

Your 2022 – 2023 benefits

Design the
coverage
that's right
for you.

Open Enrollment is
May 4 — May 19, 2022

Made by You! Designed by You!

Michael's
Made by you®

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do you have to enroll?

Maybe not. This year, you don't have to enroll to keep your current coverage. There are some exceptions. **You must log in and actively enroll to:**

- * Change your current benefit elections
- * Add or drop covered dependents
- * Enroll in or continue participating in a Flexible Spending Account (FSA) (the IRS requires a new election each year)
- * Begin saving or change your Health Savings Account (HSA) contributions (the HSA is only available if you enroll in the Choice HSA medical plan)
- * Choose a medical plan other than the Enhanced PPO if you are currently enrolled in the Select HRA plan

Take no action and your current benefit elections will continue at the new 2022 - 2023 rates, except for HSA and FSA participation.

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



what's new beginning July 1, 2022:

- * We're introducing a new **Enhanced Preferred Provider Organization (PPO) medical plan replacing the current Select Health Reimbursement Account (HRA) plan**. Unused Select HRA funds won't roll over. Use those funds by June 30, because any remaining balance will be forfeited. **Important:** If you are currently enrolled in the Select HRA, you'll be automatically enrolled in the new Enhanced PPO unless you elect a different medical plan option.
- * You may **enroll your spouse/domestic partner who has employer coverage available in the new Enhanced PPO**. Spouses/domestic partners who are self-employed, on Medicaid/Medicare or have no employer coverage available are still eligible to enroll in ALL medical options without a surcharge.
- * **Michaels is increasing the Company Health Spending Account (HSA) contribution** when you enroll in the Choice HSA plan. Michaels will contribute \$500 for individual coverage and

\$1,000 for spouse or family coverage. Company HSA contributions are deposited each pay period throughout the year and are portable, meaning you can take your HSA balance with you when you leave the company.

- * **Lower coinsurance for non-preferred brand prescriptions filled at a retail pharmacy** for all Aetna plans. This means you will pay 50% of the cost (or 50% coinsurance) with a minimum of \$100 and a maximum of \$250 per prescription instead of paying 80% coinsurance with no maximum.
- * Due to inflation, especially in medical and dental expenses, there are some **increases to your medical and Dental PPO premiums**, but Michaels will continue to pay the majority of the cost for your coverage. Please look at the medical plans rates on page 4 of this guide since all medical plan rates are increasing due to increased doctor, hospital, and pharmacy costs.

need help choosing a medical plan?



Our new **eValue** tool — available on **MIKBenefits.com** — is replacing ALEX. Let **eValue** 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.

eValue is totally private. And completely confidential. The tool doesn't store any of your personal info or share it with your employer (or anyone else).



making changes to your benefits

choose your benefits wisely

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

- * Birth
- * Adoption
- * Marriage
- * Divorce/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 family member (spouse/domestic partner or child)
- * Change in employment status (such as part-time to full-time)
- * Gain/loss of other coverage for you or an eligible dependent

Changes must be made within 60 days of the qualifying life event. If you do not enroll or make a change within 60 days of the qualifying life event, you must wait until the next Open Enrollment to make any changes to your benefits.

your enrollment checklist

don't leave money on the table...

To avoid a medical plan surcharge, both you and your spouse/domestic partner (if enrolled) need to complete an annual physical by June 30 to avoid a surcharge beginning in August 2022. If you have already completed a physical May 1, 2021 to the present, you will satisfy the wellness requirement. If you have not yet completed a physical, it must be done no later than June 30, 2022.



Know who's eligible.

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 **eValueate** help you choose the right coverage for you and your family.



Add up pre-tax savings.

You may want to take advantage of the tax savings of Flexible Spending Accounts and Commuter Benefits. See pages 14 and 15 for more information about these tax-saving 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.



Consider disability coverage.

It can help protect your income if you become injured or disabled. Because California, New Jersey, New York, Rhode Island and Washington have their own state programs, Michaels Short-Term Disability coverage is not available in those states.



Decide if you want additional income protection.

Accidents and critical illnesses happen. You can enroll in Accident and Critical Illness Insurance coverage.



Avoid the tobacco surcharge by being tobacco-free.¹

If you or your spouse/domestic partner use any tobacco products (including e-cigarettes and non-nicotine vaporizers), a \$25 per paycheck per person will be added to your medical premiums (that's \$650 per person a year!).



Enroll through MIKBenefits.com.

Log on with your Workday user credentials. Click on the Benefits Application, then click Change my Benefits and follow the prompts through each step of the enrollment process. You need to review your dependent's information and confirm if they are a tobacco user or if they have an employer sponsored medical plan where they work. Don't forget to submit your elections at the end.



Questions?

Contact Team Member Services at 1-855-432-MIKE (1-855-432-6453), Option 2, or email **hrteam@michaels.com**.

¹ If you and/or your spouse/domestic partner might be unable to meet a standard for a program that results in a 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, or email **hrteam@michaels.com** and we will work with you to see if there is another alternative.

plan options

Michaels offers all Team Members three medical plan options through Aetna with access to the Aetna Premier Care Network (APCN). Team Members in California may also choose the Kaiser HRA. All plans include prescription drug coverage. Your choices are:

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

an important difference!

There is no individual deductible if you enroll dependents in the Choice HSA. You must meet the family deductible before you and the plan begin 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 their 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.



your premium cost

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

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser HRA (CA only)
YOU				
Bi-Weekly	\$50.86	\$38.16	\$97.41	\$64.71
Annually	\$1,322.36	\$992.16	\$2,532.66	\$1,682.46
YOU + SPOUSE/DOMESTIC PARTNER¹				
Bi-Weekly	\$136.45	\$102.93	\$244.86	\$154.60
Annually	\$3,547.70	\$2,676.18	\$6,366.36	\$4,019.60
YOU + CHILD(REN)				
Bi-Weekly	\$100.48	\$69.39	\$186.69	\$122.25
Annually	\$2,612.48	\$1,804.14	\$4,853.94	\$3,178.50
YOU + FAMILY				
Bi-Weekly	\$168.70	\$120.28	\$297.63	\$182.15
Annually	\$4,386.20	\$3,127.28	\$7,738.38	\$4,735.90

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

medical



surcharges

Wellness Requirement – If you and your spouse/domestic partner were enrolled in a Michaels full-time medical plan for 2021 – 2022, you each need to complete an annual physical May 1, 2021 through June 30, 2022 to avoid paying a \$25 per paycheck/\$650 annual surcharge per person.

Tobacco Use – If you and/or your spouse/domestic partner use any tobacco products (including e-cigarettes and non-nicotine vaporizers), you'll pay \$25 per paycheck/\$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.

Spouse/Domestic Partner with Employer Coverage Available Enrolled in Enhanced PPO – If you enroll your spouse/domestic partner who has employer medical coverage available in the Enhanced PPO, you will pay a surcharge of \$92.31 per paycheck/\$2,400 for the year.

your options at-a-glance

medical

	Choice HSA		Basic PPO		Enhanced PPO		Kaiser HRA (CA only)
	In-network	Out-of-network¹	In-network	Out-of-network¹	In-network	Out-of-network¹	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	\$3,500⁷	\$12,500⁷	\$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 Room⁵	20%	20%	25%	25%	\$250 copay + 20%	\$250 copay + 20%	20%
Hospital Care and Mental Health⁶	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.

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 Aetna participants may only use clinics inside a pharmacy or retail store such as CVS MinuteClinic®. Kaiser participants may use approved Kaiser clinics at specified locations or inside certain Target stores.

⁵ Must be a true emergency or you will pay 100%.

⁶ Pre-certification is required for inpatient care except for delivery.

⁷ You must meet the family deductible before the plan shares expenses for any covered family member.

how the plans work

medical

Two different Preferred Provider Organization (PPO) Plans: Basic and Enhanced

The PPO plans have copays, deductibles and coinsurance. Remember to use in-network providers. Out-of-Network providers have separate 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 You pay for care

For most other services, you pay out of your own pocket until you meet your deductible.

Coinsurance You and Michaels share costs

After you meet 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 stay in-network — and you pay either 25% or 20% up to the 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

The biggest difference between the Choice HSA and Kaiser HRA plans is the amount of money Michaels puts into your account, and how the deductible works (see page 5). Remember, contributions to a Health Savings Account are portable. If you have an HSA when you leave Michaels, you can take that balance with you.

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. Use this money for covered services until the account balance reaches \$0. Unused HSA amounts roll over each year and are 100% yours to use on future eligible expenses. Unused HRA amounts roll over each year as long as you are enrolled in the Michaels Kaiser HRA.

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.

Coinsurance

You and Michaels 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

	Aetna Choice HSA	Kaiser HRA (CA only)
What is it?	An account, like a 401(k) for health care expenses. You can use the tax-free dollars to pay for eligible health care expenses now and in the future	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?	You can contribute up to \$3,350 (individual) or \$6,750 (family) pre-tax in 2023 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 Cannot be used for dental, prescription drug or vision expenses
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 receive covered medical services, 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 HealthEquity
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 benefits are 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 LIST ¹				
Retail ² & Mail Order ³	\$0 copay	\$0 copay	\$0 copay	\$0 copay ⁴
RETAIL ²				
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 Brand ⁵	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	\$30 copay
HOME DELIVERY ³				
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 Brand ⁵	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	\$60 copay
SPECIALTY PHARMACY ⁶				
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 Brand ⁵	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 Generic drugs and insulin only.

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

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.

90-day supply at your local CVS pharmacy, the same as through home delivery. The Kaiser HRA allows up to a 100-day supply.

save on prescriptions

medical

Check the formulary

All the Aetna plans use the **OptumRx® Value 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: OptumRx issues a new formulary in mid-May. Be sure to check the new formulary for any changes.

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 two times 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 OptumRx account, [click here](#).

additional wellbeing services

medical



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.

Teladoc

When you're enrolled in a Michaels medical plan, you and your covered dependents can speak with a board-certified doctor by phone or video 24/7. When you need care for common medical issues, the copay is only \$25 for all Aetna plans or \$20 for the Kaiser HRA. Receive dermatological services for a copay of \$50 in the Basic PPO, \$40 in the Enhanced PPO, or \$75 in the Choice HSA and Kaiser HRA. Connect with behavioral health experts with fees ranging from \$85 to \$190. 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 Aetna 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 Aetna 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.

Diabetes Management Program

This free program is available if you are enrolled in an Aetna medical plan. OptumRx will send invite packets based on medical claims and diabetes diagnoses. This program for high-risk diabetic members helps control the condition and includes one-on-one counseling and education.

Aetna® Kidney Support

This program is available to you and your covered dependents enrolled in an Aetna medical plan. It offers free personalized care with one-on-one nurse support for acute and chronic kidney disease and enhances coordination of care.

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. 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		
Bi-Weekly	\$14.12	\$5.77
Annually	\$367.12	\$150.02
YOU + SPOUSE/DOMESTIC PARTNER¹		
Bi-Weekly	\$32.28	\$10.54
Annually	\$839.28	\$274.04
YOU + CHILD(REN)		
Bi-Weekly	\$30.26	\$10.80
Annually	\$786.76	\$280.80
YOU + FAMILY		
Bi-Weekly	\$51.45	\$16.86
Annually	\$1,337.70	\$438.36

¹ By law, the cost for domestic partner benefits cannot be paid pre-tax, 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	
Bi-Weekly	\$3.30
Annually	\$85.80
YOU + SPOUSE/DOMESTIC PARTNER¹	
Bi-Weekly	\$6.24
Annually	\$162.24
YOU + CHILD(REN)	
Bi-Weekly	\$6.60
Annually	\$171.60
YOU + FAMILY	
Bi-Weekly	\$8.62
Annually	\$224.12

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

flexible spending accounts (FSAs)

tax-saving
benefits

Michaels offers FSAs to help you pay for eligible expenses with tax-free dollars. For a list of qualifying expenses visit <https://learn.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!

Health Care FSA

If you have medical coverage other than the Choice HSA plan, you can contribute up to \$3,050 pre-tax to a Health Care FSA. You can use this account to pay for eligible medical care, prescriptions, and 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 \$3,050 pre-tax and use the funds for non-medical expenses, like dental and vision costs, until you reach your medical deductible. Once you meet your medical deductible, you can convert to a regular Health Care FSA and use the remaining funds for medical and prescription drug costs, too.

Dependent Care FSA

You can contribute up to \$5,000 (\$2,500 if married but filing separately from your spouse) pre-tax to pay for eligible child or elder day care expenses throughout the year.

estimate your expenses carefully

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

- * If you participate in one of the Health Care FSAs and have a balance left as of June 30, 2023, you can only carry over up to \$570 to your FSA for the 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 pre-tax dollars. All Team Members are eligible for commuter benefits.

- * Contribute up to \$280 to the plan per year 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 \$280 to the plan per year 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/parking are deducted 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 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.

See **MIKBenefits.com** for bi-weekly premiums.

* **Basic Life Insurance and Accidental Death and Dismemberment (AD&D)** provides coverage of \$25,000, at no cost to you, if you are a full-time Team Member with Michaels.

* **Basic Dependent Life Insurance** (\$2,000 for spouse/ domestic partner and \$1,000 per child) is provided at no cost to you if you enroll your dependents in a Michaels medical or dental plan.

* **Optional Life Insurance** for yourself, your spouse/domestic partner and your children can be purchased. You can enroll for coverage of 1x – 5x your annual base pay, up to \$700,000 (in \$10,000 increments). The benefit for your spouse/domestic partner is \$5,000 – \$100,000 (in \$5,000 increments) and \$1,000 – \$10,000 (in \$1,000 increments) for your children. If you did not enroll when you were first eligible, you must provide EOI.

* **Optional AD&D Insurance** can be purchased for yourself, your spouse/domestic partner and your children for financial protection in the event of an accidental death or dismemberment. You can enroll for Optional AD&D coverage of 1x – 8x your annual earnings, and you can enroll your spouse and child(ren) for coverage, too! EOI is not required, even if you don't sign up when first eligible.



* **Short-Term Disability (STD)** replaces part of your income if you are unable to work due to illness or injury (not available in California, Massachusetts, New Jersey, New York, Rhode Island or Washington due to state coverage). STD coverage is provided at no cost for full-time salaried Team Members. Full-time hourly Team Members may purchase STD coverage unless you are in one of the states listed above. If you have a pre-existing condition¹, you may still be eligible for a reduced disability benefit.

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.

* **Long-Term Disability (LTD)** provides income protection if you become disabled and cannot work due to an illness or injury that lasts more than 90 days. LTD coverage is provided at no cost for full-time salaried Team Members. Full-time hourly Team Members may purchase LTD coverage. If you don't enroll when first eligible, you must provide EOI. Pre-existing conditions¹ are not covered.

* **Accident Insurance** provides a range of fixed, lump-sum benefits for injuries resulting from a covered accident. Benefits are paid directly to the insured and may be used for any expenses, from deductibles and prescriptions to transportation and childcare. For a list of covered illnesses, go to **MIKBenefits.com**.

* **Critical Illness Insurance** can be purchased to help bridge the gap financially if you are diagnosed with a covered illness (payments can be used for any expenses). For a list of covered illnesses, go to **MIKBenefits.com**. If you don't enroll when first eligible, you must provide EOI.

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 pre-tax, 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 \$0.50 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/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 59-1/2, 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.





let's enroll!



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



For info on your
options, go to
MIKBenefits.com

Need help
deciding which
plan to enroll in?

Use **eValueate** 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.