

# EXHIBIT A

## **MEDICAL BENEFITS/MEDICAL MONITORING**

### **CONFIDENTIAL**

1. Post-Retirement Medical Benefits. Ensure lifetime medical benefits for Players who are vested or disabled.

Prior to Medicare eligibility – Upon date of Agreement (retroactive to date of Agreement), the NFL would reimburse the Player’s share of medical insurance coverage purchased by the Player, up to \$1,000 per month (“Medical Stipend”). Beginning January 1, 2014, the NFL would pay the Player’s share of the premium [or family premium] for Players who purchase health coverage through a State Health Exchange.<sup>1</sup> A Player would not be eligible for these benefits during a period when the Player is eligible for subsidized medical coverage from an employer or former employer, including coverage as a spouse. The payment would be for the platinum level of coverage selected by the Player.

After Medicare eligibility – Beginning immediately, the NFL would pay the Player’s premium [or Player’s and spouse’s premium] for Players who purchase AARP Medicare Supplement Insurance. The payment would be up to the cost of “Plan F”.

#### **Estimated 2011 Annual Cost**

##### **Pre-Medicare**

- \$1,000 per month retired and vested - \$41.2 million
- \$1,000 per month add 3+ years non-vested – \$46.0 million
- Platinum coverage retired and vested – \$36.3 million
- Platinum coverage add 3+ years non-vested – \$40.5 million
- Platinum coverage retired and vested and family – \$83.4 million

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<sup>1</sup> This is contingent upon the outcome of litigation involving the Healthcare Reform Bill. Until the various lawsuits regarding the constitutionality of the legislation are resolved, the \$1,000 Medical Stipend will remain in effect. Once the State Health Exchanges (as established by the Healthcare Reform Bill) are available, applicable coverage shall be through the State Exchange, paid by the League.

- Platinum coverage add 3+ years non-vested and family – \$93.1 million

Assumptions: 50% of former players will be covered by an employer plan. Current NFL coverage is comparable to the platinum level of coverage from a state exchange. Cost is based on the 09/10 COBRA rate increased 8%. The average cost of coverage from an exchange will be 50% higher than the COBRA rate. The number of covered players and family members is 2.3 times the number of covered players. Number of retired and vested players is from the AON Hewitt April 1, 2010 Actuarial Valuation Report for the NFL Player Retirement Plan, the 2009 5500 filing, and the pre-1993 data spreadsheet sent by AON Hewitt. The number of non-vested players is from AON Hewitt's July 11, 2011 memo from Robert Williams to John Reade.

#### Medicare

- AARP Plan F retired and vested - \$5.7 million
- AARP Plan F retired and vested and family - \$9.2 million

Assumptions: Average cost of AARP Plan F is \$300 per month. All players will be eligible. 60% of players will have an eligible spouse.

#### Discussion:

Healthcare Reform will establish State Health Exchanges effective January 1, 2014. The exchange will be a place where individuals and qualified groups can purchase health insurance from qualified health insurance companies.

Insurance carriers and HMOs will offer health insurance plans through the Exchange. The plans must meet minimum federal requirements. The plans will be divided among four levels of coverage (bronze, silver, gold, and platinum) depending on the percentage of medical expenses that are reimbursed. The exchange will provide a method to compare benefits and prices among the plans. There will be no pre-existing condition limitations or exclusions, and there will be a limit on how much more the insurer can charge for older people as compared to younger people.

The platinum level of coverage is the highest level. It provides reimbursement for 90% of medical expenses. The other levels of coverage reimburse 60%, 70%, or 80% of medical expenses.

Limiting the benefits to those who do not have access to employer subsidized coverage reduces the cost to the NFL while providing the benefits to those who need them. The federal government will be picking up part of the cost for low income enrollees. Some retired Players may qualify for the federal subsidies because they will have reduced income. These federal subsidies will further reduce the cost to the NFL for the Players who need the coverage the most.

Required benefits in the Exchange include some preventive care, but the preventive care is not as extensive or as focused as the post-retirement medical monitoring that is being contemplated. These programs can work together to provide cost-effective monitoring and follow-up treatment.

Prior to 2014, the NFL will reimburse the Player for medical coverage that the Player purchases for himself, up to the \$1,000 per month stipend. The Player will have to submit evidence that he is using the money for medical coverage to avoid taxation of the benefit.

The current Medicare Supplement benefit is \$100 per month. The Proposal is for the League to pay the full Medicare Supplement. The value of a fixed dollar benefit erodes over time. Specifying that the NFL will provide a level of benefits maintains the value over time. Plan F provides comprehensive coverage in combination with Medicare benefits.

## 2. Medical Monitoring

A. Comprehensive Annual<sup>2</sup> Medical Exams This medical exam would be akin to an “Executive” exam, but with the addition of specific monitoring and examinations for football related physical issues. Contract with regional/national medical centers to carry out these exams.<sup>3</sup> Reasonable travel expenses shall be paid so that retired players may travel to their regional medical center, if applicable.

- Comprehensive exam once every three years - \$3.3 million

Assumptions: Average cost is \$2,000

### Objectives:

- Evaluate the health status of retired NFL Players.
- Detect football related health risks at an early and hopefully reversible stage so that these occupational diseases can be prevented and proper medical care rendered, if necessary.
- Re-evaluate the medical conditions of the NFL retirees on an annual basis.
- Identify unrecognized effects on football related injuries/conditions by continually evaluating group data to detect possible trends.
- Maintain confidentiality of medical information and access to such medical information (HIPPA, state privacy laws).
- Establish medical protocols (by age, family history, medical history)
- Additional Tests/Monitoring
  - Concussion
  - Brain Trauma
  - Spine

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<sup>2</sup> Players under age of [X] could receive bi-annual comprehensive exams and annual comprehensive exams after the age [X].

<sup>3</sup> The NFL Neurological Care Program makes available specialists at five (5) Medical Centers. For example, these identified Medical Centers can also be the Centers providing the annual physicals.

4. Joint
5. Dementia
6. Other Behavioral affects
7. Other

B. Follow-up Treatment in Between Medical Exams, if Necessary. Based on the comprehensive medical exam, follow-up should be with Medical Center or referral to local provider.

[Follow-up treatment funded through Player Care or Medical Stipend or Legacy Fund]

- **Healthcare plan will cover medically necessary care.**

3. NFL Player Care. A retired player advocate(s) shall be appointed to represent the interests of retired players to facilitate, navigate and advocate, if necessary, if the benefits available to them.

Proposed changes/additional coverage.

- a. Medicare Supplement Benefit. Currently, there is a \$100 Plan contribution each month toward the applicable premium.

Proposed – fully paid Medicare Supplement Benefit by Plan. **See above.**

- b. Joint Replacement Benefit. Currently there is a \$5,250 reimbursement to eligible players toward the cost of joint replacement surgery.

Proposed – If the treating physician believes the replacement surgery is related to the eligible player's football career, the Plan shall cover the cost of the surgery, joint replacement. Increase reimbursement amount. Broad definition of "related", i.e. "a contributing factor" as opposed to direct causation.

- **Broaden eligibility - \$0.6 million**

Assumptions: Cost will increase to two times current level. Cost of broader eligibility will be offset by lifetime medical coverage.

c. Spine Treatment Program:

Proposal – Increase contribution for all players using this benefit.

d. “88 Plan” Dementia Benefits.

Proposal – Increase the \$88,000 per year medical and custodial care allowance to at least \$120,000 per year (\$10,000 per month).

- Increase amount to \$120,000 - \$7.2 million
- Assumptions: Average annual amount will increase in proportion to the increased limit and the number of players granted the benefit will double.

e. Assisted Living Benefits. Currently negotiated discount rates at selected assisted living facilities.

Proposal:

- a. Expand network of facilities; and
  - b. Retired eligible players under age 65 who need to be in Assisted Living receive a stipend of [X] per month [or year] to help pay for the cost of the facility living expenses, which include nursing, physical therapy, and counseling (if applicable).
- f. Vested Life Insurance. Currently for all vested inactive players under age 55, receive a benefit up to \$25,000. Increase to \$100,000.

4. Retired Player Benefit Representative. Proposal for a retired player representative(s) to each benefit fund/plan applicable to retired players.