Welcome to the 2015 Retiree Benefits Annual Enrollment
OCT. 14, 2014 — NOV. 6, 2014

Merck is committed to providing you with access to comprehensive, high-quality health care benefits that offer you financial protection. You will notice few benefit plan changes this year; however, the need to continue to work together to improve your health and control costs remains as strong as ever.

What We Do Matters
The best way to maintain affordable benefits is for each of us to take responsibility for our own health and health care spending. Use the available resources to help you manage your health and to better understand the true costs when you are making health care decisions. One of these resources is Health Advocate™. The enclosed Top Reasons to Call flyer outlines the many ways that Health Advocate can help you manage your health and your health care.

What’s New for 2015?
As we announced last year, the 90/70 PPO Buy-Up Options will no longer be offered. You will also see expanded survivor medical coverage, a new weight management program offered at a discounted rate, a change in coverage requirements for compound medications and an increase in medical plan contributions.

Read this guide to learn about your Merck retiree benefits. The first section of the guide highlights what’s new for 2015 and tells you what you need to do during annual enrollment. The second section of the guide provides the details about the benefits and resources available to you throughout the year.
• Review this guide and your Personal Fact Sheet for your 2015 costs and coverage details.

If any of your personal information listed is incorrect — or missing — please correct the information by calling the Merck Benefits Service Center at Fidelity ("Benefits Service Center") at 800-66-MERCK (800-666-3725).

Please note that if your date of birth is incorrect, you will also need to notify Merck directly by calling Merck’s My Support Center at 866-MRK-HR4U (866-675-4748).

• Review the eligibility criteria for your covered dependents to confirm they continue to meet the plan’s definition of an eligible dependent. If not, be sure to drop them from coverage. To see which dependents are listed for coverage, please refer to your Personal Fact Sheet.

• Log in to http://netbenefits.com/merck or contact the Benefits Service Center by Nov. 6, 2014, to make any changes to your plan options, coverage levels or dependents. Be sure to review your beneficiaries and confirm your home address on file at the Benefits Service Center is correct.

If You Do Not Take Action

If you do not actively select coverage during the annual enrollment period, you will automatically receive the coverage listed on your Personal Fact Sheet, including the “No Coverage” medical option, if you are currently enrolled in the “No Coverage” medical option.

Reminders:

• If you are currently enrolled in the 90/70 Buy-Up Option and do not make a selection, coverage for you and your covered dependents will automatically default to the 80/70 PPO Core option with your current administrator (Horizon BCBS or Aetna).

• If you elect the “No Coverage” option, you will not be eligible for Merck’s prescription drug coverage.

• If you are currently paying unsubsidized rates, and you elect the “No Coverage” option for 2015 or at a later date, you will not be allowed to re-enroll for Merck retiree medical coverage in the future.

Look for this symbol throughout this guide. It indicates when you can use your mobile device to download an app to access information.
Reminders:

If you or a covered dependent become eligible for Medicare:

- The plan requires that you and your covered dependents enroll in Medicare Parts A and B when you are first eligible.
- Prescription drug coverage for the Medicare-eligible participant will automatically switch to Express Scripts Medicare® (PDP) for Merck (“Express Scripts Medicare”) except for covered dependent children. Dependent children continue to be enrolled in pre-Medicare prescription drug coverage even if they qualify for Medicare.¹

Cost for Coverage

Your cost for retiree medical coverage varies depending on whether you are eligible for subsidized coverage (which means the company shares the cost of coverage with you) or unsubsidized coverage (which means you would pay the full cost of coverage).

Your 2015 contribution amounts can be found on the enclosed Personal Fact Sheet or online at http://netbenefits.com/merck.

- If you are a legacy Merck grandfathered retiree eligible for subsidized pre-Medicare coverage, your contributions will continue to be based on your retiree “points.”
- If you are a legacy Merck retiree eligible for Medicare coverage or a legacy Schering-Plough retiree, your contributions will continue to be based on a flat, monthly fee.

The total cost of retiree medical coverage (both Merck’s subsidy and your contribution amount) will increase to take into account medical cost inflation and other factors.

Availability of Summary Health Information Required Under Health Care Reform

To help you make an informed choice, and to comply with the requirements of the health care reform law, Merck makes available Summaries of Benefits and Coverage (SBCs), which summarize important information about each medical coverage option in a standard format to help you compare across options. Note that you may not be eligible for each of the medical coverage options described in the SBCs.

The SBCs (and a link to the Uniform Glossary) are available at http://netbenefits.com/merck under Medical Plan Details. The Uniform Glossary, a document that defines health coverage-related and medical terms used in the SBCs, is available at www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf. You can also receive a paper copy of the SBCs and the Uniform Glossary free of charge by calling the Merck Benefits Service Center at Fidelity at 800-66-MERCK (800-666-3725). More information about the Merck-sponsored medical plan and the medical coverage options is available in the Retiree Medical Plan Summary Plan Description available at http://netbenefits.com/merck or by calling the Merck Benefits Service Center at Fidelity at 800-66-MERCK (800-666-3725).

ID Cards

If you are currently enrolled in the 90/70 Buy-Up option, you will receive a new medical ID card for 2015. If you are enrolled in another medical plan option, you will continue to use your current medical and/or prescription drug ID card for 2015 unless you make a change during annual enrollment.

¹ If you or a covered dependent become eligible for Medicare in the remainder of 2014 and you are currently enrolled in the 90/70 PPO Buy-Up option, your coverage will automatically switch to the 80/70 PPO Core option with your current administrator (Horizon BCBS or Aetna), as of the first of the month in which you (or your covered dependent) become eligible for Medicare.
Do You Have Questions About Your 2015 Benefits?

Beginning Oct. 14, you can:

- Contact the Benefits Service Center:
  - Online: [http://netbenefits.com/merck](http://netbenefits.com/merck)
  - By phone: 800-66-MERCK (800-666-3725)
  - Customer Service Representatives are available from 8:30 a.m. to 8:30 p.m. ET, Monday through Friday.

- Review the 2015 Summary Plan Description (SPD) for the applicable benefit plan. The SPD for each benefit plan includes detailed information about the benefits provided by, and the administration of, each benefit plan. The 2015 SPDs are available online at the Benefits Service Center or you can request at hard copy by calling the Benefits Service Center and speaking with a Customer Service Representative.

- Contact all other benefits vendors directly. See page 30 for the “Contact Information” listing.

If you are currently enrolled in voluntary group dental coverage through MetLife’s Retiree Dental Program, you will receive information about your 2015 dental coverage directly from MetLife in mid-November.

Important Retiree Life Insurance Reminders

Depending on when you retired, you may or may not have life insurance coverage with Merck. If you have life insurance coverage with Merck, it will be listed on your 2015 Personal Fact Sheet, subject to the applicable reduction schedule. Keep in mind that the amount of life insurance you are eligible for, if any, and how it reduces over time, varies depending on when you retired, whether or not you were a legacy Merck or legacy Schering-Plough retiree and whether or not you were part of a collective bargaining unit while employed.

If you have life insurance, it is your responsibility to review your life insurance beneficiary designations. If you do not have a valid beneficiary designation on file with the Merck Benefits Service Center at Fidelity when you pass away, death benefits payable under the Merck Life Insurance Plan will be paid to your estate — which may have adverse tax consequences. Keep in mind that only beneficiary designations on file with the Benefits Service Center are recognized under the Merck Life Insurance Plan.

See page 32 for details about making or changing your beneficiary designation.

If you are currently enrolled in vision and/or dental coverage through COBRA, see page 26 for information about continuing your coverage through COBRA.
WHAT’S NEW

The chart below highlights what’s new or different in the 2015 retiree medical offerings.

<table>
<thead>
<tr>
<th>2015 HEALTH AND INSURANCE BENEFITS PROGRAM CHANGES</th>
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<tbody>
<tr>
<td>Plan</td>
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<td>---------------------------------------------------</td>
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</table>
| Medical Plan | • As communicated last year, the 90/70 Buy-Up options are not being offered for 2015. If you are enrolled in a Buy-Up option in 2014 and do not make an election, your coverage will default to the 80/70 option with your current administrator (Horizon BCBS or Aetna).
  • In the event of your death, if you are eligible for retiree medical coverage and you are:
    – a legacy Merck retiree
    – a legacy Schering-Plough retiree who retired on or after Sept. 1, 2005 or who retired prior to Sept. 1, 2005 and elected survivor coverage, or
    – an Organon BioSciences retiree who retired on or after Jan. 1, 2009 or who retired prior to Jan. 1 2009 and elected survivor coverage
  your surviving eligible dependents are now eligible for coverage under the Retiree Medical Plan as of your date of death. Previously, your dependents must have been covered at the time of your death. |
| Prescription Drug Coverage | • The Managed Prescription Drug Program will no longer cover prescriptions for certain compounded medications without prior authorization. This change does not apply to participants who are covered under Express Scripts Medicare. Express Scripts reports that less than 20 participants are currently affected. Affected participants will receive a letter from Express Scripts in late November. If you have questions, contact Express Scripts directly. |
| Other Benefits | • Healthy Solutions at Home is a new program through HMR Weight Management Services Corp., a Merck subsidiary, available to you and your family and friends who qualify. If interested, take advantage of special Merck pricing and offers to learn about specific lifestyle skills that will help you lose weight and improve your health. For more information, visit www.healthysolutionsathome.com or call Healthy Solutions at Home at 877-501-9257.
  If you enroll between Oct. 14 and Nov. 6, 2014, you will receive an introductory 50% discount on the cost of food when you mention the code “Merck50.” If you enroll after Nov. 6, the discount will be 20% off the cost of food when you mention the code “Merck.” |
Health care costs continue to increase at an unsustainable rate. Survey data shows that medical costs in the U.S. are expected to increase nearly 7% for 2015. Costs at Merck are no different.

It is important that we continue to work together to control health care costs. As a company, we review our benefits plans each year to make sure they align to the marketplace and that we provide you with access to comprehensive, valuable benefits that protect you from financial hardship in the event of an unexpected illness or injury.

The best opportunity to maintain affordable benefits is for each of us to take responsibility for our own health and health care spending. That’s why you should take an active role in your health. By doing so, you can reduce your personal health expenses, which helps reduce the overall increase in costs that is shared with you through contribution increases.

Review the following tips to become a smarter health care consumer today and throughout the year.

### What Can You Do to Stay Healthy?

- **See your provider for an annual physical.** Make sure you are up-to-date on your health screenings and immunizations. Getting the right health screenings each year can reduce your risk for many serious conditions. And remember, all in-network age- and gender-specific preventive care services required under the Patient Protection and Affordable Health Care Act of 2010 are covered at 100% and are not subject to a deductible.

- **Improve or maintain your health.** Exercise regularly and get fit. Eat well and maintain a healthy weight. Quit smoking and limit your alcohol intake.

- **Follow your treatment plan.** Keep appointments. Take your prescribed medications. Make sure that any chronic conditions are proactively managed. Follow up with your doctor if you have any questions or concerns.

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1 PricewaterhouseCoopers’ Health Research Institute, Medical Cost Trend, Behind the Numbers 2015
When You Need Care, What Can You Do to Manage Your Costs?

- **Consider calling the Health Advocate 24-hour NurseLine before you visit the doctor for non-urgent concerns.** A registered nurse can answer your questions about your symptoms/conditions and may be able to recommend a course of treatment and save you a trip to your doctor.

- **Visit in-network providers.** When looking for a doctor, therapist, lab or other health care provider, use an in-network provider. Your out-of-pocket costs are usually lower since you pay a percentage of an already pre-negotiated discounted rate.

- **Shop for your health care needs.** It is more important than ever to know what health care costs are before you receive treatment. Knowing your options and their cost will allow you to select the right care at a price you can afford. Check your benefit coverage before you make an appointment for a visit, test or medical procedure. And be sure to use the most cost-effective type of facility for the medical service you need. For example, an MRI at an independent radiology facility may cost half the price of the same test at a hospital. See page 23 for more information on tools to help you become a better health care consumer.

- **See if a generic or lower cost non-Merck brand drug is an option for your prescription.** If you have a prescription for a non-Merck brand drug, ask your doctor or pharmacist if a generic or a lower cost brand drug in the same therapeutic class is available. Since you pay a coinsurance amount for your non-Merck brand drug, up to a maximum dollar amount, the price of the drug directly affects your cost.

- **Use the Express Scripts PharmacySM home delivery service for your maintenance medications.** Contact Express Scripts to see if your medicine is available through its home delivery service. You can receive up to a 90-day supply for the same cost you would pay for up to a 60-day supply at a retail pharmacy for generic prescriptions. For non-Merck brand drugs, you can benefit from the lower price through home delivery.

- **Reduce administrative costs.** Register on each provider’s website and choose to receive your provider communications such as Explanations of Benefits (EOBs) via e-mail instead of receiving printed copies through the mail. You can also download your provider’s app to your mobile device to access claims information and even access a virtual ID card.

- **Use Health Advocate.** Whether you need help understanding a treatment plan or assistance with a medical claim, Health Advocate will help you navigate your health care needs.

**DID YOU KNOW?**

If a doctor suggests a medical procedure, you should ask questions about cost as well as the pros and cons of the treatment. You can call Health Advocate for assistance with obtaining an estimate at 855-675-5463.
Eligible dependents are defined as:

- **Your spouse:** The person recognized as your legal spouse under federal tax law, including your same-sex spouse.
  
  **Note:** An ex-spouse is not eligible to be covered as an eligible dependent under the terms of the Plan, even if there is a court order requiring you to provide health benefits coverage to your ex-spouse.

- **Same-sex domestic partner:** A person with whom you share an ongoing, exclusive, emotionally-committed relationship (and intend to do so indefinitely) and within this same-sex domestic partnership, you both meet all of the following criteria:
  
  - Are the same sex
  - Are at least age 18 and mentally competent to enter into a legal contract
  - Are not related by blood or adoption to a degree closer than permitted by state law for marriage
  - Are not legally married to — or the domestic partner of — anyone else
  - Are jointly responsible for each other’s welfare, financial and other obligations
  - Reside together in the same household — and have done so for **at least 12 months**
  - Reside in a state that does not permit same-sex marriage
  - Have registered the same-sex relationship — if residing in a state/municipality that permits such registration, and
  - Are not legal spouses under federal tax law.

Keep in mind, when you enroll a same-sex domestic partner (and any dependents), you are required to indicate whether or not they are a federally tax-qualified dependent. Generally, a federally tax-qualified dependent must meet certain requirements regarding relationship, residence, age and support as outlined by the IRS. You should consult with your tax advisor to determine if your same-sex domestic partner (and any dependents) are federally tax qualified.

If you are a legacy Merck retiree who is eligible for subsidized retiree medical coverage and you retired before April 1, 2007, you cannot add coverage for a same-sex domestic partner. You can, however, add your same-sex spouse provided he or she is your spouse for federal income tax purposes.

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1 If you reside in a state that does permit same-sex marriage, you and your partner must be married in order for your partner to qualify as an eligible dependent under the plan. In other words, your same-sex partner must be your legal spouse under federal income tax law to qualify as your eligible dependent under the plan if you reside in a state that permits same-sex marriage.
• **Your children**, up to the end of the month in which they reach age 26. Children mean your:
  - Biological children
  - Stepchildren, including your spouse’s/same-sex domestic partner’s biological children, foster children, legally adopted children and children for whom your spouse/same-sex domestic partner is legal guardian, in each case who are not also your biological children, foster children, legally adopted children and children for whom you are legal guardian
  - Foster children
  - Legally adopted children (eligibility begins on the date of placement for adoption or commencement of legal obligation to provide support in anticipation of adoption)
  - Children for whom you are legal guardian, and
  - Those for whom coverage is required by a Qualified Medical Child Support Order (QMCSO).

While coverage is extended to your children through the last day of the month they reach age 26, this coverage does not extend to your child’s spouse or your child’s children, unless they would otherwise meet the definition of eligible dependents.

If your dependent child is physically or mentally disabled, coverage for your child may continue beyond age 26, provided your child’s disability begins before the date he or she reaches the age at which coverage would otherwise end. Contact your Medical Plan Administrator or call the Benefits Service Center for more information.

If you are enrolling a dependent who is eligible for Medicare, you will need to provide the dependent’s Medicare Claim Number (also known as a Health Insurance Claim Number). This seven- to 11-digit number can be found on the dependent’s Medicare card.

If you are not eligible for Medicare and you add new dependents to your Retiree Medical Plan coverage, you may receive a request from HMS Employer Solutions (an independent third-party vendor designated by Merck to conduct dependent eligibility verifications) to submit documentation of his or her eligibility status (e.g., birth certificate, marriage certificate, etc.).

Remember to review and validate your dependent information. It’s important to register your eligible dependents even if you are not covering them under your Merck benefits. This will help to ensure that your eligible dependents receive coverage that may be available to them in the event of your death.

**If Your Dependent Is Not Eligible for Coverage**

If your dependent does not currently or in the future no longer meets the eligibility requirements for coverage (for example, your child is over age 26 or you and your spouse get divorced), you must contact the Benefits Service Center immediately to be sure his or her coverage is terminated.

You must contact the Benefits Service Center within 60 days of the date your dependent’s eligibility ends in order for your dependent to be eligible for medical continuation coverage through COBRA. Dropping a dependent from coverage during annual enrollment by reducing your coverage level does not constitute notice to the Benefits Service Center that your dependent has lost coverage under circumstances which would entitle the dependent to continue coverage through COBRA. Regardless of when you notify the Benefits Service Center, coverage for your ineligible dependent will end as described in the Retiree Medical Plan SPD.

**Enrolling a Dependent**

When enrolling your dependents for coverage, you will need to provide the Social Security number of each dependent. If your dependents are already enrolled for coverage, please verify your dependent’s Social Security number by logging in to [http://netbenefits.com/merck](http://netbenefits.com/merck).
If You Have a Life Event Before Dec. 31, 2014

If you experience a qualifying life event (e.g., birth or adoption of a child, marriage or divorce) before the end of the year and want to make a change to your medical benefits, you must contact the Benefits Service Center within 30 days of the event to ensure both your 2014 and 2015 coverage elections correctly reflect any changes made to your benefits due to your life event.

Should You Have Other Benefits Coverage?

Merck’s benefits plans have a non-duplication of benefits provision. This means that when you have other medical coverage — such as through your spouse’s or same-sex domestic partner’s employer or Medicare — the company coordinates payments with the other plan so that you do not receive a higher benefit from the Merck Plan than the Merck Plan would have paid in the absence of any other coverage. Non-Merck plans may have different rules about how to coordinate benefits, so check each plan’s rules carefully before making your enrollment decision.

Note that the Plan requires that you and your covered dependents enroll in Medicare Parts A and B when you are first eligible. If you and your dependents do not enroll in Medicare Parts A and B when you are first eligible, the Merck Plan will still treat the coordination of benefits as if you had, and will not pay the benefits that would have otherwise been payable by Medicare. Therefore, if you or your covered dependent fails to enroll in Medicare Parts A and B when first eligible, you will be solely responsible for your medical expenses for the time you or your dependent were not enrolled with Medicare.

For more information, refer to the Coordination of Benefits section of the Retiree Medical Plan SPD.

Important Note for Medicare-Eligible Retirees and Their Spouses/Same-Sex Domestic Partners

If you would like to receive Merck Retiree Medical Plan coverage for 2015, you and/or your spouse/same-sex domestic partner should not sign up for a Medicare Part D plan on your own. If you and/or your spouse/same-sex domestic partner are enrolled in the Merck Retiree Medical Plan and are eligible for Medicare, you and/or your spouse/same-sex domestic partner will automatically be enrolled for prescription drug coverage under Express Scripts Medicare. If you and/or your spouse/same-sex domestic partner enroll in another Medicare Part D plan, Medicare will drop your coverage in Express Scripts Medicare when it receives your enrollment in the other plan.

If you and/or your spouse/same-sex domestic partner lose prescription drug coverage through Merck, you and/or your spouse/same-sex domestic partner will also lose coverage in the Merck Retiree Medical Plan and will not be able to re-enroll in the plan until the next annual enrollment period. (If you are a retiree who is eligible for unsubsidized coverage and are enrolled in the Merck Retiree Medical Plan and you enroll in another Medicare Part D plan, you will lose coverage in the Merck Retiree Medical Plan and you will not be able to re-enroll for retiree medical coverage in the future.) If you have any questions, call the Benefits Service Center.

Address Change

You are responsible for keeping Merck informed of any change in your address to ensure you receive important benefits and other information. To report an address change, contact the Benefits Service Center at 800-66-MERCK (800-666-3725) or http://netbenefits.com/merck.
Your 2015 Retiree Medical Plan options are listed below. Prescription drug coverage is included in all options except the “No Coverage” option.

2015 RETIREE MEDICAL PLAN OPTIONS

- 80/70 PPO Core — Horizon BCBS
- 80/70 PPO Core — Aetna Choice POS II
- No Coverage

Note: If you choose “No Coverage,” you will not have Merck retiree medical coverage or prescription drug coverage.

If you are receiving unsubsidized coverage now, and you choose “No Coverage,” you will not be allowed to re-enroll for retiree medical coverage in the future.

RETIREE MEDICAL PLAN OPTIONS AVAILABLE TO CURRENTLY ENROLLED PARTICIPANTS ONLY

- Merck PPO Hybrid — Horizon BCBS
- Merck PPO Hybrid — Aetna Choice POS II
- Aetna 90/10 Indemnity Choice
- Kaiser Permanente HMO

Each Medical Plan option offers the same basic plan components (including prescription drug coverage). However, the provider networks and clinical guidelines may vary by medical option. Please contact Horizon BCBS or Aetna directly for information on their respective clinical policies. You can also call Health Advocate at 855-675-5463 for assistance.

For Medicare-eligible coverage, only the in-network level of coverage (80%) applies. There is no preferred-provider network when you are eligible for Medicare.
## RETIREE MEDICAL PLAN OPTIONS OVERVIEW

<table>
<thead>
<tr>
<th>Medical Plan Option</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>80/70 PPO Core — Horizon BCBS</strong></td>
<td>• Both Horizon BCBS and Aetna PPOs generally offer the same set of covered services; however, clinical policies, which may affect coverage determinations, may differ. Call Health Advocate or your Medical Plan Administrator for more information.</td>
</tr>
<tr>
<td><strong>80/70 PPO Core — Aetna Choice POS II</strong></td>
<td>• You can choose any provider you want.</td>
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<tr>
<td><em>(Available to all eligible retirees)</em></td>
<td>• Participants must satisfy an annual deductible (except for preventive care) before the plan begins to pay a percentage of eligible expenses — 80% of pre-negotiated, discounted fees or 70% of Reasonable &amp; Customary (R&amp;C) charges depending on whether your provider participates in the network.</td>
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<td></td>
<td>• The Plan coordinates with Medicare and pays secondary to Medicare.</td>
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<td></td>
<td>• Participants who are eligible for Medicare are not subject to out-of-network provisions.</td>
</tr>
<tr>
<td><strong>Aetna 90/10 Indemnity Choice</strong></td>
<td>• Participants must satisfy an annual deductible before the plan will begin to pay benefits.</td>
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<tr>
<td><em>(Only available for participants who are currently enrolled)</em></td>
<td>• Once you satisfy the deductible, the plan pays 90% of eligible expenses, up to certain limits.</td>
</tr>
<tr>
<td></td>
<td>• The plan will coordinate with Medicare and will pay secondary to Medicare.</td>
</tr>
<tr>
<td><strong>Merck PPO Hybrid — Horizon BCBS</strong></td>
<td>• Generally offer the same features as the regular PPO options, but for Medicare-eligible participants, the deductibles and out-of-pocket maximums that apply are lower than those under the PPO options listed above.</td>
</tr>
<tr>
<td><strong>Merck PPO Hybrid — Aetna Choice POS II</strong></td>
<td>• The Plan coordinates with Medicare and pays secondary to Medicare.</td>
</tr>
<tr>
<td><em>(Only available for participants who are currently enrolled)</em></td>
<td>• Participants who are eligible for Medicare are not subject to out-of-network provisions.</td>
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<tr>
<td></td>
<td>• For participants who are not eligible for Medicare, the PPO Hybrid options have an in-network and out-of-network component subject to the provider’s network.</td>
</tr>
<tr>
<td><strong>Kaiser Permanente HMO</strong></td>
<td>• Coverage is generally available only if you use in-network providers.</td>
</tr>
<tr>
<td><em>(Only available for participants who are currently enrolled)</em></td>
<td></td>
</tr>
<tr>
<td><strong>No Coverage</strong></td>
<td>• Offers no coverage for medical services and prescription drugs.</td>
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1 Note the plan requires that you and your covered dependents enroll in Medicare Parts A and B when you are first eligible. Medicare eligibility generally begins on the first of the month in which you reach age 65, unless you are disabled, in which case eligibility may occur earlier (generally after you have been approved by Social Security and have been eligible for benefits for two years).
Should I consider purchasing coverage through the Health Insurance Marketplace?

The Health Insurance Marketplace provides you the opportunity to directly purchase health care coverage for you and/or your family instead of buying health care coverage through Merck.

Because Merck’s Retiree Medical Plan is intended to be affordable and meets the minimum value standard under the Affordable Care Act, you and your eligible dependents are unlikely to be eligible for a federal subsidy to purchase coverage in the Health Insurance Marketplace, which is otherwise available to people who meet certain financial criteria. Therefore, you may not be interested in the Marketplace offerings. However, non-Medicare retirees who do not enroll in the Merck Retiree Medical Plan may still be eligible for the federal subsidy regardless of the affordability of the Merck Plan.

If you are eligible for subsidized coverage and decide to elect coverage under the Health Insurance Marketplace for 2015 and “No Coverage” under the Merck Retiree Medical Plan for 2015, you will be able to elect coverage in the Merck Retiree Medical Plan at a subsequent annual enrollment for coverage effective the following Jan. 1.

However, if you are eligible for unsubsidized coverage and choose to enroll in a plan offered in the Health Insurance Marketplace and elect “No Coverage” under the Merck Retiree Medical Plan, you will not be permitted to re-enroll for Merck sponsored retiree medical coverage in the future.

Also remember that if you elect “No Coverage” in the Merck-sponsored retiree medical coverage you will also lose Merck’s prescription drug coverage.

For more information about the Health Insurance Marketplace, visit https://www.healthcare.gov/marketplace/individual. You can also contact Health Advocate at 855-675-5463 with any questions related to the options available to you. See page 25 for details about Health Advocate.

2015 Open Enrollment for a state or federally run Health Insurance Marketplace runs Nov. 15, 2014 through Feb. 15, 2015.

Health Care Reform Update

The Patient Protection and Affordable Care Act (ACA), also referred to as health care reform, was enacted primarily to increase access to health care coverage for uninsured Americans and reduce the overall costs of health care while improving the quality. Provisions started to become effective in 2010, with additional provisions becoming effective in 2015 and later.

As the health care landscape changes with the implementation of the ACA, Merck will continue to ensure that competitive programs designed to meet retirees’ needs and those of their families are available, while at the same time complying with the law.

One component of the ACA is the introduction of an excise tax (also known as the “Cadillac Tax”) in 2018, which is a 40% tax paid by employers on the value of the medical plan coverage (including prescription drug) that exceeds certain dollar limits, as determined annually by the government. Merck’s current intent is to continue to provide comprehensive, valuable, high-quality medical coverage to eligible retirees while at the same time implementing those plan design changes that it determines are necessary to ensure that the value of Merck’s medical coverage does not hit the threshold for imposition of the excise tax.
Retiree Medical Plan — Summary of Benefits

<table>
<thead>
<tr>
<th>COSTS</th>
<th>80/70 PPO Core — Horizon BCBS</th>
<th>80/70 PPO Core — Aetna Choice POS II</th>
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<tbody>
<tr>
<td></td>
<td>In-Network Coverage</td>
<td>Out-of-Network Coverage</td>
</tr>
<tr>
<td>Annual Deductible³</td>
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<tr>
<td>Individual</td>
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<tr>
<td>Family</td>
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<tr>
<td>Coinsurance</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
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<td>Annual Out-of-Pocket Maximum³</td>
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<td>Individual</td>
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<tr>
<td>Lifetime Benefit Maximum⁴</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Reasonable and Customary (R&amp;C) Limit</td>
<td>Not applicable</td>
<td>Applies</td>
</tr>
</tbody>
</table>

**PREVENTIVE MEDICAL CARE — EXAMS⁵**

| Routine Annual Physical Exams (one exam per calendar year) | 100%, no deductible | 70% of R&C limit, no deductible |
| Routine Immunization-Related Office Visits | 100%, no deductible | 70% of R&C limit, no deductible |
| Routine Preventive OB/GYN Exams (one exam per calendar year) | 100%, no deductible | 70% of R&C limit, no deductible |
| Routine Preventive Lab/X-ray | 100%, no deductible | 70% of R&C limit, no deductible |

¹ For participants in the Aetna 90/10 Indemnity Choice, Merck PPO Hybrid or Kaiser Permanente HMO options, please visit [http://netbenefits.com/merck](http://netbenefits.com/merck).

² If you are a participant in this plan option and you are eligible for Medicare, the out-of-network provisions do not apply.

³ Expenses incurred to satisfy your deductible and out-of-pocket maximum will be credited to both your in-network and out-of-network deductibles and out-of-pocket maximums. Expenses in excess of the R&C limit do not count toward your deductible or out-of-pocket maximum.

⁴ Other than Infertility Diagnosis and Treatment.

⁵ All in-network age- and gender-specific preventive services required under the Patient Protection and Affordable Health Care Act of 2010 will be covered by the Retiree Medical Plan with no cost-sharing requirement. More frequent preventive screenings may be available, based on family history. For additional information about these preventive services and specific age and gender specific, contact Horizon BCBS or Aetna.
# Retiree Medical Plan — Summary of Benefits

<table>
<thead>
<tr>
<th>Service</th>
<th>In-Network Coverage</th>
<th>Out-of-Network Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OUTPATIENT MEDICAL CARE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Visits</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>Outpatient Surgery</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>Infertility Diagnosis and Treatment</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>(combined lifetime maximum of $25,000 applies for medical benefits across all Medical Plan options)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chiropractic Care</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>(up to 25 visits per calendar year per person)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-Term Rehabilitation</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>(physical therapy, occupational therapy, speech therapy)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INPATIENT MEDICAL CARE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inpatient Hospital Services</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>Maternity Services</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td><strong>OTHER SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Services</td>
<td>80%, after deductible</td>
<td></td>
</tr>
<tr>
<td>Inpatient Mental Health and Substance Abuse Care</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
<tr>
<td>Outpatient Facility Mental Health and Substance Abuse Care</td>
<td>80%, after deductible</td>
<td>70% of R&amp;C limit, after deductible</td>
</tr>
</tbody>
</table>

1 For participants in the Aetna 90/10 Indemnity Choice, Merck PPO Hybrid or Kaiser Permanente HMO options, please visit [http://netbenefits.com/merck](http://netbenefits.com/merck).

2 If you are a participant in this plan option and you are eligible for Medicare, the out-of-network provisions do not apply.

3 Maintenance therapy not covered.

4 Precertification required.
There is no separate charge for prescription drug coverage. It is included as part of the cost of the option you select under the Merck Retiree Medical Plan.

How your prescription drug coverage works depends on whether you are eligible for Medicare:

- If you and/or your spouse/same-sex domestic partner are not eligible for Medicare, the non Medicare-eligible participant will continue to be enrolled in pre-Medicare prescription drug coverage under the Merck Prescription Drug Program. See page 18 for details.
- If you and/or your spouse/same-sex domestic partner are, or become, eligible for Medicare the prescription drug benefit for the Medicare-eligible participant will be provided under Express Scripts Medicare. See page 19 for details.
- Covered dependent children continue to be enrolled in pre-Medicare prescription drug coverage even if they qualify for Medicare.

Remember, if you elect the “No Coverage” option under the Retiree Medical Plan, you will have no prescription drug coverage.

Visit www.Express-Scripts.com, where you can:
- Click on “Price a Medication” (located under Manage Prescriptions) to check the cost of medications. Compare the cost of a generic drug versus a non-Merck brand drug or the cost of home delivery versus purchasing your medication from your local retail pharmacy
- Order refills
- Check the status of your orders
- Request more order forms and envelopes, and
- Receive refill reminders, warning of drug interactions and ways to save money.

If you are a first-time visitor to the website, take a moment to register. Have your member ID number (located on your prescription drug ID card) handy.

Use the Express Scripts app to access your virtual Member ID card, refill and renew prescriptions, check your order status and more!
Download the Express Scripts app free from Apple, Google Play or Blackberry App World and search for “Express Scripts” (not Express Rx).
Prior Authorization Required for Certain Medications

Certain medications require prior authorization before your prescription will be covered by the plan. To confirm if a drug is covered, or if it is subject to any limits, call Express Scripts Member Services at 800-RX-MERCK (800-796-3725). You, your doctor or your pharmacist must call Express Scripts to initiate a coverage review of any medications that require prior authorization.

Beginning Jan. 1, 2015, certain compound medicines will require prior authorization. See the 2015 Merck Retiree Medical Plan SPD or contact Express Scripts for more details.

How Does Coinsurance Work?

When you fill a prescription for a non-Merck brand drug other than diabetes medications and supplies, you will generally pay 20% of the cost of the prescription, up to the maximum dollar amount, as outlined in the chart on the next page. **Note:** If you are not eligible for Medicare, when you choose to receive a non-Merck brand drug and a generic alternative is available, you will pay 40% of the cost of the non-Merck brand drug, up to the maximum dollar amount.

How Does the Out-of-Pocket Maximum Work for Prescription Drug Coverage?

Your out-of-pocket maximum for prescription drug coverage works similarly to the way the medical plan out-of-pocket maximum works. If you are enrolled for medical coverage through Merck, the maximum amount you will pay out-of-pocket for prescription drugs filled either at a retail pharmacy or through the Express Scripts PharmacySM home delivery service will be $1,500 per individual, per year, up to a $3,000 annual family maximum. (For Medicare-eligible participants, each covered participant will have a $1,500 annual out-of-pocket maximum; the family maximum does not apply.) Once this out-of-pocket maximum is reached, the plan will pay 100% of the cost for covered prescriptions for the remainder of the plan year for the person who reached the limit.¹

Be a smart health care consumer and continue to take advantage of cost-saving opportunities such as using generic drugs or home delivery service even after the out-of-pocket maximum is reached. The money you save the plan helps Merck manage annual cost increases, which affects your contribution levels each year.

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¹ Any costs in excess of network-negotiated fees at a non-participating pharmacy do not count toward the prescription drug out-of-pocket maximum limit.
Pre-Medicare Retiree Prescription Drug Coverage

The following chart summarizes prescription drug costs for 2015, which are unchanged from 2014. Please note that all the 2015 medical options (except the “No Coverage” option) offer the same prescription drug coverage through Express Scripts, the company’s pharmacy benefit manager.

<table>
<thead>
<tr>
<th>Annual Out-of-Pocket Maximum (individual/family maximum)</th>
<th>Participating Retail Pharmacy up to a 30-Day Supply$^{1,2}$</th>
<th>Express Scripts Pharmacy$^{SM}$ (Home Delivery Service) up to a 90-Day Supply$^3$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merck-Brand Drugs</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Generic Drugs — Other than Diabetes Medications and Supplies</td>
<td>$10</td>
<td>$20</td>
</tr>
<tr>
<td>Non-Merck Brand Drugs — Other than Diabetes Medications and Supplies (when a generic equivalent is NOT available)</td>
<td>20% of discounted retail price, up to $50 maximum (per prescription)</td>
<td>20% of discounted home delivery price, up to $100 maximum (per prescription)</td>
</tr>
<tr>
<td>Non-Merck Brand Drugs (when a generic equivalent is available)</td>
<td>40% of discounted retail price, up to $100 maximum (per prescription)</td>
<td>40% of discounted home delivery price, up to $200 maximum (per prescription)</td>
</tr>
<tr>
<td>Generic Diabetes Medications and Supplies</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Non-Merck Brand Diabetes Drugs and Supplies</td>
<td>$10</td>
<td>$20</td>
</tr>
</tbody>
</table>

To encourage medication adherence for diabetics, all generic diabetes medications and supplies, as well as Merck-brand drugs, are provided at no cost for Merck employees and their eligible dependents who are covered by the Merck Medical Plan. In addition, non-Merck brand diabetic drugs and supplies are offered at the generic copay rate (see chart above). If you have questions, log in to www.Express-Scripts.com or call Express Scripts at 800-RX-MERCK (800-796-3725).

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$^1$ Certain prescription medications are covered only by home delivery service through Express Scripts Pharmacy$^{SM}$ or Accredo, a subsidiary of Express Scripts.

$^2$ Prescriptions filled at non-participating pharmacies will be reimbursed based on the network-negotiated price of the medication, minus the applicable copay and/or coinsurance. Retirees are responsible for any drug costs in excess of network-negotiated fees. Any costs in excess of network-negotiated fees at a non-participating pharmacy do not count toward the prescription drug out-of-pocket maximum limit.

$^3$ Male erectile dysfunction medications (MEDs) and non-Merck brand oral contraceptives are covered only by home delivery service through Express Scripts Pharmacy$^{SM}$. Merck brand oral contraceptives may be filled at a participating retail pharmacy at a $0 copay.
Express Scripts Medicare Prescription Drug Coverage

Express Scripts Medicare is a combination of a group Medicare Part D plan sponsored by Merck, known as an Employer Group Waiver Plan (EGWP), and additional coverage provided by Merck. If you are currently enrolled in Merck’s Retiree Medical Plan, you will continue to have coverage for prescription drugs at a level comparable to that available to pre-Medicare retirees, including Merck-brand drugs that are provided for $0 copay.

If you and/or your spouse/same-sex domestic partner are eligible for Medicare and are enrolled in Merck’s Retiree Medical Plan, you do not need to do anything. The Medicare-eligible participant will automatically be enrolled in Express Scripts Medicare. The pre-Medicare eligible participant will continue to be enrolled in pre-Medicare prescription drug coverage until he or she becomes eligible for Medicare.

Remember, if you elect the “No Coverage” option under the Retiree Medical Plan, you will have no prescription drug coverage.

DID YOU KNOW?

Medicare is an individual benefit. Once you and/or your spouse/same-sex domestic partner become eligible for Medicare, each of you will need to provide the Benefits Service Center with the following required information:

• Medicare Claim Number (also known as a Health Insurance Claim Number)
• Physical address (if you have a P.O. Box on file with the Benefits Service Center), and
• Correct birthday and name.

If the Benefits Service Center does not have this information on file when you and/or your spouse/same-sex domestic partner become eligible for Medicare, they will contact you directly, generally by U.S. mail.

Express Scripts Medicare ID Cards

Each covered, Medicare-eligible retiree and spouse/same-sex domestic partner will receive his or her own Express Scripts Medicare ID card, which is included in the Express Scripts Medicare Welcome Kit. If you already participate in Express Scripts Medicare, you will not receive a new ID card for 2015.

It is important that each Medicare-eligible member use his or her own prescription drug ID card when filling prescriptions.

If your spouse/same-sex domestic partner is covered under the Merck Retiree Medical Plan but is not eligible for Medicare, or your dependent children (regardless of their Medicare status) are covered under the Merck Retiree Medical Plan, they will continue to use their current prescription drug ID card.

1 Medicare-eligible disabled children will be covered under the Pre-Medicare Prescription Drug Plan.
The following chart summarizes prescription drug costs for 2015 under Express Scripts Medicare, which remain unchanged from 2014. Please note that all the medical options generally offer the same prescription drug coverage through Express Scripts, the Retiree Medical Plan’s pharmacy benefit manager. As an Express Scripts Medicare participant, you have access to Express Scripts’ retail network pharmacies that are part of the Express Scripts Medicare network and can fill prescriptions for maintenance medications for up to a 90-day supply.

<table>
<thead>
<tr>
<th>Annual Out-of-Pocket Maximum (per individual)</th>
<th>Participating Retail Pharmacy(^1) up to a 31-Day Supply</th>
<th>Participating Retail Pharmacy(^1) up to a 60-Day Supply</th>
<th>Participating Retail Pharmacy(^1) up to a 90-Day Supply</th>
<th>Express Scripts Pharmacy(^{SM}) (Home Delivery Service) up to a 90-Day Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merck-Brand Drugs</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Generic Drugs — Other than Diabetes Medications and Supplies</td>
<td>$10</td>
<td>$20</td>
<td>$30</td>
<td>$20</td>
</tr>
<tr>
<td>Non-Merck Brand Drugs — Other than Diabetes Medications and Supplies</td>
<td>20% of discounted retail price, up to $50 maximum (per prescription)</td>
<td>20% of discounted retail price, up to $100 maximum (per prescription)</td>
<td>20% of discounted retail price, up to $150 maximum (per prescription)</td>
<td>20% of discounted home delivery price, up to $100 maximum (per prescription)</td>
</tr>
<tr>
<td>Generic Diabetes Medications and Supplies</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Non-Merck Brand Diabetes Medications and Supplies</td>
<td>$10</td>
<td>$20</td>
<td>$30</td>
<td>$20</td>
</tr>
</tbody>
</table>

\(^1\) Certain medications are only available through Express Scripts Pharmacy\(^{SM}\) (home delivery service), such as prescriptions for male erectile dysfunction and oral contraceptives that are not Merck-brand drugs.
Important Considerations Under Express Scripts Medicare

Late Enrollment Penalty

The Centers for Medicare & Medicaid Services (CMS) assess a late enrollment penalty (LEP) for Medicare Part D participants who cannot prove they have continuous creditable prescription drug coverage. You may owe an LEP if you didn’t join a Medicare prescription drug plan when you were first eligible for Medicare Part A and/or Part B, and you didn’t have other prescription drug coverage that met Medicare’s minimum standards, or you had a break in coverage of at least 63 days. Note that coverage under Merck’s plans applicable to active and retired employees meets Medicare’s minimum standards and is considered “creditable coverage.”

For the 2015 Plan year, Merck has chosen to cover the LEP, if any, for you or your spouse-same-sex domestic partner. There is no guarantee, however, that Merck will continue to pay the LEP, if any, in any future year. In addition, if you are subject to an LEP and your coverage ends, you will be responsible for paying the penalty if you enroll in another plan at a later date.

Note: You and/or your covered spouse/same-sex domestic partner may receive a notice from Express Scripts Medicare asking you to provide information about previous prescription drug coverage to attest that you have had continuous creditable prescription drug coverage. You are solely responsible for providing this information within the timeframe stated on the notice to avoid future penalties.

“Creditable prescription drug coverage” or “creditable coverage” means drug coverage from a plan that expects to pay, on average, at least as much as Medicare’s standard prescription drug coverage and would include any prescription drug coverage that you had under the Merck Prescription Drug Plan.

“Extra Help” with Prescription Drug Costs

Certain Medicare recipients with low income and limited resources to pay for Medicare prescription drug coverage may qualify for what is called “Extra Help,” also known as “low-income subsidy” (LIS). If you qualify for “Extra Help,” you will receive assistance in paying for costs such as copayments or coinsurance related to your Medicare prescription drug costs. To find out if you qualify for “Extra Help,” or to enroll, go to www.socialsecurity.gov/prescriptionhelp or call 800-MEDICARE (800-633-4227), 24 hours a day, seven days a week.
High Income Premium Surcharge

There is no separate charge for prescription drug coverage. It is included as part of the cost of the option you select under the Merck Retiree Medical Plan.

However, if you are single with modified adjusted gross income of over $85,000 or married with modified adjusted gross income of over $170,000 (for 2015), you will be subject to a high income premium surcharge assessed by the federal government. The surcharge is typically a deduction from your Social Security check. You will receive a letter from Social Security if you have been identified as meeting the high income requirements.

If you are not receiving Social Security payments and are subject to the high income premium surcharge, you will receive a notice in the mail and will be responsible for making payments directly to Medicare. Failure to make payment may result in the loss of your retiree medical coverage, which includes your prescription drug coverage.

For more information about the high income premium surcharge, contact Social Security at 800-772-1213 between 7:00 a.m. and 7:00 p.m., Monday through Friday.

For questions about your prescription drug plan, contact Express Scripts Medicare at 877-680-4884, 24 hours a day, seven days a week. TTY users should call 800-716-3231. To receive a printed copy of your SPD or SBC, please call the Benefits Service Center at 800-66-MERCK (800-666-3725) or log in to http://netbenefits.com/merck.
Did you know that costs for medical procedures can vary greatly, depending on the facility where they are performed?

Being a smart health care consumer is about understanding your health care options and putting the same rigor around shopping for your health care as you do for other consumer purchases. Thankfully, there are a number of convenient online tools and mobile apps available to help you make informed decisions. The following chart describes the latest website and mobile apps available to you through our health care providers.

<table>
<thead>
<tr>
<th>Tool</th>
<th>What It Does</th>
<th>How to Access</th>
<th>Available to</th>
</tr>
</thead>
</table>
| Horizon BCBS Treatment Cost Estimator | • Displays costs for tests and procedures by type and location  
• View an unlimited amount of estimates and sort by distance, provider name or cost range | ☑ website: [http://merck.horizonblue.com](http://merck.horizonblue.com)  
From Merck’s secure home page, sign in and click on “Find a Treatment Cost” (located under “I Want To”) | Anyone enrolled in a Horizon BCBS Medical Plan option |
| BCBS National Doctor & Hospital Finder | • Find providers that participate in BlueCard PPO network  
• Quickly locate nearest urgent care center based on your location  
• Locate Blue Distinction Centers of Excellence for a variety of health issues including bariatric surgery, cardiac care, complex and rare cancers, knee and hip replacement, spine surgery and transplants | ☑ website: [http://directory.horizonblue.com](http://directory.horizonblue.com)  
☑ mobile app:  
Download the BCBS app free from Apple or Google Play | Anyone enrolled in a Horizon BCBS Medical Plan option |
| Aetna Payment Estimator | • Displays costs for tests and procedures by type and location  
• Provides cost details based on Merck’s health plan, including coinsurance and deductibles  
• Through the comparison feature, you can view estimates for up to 10 providers/facilities | ☑ website: [www.aetna.com](http://www.aetna.com)  
☑ mobile app | Anyone enrolled in an Aetna Medical Plan option |
<table>
<thead>
<tr>
<th>Tool</th>
<th>What It Does</th>
<th>How to Access</th>
<th>Available to</th>
</tr>
</thead>
</table>
| **Aetna’s National Medical Excellence and Institutes of Excellence (IOE)** | • Provides specialized case management through the use of nurse care managers, each with procedure and/or disease-specific training  
• IOE provide access to a select group of hospitals and centers that support transplants and other special medical care (i.e., hemophilia treatment, heart surgery for children and other rare conditions) | ✓ website: [www.aetna.com](http://www.aetna.com)  
☐ mobile app | Anyone enrolled in an Aetna Medical Plan option |
| **Aetna DocFind®** | • Find providers that participate in Aetna’s Choice POS II network  
• See clinical and quality information for specialists | ✓ website: [www.aetna.com](http://www.aetna.com)  
✓ mobile app:  
Text Apps to 44040 | General public |
| **Express Scripts** | • View your virtual Member ID card, refill and renew prescriptions, check your order status, locate a pharmacy, transfer to home delivery, view alerts, set reminders and search detailed drug information  
• Check the cost of medications and look for opportunities to save. Click on “Price a Medication” (located under Manage Prescriptions) to compare your costs for home delivery versus your local retail pharmacy. | ✓ website: [www.Express-Scripts.com](http://www.Express-Scripts.com)  
✓ mobile app:  
Download the Express Scripts app free from Apple, Google Play or BlackBerry App World and search for “Express Scripts” (not Express Rx) | Anyone enrolled in the Merck Retiree Medical Plan, excluding Medicare-eligible retirees |
Since its introduction in 2012, over 12,200 Merck employees, retirees and their family members have utilized Health Advocate™ services.

Health Advocate provides personalized assistance for you and your family, including your parents/parents-in-law. Health Advocate can help you and your eligible family members:

- Untangle medical bills
- Schedule tests and appointments
- Assist with eldercare and Medicare
- Find doctors, hospitals and other providers
- Schedule second opinions, and
- Explain conditions and treatments.

Health Advocate’s work/life resources and eldercare and caregiver services can help you:

- Find in-home care, adult daycare, assisted living and long-term care
- Research transportation to appointments, and
- Coordinate care among multiple providers.

Health Advocate also offers a 24-hour NurseLine. Highly trained registered nurses are available 24 hours a day, seven days a week to help you with non-urgent concerns. Call the 24-hour NurseLine at 855-675-5463 for:

- Answers to questions about symptoms or medications
- Explanation of a health condition, and
- Simple, self-care tips for non-urgent conditions.

Call Health Advocate at 855-675-5463 Monday through Friday, from 8:00 a.m. to 9:00 p.m. ET (24 hour NurseLine available), or visit www.HealthAdvocate.com/merck.

Health Advocate is not part of the medical plan or a claims administrator for the medical plan. It is a service offered at no cost to you by Merck.

“In the past three months, I have used Health Advocate three times. All experiences have been great. In all cases I was in a situation that would’ve taken one of my family members to the ER. Instead, I was given great monitoring advice so that I could take care of my husband and son with full confidence. In all three cases, my family improved and did not have to spend countless hours and unnecessary money at the ER. Thank you.”

“I find it wonderful to have ONE place to go for so many questions!”

“The Health Advocate Representatives were very nice and made sure my questions were answered and they followed up when necessary.”

“As my husband approached the Medicare eligibility age, we had lots of questions and did not know where to turn. One call to Health Advocate gave us the information we needed and pointed us in the right direction. I would definitely recommend calling Health Advocate for any health or health care-related questions.”
RETIREES WITH DENTAL AND VISION COVERAGE THROUGH COBRA

If you are a retiree who is eligible to continue Merck-sponsored dental coverage under COBRA, you can either continue your COBRA dental coverage or end your COBRA coverage by electing “No Coverage.” If you decide to continue your COBRA dental coverage, you will have an opportunity to enroll for the voluntary MetLife Retiree Dental Benefits Program (the “Program”) at the end of your COBRA period. If you do not enroll at the end of your COBRA period, you will not be able to enroll in the Program in the future. Also, if you terminate COBRA dental coverage early, you will not be allowed to enroll in the Program.

If you are a retiree who is eligible to continue vision coverage under COBRA, you may continue vision coverage through Vision Service Plan (VSP) or you may choose the “No Coverage” option.

If you have questions about your COBRA coverage, please contact the Benefits Service Center.

Making Payments for COBRA Coverage
You will receive a monthly invoice from the Benefits Service Center with your COBRA contribution amount. Payment is due the first of each month in order to have coverage for that month. Although the Benefits Service Center mails invoices to you, you are ultimately responsible for paying this contribution — even if you do not receive the invoice.

Termination of COBRA Coverage
Your continuation coverage under COBRA will terminate sooner than the end of the statutory continuation coverage period, for any of the following reasons:

• Merck discontinues the particular options under which you are covered with respect to all active employees covered under that option and does not offer alternative coverage to active employees.

• The premium required for COBRA continuation coverage is not received by the Benefits Service Center by the premium due date or within the grace period. Coverage will terminate as of the premium due date and will not be reinstated.

• Any person with continuation coverage becomes entitled to Medicare or becomes covered by another employer’s group health care plan either as an employee or as a dependent of another person. A person to whom this provision applies must notify the Benefits Service Center within 30 days after the individual becomes entitled to Medicare or becomes covered by another employer’s group health care plan as previously described. **Note:** If you are receiving subsidized COBRA as part of your separation package, you may continue to receive COBRA continuation benefits through the end of your benefits continuation period.

• During the additional 11-month period for disability, the Social Security Administration determines that the qualified beneficiary is no longer disabled. (A person to whom this provision applies must notify the Benefits Service Center within 30 days after any final determination that the person is no longer disabled.)
PAYING FOR YOUR BENEFITS

Direct Billing
Billing invoices are sent to you on a monthly basis with payments due on the first day of each month to continue coverage for that month. This invoice includes your costs for all benefits in which you’re enrolled, including retiree medical contributions as well as any life insurance for which you pay premiums. You continue to have the option to pre-pay for your coverage — this will show as a credit on your monthly invoices.

If you fail to pay your required contributions for coverage within the time and manner specified by Merck, your coverage under the plan(s) for which the contribution was not paid will terminate effective as of the contribution due date.

- If you fail to pay any life insurance premiums, you will remain permanently ineligible for that coverage.
- If you fail to pay your medical contribution, you will default to the “No Coverage” option.

Please note that your ability to re-enroll for medical coverage is limited to the following year’s annual enrollment period, unless you experience a qualifying life event and you contact the Benefits Service Center within 30 days of the event. If you are eligible for unsubsidized coverage and you lose coverage due to non-payment of premium, you are not eligible to re-enroll at a later date. Please refer to the Retiree Medical Plan SPD for more details.

Pension Deductions for Retiree Medical Coverage for Legacy Schering-Plough Retirees
If you are a legacy Schering-Plough retiree and you are receiving a pension benefit in the form of an annuity under a company-sponsored pension plan as of your retirement date, your pension benefit will be reduced to cover your Retiree Medical Plan contributions (certain rules apply) unless you elect to be billed directly for your retiree medical coverage. If your pension benefit is not large enough to cover your retiree medical contribution, or if you are not eligible to begin your pension when your employment ends, or you do not receive a pension benefit in the form of an annuity beginning when your employment ends, you will be billed for your retiree medical contribution. See the previous page for more information about the direct billing process.

1 If you qualify for unsubsidized retiree medical coverage and you default to the “No Coverage” option, you will not be able to re-enroll for Merck’s retiree medical coverage in the future.
Coverage Payment Grace Period
You have 60 days to submit payment. However, if payment is not received by the Benefits Service Center within this 60-day period:
• Medical and pre-Medicare prescription drug coverage will end as of the last date paid.
• Medicare-eligible prescription drug coverage (through Express Scripts Medicare) will end at the end of the 60-day grace period as required by CMS.
• Life insurance coverage will end as of the last date paid.

Reminder: View Your Payments Online
You can go online to view your payment status, print an invoice, change your payment method and view other payment information. Follow these steps to view your payment statement:
• Log in to http://netbenefits.com/merck
• Select the “Health & Insurance” tab, and
• Under “Details” click on the “Cost and Coverage” tab.

Are You Still Writing a Check to Pay Your Benefits Contributions?
If so, consider changing to the Automatic Bank Withdrawal option. The Automatic Bank Withdrawal option deducts contributions right from your bank account, eliminating the burden of manually mailing a check and ensures payments are on time! And best of all, it’s easy to enroll through the Benefits Service Center.

Enroll Online: To sign up for Automatic Bank Withdrawal, log in to http://netbenefits.com/merck. From there, click on the “Health & Insurance” tab and in the “Your Billing Information” box on the right-hand side, select “Change” to change your payment method.

Enroll by Phone: Call 800-66-MERCK (800-666-3725) between 8:30 a.m. and 8:30 p.m. ET, Monday through Friday (excluding New York Stock Exchange holidays).
MerckConnections.com is Merck’s website for retirees, spouses/same-sex domestic partners and caregivers. Through MerckConnections.com, you can stay in touch with the company — and with each other. You’ll be able to look up old friends through the retiree directory and stay on top of the company’s news and activities. You can also get the company’s viewpoint on events and issues directly from the source. To date, nearly 3,300 retirees are registered members.

Full access to MerckConnections.com, including the Retiree Community section of the site, is available to all Merck retirees. Spouses, surviving spouses, domestic partners and caregivers of retirees are invited to access all other areas of the site.

Logging In

Access the website at MerckConnections.com. Then, follow the online instructions for registration. Please note that all first-time users must register before logging in.

To ensure privacy, retirees who wish to access the Retiree Community section of the website must register using their Merck Worldwide Identification Number (WIN). All Merck retirees have a company-assigned WIN. If you cannot remember your Merck WIN or if you have questions about using the website, contact Merck’s My Support Center at 866-MRK-HR4U (866-675-4748).

MerckEngage.com is a free online service offered as part of Merck’s century-long commitment to providing unbiased health information to consumers and health care professionals. You’ll find information, tips and tools on:

- Eating Well: Healthy recipe selections customized for your needs
- Getting Fit: Activity ideas for every fitness level
- Working with Your Doctor: Ways to help make the most of doctor visits
- Managing Health Conditions: Simple tools to help track your progress
- Taking Medicines: Information to help you better understand the importance of taking your medicines, and
- Caregiving: Support and encouragement for caregivers.

Log in to MerckEngage.com directly or through MerckConnections.com.
## CONTACT INFORMATION

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<tr>
<th>For More Information About…</th>
<th>Contact/ Benefits Provider</th>
<th>Online or By Phone At…</th>
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| Retiree Benefits Described in this Guide | Merck Benefits Service Center at Fidelity (Benefits Service Center) | [http://netbenefits.com/merck](http://netbenefits.com/merck) 800-66-MERCK (800-666-3725)
  Representatives are available 8:30 a.m. to 8:30 p.m. ET, Monday through Friday (excluding New York Stock Exchange holidays) |
| 80/70 PPO Core — Horizon BCBS | Horizon BCBS | [www.horizonblue.com/merckretirees](http://www.horizonblue.com/merckretirees) 877-663-7258
  Representatives are available 8:00 a.m. to 8:00 p.m. ET, Monday through Friday (Thursdays from 9:00 a.m. to 8:00 p.m. ET) |
| Merck PPO Hybrid — Horizon BCBS | **80/70 PPO Core — Aetna Choice POS II** | Aetna [www.aetna.com](http://www.aetna.com) 800-541-6711
  Representatives are available 8:00 a.m. to 6:00 p.m. ET, Monday through Friday |
| Merck PPO Hybrid — Aetna Choice POS II | Aetna 90/10 Indemnity Choice | [www.aetna.com](http://www.aetna.com) 800-541-6711
  Representatives are available 8:00 a.m. to 6:00 p.m. ET, Monday through Friday |
| Kaiser Permanente HMO | Kaiser Permanente of Southern CA | [www.kaiserpermanente.org](http://www.kaiserpermanente.org) 800-464-4000
  Representatives are available 24 hours a day, 7 days a week |
  Specialty Pharmacy (Accredo) 800-922-8279
  Representatives are available 24 hours a day, 7 days a week |
  Specialty Pharmacy (Accredo) 800-922-8279
  Representatives are available 24 hours a day, 7 days a week |
| Health Care Advocacy | Health Advocate | [www.HealthAdvocate.com/merck](http://www.HealthAdvocate.com/merck) 855-675-5463
  Representatives are available 8:00 a.m. to 9:00 p.m. ET, Monday through Friday
  (24-hour NurseLine available) |
  Representatives are available 8:30 a.m. to 8:30 p.m. ET, Monday through Friday |

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1 For overseas calls, dial your country’s toll-free AT&T USADirect® access number then enter 800-666-3725. In the United States, call 800-331-1140 to obtain AT&T USADirect access numbers.
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<tr>
<td><strong>Dental Plan</strong>&lt;br&gt;(available to COBRA participants)</td>
<td>MetLife</td>
<td><a href="http://www.metlife.com/mybenefits">www.metlife.com/mybenefits</a> 888-262-4870&lt;br&gt;Representatives are available 8:00 a.m. to 11:00 p.m. ET, Monday through Friday</td>
</tr>
<tr>
<td><strong>MetLife Retiree Dental Benefits Program</strong></td>
<td>MetLife</td>
<td><a href="http://www.metlife.com/mybenefits">www.metlife.com/mybenefits</a> 800-GETMET8 (800-438-6388)&lt;br&gt;Representatives are available 8:00 a.m. to 11:00 p.m. ET, Monday through Friday</td>
</tr>
<tr>
<td><strong>Vision Plan</strong>&lt;br&gt;(available to COBRA participants)</td>
<td>VSP</td>
<td><a href="http://www.vsp.com">www.vsp.com</a> 800-877-7195&lt;br&gt;Representatives are available 7:00 a.m. to 11:00 p.m. ET, Monday through Friday</td>
</tr>
<tr>
<td><strong>Retirement Plan</strong>&lt;br&gt;(pension)</td>
<td>Merck Retirement Center</td>
<td><a href="http://www.merckretirementcenter.com">www.merckretirementcenter.com</a> 866-201-2825&lt;br&gt;Representatives are available 8:00 a.m. to 6:00 p.m. ET, Monday through Friday, excluding holidays</td>
</tr>
<tr>
<td><strong>Savings Plan</strong>&lt;br&gt;(401(k))</td>
<td>Benefits Service Center</td>
<td><a href="http://netbenefits.com/merck">http://netbenefits.com/merck</a> 800-66-MERCK (800-666-3725)&lt;br&gt;Representatives are available 8:30 a.m. to 8:30 p.m. ET, Monday through Friday</td>
</tr>
<tr>
<td><strong>Paying for Coverage</strong></td>
<td>Benefits Service Center</td>
<td><a href="http://netbenefits.com/merck">http://netbenefits.com/merck</a> 800-66-MERCK (800-666-3725)&lt;br&gt;Representatives are available 8:30 a.m. to 8:30 p.m. ET, Monday through Friday</td>
</tr>
<tr>
<td><strong>Healthy Solutions at Home</strong></td>
<td>Healthy Solutions at Home</td>
<td><a href="http://www.healthysolutionsathome.com">www.healthysolutionsathome.com</a> 877-501-9257&lt;br&gt;If you enroll between Oct. 14 and Nov. 6, 2014, you will receive an introductory 50% discount on the cost of food when you mention the code “Merck50.” If you enroll after Nov. 6, the discount will be 20% off the cost of food when you mention the code “Merck.”</td>
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Beneficiary Designations

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<tr>
<td><strong>Life Insurance</strong></td>
<td>Benefits Service Center</td>
<td>800-66-MERCK (800-666-3725) <a href="http://netbenefits.com/merck">http://netbenefits.com/merck</a> (under “Your Profile,” click “Beneficiaries”)*</td>
</tr>
<tr>
<td><strong>Savings Plans</strong></td>
<td>Benefits Service Center</td>
<td>800-66-MERCK (800-666-3725) <a href="http://netbenefits.com/merck">http://netbenefits.com/merck</a> (under “Your Profile,” click “Beneficiaries”)*</td>
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Plan Information

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<tr>
<td><strong>Summary Plan Description (SPD)</strong></td>
<td>Benefits Service Center</td>
<td>800-66-MERCK (800-666-3725) <a href="http://netbenefits.com/merck">http://netbenefits.com/merck</a></td>
</tr>
<tr>
<td><strong>Summary of Benefits Coverage (SBC)</strong></td>
<td>Benefits Service Center</td>
<td>800-66-MERCK (800-666-3725) <a href="http://netbenefits.com/merck">http://netbenefits.com/merck</a></td>
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**OTHER IMPORTANT INFORMATION**

This document is a summary of material modifications to the 2014 Retiree Medical Plan SPD. It is not an official Plan document or an SPD for any of the other plans and programs described in this document. You may request a copy of the 2015 Merck Retiree Medical Plan SPD by calling the Benefits Service Center at 800-666-3725. If any information included in this document or any website or any verbal representation conflicts in any way with the official Plan document(s), including any contract(s) of insurance purchased, pursuant to the Plan document(s), the provisions of the Plan document(s), as amended, will govern.

Merck (and its subsidiaries) reserves the right to amend the benefits provided to retirees (and the Plans and programs under which they are provided) in whole or in part or completely discontinue them at any time. The information contained herein has been provided by Merck & Co. and its subsidiaries and is solely their responsibility.