



# AGREEMENT BENEFITS INFORMATION FOR NEW HIRES



Iron Road Healthcare (IRHC)  
Labor Relations  
Version Date: January 1, 2021

New hire kits will be mailed to you about one to three weeks after you begin working at Union Pacific. These kits will contain enrollment information for all benefit plans as well as paperwork to opt out of benefit coverage if desired.



**BUILDING AMERICA®**

# HEALTH CARE

Union Pacific is proud to offer our union employees a robust choice of benefits – ranging from health coverage and income protection to programs that enhance work and home life. Specific benefits will depend on your location and position as some union benefits are determined by collective bargaining agreements.

## Eligibility

You and your eligible dependents are eligible for medical and prescription drug coverage on the first day of the month following the first month you render the [requisite amount of compensated service](#)<sup>\*</sup>. Dental and vision benefits for you and your eligible dependents begin on the first day of the month following one year of service. You may enroll in the Health Care Flexible Spending Account during annual enrollment, effective the year after your hire date.

<sup>\*</sup> Generally, you must render the “requisite amount of compensated service” (one or seven compensated days, depending on your collective bargaining agreement) during each calendar month to keep your health coverage in effect for the following month. Compensated service is a day worked, a day of paid vacation, a day of paid personal leave, or a day of approved family medical leave.

## Medical

Under your collective bargaining agreement, as an employee, your medical and prescription drug benefits are with the Iron Road Healthcare (IRHC)<sup>\*</sup>. There will be a separate new hire kit for your IRHC benefits. Your eligible dependents’ benefits will be covered by either The Railroad Employees National Health and Welfare Plan or The National Railway Carriers and United Transportation Union Health and Welfare Plan (National Plan).

For your dependents in the National Plan, depending on your home ZIP code, you may have one or both of the following medical options:

- **Managed Medical Care Program (MMCP)** – This plan is available in all areas. You receive higher plan benefits when you use in-network providers. Depending on where you live, you may participate in the United Healthcare, Aetna, or Highmark BCBS network.
- **Comprehensive Health Care Benefit (CHCB)** – This plan is available in limited rural and other areas. You may choose to participate in the United Healthcare or Highmark BCBS network, if available in your area. While you may use network providers if available, plan benefits are the same in- and out-of-network.

<sup>\*</sup> IRHC is not a subsidiary of Union Pacific Railroad.

		Dependents		Employee
		National Plan		
		MMCP (In-network <sup>1</sup> )	CHCB	IRHC (In-network <sup>1</sup> )
Certain Preventive Care <sup>2</sup>		You pay \$0, with no deductible.		
Annual Deductible	Individual	\$350	\$350	\$0
	Family	\$700	\$700	N/A
Annual Out-of-Pocket Maximum <sup>3</sup>	Individual	\$2,000	\$3,000	\$8,550
	Family	\$4,000	\$6,000	N/A
Co-pays	Office Visit	Primary care physician: \$25 co-pay Specialist: \$40 co-pay	You pay 20% after the deductible	Primary care physician: \$30 co-pay Specialist: \$45 co-pay Telemed: \$10 co-pay <sup>4</sup>
	Coinsurance (cost-sharing after you meet the deductible)	You pay 10%	You pay 20%	None
Claim Filing		You do not need to file claims when using in-network providers.		

<sup>1</sup> All amounts are for eligible in-network expenses.

<sup>2</sup> Such as annual physicals, well-child check ups, and certain immunizations.

<sup>3</sup> Does not include the deductible or co-pays.

<sup>4</sup> Doctor on Demand.



# MORE HEALTH CARE

## Prescription Drugs

Prescription drug coverage for your dependents in the National Plan is administered by Express Scripts. IRHC prescription drug coverage for you is administered by Depot Drug. Your cost is based on the type of drug you need.

	Dependents		Employee	
	National Plan		IRHC	
	Retail Co-pay <sup>1</sup> (up to a 21 day supply)	Mail Order Co-pay <sup>1,2</sup> (22- to 90-day supply)	Retail (Up to 30-Day Fill)	Mail Order (required for maintenance drugs)
Generic	\$10	\$10	\$15 (Tier 1) \$20 (Tier 2)	\$9 (Tier 1; 90 days) \$10 (Tier 2; up to 30 days)
Formulary Brand	\$30	\$60	\$40	\$20 (up to 30 days)
Non-Formulary Brand	\$60	\$120	\$100	\$75 (up to 30 days)

<sup>1</sup> All amounts are for eligible in-network prescriptions.

<sup>2</sup> Prescriptions for 22 days or longer must be filled through mail order.

## Dental

The Plan – provided through Aetna Dental – is best maximized when you use in-network providers.

	In-Network <sup>1</sup>	Out-of-Network <sup>2</sup>
Annual Deductible	\$50/individual; \$100/family	\$50/individual; \$100/family
Preventive Care	You pay \$0 after deductible.	You pay \$0 after deductible.
Basic Care	You pay 20% after deductible.	You pay 20% after deductible.
Crowns, Prosthetic Services	You pay 50% after deductible.	You pay 50% after deductible.
Annual Maximum Benefits for Preventive, Basic and Major Care <sup>3</sup>	\$1,500/person	\$1,500/person

<sup>1</sup> In-network providers are contractually obligated to charge discounted fees. This allows you to maximize your benefits and reduce your out-of-pocket expenses.

<sup>2</sup> Out-of-network benefits are subject to usual and customary fees. Non-participating providers charge their normal fees. You are responsible for any amount Aetna determines to be over the usual and customary charge.

<sup>3</sup> Maximum amount shown does not include amounts determined by Aetna to be over the usual and customary charge.

## Vision

The Plan – provided through EyeMed – pays 100% of charges for one exam per year with an in-network provider, and provides an allowance for glasses or contacts every two calendar years.

## Health Care Flexible Spending Account (HCFSA)

The HCFSA lets you set aside up to \$2,750 per year of before-tax contributions from your paycheck to pay for eligible health expenses on a tax-advantaged basis. Estimate carefully, as you must incur expenses for your entire balance by March 15 of the following plan year or you lose any funds for which a reimbursable expense has not been incurred and submitted in a timely fashion (IRS rules). New hire employees can enroll in the HCFSA plan during the October open enrollment period for the following plan year.

## Employee Cost Sharing

Your contribution to your non-HCFSA benefits is \$228.89 per month whether you are single, married, or have dependents. Generally, this will automatically be deducted from your second paycheck of the month.

# WELLNESS

Multiple wellness programs are available to you on your first day of work.

## Health Screenings and Flu Shots

UP offers confidential screenings for blood pressure, cholesterol, and other important health indicators – as well as flu shots in the fall – on site at many locations.



## Fitness Discounts

UP contracts with more than 5,000 fitness facilities systemwide. See the UP employee website, and search Fitness Centers.

## Railroad Healthlink

All National Plan providers offer nurse lines to answer your health questions, including helping you decide whether to seek immediate care and if so, through what resource: your doctor, an urgent care center, or the emergency room. This service is available 24/7/365, and there is no cost to you. See the [ythh.com](http://ythh.com) website and go to Contact Us, Nurse Support or call the number on the back of the ID card. *(National Plan only)*



## Employee Assistance Program (EAP)

While people usually can manage personal problems on their own, occasional help from a skilled professional can provide focus, direction, and support. UP's Employee Assistance Program (EAP) is designed to provide that help. EAP provides referral services for employees and their families experiencing personal or work-related problems. For more information, type "EAP" in the UP employee website search box or call the National Employee Assistance help line at (800) 779-1212.



## Wellness Assessments

These confidential online questionnaires help you assess your health and find areas for improvement. Employees can access an assessment through the UP employee website. Employees and spouses can access an assessment through the [ythh.com](http://ythh.com) website. *(National Plan only)*



## Online Health Coaching

Confidential and personalized assistance for specific wellness issues including:



- Cholesterol
- Blood pressure
- Diabetes
- Tobacco cessation
- Physical activity
- Weight management

See the [ythh.com](http://ythh.com) website – Explore Your Benefits. Click on each medical plan administrator to see what they offer. *(National Plan only)*



# INCOME PROTECTION

You are eligible for Life and Accidental Death and Dismemberment (AD&D) coverage on the first day of the month following the first month you render the **requisite amount of compensated service\***.

\* Generally, you must render the “requisite amount of compensated service” (one or seven compensated days, depending on your collective bargaining agreement) during each calendar month to keep your coverage in effect for the following month. Compensated service is a day worked, a day of paid vacation, a day of paid personal leave, or a day of approved family medical leave.

## Life and AD&D Insurance

You receive employee Life Insurance equal to \$20,000 and employee Accidental Death & Disability (AD&D) Insurance of up to \$16,000. This coverage is provided by MetLife.

## Voluntary Life and AD&D Insurance

UP also provides employees with the opportunity to purchase Voluntary Life and AD&D Insurance for themselves and eligible dependents after 120 days of continuous service. You can apply online through MetLife’s MyBenefits website ([www.metlife.com/mybenefits](http://www.metlife.com/mybenefits)), or you can mail in the enrollment form that will be sent to you. Be sure to act during the enrollment period, which ends 60 days from your benefits eligibility date (your benefits eligibility date begins the first day of the month following 120 days of continuous service). For more information, call MetLife at (866) 659-1377.

## Supplemental Sickness Benefit

The Supplemental Sickness Benefit (SSB) plan provides benefits for a disability or a prolonged illness that supplement Railroad Retirement Board sickness benefits.

Supplemental Sickness benefit eligibility depends on your union affiliation.

# RETIREMENT & WEALTH

UP is committed to helping you prepare for financial security now and in retirement.

## UP Agreement 401(k) Thrift Plan

While Railroad Retirement will be a major source of your retirement income, it might not be enough to support the retirement you and your family want. Consider saving in the UP Agreement 401(k) Plan. You are eligible to participate beginning the first day of the month following completion of one year of service.

Here's how it works:

- Subject to IRS limits, you may contribute from 2% to 75% of eligible pay on a before-tax and/or Roth basis each pay period. You can also contribute from 1% to 75% of your eligible pay on an after-tax basis (subject to IRS limits), but your combined before-tax, Roth, and after-tax contributions cannot exceed 75% of your eligible pay for any pay period.
- You are always 100% vested in your contributions.
- Generally, the Plan accepts direct transfers of rollovers from a previous employer's retirement plan.

## Railroad Retirement Benefits

Railroad Retirement Board (RRB) retirement benefits are provided instead of Social Security after 60 months of compensated service in the railroad industry. You and UP make RRB contributions that are greater than those for Social Security, which in turn provides retirement income benefits that exceed Social Security benefits.

- The employee has 12.55% withheld from each paycheck:
  - 1.45% on all taxable earnings (Medicare)<sup>1</sup>, the same as Social Security.
  - 6.20% on up to \$137,700 of taxable earnings (Tier I RR Retirement), the same as Social Security.
  - 4.90% on up to \$102,300 of taxable earnings (Tier II RR Retirement), Social Security has no Tier II equivalent.
- The company pays an additional 20.75%:
  - 1.45% on all taxable earnings (Medicare).
  - 6.20% on up to \$137,700 of taxable earnings (Tier I RR Retirement).
  - 13.10% on up to \$102,300 of taxable earnings (Tier II RR Retirement).

Note: If you leave UP employment and do not meet the 60-month Basic Service Requirement for Tier II benefits, the RRB does not refund your Tier II contributions. All Tier I contributions from you and UP will roll over to Social Security. Railroad Retirement benefits are administered by the RRB, a government agency. For more information, visit [rrb.gov](http://rrb.gov).

<sup>1</sup> An additional 0.9% tax will be withheld from taxable earnings over \$200,000.

This information effective for the 2021 calendar year. Rates and amounts can change yearly.

## Employee Stock Purchase

You may purchase shares in Union Pacific Corporation common stock without paying a commission fee. The Plan also covers the reinvestment of dividends. You can enroll online at [www.computershare.com](http://www.computershare.com) by clicking Buy Stock Direct or by calling Computershare at (800) 317-2512.

# QUALITY OF LIFE & CAREER FULFILLMENT

Your benefits include paid vacation, holidays, and other valuable programs.

## Vacation and Holidays

Your vacation and holidays are determined by your collective bargaining agreement.

## Educational Assistance Program

Union Pacific offers an Educational Assistance Program to encourage growth and development of employees' skills, abilities, and knowledge. It assists employees in obtaining academic training on a vocational and college level. You are eligible for this program after six months continuous service. See the UP employee website, Workforce Resources page, Career Resources.

## Other Valuable Benefits

- Employee discounts
- Matching gifts program
- Transportation spending account
- Employee Resource Groups (ERGs)

See the UP employee website for more information.

## Agreement Benefit Contacts

Please go to the UP employee website. Under the Departments heading, navigate to Labor Relations, and find the Agreement Benefit/Health Plan Informational/Updates section.

## ytth.com Website

Your online source for the most current information about your family's health and welfare benefits. Use this website for annual open enrollment, to access vendor websites (including finding doctors and facilities), watch videos and read articles about health-related topics as well as your benefits, and securely access and manage your family's health and welfare benefits information (registration and login required).

## ironroadhealthcare.com Website

For IRHC members, your online source for information about your health and welfare benefits. Use this website to find doctors and facilities, read articles about health-related topics as well as your benefits, and securely access and manage your health and welfare benefits information (registration and login required).

This is a brief description of benefits provided to UP agreement employees participating in the NRC/UTU and National Health and Welfare plans and IRHC plan. Benefit plans are governed by the terms of more detailed plan documents, contracts, and bargaining agreements. Your participation in any plans or programs is subject to the applicable eligibility rules, plan requirements, and government regulations. Details of the benefits plans or programs are included in the official plan documents, contracts, and bargaining agreements. Any inconsistency of fact between the information in this summary and the actual plan documents, contracts, and bargaining agreements is accidental, and the official plan documents, contracts, and bargaining agreements govern. UP reserves the right to change or terminate the programs and plans it sponsors, and / or any provisions of any such program or plan, at any time without notice.