



## Retirement Planning

Whether you’re just getting started or nearing retirement, it’s important to save, invest and plan for your future retirement. Your retirement from work will shift your income from an employer-provided paycheck to your own retirement paycheck.

Understanding your estimated income from your savings and pension plans, Social Security, other personal income and retiree medical expenses helps you envision your potential total retirement income. Review the Overview, Planning and At Retirement sections for each of the areas below to help you learn more.

Savings	Pension	Social Security	Personal Income	Retiree Medical
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Total Retirement Income
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## Planning

*Education and resources to help you kickstart your retirement planning.*

Retirement planning should include anticipating your future health care needs and those of your family, as well as deciding what type of health care coverage you would like. The following sections can help with your planning:

### Things to Consider as You Plan For Retirement

- **Your Northrop Grumman Health Plan:** The health plan coverage you have as an active employee ends at the end of the month in which you retire. At that point, Northrop Grumman will give you the option to continue your medical, dental, vision and/or EAP coverage through COBRA for 18 months.
- **Your Eligibility for Retiree Medical Coverage through Northrop Grumman:** Your options depend on whether you are under age 65 or age 65 and older. Refer to “Understanding Your Options At Retirement” for more information.
- **Cost of Coverage:** Continuing your coverage through COBRA or enrolling in your spouse’s coverage may be less costly than retiree medical coverage. You can enroll in the Northrop Grumman Retiree Medical Plan at a later date.
- **Medicare Penalty:** You become eligible at age 65, or earlier if you have certain health conditions or are disabled. It’s important to sign up for Medicare as soon as you’re eligible. If you don’t, you may need to pay higher premiums.
- **Your Health Savings Account (HSA):** You take your HSA with you when you retire. Save as much as you can tax-free while you are eligible so you have funds available for your healthcare expenses when you retire.
- **Healthcare Expenses Can Be Significant in Retirement:** Factor in your anticipated healthcare costs in the retirement plan you’re building through the Retirement Analysis tool accessed through [Planning Summary on NetBenefits](#). Fidelity’s *Prepare for the Reality of Healthcare in Retirement* workshop can also help you plan. Look for an upcoming workshop on [NetBenefits](#).

Before you retire, call the [Northrop Grumman Benefits Center](#) (NGBC) at 800-894-4194 to learn what’s available to you. Be sure to request a **retiree medical modeling statement** that will describe your options and costs.

## Understanding Your Options at Retirement

When you retire from Northrop Grumman, you may:

- Continue your medical, dental, vision and/or EAP coverage for yourself and any covered dependents you have as an active employee under COBRA for 18 months.
- Enroll in one of the retiree medical plans available under the Northrop Grumman Retiree Medical Plan **if you are under age 65** and eligible.
- Enroll in Medicare Parts A and B if you are **65 or older**; Medicare will be your primary health insurance at that point. You can purchase individual Medicare supplemental coverage through Via Benefits™, a private insurance exchange that provides eligible retirees access to supplemental insurance plans. Note that **if you are under age 65 and your spouse is over age 65, or vice versa**, the person under 65 may enroll in a Northrop Grumman Retiree Medical Plan option and the person over 65 may elect to enroll in Medicare supplemental coverage through Via Benefits.
- Choose a mix of the above options – for example, enroll in a Northrop Grumman Retiree Medical Plan option (if under 65) while continuing your active dental coverage through COBRA.
- Defer retiree medical coverage through Northrop Grumman until a later date.

Read the Northrop Grumman Retiree Medical Plan [Summary Plan Description](#) for additional details on how the Plan works.

## Reviewing Eligibility for Northrop Grumman Retiree Medical

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Northrop Grumman is the integration of over 20 companies across aerospace, technology and defense industries. Your company heritage and employment history may impact your eligibility for the Northrop Grumman Retiree Medical Plan and what you pay for coverage.

In general, you are eligible for retiree medical coverage if, at the time you retire from Northrop Grumman:

- You are age 55 or older with a minimum of 10 years of service, or
- Age 65 or older with a minimum of five years of service.

You and Northrop Grumman will either share the cost for coverage, or you will be required to pay the full cost, depending on your company heritage and employment history. Note that most employees hired after 2003 are not eligible for subsidized coverage.

Call the [NGBC](#) to determine your eligibility. Request a **retiree medical modeling statement**, which will show your options and costs.

If you have more than one retiree heritage classification, make sure you compare the subsidies offered under each heritage (for both pre-65 and 65 or older) and choose which works best for you.

## If You Are Under 65

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The Northrop Grumman Retiree Medical Plan offers medical coverage similar to what's available to active employees.

- Plan 1: [High Premium/Low Deductible Plan](#)
- Plan 2: [Medium Premium/Medium Deductible Plan](#)
- Kaiser HMO depending on your zip code
- Anthem Medigap-type plan if you are under age 65 and eligible for Medicare due to disability
- TRICARE Supplement

You will be starting a NEW plan as a retiree. Amounts applied to the deductible and out-of-pocket maximum for your active coverage do not carry over to your new retiree coverage. All out-of-pocket amounts are reset at the beginning of each plan year, on January 1.

Note that dental and/or vision coverage are not offered through the Northrop Grumman Retiree Medical Plan. See what dental and/or vision coverage is available through the [Northrop Grumman Federal Credit Union](#) or choose to continue your active dental and vision coverage through COBRA.

If you are under age 65 and eligible for Medicare due to a disability, our medical plans coordinate with Medicare, so make sure you're enrolled in Medicare Parts A and B.

# If You Are 65 or Older

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If you are age 65 or older, Medicare will be your primary medical insurance. Access the [Medicare](#) website to learn more about Medicare and how to enroll.

You have the option to purchase additional coverage to supplement Medicare, and Northrop Grumman partners with [Via Benefits](#), a private insurance exchange, to give you access to a broad range of supplement insurance plans and help in selecting and enrolling in supplemental coverage.

Depending on your company heritage and employment history, you may be eligible for a Retiree Health Reimbursement Account (RHRA) with Via Benefits. You receive a fixed annual “credit” amount in your RHRA that you can use to help pay for your purchase of an individual supplemental plan, prescription drug, dental, vision, TRICARE supplemental or long-term care coverage, or Medicare Part B premiums.

You must elect a supplemental medical, prescription drug, dental or vision plan through Via Benefits to use the RHRA. (Exception: you may enroll in Kaiser, TRICARE supplemental or long-term care coverage and notify Via Benefits of your enrollment).

Contact Via Benefits at 855-832-0976 or visit the [Via Benefits](#) website for more information and to enroll.

Certain retirees in a few heritage classifications may stay enrolled in a Northrop Grumman Retiree Medical Plan option when they reach age 65 instead of receiving an RHRA through Via Benefits, and some may receive a stipend through the [Medicare Part B Reimbursement and Stipend Program](#) that’s different from an RHRA. Your retirement modeling statement will indicate if you are eligible for these options.

# Discovering if COBRA is Right For You

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When you retire from Northrop Grumman, you and your covered dependents may be able to continue your medical, dental, vision and/or EAP coverage for a limited time through COBRA. When COBRA ends, you may enroll in Northrop Grumman retiree medical coverage.

Call the [NGBC](#) and ask for the cost of COBRA coverage to help you compare your choices. COBRA is a continuation of your active coverage, so any amounts applied to your deductible and out-of-pocket maximum for the current year do not reset to zero.

If you are eligible for Medicare, ask the Northrop Grumman Benefits Center how COBRA and Medicare coordinate. Generally, if you were already enrolled in Medicare at the time you elect COBRA, you may remain enrolled in it until the end of the COBRA continuation period; however, Medicare will be your primary coverage. If you first enroll in Medicare after you elect COBRA, your coverage through COBRA terminates. Since each qualified beneficiary can independently choose to maintain COBRA coverage, their enrollment may continue even if you enroll in Medicare.

# Additional Resources

<p><b>Planning Summary</b></p> <p>Personalized view of your full financial picture in one spot, with help on what to do next in planning your financial journey.</p>	<p><b>Learning Resources</b></p> <p>Research other resource topics through interactive tools, articles, videos or workshops.</p>	<p><b>Schedule an Appointment</b></p> <p>Set up time to meet 1:1 with a retirement planner.</p>	<p><b>Retirement Decision Guide</b></p> <p>Get help in your one-of-a-kind retirement journey, beyond your financial well-being.</p>
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<p><b>Financial Wellness Central</b></p> <p>See what you’re doing well and ways you can improve your financial well-being.</p>
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