

OPEN ENROLLMENT GUIDE 2016



TOTAL REWARDS
BENEFITS | PAY | OPPORTUNITY | RESOURCES



OPEN ENROLLMENT 2016

Open Enrollment is your opportunity to make your health and welfare benefit plan selections for the 2016 plan year. It's also a good time to review and update your personal, dependent and beneficiary information.

PLEASE VISIT WWW.MYHBCBENEFITS.COM FOR YOUR SPECIFIC ENROLLMENT DATES AND DETAILS ON HOW TO ENROLL.

This enrollment guide provides highlights of each of the benefit plans available for the 2016 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 Open Enrollment period become effective January 1, 2016*.

This year, you *MUST* actively elect or re-enroll in benefits if you want coverage for 2016; your current benefit elections will not automatically renew.

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

FOR YOUR HEALTH

- Medical Insurance
- Prescription Drug Benefits
- Critical Illness Insurance
- Dental Insurance
- Vision Insurance

FOR YOUR WEALTH

- Life Insurance
- Disability Insurance
- Accident Insurance
- Flexible Spending Accounts (FSAs)
- Health Savings Account (HSA)

ELIGIBILITY

ASSOCIATE ELIGIBILITY

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

Part-time Associates scheduled 20 or more hours per week are eligible for dental, vision, FSAs and supplemental benefits, which include Critical Illness, Accident, Permanent Life and Legal Insurance.

Salaried and Hourly Associates are eligible the 1st of the month following 60 days of continuous employment.

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

DEPENDENT ELIGIBILITY

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

Only those dependents meeting the eligibility requirements may be enrolled for coverage. Check with your benefits counselor for more information regarding dependent eligibility.

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

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	\$3,000	\$2,500	\$5,000	\$4,000	N/A
Individual with Family coverage	\$3,000	\$6,000	\$5,000	\$10,000	\$8,000	
All Family members combined	\$3,000	\$6,000	\$5,000	\$10,000	\$8,000	
Out-of-Pocket Maximum						
Individual with Single coverage	\$3,200	\$6,400	\$5,000	\$10,000	\$6,350	N/A
Individual with Family coverage	\$6,400	\$12,800	\$6,550	\$20,000	\$6,550	
All Family members combined	\$6,400	\$12,800	\$10,000	\$20,000	\$12,700	
HEALTH SAVINGS ACCOUNT (HSA)						
Automatic HSA Seeds*	\$250 single / \$500 family		\$250 single / \$500 family		N/A	
HSA Wellness Incentives*	\$250 single / \$500 family		\$250 single / \$500 family		N/A	
WHAT THE PLAN PAYS (COINSURANCE)						
Preventive Care	100%	60%, no deductible	100%	60%, no deductible	100%	N/A
Office Visit (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
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 (\$300 max)		Plan pays 50% after deductible (\$300 max)		Plan pays 50% after deductible (\$300 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 (\$600 max)		Plan pays 50% after deductible (\$600 max)		Plan pays 50% after deductible (\$600 max)	

* Your HSA must be open to receive contributions, and contributions are pro-rated based on effective date.

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 have not used tobacco products for 12 months or more, you will be eligible to receive a discount on your medical plan premium.

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

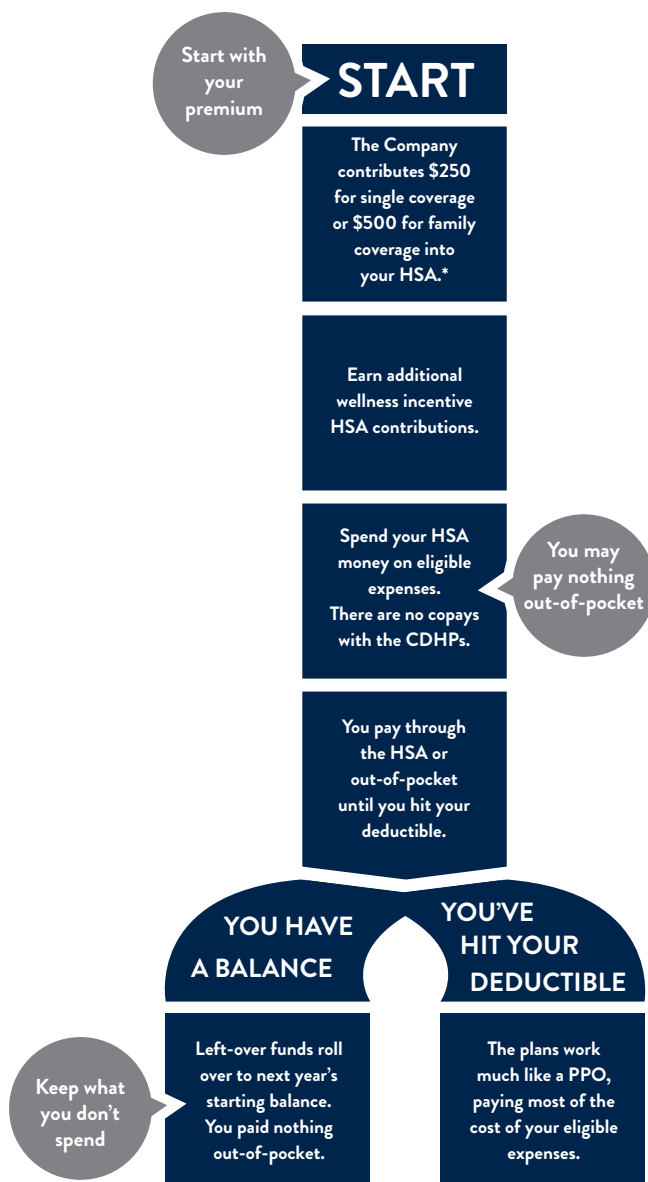
Please visit www.myhbcbenefits.com for more plan details and contributions.

A NEW LEVEL OF CHOICE IN HEALTH CARE

HBC's new medical plan options give each Associate greater flexibility to choose a level of coverage that balances health care needs with his or her budget.

The new plans are Consumer Driven Health Plans (CDHP) and generally carry a lower premium than traditional health plans. They also offer a Health Savings Account (HSA) that you can use to cover eligible out-of-pocket expenses.

- In-network preventive care and some preventive medication are covered at **NO COST** to you. Other preventive medications may be available prior to the deductible.
- For all other services, you must meet the annual deductible before the plans pay benefits. You can use the money in your Health Savings Account to cover these expenses.
- 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 under the Bronze plan), and you pay the rest. When you reach your annual out-of-pocket limit, the plan pays 100%.



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	\$	\$\$	\$\$\$
HSA COMPANY CONTRIBUTIONS	✓	✓	✗
IN & OUT-OF-NETWORK COVERAGE	✓	✓	✗

* Your HSA must be open to receive contributions, and contributions are pro-rated based on effective date.

HEALTH SAVINGS ACCOUNT

HOW THE HEALTH SAVINGS ACCOUNT (HSA) WORKS

A Health Savings Account, otherwise known as an HSA, is a special savings account set up specifically for you and your family. You may pay for all health-related expenses (like doctor visits and hospital services) out of your HSA.

When you enroll in the Gold or Silver plan, and elect to open an HSA, HBC will contribute \$250 to your HSA (\$500 if you choose Associate + Spouse/Domestic Partner, Associate + Child(ren), or Family coverage). In addition, you will have an opportunity to earn another HBC contribution of \$250 (or \$500 for family coverage) in Wellness Incentives throughout the year by completing a Health Risk Assessment (HRA) and a biometric screening. In other words, HBC could potentially be paying the first \$500 (or \$1,000) in medical costs for you*.

Even better, if you don't spend all of the money in 2016, it will roll over to the following year, giving you even more money. 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.

** HSA contributions may be prorated.*

TRIPLE TAX ADVANTAGE OF AN HSA

1. All contributions 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.

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)

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.

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	\$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	50%	50%	
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
Orthodontics 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.

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

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 contributions.

CRITICAL ILLNESS INSURANCE

The out-of-pocket costs of a serious illness can be catastrophic, even with medical insurance. Critical Illness Insurance helps provide financial protection in the event of a covered serious illness. The policy pays a lump sum benefit directly to you if you are diagnosed with a covered condition. You can use this benefit any way you choose — to pay deductibles and coinsurance, expenses your family incurs to be by your side, or simply to replace your lost earnings from being out of work.

You choose the benefit amount when you enroll.

COVERED ILLNESSES INCLUDE:

- Heart Attack
- Stroke
- Major Organ Transplant
- Cancer
- Carcinoma in Situ*
- End Stage Renal (Kidney) Failure
- Coronary Artery Bypass Surgery*

**The coverage pays 25% of the face amount of the policy once per lifetime for Carcinoma in Situ and Coronary Artery Bypass Surgery.*

PLAN FEATURES:

- You do not have to be terminally ill to receive benefits.
- Family coverage is available.
- A Wellness Benefit is included, which pays an annual benefit if a covered health screening test is performed (blood tests, stress tests, colonoscopies, chest X-rays, mammograms, biometric screening, etc.).
- Coverage is portable — you can take your policy with you if you change jobs or retire.

Your benefits counselor can help you calculate the cost of the benefit, which will vary depending upon factors such as your age, coverage level and tobacco use.

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 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.

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, during this Open Enrollment, you can increase coverage up to one times your earnings with no EOI. Costs vary based on age, 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, 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.

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 up to a certain amount during this Open 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.

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.

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.

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

COVERED INJURIES AND ACCIDENT-RELATED EXPENSES INCLUDE:

- Fractures
- Dislocations
- Hospitalization
- Physical Therapy
- Emergency Room Treatment
- Transportation
- 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.
- If you change jobs or retire, you can take your policy with you.

Your benefits counselor can help you calculate the cost of the benefit.

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.

SHORT TERM DISABILITY INSURANCE

Short term disability insurance replaces a portion of your income if an injury or illness forces you out of work for an extended period of time. HBC provides basic short term disability coverage at no cost to you, and enrollment is automatic.

Salaried Associates

After you are declared disabled, you will receive 100% of your weekly earnings for up to eight weeks, 75% for 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 long term disability insurance 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.

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.

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 Open 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.

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

IMPORTANT REMINDER!

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 submission deadline.

PLAN	ELIGIBILITY	ANNUAL MAXIMUM CONTRIBUTION	EXAMPLES OF COVERED EXPENSES*
Limited Purpose Health Care FSA	Any Associate enrolled in a CDHP with HSA	\$2,550	Dental and vision expenses only
General Purpose Health Care FSA	Any Associate NOT enrolled in a CDHP with HSA	\$2,550	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)**	Day care, nursery school, elder care, etc.
<small>*See IRS Publications 502 and 503 for a complete list of covered expenses. **Highly compensated Associates earning \$120,000 or more can contribute a maximum of \$1,000 per year.</small>			

IMPORTANT NOTE: Limited Purpose Health Care FSA

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.

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.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

HBC offers all Associates and their family members access to the Employee Assistance Program (EAP) to help you cope with personal problems affecting you at work or at home. The EAP provides a confidential resource for assistance with a wide variety of work/life concerns, including:

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

You and your family have access 24 hours a day, seven days a week.

LEGAL INSURANCE

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
- Wills, and much more!

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

COMMUTER BENEFITS PROGRAM

The Commuter Benefits Program lets you pay for eligible public transportation expenses on a pre-tax basis.

ADOPTION BENEFITS

You may be eligible for reimbursement of certain adoption costs, up to \$5,000 per child.

[illegible]



TOTAL REWARDS

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