided by Cigna contact them directly for questions regarding claims, coverage and provider participation. **1-800-995-3396 • mycigna.com**

Profit Sharing & Savings Plan

Hallmark partners with Empower Retirement to administer employee retirement benefits. Empower is available to help you. Contact Empower to learn about investment choices, get retirement income estimates, investment help, or to begin withdrawals.

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

Cash Balance Retirement Plan: Hallmark Pension Center

Administers the Cash Balance Retirement program (*for those hired prior to 2006*). Contact the Hallmark Pension Center to request a statement, choose a payment option or for questions regarding your account balance. **1-844-266-6313 • ypr.aon.com/hallmark**

Retiree Billing - Mercer Retiree Service Center

provides enrollment and billing support for retiree benefits. They are there to help with billing questions or if you wish to drop dental or vision coverage. **1-877-228-9061**

Hallmark's HR Service Center

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

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

Hallmark Retiree Website

corporate.hallmark.com/retirees/benefits