

Your 2023 — 2024 benefits

Create the
coverage
that fits
your life.

Open Enrollment is
May 3 — May 17, 2023

Made by You! Designed by You!

Michaels
Made by you®

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what you need to do

You MUST log in and actively enroll to:

- * Change your current benefit elections.
- * Participate in a Flexible Spending Account (FSA), which requires enrollment each year.
- * Make contributions to the Health Savings Account (HSA); enrollment is required each year. Remember, the HSA is only available to you if you are covered by the Choice HSA or another qualified high-deductible health plan.
- * Add or drop covered dependents.

You don't have to actively enroll to keep your current coverage. If you take no action, your current benefit elections will continue at the new rates, except for HSA and FSA participation. With the exception of FSAs and the HSA, our benefit plans will still have a July 1 to June 30 plan year.

Please take the time to review this guide to make sure you understand the benefits that are available to you and your family.



new for July 1

Beginning July 1, 2023:

* For those who enroll in the Basic PPO, Enhanced PPO or Choice HSA Plans:

- Our medical plans will be administered by Blue Cross Blue Shield of Texas (BCBSTX) instead of Aetna. BCBSTX has more doctors and hospitals in their network than any other medical administrator. You can check easily to see if your current providers are in the new network (visit [BCBSTX.com/Michaels](https://www.bcbstx.com/Michaels) and select the Blue Choice PPO Network or call 1-877-269-1180).
- Prime Therapeutics will also replace OptumRx as our pharmacy benefit manager. If you are currently using home delivery for medications you take regularly, your prescriptions will need to be prescribed again by your physician. You will be able to receive one 30-day fill at a retail pharmacy before the mail order requirement applies. You may continue to fill prescriptions for 90-day supplies of maintenance medications at any CVS Pharmacy location. More information about the new formulary and how to transition your prescriptions will be provided.
- Some fertility treatments will be covered by Michaels BCBSTX medical plans. Based on the diagnosis, our plans will now cover one cycle of fertility treatment and medications.
- MDLive will replace Teladoc for 24/7 virtual health care services if you're enrolled in a BCBSTX medical plan. Look for more information soon about BCBSTX clinical programs and resources for support.
- The premium surcharge for spouses/domestic partners in the Enhanced PPO medical plan is being eliminated.

* For those who enroll in the Kaiser medical plan:

- **Kaiser Telehealth** replaces Teladoc as Kaiser's 24/7 virtual health care service. If you're enrolled in a

Kaiser medical plan (for California Team Members only), you can access care through kp.org/getcare.

* For those who elect Flexible Spending Accounts or the Health Savings Account:

- The plan year for FSAs and the HSA is changing to align with the tax year and IRS limits. You will have two opportunities to enroll or make changes to your Flexible Spending Account (FSA) or Health Savings Account (HSA) elections in 2023.
 - First, you'll make your elections in the upcoming enrollment for July 1 through December 31, 2023. Contributions to the Health Care and Limited Purpose FSAs are limited to \$1,525 for the period July 1 through December 31, 2023.
 - At the end of this year, an enrollment period will be available for you to make elections for the new calendar year, January 1 through December 31, 2024.
- The Health Care FSA and the Limited Purpose FSA will **no longer allow carryover of unused funds from year to year**. If you currently participate in one of these FSAs, you may roll over up to \$570 to the upcoming plan year, but rollovers will not be allowed in future years. You have until September 30, 2023, to submit claims for expenses incurred July 1, 2022, to June 30, 2023.
- The Dependent Care FSA does not allow carryover of funds.

* For those who have qualifying life events and need to change their benefits after July 1, 2023:

- You will have 30 days to report a qualifying life event like a marriage or new baby and update your benefit elections. (This is a change from the current 60 days we have to report events.) If you miss the 30-day window, you will have to wait until the next open enrollment to change your coverage or add/remove a dependent.

making changes to your benefits

Changes are allowed outside of Open Enrollment only if you have a qualifying life event, such as:

- * Birth
- * Adoption
- * Marriage
- * Divorce or Legal Separation
- * A change in your spouse's eligibility status (for instance, if your spouse gains or loses coverage through his/her employer)
- * Adding or removing coverage for a domestic partner
- * Death of a covered family member (spouse/ domestic partner or child)
- * Change in employment status (such as part-time to full-time)
- * Gain or loss of other coverage for you or an eligible dependent

Changes must be made within 30 days of the qualifying life event. If you do not enroll or make a change within 30 days of the qualifying life event, you must wait until the next Open Enrollment to make any changes to your benefits.

Complete Wellness Requirements to Save on Medical Premiums







If you and your spouse or domestic partner are enrolled in a Michaels medical plan, you both need to complete an annual wellness visit between July 1, 2022, and June 30, 2023 to avoid paying a \$25 per paycheck (or \$650 for the year) surcharge per person on your medical premiums beginning in August 2023.

If you and/or your spouse or domestic partner use tobacco, including e-cigarettes and non-nicotine vaporizers, a \$25 tobacco surcharge per paycheck (or \$650 for the year) will be added to your medical premiums beginning in July. You can't use tobacco products for at least six months to be considered tobacco-free, and you can only change your status during Open Enrollment.¹



¹ If you and/or your spouse/domestic partner might be unable to meet the requirements for the surcharge being added to your health plan premiums, you might qualify for an opportunity to avoid the surcharge by different means. Contact Team Member Services at 1-855-432-MIKE (1-855-432-6453) Option 2, and we will work with you to see if there is an alternative.



enrollment checklist

-  **Know who's eligible.**
If you're a full-time Team Member working an average of 30 hours or more per week, you are eligible to participate in benefits as of the first of the month following 30 days of employment. Find out who you can enroll in the benefit plans at **MIKBenefits.com**.
-  **Compare the options.**
Michaels offers you a variety of benefits. Read this guide to make sure you understand the plans available to you. Let eValuate help you choose the right medical coverage for you and your family.
-  **Add up your pretax savings.**
You may want to take advantage of the tax savings of Flexible Spending Accounts and Commuter Benefits.
-  **Review your life insurance.**
Make sure you have the coverage you need to protect yourself and those you love.
-  **Check your beneficiaries in Workday.**
You can change your beneficiary designation at any time.
-  **Understand your disability coverage.**
Disability coverage can help protect your income in the event of a non-work-related injury or medical condition. Michaels pays the full cost of

coverage for full-time salaried Team Members. California, Connecticut, the District of Columbia, New Jersey, New York, Rhode Island and Washington have their own state programs, so Michaels Short-Term Disability coverage is not available in those states.

-  **Decide if you want additional income protection.**
Accidents and critical illnesses happen. Open Enrollment is the only time you can enroll in Accident and Critical Illness Insurance coverage.
-  **Enroll online through MIKBenefits.com.**
Click Enroll in Benefits at the top of the MIKBenefits.com home page and log in to Workday. Then follow the prompts through each step of the enrollment process. You need to review your dependents' information (there is a separate notification in Workday for you to add or update your dependent information) and confirm if they are tobacco users or if they have employer-sponsored medical coverage where they work. Don't forget to submit your elections at the end to record your Open Enrollment elections.

Questions?

Contact Team Member Services at 1-855-432-MIKE (1-855-432-6453) Option 2.



need help choosing a medical plan?

The eValuate tool available on MIKBenefits.com can help you choose the medical plan that makes the most financial sense for you and your family. The more you know about the available choices, plans and features, the easier it is to select and use your benefits more efficiently.

eValuate is completely private and confidential. The tool doesn't store any of your personal information or share it with your employer (or anyone else).



plan options

Michaels offers all full-time Team Members three medical plan options through **Blue Cross Blue Shield of Texas (BCBSTX)** with access to the **Blue Choice PPO Network**. Team Members in California may also choose Kaiser Permanente HMO with a Health Reimbursement Arrangement (HRA) plan. All plans include prescription drug coverage. Your choices are:

- * BCBSTX Choice HSA
- * BCBSTX Basic PPO
- * BCBSTX Enhanced PPO
- * Kaiser HRA (California only)

Deductibles in the Choice HSA Plan

There is no individual deductible if you enroll dependents in the Choice HSA. You must meet the family deductible before the plan begins to share the cost (coinsurance) for any covered individual.

With the other medical plans, the plan starts to share costs for an individual when that person meets his or her own deductible. Once the family deductible is met, the plan shares costs for all covered family members, even if they have not met their individual deductible.

Find out if your provider is in the BCBSTX network and make the most of your coverage by calling 1-877-269-1180 or visiting www.bcbstx.com/michaels.



your premium cost

Your medical plan paycheck contributions are based on the plan you choose and who you cover. These rates do not include any surcharges that may apply to you and/or your spouse or domestic partner.

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser HRA (CA only)
YOU				
Biweekly	\$51.88	\$38.93	\$99.36	\$74.19
Annually	\$1,348.88	\$1,012.18	\$2,583.36	\$1,928.94
YOU + SPOUSE/DOMESTIC PARTNER¹				
Biweekly	\$139.18	\$104.99	\$249.76	\$177.28
Annually	\$3,618.68	\$2,729.74	\$6,493.76	\$4,609.28
YOU + CHILD(REN)				
Biweekly	\$102.48	\$70.78	\$190.43	\$140.23
Annually	\$2,664.48	\$1,840.28	\$4,951.18	\$3,645.98
YOU + FAMILY				
Biweekly	\$172.08	\$122.68	\$303.58	\$208.73
Annually	\$4,474.08	\$3,189.68	\$7,893.08	\$5,426.98

¹ By law, if a domestic partner does not qualify as a tax dependent, the cost for his/her benefits cannot be paid pretax, and the "value" of Team Member and employer-provided domestic partner contributions is taxable.

medical



surcharges

Wellness: If you and your spouse or domestic partner were enrolled in a Michaels medical plan for the 2022–2023 plan year, you each need to complete an annual wellness exam between July 1, 2022, and June 30, 2023, to avoid paying a \$25 per paycheck (or \$650 annual) surcharge per person.

Tobacco: If you and/or your spouse or domestic partner use any tobacco products (including e-cigarettes and non-nicotine vaporizers), you'll pay a \$25 per paycheck (or \$650 annual) surcharge per person. You can't use any tobacco products for at least six months to be considered tobacco-free, and you can change your status only during Open Enrollment.

your options at-a-glance

	Choice HSA		Basic PPO		Enhanced PPO		Kaiser HRA (CA only)
	In-network	Out-of-network ¹	In-network	Out-of-network ¹	In-network	Out-of-network ¹	In-network
MONEY FROM MICHAELS (Amount deposited into HSA or HRA; you can use this money to pay for qualified expenses)							
Individual	\$500		N/A		N/A		\$425
Family	\$1,000		N/A		N/A		\$950
DEDUCTIBLE (Amount you pay before you and Michaels share the cost of care)							
Individual	\$1,750	\$5,000	\$2,500	\$5,000	\$750	\$1,500	\$1,500
Family	\$3,500 ⁶	\$12,500 ⁶	\$5,000	\$12,500	\$1,500	\$3,000	\$3,000
OUT-OF-POCKET MAXIMUM (The most you will pay - including your deductible and copays - before Michaels pays 100% of remaining eligible expenses for the rest of the plan year)							
Individual	\$5,000	\$10,000	\$4,500	\$10,000	\$4,000	\$8,000	\$3,000
Family	\$12,500	\$20,000	\$10,600	\$20,000	\$8,000	\$16,000	\$6,000
WHAT YOU PAY AFTER YOU MEET THE DEDUCTIBLE (Except as noted)							
Office Visits:							
* Preventive Care²	\$0, no deductible	50%	\$0, no deductible	50%	\$0, no deductible	40%	\$0, no deductible
* Primary Care	20%	50%	\$25 copay, no deductible	50%	\$25 copay, no deductible	40%	\$20 copay
* Specialist	20%	50%	\$50 copay, no deductible	50%	\$40 copay, no deductible	40%	\$20 copay
Urgent Care³	20%	50%	\$75 copay, no deductible	50%	20%	40%	\$20 copay
Retail Clinic⁴	20%	50%	\$25 copay, no deductible	50%	20%	40%	\$20 copay
Emergency Room⁴	20%	20%	25%	25%	\$250 copay + 20%	\$250 copay + 20%	20%
Hospital Care and Mental Health⁵	20%	50%	25%	50%	20%	40%	20%
Routine Prenatal Care	\$0, no deductible	50%	\$0, no deductible	50%	\$0, no deductible	50%	\$0, no deductible
Delivery	20%	50%	25%	50%	20%	40%	20%

¹ Out-of-network expenses are paid based on the allowed charge. You are responsible for any amount above the allowed charge, even after you reach your out-of-pocket maximum, if applicable.

² Preventive care includes, but is not limited to, annual exams, annual gynecological exams, routine mammograms, colonoscopies and immunizations (based on age and gender)

³ Must be an urgent care issue or you will pay 100% of the cost. Routine, preventive and diagnostic procedures are not covered at urgent care facilities. See your Summary Plan Description (SPD) for more details.

⁴ Must be a true emergency or you will pay 100% of the cost.

⁵ Pre-certification is required for inpatient care except for delivery.

⁶ You must meet the family deductible before the plan shares expenses for any covered family member.

how the plans work

medical

Plans: Basic and Enhanced PPO

The PPO plans have copays, deductibles and coinsurance. Remember to use in-network providers because they provide services at negotiated discounted rates. Out-of-network providers are more expensive and have separate, higher deductibles and out-of-pocket maximums.

Copay Office Visits

When seeing your primary care physician or specialist for an office visit, you only pay a copay as long as you use an in-network provider. The Enhanced PPO has a separate \$250 copay for emergency care.

Deductible Your cost for services

For most other services, you pay 100% of the cost until you satisfy your deductible.

Coinsurance You and the plan share costs

After you satisfy your deductible, you and Michaels share the cost for covered services. Depending on the plan you enroll in, Michaels pays either 75% or 80% for additional health care expenses — as long as you use in-network providers — and you pay either 25% or 20% up to the out-of-pocket maximum (your deductible is included in your out-of-pocket maximum).

Out-of-Pocket Maximum Michaels pays the rest

If your health care expenses reach your annual out-of-pocket maximum, Michaels pays 100% of your eligible costs for the rest of the plan year. The Basic PPO has a separate out-of-pocket maximum for prescription drugs.

Choice HSA and Kaiser HRA (Kaiser is available for California Team Members only)

Michaels contributes to both the Choice HSA and Kaiser HRA plans. The amount of money Michaels puts into your account differs depending on whether you elect individual or family coverage. With the Choice HSA, you determine when you want to use the funds. HRA funds will be applied to first dollar out-of-pocket medical expenses.

First

Michaels gives you money to pay for your health care

Depending on which plan you enroll in, Michaels sets up either an HSA or an HRA for you and funds it to help you pay for eligible medical expenses.

You can use HRA money for any covered services until the account balance reaches \$0. Any unused HRA amounts roll over each year as long as you are enrolled in the Michaels Kaiser HRA plan.

HSA amounts can be used for all eligible expenses and roll over each year. HSA funds are 100% yours to use on current or future eligible expenses.

Then

You pay for care

If you use up the money in your account and you need more care, you pay out of your own pocket until you meet your deductible and out-of-pocket maximums, if applicable.

Coinsurance

You and the Plan Share Costs

After you meet your deductible, you and Michaels share the cost for most covered services.

Michaels pays 80% for most additional health care expenses — as long as you use an in-network provider — and you pay 20% of expenses up to the out-of-pocket maximum.

Out-of-Pocket Maximum

Michaels pays the rest

If your health care expenses reach your out-of-pocket maximum, Michaels pays 100% of your eligible costs for the rest of the plan year.

how the HSA and HRA work

	BCBSTX Choice HSA	Kaiser HRA (CA only)
What is it?	An HSA is like a 401(k) plan, but for health care expenses. You can use the tax-free dollars to pay for eligible health care expenses now and in the future.	An HRA is an account with tax-free dollars that helps you pay for eligible out-of-pocket medical expenses.
Who contributes?	You and Michaels	Michaels only
How much can I contribute?	Your account can have up to \$3,350 (individual) or \$6,750 (family) in 2023, but you're not required to contribute to receive the Michaels contribution. The IRS contribution limits include the Michaels contribution. If you are age 55 or older, you may contribute an extra \$1,000 per year.	You may not contribute to the account.
What can I use it for?	Medical, dental and vision expenses, like: <ul style="list-style-type: none"> * Deductibles * Office visits, in- and out-of-network * Prescription drugs * Bridges, crowns, orthodontia, etc. * Prescription glasses or contact lenses 	Medical expenses, like: <ul style="list-style-type: none"> * Deductibles * Copays * Coinsurance * Prescription drugs <p>Cannot be used for dental or vision expenses</p>
Does it roll over from year to year?	Yes, even if you leave Michaels.	Yes, until you're no longer enrolled in the Michaels Kaiser HRA plan.
How do I access my account?	Your account is automatically debited when you use your HSA debit card at a point of service, or you can submit a claim through HealthEquity for all other services.	Your account is automatically debited when you receive covered medical services, or you can submit a claim through Kaiser Permanente Health Payment Services.
Is the company money deposited all at once?	No, the company deposits money into your account each pay period.	Yes, you receive the full company contribution at the beginning of the plan year.
Are there any fees associated with the account?	No, there are no fees if you participate in this account.	No, there are no fees if you participate in this account.

prescription drugs

medical

Prescription drug coverage is included with all medical plans. Here's what you pay using in-network providers.

There are no out-of-network benefits for prescription drugs.

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser HRA (CA only)
PREVENTIVE DRUG LIST¹				
Retail² & Mail Order³	\$0 copay	\$0 copay	\$0 copay	\$0 copay ⁴
RETAIL²				
Generic	20% after the deductible	\$14 copay	\$10 copay	\$10 copay
Preferred Brand	20% after the deductible	25% of the cost (\$50 minimum, \$130 maximum)	\$35 copay	\$30 copay
Non-Preferred Brand⁵	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	\$30 copay
HOME DELIVERY³				
Generic	20% after the deductible	\$35 copay	\$20 copay	\$20 copay
Preferred Brand	20% after the deductible	\$125 copay	\$70 copay	\$60 copay
Non-Preferred Brand⁵	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	\$60 copay
SPECIALTY PHARMACY⁶				
Generic	20% after the deductible (\$200 maximum)	\$14 copay	\$10 copay	\$30 copay for a 30-day supply in most cases
Preferred Brand	20% after the deductible (\$250 maximum)	25% of the cost (\$50 minimum, \$130 maximum)	\$35 copay	
Non-Preferred Brand⁵	50% after deductible (\$350 maximum)	50% after deductible (\$350 maximum)	50% after deductible (\$350 maximum)	
OUT-OF-POCKET MAXIMUM (The most you will pay before Michaels pays 100% of remaining eligible prescription drug expenses for the rest of the plan year)				
Individual	Included in the medical out-of-pocket maximum	\$2,050	Included in the medical out-of-pocket maximum	Included in the medical out-of-pocket maximum
Family	Included in the medical out-of-pocket maximum	\$4,100	Included in the medical out-of-pocket maximum	Included in the medical out-of-pocket maximum

¹ For more information on covered preventive drugs, review the list on [MIKBenefits.com](https://www.mikbenefits.com).

² Up to a 30-day supply.

³ With the Choice HSA, Basic PPO and Enhanced PPO, up to a 90-day supply; you can also get a 90-day supply at your local CVS pharmacy, the same as through home delivery. The Kaiser HRA allows up to a 100-day supply.

⁴ Only preventive medications outlined by the Affordable Care Act (ACA) are covered.

⁵ Non-preferred brand drug costs don't apply to the out-of-pocket maximum.

⁶ Up to a 30-day supply. Specialty drug costs apply to out-of-pocket maximum.

save on prescriptions

medical

Check the Preferred Drug List

All BCBSTX plans use the Prime Therapeutics Formulary, a list of preferred drugs. You pay less for drugs on the formulary list. If your doctor writes you a prescription, make sure it's on the formulary list. If not, ask your doctor whether another drug on the formulary list will work for you. Note: Be sure to check the new formulary for any changes when it is issued by BCBSTX each year.

Use home delivery

If you take maintenance medications (prescriptions you take on a regular basis for an ongoing condition), using home delivery is required. You are allowed to fill a 30-day prescription once at a retail pharmacy. After that, you must get a 90-day supply through home delivery. You can also get a 90-day supply at your local CVS Pharmacy.

Use discounts

Compare prices and check out your drug manufacturer's resource site to help keep more dollars in your pocket. The cost of a prescription may differ by more than \$100 between pharmacies across the street from each other!



how to access the formulary

Not sure if your prescription is on the formulary? Log in to your account on [BCBSTX.com/michaels](https://www.bcbstx.com/michaels) to search for your medication

programs for your wellbeing



Employee Assistance Program (EAP)

The EAP is a free and confidential resource available for you and your family even if you're not enrolled in a Michaels benefit plan. You can call the EAP 24/7 for support. You can also receive up to three face-to-face counseling sessions per issue at no charge using the EAP. Whatever is happening in your life, online EAP resources can provide information, help and support.

Virtual Visits

When you're enrolled in a Michaels medical plan, you and your covered dependents can speak with a licensed medical provider by phone or video 24/7. BCBSTX participants can register and use MDLIVE by phone, online video or mobile app. Kaiser HRA plan members may similarly register and seek care from Kaiser Telehealth services. When you need care for common medical concerns, the MDLIVE copay is only \$25 for all BCBSTX plans or \$0 for the Kaiser HRA. Virtual visit copays count toward your medical out-of-pocket maximum.

2nd.MD

Michaels medical plan participants have free access to expert medical advice and second opinions from some of the country's leading medical providers for critical health concerns.

SurgeryPlus

SurgeryPlus is offered to BCBSTX medical plan participants. For planned, non-emergency surgeries, you can connect with a dedicated Care Advocate and have access to quality care through a network of credentialed providers. This benefit may also save you money.

Hinge Health

This program is available to all Team Members and dependents age 18 and older enrolled in a Michaels BCBSTX medical plan. Overcome chronic back and joint pain at home with this free exercise therapy program. It can improve back, knee, hip, neck and shoulder pain without drugs or surgery.

dental

The **Cigna PPO** plan allows you to see any dentist in- or out-of-network, but there is a limit to how much the plan pays for some covered services. You'll save money when you use a provider in the Cigna Dental network. With the **Cigna DHMO** plan, you choose a primary care dentist who directs your care. All services are paid on a copay basis. There is **no** out-of-network coverage with the DHMO plan. Please check to see if your dentist is in the Cigna DHMO network. Otherwise, you will need to choose a new dentist in the Cigna DHMO network. Not all states have CIGNA DHMO providers. There are fewer dentists in the Cigna DHMO network than in the Cigna PPO network.



	Cigna PPO	Cigna DHMO
PREVENTIVE SERVICES		
Oral Exams, Cleanings, X-rays	\$0 (in-network only)	\$0
DEDUCTIBLE		
Individual	\$50	None
Family	\$100	None
BASIC SERVICES (\$1,800 lifetime oral surgery maximum per person.)		
Fillings, Oral Surgery, Simple Extractions, Endodontics, Periodontics	20% after deductible	You pay fixed copays according to the plan's schedule of benefits. Specialist referral is required.
MAJOR SERVICES		
Bridges, Crowns, Dentures	50% after deductible	You pay fixed copays according to the plan's schedule of benefits. Specialist referral is required.
ORTHODONTIA (\$2,000 lifetime orthodontia maximum per covered child.)		
Children Through Age 18 Only	50%, no deductible	You pay fixed copays according to the plan's schedule of benefits. Specialist referral is required.
ANNUAL MAXIMUM		
Per Person	\$1,800	None

your premium cost

Your dental plan paycheck contributions are based on the plan you choose and who you choose to cover.

	Cigna PPO	Cigna DHMO
YOU		
Biweekly	\$14.52	\$5.77
Annually	\$377.52	\$150.02
YOU + SPOUSE/DOMESTIC PARTNER¹		
Biweekly	\$33.18	\$10.54
Annually	\$862.68	\$274.04
YOU + CHILD(REN)		
Biweekly	\$31.11	\$10.80
Annually	\$808.86	\$280.80
YOU + FAMILY		
Biweekly	\$52.89	\$16.86
Annually	\$1,375.14	\$438.36

¹ By law, the cost for domestic partner benefits cannot be paid pretax, and the "value" of Team Member and employer-provided domestic partner contributions is taxable.

vision

Michaels offers vision coverage through EyeMed Vision Care. When you stay in-network, you pay less. If you use an out-of-network provider, you pay the full cost upfront and file a claim for reimbursement. Then the plan pays an allowance up to a certain amount, and you pay the rest. The plan covers an annual vision exam, and lenses and frames OR contact lenses once every 12 months. You can also receive a 15% discount on usual and customary fees for LASIK or PRK procedures at LCA-Vision locations or a 5% discount on promotional pricing, whichever is greater.

	In-network you pay	Out-of-network plan pays up to
EXAMS		
Vision exam	\$15 copay	\$40
GLASSES		
Single Vision lenses	\$20 copay	\$25
Bifocal lenses	\$20 copay	\$40
Trifocal	\$20 copay	\$65
Standard Progressive lenses	\$20 copay	\$55
Premium Progressive lenses	\$20 copay, then any amount over \$120 (plus 20% discount on amount over \$120)	\$55
Lens Options:		
UV Treatment	\$0	\$8
Tint (Solid and Gradient)	\$0	\$8
Standard Plastic Scratch Coating	\$0	\$8
Standard Polycarbonate	\$0	\$20
Standard Anti-Reflective Coating	\$45 copay	N/A
Polarized	20% off retail price	N/A
Other Add-Ons	20% off retail price	N/A
Frames	Any amount over \$130 (plus 20% discount on amount over \$130)	\$65
CONTACT LENSES		
Conventional	Up to \$130 (plus 15% discount on amount over \$130)	\$104
Disposable	Any amount up to \$130	\$104
Medically Necessary	\$0	\$200
CONTACTS – FITTING		
Standard	\$0	\$40
Premium	Any amount over \$55 (plus 10% discount on amount over \$55)	\$40

your premium cost



Your vision plan paycheck contributions are based on who you choose to cover.

YOU	
Biweekly	\$3.30
Annually	\$85.80
YOU + SPOUSE/DOMESTIC PARTNER¹	
Biweekly	\$6.24
Annually	\$162.24
YOU + CHILD(REN)	
Biweekly	\$6.60
Annually	\$171.60
YOU + FAMILY	
Biweekly	\$8.62
Annually	\$224.12

¹ By law, the cost for domestic partner benefits cannot be paid pretax, and the "value" of Team Member and employer-provided domestic partner contributions is taxable.

flexible spending accounts (FSAs)

Michaels offers FSAs to help you pay for eligible expenses with tax-free dollars. For a list of qualifying expenses visit [learn.healthequity.com/qme](https://www.healthequity.com/qme). Don't forget! You may be able to use an HSA or HRA (depending on the medical plan you enroll in) to pay for eligible health care expenses.

tax-saving benefits

Health Care FSA

If you have medical coverage other than the Choice HSA plan, you can contribute up to \$1,525 pretax to a Health Care FSA for July 1 to December 31, 2023. You can use this account to pay for eligible medical care, prescriptions, dental and vision expenses for yourself and your eligible dependents. A Health Care FSA can also help bridge the gap until you meet your plan deductible.

Limited Purpose FSA

Per the IRS, if you're enrolled in the Choice HSA, you can't enroll in a Health Care FSA that covers medical and prescription drug expenses. Instead, you can have a Limited Purpose FSA. You can contribute up to \$1,525 pretax for July 1 to December 31, 2023 and use the funds for **non-medical expenses**, like dental and vision expenses.

Dependent Care FSA

You can contribute up to \$5,000 (\$2,500 if married but filing separately from your spouse) pretax to pay for eligible child or elder day care expenses that allow you to work.

estimate your expenses carefully

It's important to budget how much money you need in each account!

- * If you currently participate in one of the Health Care FSAs, you may carry over up to \$570 to next year.
- * If you participate in the Dependent Day Care FSA, you cannot carry over any unused funds.

When deciding how much to contribute, remember you can't change your contribution amount during the year unless you experience a qualifying life event.



commuter benefits

You can set aside money to pay for your daily commute to work with pretax dollars. All Team Members are eligible for commuter benefits.

- * Contribute up to \$300 per month to pay for transit and eligible vanpools. Passes can be mailed to your home, loaded on your Smart Card or purchased with the HealthEquity Commuter Card.
- * Contribute up to \$300 per month to pay for qualified parking. You can use the HealthEquity Commuter Card to pay the parking provider directly or get reimbursed for eligible parking expenses paid out of pocket.

To enroll, go to www.healthequity.com or call 1-844-351-6849. Then follow these steps:

- * Click the **Log In/Register** link on the homepage and select **Employee Registration**. (ID code: last four digits of your Social Security number).
- * Once you've completed your HealthEquity profile, click **Enroll in Commuter**.
- * Go through the process to place your order.
- * An order confirmation email will be sent after the order is placed.

Deductions for transit or parking are collected from the second paycheck of each month.



financial protection & voluntary benefits

Michaels offers benefits to help protect your income if you die or become injured or disabled. You don't have to be enrolled in a Michaels medical plan to enroll in Optional Life, Optional AD&D, Long-Term Disability, Accident or Critical Illness Insurance. If you don't enroll when you're first eligible, you will have to provide Evidence of Insurability (EOI) and be approved by the insurance company before coverage begins for most of these benefits. Visit **MIKBenefits.com** to see biweekly premiums for these plans.

Benefit	Available Coverage	Participation Rules	Paid By
Basic Life Insurance and Accidental Death and Dismemberment (AD&D)	\$25,000	You are a full-time Michaels Team Member	Michaels
Basic Dependent Life Insurance	<ul style="list-style-type: none"> * \$2,000 for spouse/domestic partner * \$1,000 per child 	Enroll dependents in the Basic plan at enrollment	Michaels
Optional Life Insurance	<ul style="list-style-type: none"> * Team Member: 1x to 5x base pay, up to \$700,000 when first eligible (\$10,000 increments; elect up to \$40,000 during Open Enrollment) * Spouse/domestic partner: \$5,000 to \$100,000 when first eligible (\$5,000 increments; elect up to \$5,000 during Open Enrollment) * Children: \$1,000 to \$10,000 (\$1,000 increments) 	EOI required if you did not enroll when first eligible	Team Member
Optional AD&D Insurance	<ul style="list-style-type: none"> * 1x to 8x your annual base pay, up to \$700,000 * Coverage available for dependents 	No EOI required	Team Member
Short-Term Disability (STD)	Replaces your base pay (100% for salaried Team Members; 60% for hourly Team Members) if you are unable to work due to a non-work-related health condition or injury	<ul style="list-style-type: none"> * STD is not available in California, Connecticut, the District of Columbia, Massachusetts, New Jersey, New York, Rhode Island or Washington due to statutory state coverage * Reduced benefit may be available for pre-existing conditions 	Michaels
Paid Parental Leave (PPL)	Provides 8 weeks of income replacement for eligible parents welcoming a new child to the family	Covered Team Members receiving STD benefits for the birth of a child must fully exhaust those benefits before requesting the remaining PPL balance within the first year following the event.	Michaels
Long-Term Disability (LTD)	Provides income replacement if you cannot work for more than 90 days	<ul style="list-style-type: none"> * EOI required if you did not enroll when first eligible * No coverage for pre-existing conditions¹ 	Michaels (Full-time hourly Team Members can purchase coverage)
Accident Insurance	Provides a range of fixed, lump-sum benefits for injuries resulting from a covered accident	<ul style="list-style-type: none"> * Review list of covered health conditions at MIKBenefits.com * Payments can be used for any expense 	Team Member
Critical Illness Insurance	Lump sum payments to bridge the gap financially if you are diagnosed with a covered illness	<ul style="list-style-type: none"> * EOI required if you did not enroll when first eligible * Payments can be used for any expense 	Team Member

¹ You have a pre-existing condition if both 1 and 2 are true: 1. a. You received medical treatment, consultation, care or services, including diagnostic measures, or took prescribed drugs or medicines, or followed treatment recommendation in the three months just prior to your effective date of coverage or the date an increase in benefits would otherwise be available; or b. You had symptoms for which an ordinarily prudent person would have consulted a health care provider in the three months just prior to your effective date of coverage or the date an increase in benefits would otherwise be available. 2. Your disability begins within 12 months of the date your coverage under the plan becomes effective.

retirement benefits

Give yourself the best chance to enjoy your retirement by participating in the 401(k) Plan.

We know that savings and retirement are important to you. Plan for retirement with the Michaels Safe-Harbor 401(k) Plan with Vanguard.

- * **Eligibility:** Full-time Team Members are eligible to enroll on Day 1 with Michaels if age 21 or over. Contribute up to \$22,500 on a pretax, Roth or after-tax basis. If you are age 50 or over, you can contribute up to an extra \$7,500 as a “catch-up” contribution.
- * **Company contributions:** Michaels contributes \$1 for every \$1 you save in the plan (up to 3% of your pay) and then 50¢ for every additional \$1 of the next 2% of your pay you contribute.
- * **Vesting:** Refers to ownership of accrued contributions and earnings in the plan. Your contributions are always your own and so are all matching contributions from Michaels. You are always 100% vested.

- * **Loans:** The plan allows for one outstanding loan at a time. You may borrow up to 50% of your account balance or up to \$50,000, whichever is less. The minimum loan amount is \$1,000. You must repay each loan within five years unless the loan is to purchase your principal residence, in which case the loan must be repaid within 10 years. The interest rate is the prime rate at the time the loan is taken, plus 1%. Loan repayments are made each pay period through payroll deduction.
- * **Loan fees:** Annual maintenance \$25; web or voice initiated \$50; participant services initiated \$100.
- * **Withdrawals:** Since the plan is primarily designed to help you save for retirement, there are IRS restrictions on when you may withdraw money from your account. You can withdraw money when you retire, experience a qualified hardship, are over the age of 59½, become disabled or terminate employment. Your beneficiary(ies) may withdraw money upon your death. Always consult your tax advisor concerning the potential tax penalty of any withdrawal.



- * **Investments:** Whether you feel confident making your own investment decisions or prefer to have your assets professionally managed, the plan offers a variety of investment strategies to help meet your needs. To make or change your investment elections or to schedule a one-on-one advice consultation, log in to vanguard.com/retirementplans or call Vanguard Participant Services at 1-800-523-1188.
- * **Plan fees:** It's important for you to understand your share of fees for administrative, investment and individual services. Please take time to review the Participant Fee Disclosure and your quarterly statement to learn more about any fees that may apply.

Team Members can enroll in the 401(k) Plan and make changes at any time throughout the year once eligible. Visit vanguard.com/retirementplans and enter plan number 095441.



let's
enroll!



To enroll, go to
**[wd5.myworkday.com/
michaels](https://wd5.myworkday.com/michaels)**



To learn more about
your options, go to
MIKBenefits.com

Need help
deciding which
plan to choose?

Use **eValue** on
MIKBenefits.com

Need help
enrolling?

Contact Team Member
Services at **1-855-432-MIKE**
(1-855-432-6453), Option 2.

THE MICHAELS COMPANIES

This Guide highlights the main features of many of the benefit plans sponsored by Michaels. Full details of these benefits are contained in the legal documents governing the plans. If there is any discrepancy or conflict between the plan documents and the information presented here, the plan documents will govern. In all cases, the plan documents are the exclusive source for determining rights and benefits under the plans. Michaels reserves the right to modify, amend or terminate any benefit plan or practice described in this Guide. Nothing in this Guide guarantees that any new plan provisions will continue in effect for any period of time. This Guide serves as a Summary of Material Modifications as required by the Employee Retirement Income Security Act of 1974 (ERISA), as amended.