

HBC U.S. BENEFITS
== **ANNUAL ENROLLMENT** ==
GUIDE
2019



TOTAL REWARDS

BENEFITS | PAY | OPPORTUNITY | RESOURCES

ANNUAL ENROLLMENT 2019

Annual Enrollment is your opportunity to make your Medical, Dental, Life and AD&D, LTD and Supplemental benefit plan selections for the 2019 benefit plan year. It's also a good time to review and update your personal, dependent and beneficiary information.

PLEASE VISIT WWW.MYHBCBENEFITS.COM FOR DETAILS ON HOW TO ENROLL.

This enrollment guide provides highlights of each of the benefit plans available for the 2019 plan year. We hope you will use this information to make informed decisions that make the most sense for you and your family.

All elections during this year's Annual Enrollment period become effective January 1, 2019.¹

This year is an ACTIVE enrollment. If you are enrolled in an HBC medical plan, you MUST actively certify/re-certify your eligibility for a tobacco-free discount or you will automatically be charged the higher tobacco-user premium rate.

If you cover your spouse for Medical benefits, you MUST actively certify/re-certify that your spouse does not have other coverage available through his/her employer or you will be subject to the spousal surcharge.

HBC provides a full range of benefits that address your needs — now and in the future.

FOR YOUR HEALTH

- Medical Benefits
- Prescription Drug Benefits
- Consumer Medical Your Medical Ally
- Dental Insurance
- Vision Benefits
- Employee Assistance Program

FOR YOUR WEALTH

- Life & AD&D Insurance
- Disability Insurance
- Healthcare Savings Accounts
- Flexible Spending Accounts
- Commuter Benefits
- Adoption Assistance
- Surrogacy Assistance
- 401(k) Plan

SUPPLEMENTAL INSURANCE

made available through payroll deduction

- Critical Illness Insurance
- Hospital Indemnity Insurance
- Accident Insurance
- Permanent Life Insurance
- Legal Insurance

ELIGIBILITY

ASSOCIATE ELIGIBILITY

All full-time Associates working 30 or more hours per week are eligible for all benefits.

Part-time Associates scheduled to work 20 or more hours per week are eligible for dental, vision, FSAs and supplemental benefits, which include Critical Illness, Accident, Hospital Indemnity, Permanent Life, Legal Insurance, EAP, MDLIVE and Commuter benefits. Part-time Associates scheduled to work 20 or more hours per week with at least one year of service are eligible for Adoption and Surrogacy benefits.

Please Note: 401(k) Plan has separate eligibility rules.

NEW HIRE WAITING PERIODS

Salaried and Hourly Associates elected benefits become effective the 1st of the month following 60 days of continuous employment.

Full-time Hourly Associates become eligible for Short Term² and Long Term Disability the 1st of the month following six months of continuous service.

DEPENDENT ELIGIBILITY

- Your legal spouse or domestic partner (same-sex or opposite-sex)
- Your dependent children up to age 26 (age 22 for child life insurance), regardless of marital or student status

Only those dependents meeting the eligibility requirements may be enrolled for coverage. Contact the HBC Benefits Service Center with questions regarding dependent eligibility.³ Social security numbers will be required to enroll dependents.

¹ Some elections may be subject to Evidence of Insurability (EOI).

² Eligibility rules for Statutory Disability & Benefits apply based on your work state.

³ Must complete a Certification of Marriage, Civil Union or Domestic Partnership. Access the form at www.myhbcbenefits.com > Enrollment & Premiums > How to Enroll.

MEDICAL INSURANCE

Each person's health care needs are different. That's why our medical plan offers multiple options so that you can choose the coverage level best-suited to you and your family. You have three plans to choose from – Gold, Silver and Bronze. All three plans are administered by Cigna and include prescription drug coverage at no additional cost.

CIGNA MEDICAL BENEFITS						
	Gold Plan		Silver Plan		Bronze Plan	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible						
Individual with Single coverage	\$1,500	\$4,000	\$2,500	\$6,500	\$4,000	N/A
Individual with Family coverage	\$3,000	\$8,000	\$5,000	\$13,000	\$6,550	
All Family members combined	\$3,000	\$8,000	\$5,000	\$13,000	\$8,000	
Out-of-Pocket Maximum						
Individual with Single coverage	\$3,200	\$8,000	\$5,000	\$12,000	\$6,350	N/A
Individual with Family coverage	\$6,400	\$16,000	\$6,550	\$24,000	\$6,550	
All Family members combined	\$6,400	\$16,000	\$10,000	\$24,000	\$12,700	
HEALTH SAVINGS ACCOUNT (HSA) ¹						
Automatic Annual HSA Seed ²	up to \$250 single / \$500 family		up to \$250 single / \$500 family		N/A	
HSA Annual Wellness Incentives ³	up to \$250 single / \$500 family		up to \$250 single / \$500 family		up to \$250 single / \$500 family	
WHAT THE PLAN PAYS (COINSURANCE)						
Preventive Care	100%	60%, no deductible	100%	60%, no deductible	100%	N/A
Office Visit	80% after deductible	60% after deductible	80% after deductible	60% after deductible	60% after deductible	N/A
(PCP/Specialist)	80% after deductible	60% after deductible	80% after deductible	60% after deductible	60% after deductible	N/A
Hospitalization	80% after deductible	60% after deductible	80% after deductible	60% after deductible	60% after deductible	N/A
Outpatient Services	80% after deductible	60% after deductible	80% after deductible	60% after deductible	60% after deductible	N/A
ConsumerMedical, Your Medical Ally ^{®4}	ConsumerMedical (CM), Your Medical Ally, provides independent, third-party: <ul style="list-style-type: none">• Treatment Decision Support for all conditions,• Expert Medical Opinions from highest-quality providers,• Targeted Surgery Decision Support (SDS) for 5 specific surgeries,• Claim Advocacy to reduce the stress of healthcare See the ConsumerMedical section on page 4 for details, including incentives for using SDS if you are planning lower back surgery, knee or hip replacement, weight loss (bariatric) surgery or hysterectomy - and reduced coverage if you don't.					
Urgent Care/Emergency Room	80% after deductible	60% after deductible	80% after deductible	60% after deductible	60% after deductible	N/A
CVS CAREMARK PRESCRIPTION DRUG COVERAGE						
Retail						
Generic	You pay up to \$10 copay after deductible		You pay up to \$10 copay after deductible		You pay up to \$10 copay after deductible	
Brand Formulary	Plan pays 70% after deductible (\$200 max)		Plan pays 70% after deductible (\$200 max)		Plan pays 70% after deductible (\$200 max)	
Brand Non-formulary	Plan pays 50% after deductible (\$400 max)		Plan pays 50% after deductible (\$400 max)		Plan pays 50% after deductible (\$400 max)	
Mail Order						
Generic	You pay up to \$20 copay after deductible		You pay up to \$20 copay after deductible		You pay up to \$20 copay after deductible	
Brand Formulary	Plan pays 70% after deductible (\$400 max)		Plan pays 70% after deductible (\$400 max)		Plan pays 70% after deductible (\$400 max)	
Brand Non-formulary	Plan pays 50% after deductible (\$800 max)		Plan pays 50% after deductible (\$800 max)		Plan pays 50% after deductible (\$800 max)	

¹ The Health Savings Account (HSA) is not part of the Cigna medical plan.

² Your HSA must be open to receive contributions, and annual and Wellness Incentive contributions are prorated based on effective date.

³ If you cover a spouse or domestic partner on an HBC medical plan, you are both individually eligible for the Wellness Incentive (up to \$250 each).

⁴ Consumer Medical engagement is required for Lower Back Surgery, Hip Replacement, Knee Replacement, Hysterectomy and Bariatric Surgery to receive the incentive and avoid the penalty.

NOTE: Puerto Rico and Hawaii Associates have different options. Please refer to your local HR contact for details.

A NOTE ON PREMIUMS

Spousal Surcharge: If your spouse has access to coverage through his/her employer, and you choose to cover him/her on an HBC plan, you will incur a \$25 surcharge on your weekly medical premium.

Non-Tobacco Use Discount: If you certify that you have not used tobacco and/or nicotine delivery products for 12 months or more, you will be eligible to receive a discount on your medical plan premium.

Please visit www.myhbcbenefits.com for more plan details and premiums. Also, check out the Quick Comparison tool to help in your selection process.

NEW CONSUMERMEDICAL, YOUR MEDICAL ALLY® (effective January 1, 2019)

ConsumerMedical (CM) is your Medical Ally for independent, confidential, one-on-one support to help associates and their family members who participate in one of HBC's medical plans make informed decisions about medical care and treatment at every point in their healthcare journey. CM's services available to participants in HBC's medical plans include:

- **Expert Medical Guidance for any condition.**, no matter how complex or rare.

CM is your Medical Ally for all conditions and challenges. You will receive:

- Support from a doctor, nurse and professional researcher by phone, secure email or text
- Recommendations for top-rated specialists who have experience with your medical condition
- Guidance on how to talk to your doctor and ask the right questions
- Help getting a second opinion when you need one
- Educational articles, videos, and website links on your medical condition and treatment options

- **In-person or Remote Expert Second Surgical Opinions** from the highest-quality providers for your unique condition, preferences and needs.

CM partners with renowned medical institutions and leading physicians with extensive experience to provide remote second opinions in the U.S. and globally, or to provide in-person Expert Medical Opinions from high performing physicians in your area for your specific medical condition.

For ALL Expert Opinions, CM will assist you with:

- Medical records collection, pathology review and appointment scheduling
- Unlimited concierge support from CM's physician-led team
- Questions to ask your physicians
- Education on the value of high-performing physicians

- **Surgical Decision Support (SDS).**

Understand all your options before you decide to have surgery. You can engage with CM for any planned surgery, but for these five non-emergency surgeries you must contact CM at least 30 days before the planned surgery, participate in CM counseling sessions and complete a brief survey:

lower back surgery, hip or knee replacement, weight loss surgery or hysterectomy.

If you complete the SDS requirements, you will avoid a \$1,000 penalty at the time your claim(s) are processed and receive a \$400 gift card* direct from CM!

If you participate in the program for **Oncology Support** you will receive a \$400 HSA contribution from HBC.

- **Claim Advocacy.**

CM's **claims advocates** are neutral experts who offer independent guidance to help you understand and resolve problems with insurance and billing issues. Claim Advocates help you:

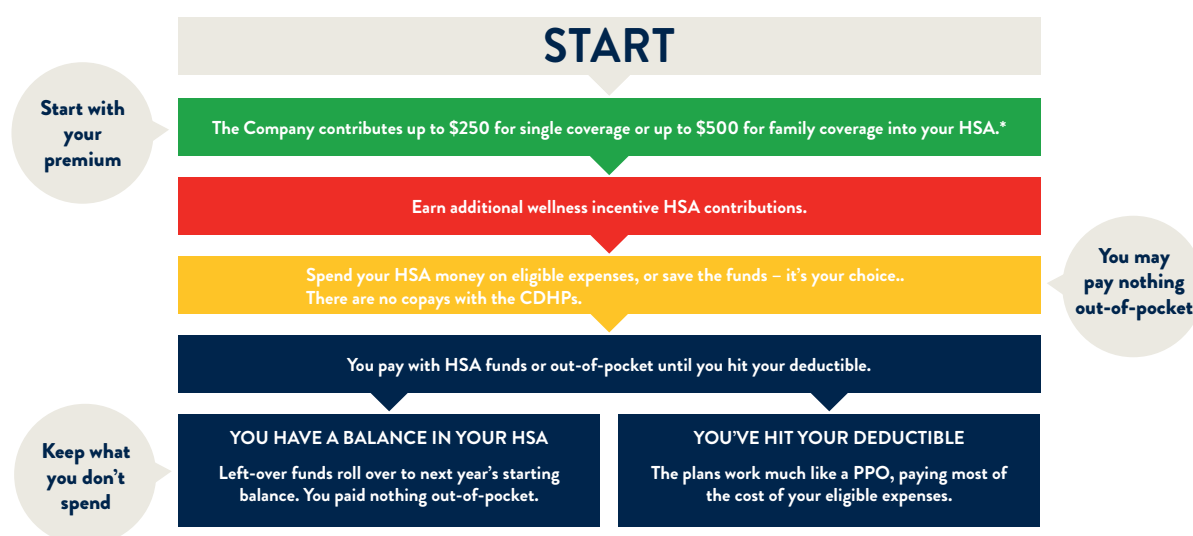
- Comprehend and interpret Explanation of Benefits (EOB)
- Manage health plan correspondence on claims issues
- Calculate out-of-pocket costs
- Clarify coverage
- Communicate with providers
- Identify and fix billing errors
- Navigate denials and appeals
- Outreach to providers if needed

YOU HAVE A CHOICE IN HEALTH CARE

HBC's medical plan options give Associates flexibility to choose a coverage level that balances health care needs with budget.

HBC's plans are Consumer Driven Health Plans (CDHP) and are offered with a Health Savings Account (HSA) that you can use to cover eligible out-of-pocket expenses.

- In-network preventive care, including a first mental/behavioral health assessment, and some preventive medications are covered at NO COST to you. Other preventive medications may be available with no deductible.
- For all other services, you must meet the annual deductible before the plans pay benefits. You can use Health Savings Account funds to cover these expenses, or pay out-of-pocket and preserve your tax-free HSA funds for future use.
- Once you meet your deductible, the plan pays a percentage of the cost for all other services (80% in-network under the Gold and Silver plans; 60% out-of-network, or 60% in-network under the Bronze plan), and you pay the rest. When you reach your annual out-of-pocket maximum, the plan pays 100% of eligible covered expenses.



COMPARE THE MEDICAL PLANS

The chart below provides a high-level look at how the three CDHP options compare.

	GOLD	SILVER	BRONZE
PREMIUMS	\$\$\$	\$\$	\$
DEDUCTIBLE	\$	\$\$	\$\$\$
OUT-OF-POCKET MAXIMUM	\$	\$\$	\$\$\$
IN & OUT-OF-NETWORK COVERAGE	Yes	Yes	No
HSA COMPANY CONTRIBUTIONS	Yes	Yes	No
ELIGIBLE FOR WELLNESS INCENTIVES	Yes	Yes	Yes

* You must be eligible to participate in an HSA, your HSA must be open to receive contributions, and contributions are prorated based on effective date.

HEALTH SAVINGS ACCOUNT

HOW THE HEALTH SAVINGS ACCOUNT (HSA) WORKS

A Health Savings Account, or HSA, is a special tax-advantaged savings account set up specifically for you and your family. This account is automatically set up when you enroll in one of the HBC medical plan options, but you **MUST** provide documentation for the account to be activated. You may pay for health-related expenses (like doctor visits and hospital services) out of your HSA.

When you enroll in the Gold or Silver plan, HBC will make an initial contribution to your HSA. If you are enrolled in the Gold, Silver or Bronze plan, you also have the opportunity to earn a Wellness Incentive contribution by completing wellness requirements throughout the year.*

You can also make contributions to your HSA, regardless of which medical plan you participate in, as long as the total of HBC and Associate contributions combined does not exceed annual IRS limits.**

	Associate Only Coverage	Associate + Spouse/Domestic Partner, Associate + Child(ren) or Family Coverage
Initial HSA Seed*	Up to \$250	Up to \$500
Wellness Incentive*	Up to \$250	Up to \$500 (up to \$250 each)
Total HBC Contribution	Up to \$500	Up to \$1,000
Maximum Total Tax-Free HSA Contributions	Up to \$3,500 (\$4,500 if age 55 or older)	Up to \$7,000 (\$8,000 if age 55 or older)

Even better, if you don't spend all of the money in your HSA in 2019, the money stays (rolls over) in your account, giving you even more money to use in future years. The less you use, the bigger your account gets.

The account is yours to keep, even if you leave HBC. This gives you a head start on creating a nest egg for large medical expenses that might come down the road, for funding medical care after you stop working, or even for Long Term Care expenses. For common questions and answers on an HSA, visit www.myhbcbenefits.com, click on the FAQ link and select the HSA tab.

*HSA and Wellness Incentive contributions may be prorated based on date of eligibility or Wellness requirement completion. Associates and/or spouses/domestic partners must complete a Health Assessment and an annual exam to be eligible for the Wellness Incentive. If you cover a spouse/domestic partner on an HBC medical plan, you can both complete the requirements on an individual basis to be eligible for the Wellness Incentive, independent of one another. HBC HSA contributions are only available to Associates enrolled in the Gold or Silver medical plan. Wellness Incentive HSA contributions are available to Associates enrolled in the Gold, Silver or Bronze plan.

**For 2019: \$3,500 for single coverage; \$7,000 for family coverage; plus an additional \$1,000 "catch up" contribution for individuals age 55 and older.

TRIPLE TAX ADVANTAGE OF AN HSA

1. All contributions made through payroll into your HSA are made before income taxes are calculated. That means you don't pay income tax on the Company's contribution or the contributions you make into the account.
2. There is no tax on the interest or earnings that accrue in the account.
3. You pay no taxes on the funds you use to pay for eligible medical expenses.

LOOK AT YOUR TOTAL COST OF HEALTH CARE

When considering the right medical plan for you and your family, it's important to look at the Total Cost of Health Care. This "Total Cost" is how much you pay in premiums (the contribution taken out of your earnings each pay period) and how much you pay out of pocket. The Total Cost also includes contributions to your Health Savings Account.

The truth is that many people pay more than they need to for health care. By taking a little time to consider your choices and paying attention to your health, you could save money and possibly begin accumulating funds for future health care expenses.

Check out the **Quick Comparison Tool** at www.myhbcbenefits.com to help compare some possible cost scenarios under each plan.

YOUR SHARE OF THE PREMIUM
(THE MONEY DEDUCTED FROM YOUR PAYCHECK)

+

YOUR OUT-OF-POCKET COSTS
(COINSURANCE, DEDUCTIBLES, ETC.)

-

HBC HSA CONTRIBUTION
(IF YOU CHOOSE THE GOLD OR SILVER PLAN)

-

WELLNESS INCENTIVE
(AVAILABLE FOR ALL 3 PLANS IN 2019)

YOUR TOTAL COST OF HEALTH CARE

DENTAL

Maintaining good oral health is essential to maintaining good overall health. The HBC Dental Plans provide coverage for a wide range of dental services and supplies through Cigna. You may choose from one of three coverage options. Plan highlights are provided below for the Core and Buy-Up plans. For a list of costs per service under the DHMO, see the Cigna Dental benefit schedule, which can be found at www.myhbcbenefits.com under Important Resources > Documents/Forms.

CIGNA DENTAL BENEFITS					
	Core Dental Plan		Buy-Up Dental Plan		DHMO Plan
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network Only
Deductible (Single/Family)	\$50/\$150	\$150/\$450	\$25/\$75	\$75/\$225	None
Annual Maximum (per person)	\$1,500		\$2,000		None
Preventive Services	100%	80%	100%	80%	Copay, coinsurance or fee schedule
Basic Services	80%	60%	90%	70%	
Major Services	50%	50%	60%	50%	
TMJ	N/A	N/A	N/A	N/A	
Bleaching and Whitening (max \$600 per year)	N/A	N/A	50%	50%	N/A
Orthodontia (Child & Adult)	N/A	N/A	50%	50%	50% up to 24 months
Orthodontia Lifetime Maximum	N/A	N/A	\$2,000 per person		None

NOTE: Puerto Rico and Hawaii Associates have different options. Please refer to your local HR contact for details.

VISION

The HBC Vision Plan provides access to vision care through VSP. Eyesight is a precious thing, and this coverage allows you to take steps in keeping your eyes healthy and protected. Plan highlights are outlined below.

VISION SERVICE PLAN (VSP)		
	In-Network	Out-of-Network
Exam (once every 12 months)	\$10 copay	Up to \$40 allowance
Standard Glass or Plastic Lenses (once every 12 months)		
Single Vision	\$10 copay	Up to \$30 allowance
Lined Bifocal	\$10 copay	Up to \$52 allowance
Lined Trifocal	\$10 copay	Up to \$65 allowance
Lens Options		
Standard Anti-Reflective	\$41	N/A
Standard Polycarbonate	\$31	N/A
Standard Scratch-Resistant	\$17	N/A
Frames (once every 24 months)	\$10 copay up to \$150 allowance	Up to \$60 allowance
Contact Lens Exam (fitting & evaluation)	\$10 copay	Up to \$130 combined allowance
Contact Lenses (once every 12 months; in lieu of frame and lenses)	Up to \$130 allowance	

NOTE: Hawaii Associates have different options. Please refer to your local HR contact for details.

Please visit www.myhbcbenefits.com for more information, including plan premiums.

NEW CRITICAL ILLNESS INSURANCE

Critical Illness Insurance reduces the financial impact of a major illness. The policy pays a lump sum benefit directly to you once you or a covered family member is diagnosed with a covered condition. This coverage is portable, so you can take your policy with you if you change jobs or retire. You do not have to be terminally ill to receive benefits.

The new Critical Illness plan offers lower rates and enhanced benefits!

If you are currently enrolled in a Critical Illness plan, you will automatically be moved into the enhanced plan at the lower premium, effective 1/1/2019. If you prefer to remain with your current carrier, you will need to actively decline coverage during Open Enrollment, and you must continue with your current carrier on a direct bill basis.

You choose the benefit amount when you enroll, from \$5,000 to \$30,000 (in \$5,000 increments).

COVERED ILLNESSES MAY INCLUDE:

- Heart Attack
- Major Organ Transplant
- Stroke
- End Stage Renal (Kidney) Failure
- Cancer

PLAN HIGHLIGHTS:

- **New feature:** When you elect coverage for yourself, eligible children are automatically enrolled at 50% of the Associate amount elected. Additional family coverage is also available.
- A Wellness Benefit is included, which pays an annual benefit if you or your covered spouse receive a health screening test (blood tests, stress tests, colonoscopies, chest X-rays, mammograms, biometric screening, etc.). You can even use the same annual exam from your Wellness Incentive requirements to qualify for this Wellness Benefit.

HOSPITAL INDEMNITY INSURANCE

Hospital Indemnity Insurance can help protect your finances by providing payments to help cover eligible expenses associated with a hospital stay. You can use this benefit however you choose – deductibles, coinsurance or even non-medical expenses, such as rent/mortgage, car payments or child care. Benefits are paid in addition to any other insurance you may have. You can also elect coverage for your spouse and children (Associate must elect coverage).

PLAN HIGHLIGHTS:

- No pre-existing condition limitations or waiting period.
- Benefits do NOT reduce as you get older.
- Wellness (Health Screening) Benefit – \$50 per calendar year (payable for health screening test performed as a result of preventive care).
- Guaranteed Issue – If you enroll during this Annual Enrollment period, you will not be required to provide medical information.

Visit www.myhbcbenefits.com for more information. You can also speak to a benefits counselor who can assist you with options and costs by calling the HBC Benefits Service Center at 1-800-498-8705 (beginning October 3, Monday - Friday, 9:00am - 8:00pm ET).

MAKING CHANGES TO YOUR COVERAGE:

	When Can I Make the Change?				
ACTION:	During Annual Enrollment	New Hire Enrollment	With a Qualifying Life Event	Any Time Throughout the Year	Special Considerations
Critical Illness Insurance					
Enroll for Coverage	Allowed	Allowed (up to \$30,000 in \$5,000 increments)	Not Allowed	Not Allowed	No EOI required
Increase Coverage	Yes, by \$5,000 (max of \$30,000)	N/A	Not Allowed	Not Allowed	
Hospital Indemnity Insurance					
Enroll for Coverage	Allowed	Allowed	Not Allowed	Not Allowed	No EOI required

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations, including a pre-existing condition clause, that may affect any benefits payable.

NEW ACCIDENT INSURANCE

Accidents happen. You can't always prevent them, but you can take steps to reduce the financial impact.

Accident Insurance is designed to help cover the out-of-pocket medical expenses and extra bills you may incur as a result of an accident. The plan pays benefits directly to you — not a doctor or hospital — for injuries and accident-related expenses. You can use the money however you choose.

The new Accident Insurance plan offers lower rates and enhanced benefits!

If you are currently enrolled in an Accident Insurance plan, you will automatically be moved into the enhanced plan at the lower premium, effective 1/1/2019. If you prefer to remain with your current carrier, you will need to actively decline coverage during Open Enrollment, and you must continue with your current carrier on a direct bill basis.

Benefit amounts are based on the type of injury and treatment needed.

COVERED INJURIES AND ACCIDENT-RELATED EXPENSES INCLUDE:

- Fractures
- Dislocations
- Hospitalization
- Death Benefit
- Emergency Room Treatment
- Transportation
- Physical Therapy
- Lodging, and more!

PLAN FEATURES:

- Benefits are paid for accidents that occur on or off the job, so you have 24-hour coverage.
- You can elect coverage for your spouse and children.
- There are no health questions or physical exams required to enroll.
- Death benefit available.
- If you change jobs or retire, you can take your policy with you.

A benefits counselor can help you calculate the cost of the benefit if you call the HBC Benefits Service Center at 1-800-498-8705 (beginning October 3, Monday - Friday, 9:00am - 8:00pm ET).

MAKING CHANGES TO YOUR COVERAGE:

ACTION:	When Can I Make the Change?				
	During Annual Enrollment	New Hire Enrollment	With a Qualifying Life Event	Any Time Throughout the Year	Special Considerations
Enroll for Coverage	Allowed	Allowed	Not Allowed	Not Allowed	No EOI required

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations that may affect any benefits payable.

LIFE INSURANCE

Your family depends on your income for a comfortable lifestyle and for the resources necessary to make their dreams — such as a college education — a reality. Like anyone, you don't like to think of the scenario where you're no longer there for your family. However, you do need to ensure their lives and dreams can continue if the worst does happen.

HBC knows how difficult it can be to provide this peace of mind on your own, which is why we have made it a priority to give you the ability to assemble a complete life insurance portfolio.

BASIC TERM LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) INSURANCE

HBC provides eligible Associates with basic term life and AD&D coverage at no cost to you, and enrollment is automatic.

Basic Term Life: The benefit is equal to one times your annual earnings to a maximum of \$1,000,000. (Associates may elect to limit coverage to \$50,000 to avoid taxable imputed income.)

AD&D: If you are seriously injured or lose your life in an accident, you will be eligible for a benefit equal to one times your annual earnings to a maximum of \$1,000,000. This benefit is separate from and paid in addition to the Basic Term Life benefit.

SUPPLEMENTAL TERM LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) INSURANCE

You may also choose to purchase supplemental life insurance and/or supplemental AD&D insurance in addition to the company-paid benefit. You pay the total cost of this benefit through convenient payroll deductions.

Supplemental Term Life Insurance

Associate: You can elect one to five times your annual earnings, to a maximum of \$2,000,000. Newly eligible Associates can enroll in coverage up to \$500,000 Guaranteed Issue, without Evidence of Insurability (EOI). If you are currently enrolled in Supplemental Life Insurance and have a Qualifying Life Event, you can increase coverage up to one times your earnings with no EOI. For all other increases in coverage, satisfactory EOI is required before that increase will become effective. If previously eligible, but electing for the first time, EOI is required at all levels. Costs vary based on your age as of January 1, 2019, coverage level and tobacco use.

Spouse/Domestic Partner: You can elect coverage of \$10,000 or \$25,000 up to \$250,000 (in \$25,000 increments) for your spouse or domestic partner, not to exceed the Associate life insurance amount. Amounts above \$50,000 will require EOI. Costs vary based on age as of January 1, 2019, coverage level and tobacco use.

Child(ren): You can elect \$5,000 or \$10,000 in child life coverage.

Supplemental AD&D

Associate: You can elect one to five times your annual earnings, to a maximum of \$2,000,000 Guaranteed Issue.

MAKING CHANGES TO YOUR COVERAGE:

ACTION:	When Can I Make the Change?			
	During Annual Enrollment	With a Qualifying Life Event	Any Time Throughout the Year	Special Considerations
Enroll for Coverage	Allowed EOI required for any amount	Allowed, up to \$500,000 Guaranteed Issue*	Not Allowed	*EOI always required for amounts over \$500,000
Increase Coverage	Allowed EOI required for any amount	Allowed, up to additional 1x earnings Guaranteed Issue*	Not Allowed	
Decrease Coverage	Allowed	Allowed	Not Allowed	None
Drop Coverage	Allowed	Allowed	Not Allowed	None

Note: If you are not actively at work on the date your life and AD&D insurance would become effective, including supplemental life insurance, your coverage will become effective on the first day you return to active work at HBC.

PERMANENT LIFE INSURANCE

Can your family maintain their lifestyle without you? Permanent Life Insurance helps ensure they can.

Permanent Life Insurance is an individual insurance policy designed to provide a death benefit to your beneficiaries if something should happen to you. It can also build cash value that you can utilize while you are still living. At an affordable premium, you can have the added financial protection you and your family may need during times of uncertainty.

PLAN FEATURES:

- You can purchase coverage for yourself, your spouse, your children and/or your grandchildren.
- Permanent Life Insurance is voluntary, which means you purchase the amount of coverage that is right for your needs.
- The benefit is Guaranteed Issue, so no physical exams are required to apply for coverage as a newly eligible Associate up to \$100,000 (in \$10,000 increments) or to increase your current coverage \$10,000 during this Annual Enrollment period.
- As the policy builds cash value, you can eventually use it to make premium payments or to pay urgent expenses while you are still living.
- You can take your policy with you if you leave the Company or retire.

CHOOSE A PLAN FOR A LIFETIME

Permanent Life Insurance never expires. You keep the policy as long as you make the payments, which means the premiums will not go up. Lock in a lower premium NOW and save thousands of dollars in the future!

Cost varies based on age, coverage level and tobacco use. A benefits counselor can assist you with options and costs if you call the HBC Benefits Service Center at 1-800-498-8705 (beginning October 3, Monday - Friday, 9:00am - 8:00pm ET).

MAKING CHANGES TO YOUR COVERAGE:

	When Can I Make the Change?				
ACTION:	During Annual Enrollment	New Hire Enrollment	With a Qualifying Life Event	Any Time Throughout the Year	Special Considerations
Enroll for Coverage	Allowed (\$10,000)	Allowed (up to \$100,000 in \$10,000 increments)	Not Allowed	Not Allowed	No EOI required
Increase Coverage	Allowed, by \$10,000 (max of \$100,000)	N/A	Not Allowed	Not Allowed	
Call UNUM at 1-800-635-5597 if you have questions or wish to cancel your existing Permanent Life Insurance policy.					

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations that may affect any benefits payable.

DISABILITY INSURANCE

A disabling injury or illness that keeps you out of work could have a devastating impact on your income, jeopardizing your ability to cover normal household expenses. With the right disability insurance, your income is protected, relieving you of the anxiety of depleting your savings to pay your bills.

SALARY CONTINUATION BENEFIT

Salary continuation replaces a portion of your income if an injury or illness forces you out of work for an extended period of time. HBC provides salary continuation benefits at no cost to you, and enrollment is automatic. [If you are also eligible for a mandatory short-term disability insurance benefit under state law, HBC's salary continuation benefit will coordinate with that benefit.]

Salaried Associates

After you are declared disabled, you will receive 100% of your weekly earnings for up to eight weeks, 75% for up to the next 8 weeks and 50% of weekly earnings for up to the next 10 weeks.

Hourly Associates

After you are declared disabled, you will receive 60% of your weekly earnings. Benefits will continue for up to 26 weeks.

LONG TERM DISABILITY INSURANCE

HBC also provides salary continuation to protect your finances when your disability continues beyond the period covered by the short term disability plan.

Salaried Associates

HBC provides Salaried Associates with a core Long Term Disability benefit at NO COST to you. You will receive 40% of your monthly covered earnings, up to a maximum of \$12,500 per month (\$100 minimum or 10% of monthly benefit). Salaried Associates can also elect to enroll in the buy-up Long Term Disability plan, which pays 60% (an additional 20%) of your monthly earnings (\$12,500 per month maximum, \$100 minimum or 10% of monthly benefit). You pay the cost of the buy-up benefit through convenient payroll deductions. You also have the option to pay taxes on the company-paid premium to allow a tax-free benefit in the event you become disabled. Rates are based on your age as of January 1 each year.

Hourly Associates

Hourly Associates can choose to enroll in core or buy-up Long Term Disability coverage. You will receive 40% of your monthly covered earnings under the core plan, or 60% of your monthly earnings under the buy-up plan (\$12,500 per month maximum, \$100 minimum or 10% of monthly benefit for both core and buy-up). You pay the cost of these benefits through convenient payroll deductions. Rates are based on your age as of January 1 each year.

MAKING CHANGES TO YOUR COVERAGE:

ACTION:	When Can I Make the Change?			Special Considerations
	During Annual Enrollment	With a Qualifying Life Event	Any Time Throughout the Year	
Enroll for Coverage in Hourly Core LTD	Allowed	Allowed	Not Allowed	No Evidence of Insurability Required; Coverage is subject to pre-existing condition limitations
Enroll for Coverage in Salaried Buy-Up LTD	Allowed	Allowed	Not Allowed	
Increase my coverage from Hourly Core LTD to Hourly Buy-Up LTD	Allowed	Allowed	Not Allowed	
Drop Core (Hourly) or Buy-Up LTD	Allowed	Allowed	Not Allowed	

FLEXIBLE SPENDING ACCOUNTS

Flexible Spending Accounts (FSAs) allow you to set aside money on a pre-tax basis to pay for qualified out-of-pocket health care or dependent care expenses. Because the money is deducted from your paycheck on a pre-tax basis, you will reduce the amount of your taxable income.

HBC offers a Limited Purpose Health Care FSA, a General Purpose FSA and a Dependent Care FSA. These accounts are separate — you cannot use money from a Health Care FSA to cover expenses eligible under the Dependent Care FSA or vice versa.

HOW FLEXIBLE SPENDING ACCOUNTS WORK

1. Each year during the Annual Enrollment period, you decide how much to set aside for health care and/or dependent care expenses.
2. Your contributions are deducted from your paycheck on a pre-tax basis in equal installments throughout the calendar year.
3. As you incur health care or dependent care expenses throughout the year, you'll need to submit a claim form for reimbursement. Your claim will be processed, and you will be reimbursed from your account. The Health Care FSA also includes a payment card that you can use to pay for eligible expenses at the point of sale. If you use the card to pay for eligible medical expenses, you will not have to file a claim for reimbursement, as you have not had any out-of-pocket cost. However, you should retain your receipts as you may be required to provide them to substantiate your expenses.

**YOU MUST ACTIVELY RE-ENROLL IN FSA COVERAGE EACH YEAR.
YOU ARE NOT AUTOMATICALLY RE-ENROLLED.**

PLAN	ELIGIBILITY	ANNUAL MAXIMUM CONTRIBUTION	EXAMPLES OF COVERED EXPENSES*
Limited Purpose Health Care FSA	Any Associate enrolled in a CDHP with HSA	\$2,650**	Dental and vision expenses only
General Purpose Health Care FSA	Any Associate NOT enrolled in a CDHP with HSA	\$2,650**	Medical, dental, vision and all other eligible health care expenses, including copays, deductibles, prescription drugs, orthodontia, etc.
Dependent Care FSA	All Associates	\$5,000 (\$2,500 if married and filing separate tax returns)***	Daycare, nursery school, elder care, etc.

*See IRS Publications 502 and 503 for a complete list of covered expenses.
**Benefit limits are subject to IRS regulations.
***Highly compensated Associates earning \$120,000 or more can contribute a maximum of \$1,000 per year.

IMPORTANT FSA REMINDERS:

- Consider your contributions. Be sure to calculate your expenses conservatively when making your FSA elections. IRS regulations require that you forfeit any money left in your account after the claims submissions deadline.
- Limited Purpose Health Care FSA Reminder. You may wish to consider making contributions to your HSA first. The HSA may also cover dental and vision expenses, and does not have a risk of forfeiture if amounts go unused.
- FSA with a CDHP Reminder. If you elected a General Purpose Health Care FSA for 2018 and you choose to enroll in an HBC CDHP for 2019, any funds remaining in your 2018 General Purpose Health Care FSA will roll over into a Limited Purpose Health Care FSA for 2019.

OTHER BENEFITS

HBC tries to meet the needs of our diverse population by providing programs and services necessary to maintain a successful balance between work and personal lives. Some of the additional voluntary benefits available to HBC Associates are described below. **For more details on each benefit, visit www.myhbcbenefits.com.**

EMPLOYEE ASSISTANCE PROGRAM (EAP)

HBC offers all Associates and their family members access to the Optum Employee Assistance Program (EAP) to help you cope with personal problems affecting you at work or at home. The EAP provides up to five confidential sessions with a counselor, at no cost to you, for assistance with a wide variety of work/life concerns, including:

- Depression, anxiety and stress management
- Alcohol, drug or gambling addictions
- Family conflict, parenting concerns and relationship problems
- Child and elder care
- Financial or legal concerns

You and your family have access 24 hours a day, seven days a week. Call toll free **(866) 248-4094** or visit **www.liveandworkwell.com** and use access code **HBC**.

NEW LEGAL INSURANCE

The new Legal Insurance plan offers lower rates and enhanced benefits! Affordable legal assistance can sometimes be difficult to find. With Legal Insurance, you have access to comprehensive legal assistance, advice and discounted representation on many different legal services, including:

- Divorce
- Child custody
- Traffic tickets
- Buying a home
- Wills, and much more!

The cost for the plan covers you and your eligible dependents.

COMMUTER BENEFITS PROGRAM

HBC offers commuter benefits that reduce your cost of getting to and from work. With the Commuter Benefits Program, you can pay for eligible public transportation expenses on a pre-tax basis. You can set aside up to \$260 per month* for public transportation costs and up to \$260 per month* for parking costs. Take advantage of the Commuter Benefits Program and reduce your commuting expenses. Enrollment/changes can be done anytime during the year.

ADOPTION ASSISTANCE PROGRAM

Thinking about adopting? The HBC Adoption Assistance Program provides financial assistance if you adopt a child under the age of 16. You may be eligible for reimbursement of certain adoption costs, up to \$5,000 per child for up to two children. Visit www.myhbcbenefits.com and select Adoption Assistance from the Benefits tab for more information and to access an Adoption Assistance Claim Form.

NEW SURROGACY ASSISTANCE

HBC will now provide reimbursement for qualifying Surrogacy Expenses up to \$5,000 per surrogacy. Visit www.myhbcbenefits.com and select Surrogacy Assistance from the Benefits tab for more information and to access a Surrogacy Assistance Claim Form.

* Benefit limits are subject to IRS regulations. Limits shown are for 2019.

WHO DO I CALL?

Below is a summary list of important benefit carrier contact information. For a more detailed list, visit www.myhbcbenefits.com. Select Important Resources then Contacts.

BENEFIT	CARRIER	PHONE NUMBER	WEBSITE
Benefit Information	HBC Benefits Service Center	1-800-498-8705 M – F, 9am-8pm, ET	www.myhbcbenefits.com
Medical – US	Cigna	1-855-281-1206	www.mycigna.com
Medical – Hawaii	HMSA	PPO: 1-808-948-6111 HMO: 1-808-948-6372 M – F, 8am-5pm, HST	www.hmsa.com
Medical – Puerto Rico	MCS	1-787-281-2800	www.mcs.com.pr
Prescription Drug	CVS Health	1-888-202-1652	www.caremark.com
ConsumerMedical	My Medical Ally®, ConsumerMedical	1-888-361-3944	myconsumermedical.com (company code: HBC)
Health Savings Account (HSA)	Cigna	1-855-281-1206	www.mycigna.com
Wellness Incentive	Cigna	1-855-281-1206	www.mycigna.com
Dental	Cigna	1-855-281-1206	www.mycigna.com
Vision	VSP	1-800-877-7195 M – F, 5am-8pm, PT Saturday, 7am-8pm, PT Sunday, 7am-7pm, PT	https://hbc.vspforme.com/
Flexible Spending Accounts (FSA)	ConnectYourCare (CYC)	1-844-220-8782	www.ConnectYourCare.com
Employee Assistance Program (EAP)	Optum	1-866-248-4094	www.liveandworkwell.com Access Code: HBC
Telemedicine	MDLIVE and Amwell	Cigna Members: 1-855-281-1206	www.mycigna.com
Report Disability or FMLA	Cigna	1-855-281-1206 M – F, 6am-6pm, ET	www.mycigna.com www.myhbcbenefits.com Benefits>Disability
Commuter Benefits	ConnectYourCare (CYC)	1-844-220-8782	www.ConnectYourCare.com
Permanent Life Insurance	Unum	1-800-635-5597	www.unum.com
NEW Accident Insurance	Chubb	1-800-544-9382	www.combined.com
NEW Critical Illness Insurance	Aflac	1-800-433-3036	www.aflacgroupinsurance.com
Hospital Indemnity Insurance	Aflac	1-800-433-3036	www.aflacgroupinsurance.com
NEW Legal Benefits	MetLaw (Hyatt Legal)	1-800-821-6400	www.legalplans.com
Retirement 401(k)	Saks: Wells Fargo	1-800-728-3123 M – F, 7am-11pm, ET	www.wellsfargo.com
	L&T: Merrill Lynch	1-800-228-4015 M – F, 8am-7pm, ET	www.benefits.ml.com
	GILT: Ascensus	1-888-800-5359 M – F, 8am-7pm, ET	https://myaccount.ascensus.com/ml/
COBRA	ConnectYourCare (CYC)	1-855-687-2021 M – F, 8am-5pm, ET	www.myrsc.com
Associate Inquiries, including: Payment of Premiums, Time Away from Work, Wellness Contributions, Adoption Benefits, Pension (Saks Fifth Avenue only), Associate Discount	Benefits Helpline	1-877-725-7238 M – F, 10am-5pm, ET	www.myhbcbenefits.com

REQUIRED NOTICES

Required legal notices are available at www.myhbcbenefits.com. Select Important Resources then Documents/Forms.

Some locations will also have printed copies available.



TOTAL REWARDS

BENEFITS | PAY | OPPORTUNITY | RESOURCES

