

# **2025 US Benefits Open Enrollment Overview**

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Michael's® 



# Agenda

- 1 Open Enrollment Intro
- 2 Medical and Prescription
- 3 Wellness Exams & Tobacco Cessation Programs
- 4 Pretax Accounts
- 5 Dental & Vision
- 6 Financial Protection
- 7 Programs for your Well-Being
- 8 Open Enrollment Reminders





## **Open Enrollment Considerations**

- Take the time to compare your benefit options to choose the right plan for you and your family.
- Add or removing dependents
- Get my wellness exam done before June 30, 2025!
- Update beneficiaries, home contact info, & tobacco status
- Don't forget 2026 FSA enrollment in October!



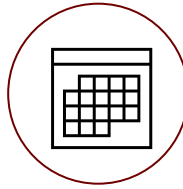
# Action To Take

Do not wish to make any changes to benefit plan elections or enrolled dependents?  
You're all set, no action needed!



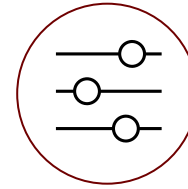
## ENROLL

Enroll in Workday  
anytime from  
**May 12 - 23**



## BEGINS

New Plan Year  
**July 1, 2025**  
through  
**June 30, 2026**



## Ongoing

- Updated enrollment can be viewed in Workday starting Jul 1, 2025
- Changes after OE are allowable only with a qualifying life event



# Investing in Your Well-being

As part of your total rewards offering, Michaels invests in healthcare options that will support you and your family to live healthy today, plan for your future, and be at your best!

## Comprehensive Health Plan

- Medical Plans including Prescription Drug Coverage
- Dental
- Vision
- Pretax Accounts:
  - Flexible Spending Accounts
  - Health Savings Account
  - Kaiser Health Reimbursement Account

## Financial Protection

- Employee Assistance Programs
- Life & AD&D / Disability
- Voluntary Life & AD&D to supplement company provided plans
- Short-Term & Long-Term Disability
- Accident, Critical Illness, and Hospital
- 401(k) Retirement Plan with Michaels Match
- Pet Insurance

*.....and more!*



# HIGHLIGHTS & REMINDERS

## 2025 Open Enrollment

No changes to any of Michaels benefit plans.

With health care costs continuing to rise, you will see slight increases to premiums on all medical and dental plans.

**Enhanced:** Successfully complete the Tobacco Cessation program and have the \$30 fee per person per paycheck fee removed right away.


**Reminder:** Complete your annual wellness exam before June 30 to avoid paying a \$30 surcharge per person per paycheck.

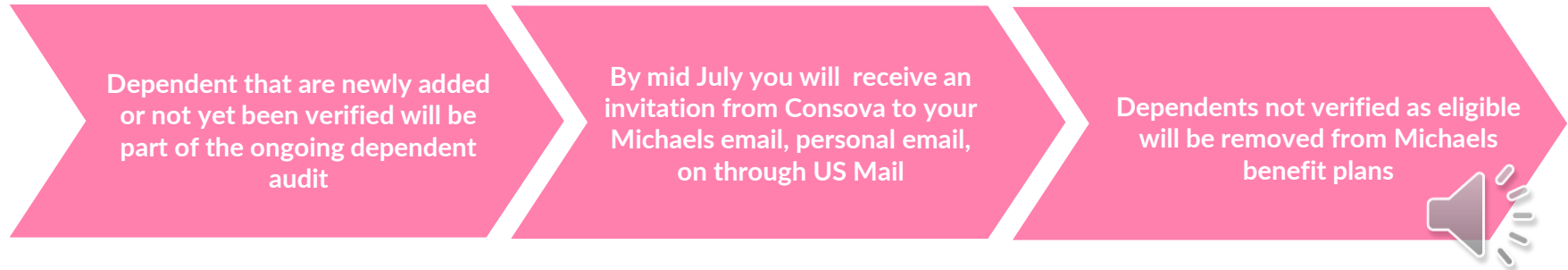
Team Members enrolled in a Michaels medical plan can order a Catapult In-home Virtual Kit and complete the wellness exam virtually!

**New:** Dependent Verification for newly enrolled dependents & dependents currently covers but not yet verified.



# NEW: Dependent Verification When Adding Dependent(s)

- When you add a dependent during Open Enrollment or have a dependent who has not been verified as eligible you will be part of a dependent verification audit.
- Team Members will receive an audit invitation from **consova** , a dependent verification company Michaels uses. The audit will begin in July.
- Team Members will be asked to provide appropriate documentation which includes, but not limited to, a birth certificate, court order, or marriage license, etc., to verify their dependent's eligibility to participate in our plans. A full listing of acceptable documentation is available at [MIKBenefits.com](https://mikbenefits.com)
- Conducting this audit will ensure Michaels remain compliant with the plan document. If your enrolled dependent is ineligible, you may be responsible for claims expense.





# Medical Plan Options

- Michaels provides all benefit-eligible Team Members three medical plan options through Blue Cross Blue Shield of Texas (BCBSTX).
  - BCBSTX Choice HSA
  - BCBSTX Basic PPO
  - BCBSTX Enhanced PPO
- Team Members in California have the flexibility to choose from these BCBSTX plans as well as the Kaiser Permanente HMO plan, which includes a Health Reimbursement Arrangement (HRA).
  - Kaiser HRA (California only)
- All available medical plans include comprehensive prescription drug coverage.

**Let's review some plan basics.**






# Medical Plan Designs (No Changes)

2025-2026 In-Network Plan Designs				
Plan Component	Choice HSA	Basic PPO	Enhanced PPO	Kaiser (for CA TMs)
Michaels HSA/HRA Funding	\$500 (TM) \$1,000 (TM + Dep)	N/A	N/A	\$425 (TM) \$950 (TM + Dep)
Deductible TM Only TM+ SP or Child(ren) TM+ Family	\$2,000	\$2,500	\$1,000	\$1,500
	\$4,500	\$5,000	\$2,000	\$3,000
	\$4,500	\$5,000	\$2,500	\$3,000
Max Out of Pocket TM Only TM+ Spouse or Child(ren) TM+ Family	\$6,000	\$4,500	\$4,500	\$3,000
	\$12,500	\$10,600	\$9,000	\$6,000
	\$14,500	\$10,600	\$10,000	\$6,000
Coinsurance (Plan %)	80%	75%	80%	80%
Preventive Care	Covered at 100%	Covered at 100%	Covered at 100%	Covered at 100%
Primary Care Office Visit	20% after ded.	\$25 copay	\$30 copay	\$20 copay
Specialist Office Visit	20% after ded.	\$50 copay	\$50 copay	\$20 copay
Telehealth	\$48	\$25 copay	\$25 copay	\$0
Urgent Care	20% after ded.	\$75 copay	20% after ded.	\$20 copay
Emergency Room	20% after ded.	25% after ded.	20% after ded.	20% after ded.
Retail Clinic	20% after ded.	\$25 copay	20% after ded.	\$20 copay
Hospital Care & Mental Health	20% after ded	25% after ded.	20% after ded.	20% after ded.
Routine Prenatal Care	\$0	\$0	\$0	\$0
Birth Delivery	20% after deductible	25% after deductible	20% after deductible	20% after deductible

# Prescription Drugs with Prime Therapeutics (No Changes)

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser HRA (CA only)
PREVENTIVE DRUG LIST: PPO/HSA: Retail up to 30 days. CVS Mail Order up to 90 days. Kaiser: Includes RXs as outlined by ACA.				
Retail & Mail Order	\$0 Copay	\$0 Copay	\$0 Copay	\$0 Copay For RX as listed in ACA
RETAIL: Up to a 30-day supply				
Generic	20% after deductible	\$14 copay	\$10 copay	\$10 copay
Preferred Brand	20% after deductible	25% of the cost (\$50 min, \$130 max)	\$35 copay	\$30 copay
Non-Preferred Brand*	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	50% after deductible (\$100 minimum; \$250 maximum)	\$30 copay
MAINTENANCE OR HOME DELIVERY. PPO/Choice HSA: Up to 90-day supply through CVS. Kaiser up to 100-day supply.				
Generic	20% after deductible	\$35 copay	\$20 copay	\$20 copay
Preferred Brand	20% after deductible	\$125 copay	\$70 copay	\$60 copay
Non-Preferred Brand*	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. Up to a 30-day supply. Specialty drug costs apply to out-of-pocket maximum.				
Generic	20% after deductible (\$200 maximum)	\$14 copay	\$10 copay	<div>\$30 copay for a 30-day supply in most cases</div> 
Preferred Brand	20% after deductible (\$250 maximum)	25% of the cost (\$50 minimum, \$130 maximum)	\$35 copay	
Non-Preferred Brand*	50% after deductible (\$350 maximum)	50% after deductible (\$350 maximum)	50% after deductible (\$350 maximum)	
OUT-OF-POCKET MAX: The most you will pay before Michaels pays 100% of the remining eligible prescription drug expenses for the rest of the plan year.				
Individual	Included in medical out-of-pocket maximum	\$2,050	Included in medical out-of-pocket maximum	Included in medical out-of-pocket maximum
Family		\$4,100		

# Medical & Prescription Premiums

- Your bi-weekly premiums are dependent upon what plan you choose and who you have enrolled in your plan.
- These premiums do not include the wellness surcharge and tobacco use fees.
- If your spouse is eligible for insurance coverage with their employer and you plan to cover them on your medical benefits, you will only be able to enroll in the **Enhanced PPO plan**. If you will not be enrolling them in medical, you may select any medical plan.

## Fee & Surcharges:

**Tobacco Use Fee:**  
\$30 per person per paycheck

**No Wellness Exam:**  
\$30 per person per paycheck

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser HRA (CA Only)
You	\$61.52	\$44.49	\$117.84	\$87.57
You + Spouse/ Domestic Partner 1	\$165.06	\$119.99	\$296.22	\$209.47
You + Child(ren)	\$121.55	\$80.89	\$225.84	\$165.60
You + Family	\$204.07	\$140.21	\$360.04	\$246.94

<sup>1</sup> 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.



# Use Tobacco and Enrolled in a Michaels Medical Plan?

- If you and/or your spouse/domestic partner are a tobacco user (including e-cigarettes/non-nicotine vaporizers) while enrolled in a Michaels medical plan, you pay a \$30 tobacco user fee per person, per paycheck, added to your medical premiums.
- **New to the Tobacco Cessation Program in 2025:** Successfully complete the program and you can have the \$30 fee per person per paycheck fee removed immediately!
- To learn more about the tobacco cessation program, visit [Tobacco Fee & Cessation Program - Michaels Benefits](#).

Quitting tobacco at no cost and saving on your medical premiums in easy as....

1

Complete the BCBSTX or Kaiser Tobacco Cessation Program.

2

Submit a Knowledge Zone ticket to waive the Tobacco fee(s) on your paycheck.

3

Benefits Team will verify your completion and remove the \$30 or \$60 fee(s).



# Annual Wellness Program

- Complete your annual wellness exam through your Primary Care Physician or Catapult's virtual wellness program.
- When you and/or your spouse/domestic partner complete a wellness exam before June 30, 2025, you can save the \$30 surcharge per person per paycheck on your 2025-2026 medical premiums.
- Have another annual before next June 30<sup>th</sup> to avoid the surcharge on your 2026-2027 premiums.



## Virtual Checkup by Catapult Health

- Catapult is a virtual wellness kit in a box.
- Complete your annual physical exam in the comfort of your own home.
- Schedule a virtual follow up with a Catapult nurse practitioner.
- To request a kit, please visit:  
[virtualcheckup.com/Michaels](https://virtualcheckup.com/Michaels)
- For additional info, please visit [Wellness Programs & Surcharges - Michaels Benefits](#)

**VirtualCheckup®**  
By Catapult Health



# Dental & Vision Plans

## Dental Provider

- PPO Plan
- DHMO Plan



## Vision Provider

- EyeMed Vision





# Dental Plan Recap & Bi-weekly Premiums

- With the **DPPO**, you can see any dentist, but you'll save by using an in-network provider.
- With the **DHMO**, you must choose a primary care dentist in the DHMO network for all your dental care, and there are no out-of-network benefits.



## Bi-weekly Premiums

	Cigna DPPO	Cigna DHMO
<b>You</b>	<b>\$15.50</b>	<b>\$5.99</b>
<b>You + Spouse/ Domestic Partner<sup>1</sup></b>	<b>\$35.42</b>	<b>\$10.92</b>
<b>You + Child(ren)</b>	<b>\$33.21</b>	<b>\$11.19</b>
<b>You + Family</b>	<b>\$56.46</b>	<b>\$17.48</b>

<sup>1</sup>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.

		Cigna DPPO	Cigna DHMO
<b>Preventative Services</b>	Oral Exams, Cleanings, X-rays	\$0 (in-network only)	\$0
<b>Deductible</b>	Individual	\$50	None
	Family	\$100	None
<b>Basic Services</b> Separate \$1,800 lifetime oral surgery max/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 required.
<b>Major Services</b>	Bridges, Crowns, Dentures	50% after deductible	You pay fixed copays according to the plan's schedule of benefits. Specialist referral required.
<b>Orthodontia</b> Separate \$2,000 lifetime orthodontia max/covered child	Children Through Age 18 Only	50%, no deductible	You pay fixed copays according to the plan's schedule of benefits. Specialist referral required.
<b>Annual Maximum Benefit</b>	Per Person	\$1,800	None

# Vision Plan Coverage and Premiums



EyeMed plan covers a vision exam and either lenses and frames or contact lenses once every 12 months.

What the Plan cost (Bi-weekly)	
You	\$3.30
You + Spouse/Domestic Partner <sup>1</sup>	\$6.24
You + Child(ren)	\$6.60
You + Family	\$8.62

	In-network You Pay	Out-of-network plan pays up to
<b>Exams</b>		
Vision exam	\$15 copay	\$40
<b>Glasses</b>		
Lenses	most \$20 copay	\$25-\$65
Lens Options	most 20% off retail price	\$8-\$20
Frames	any amount over \$130, plus 20% discount on amount over \$130	\$65
<b>Contact Lenses</b>		
Conventional	Up to \$130, plus 15% discount on amount over \$130	\$104
Disposable	up to \$130	\$104
Medically Necessary	\$0	\$200
<b>Contact - Fitting</b>		
Standard	\$0	\$40
Premium	Any amount over \$55, plus 10% discount on amount over \$55	\$40







**Health Savings Accounts (HSA)**  
**Health Reimbursement Accounts (HRA)**  
**Flexible Spending Accounts (FSA)**





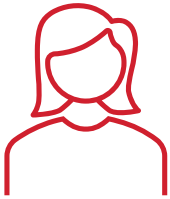
# Pretax Spending & Savings Accounts – How They Work

## Tax Savings:

Contributions to a pretax spending account like **Flexible Spending Accounts** or a **Health Savings Account**, are deducted from your paycheck before taxes, reducing your taxable income.

## Cost Efficiency:

You can use pretax funds to pay for eligible medical, dental, vision, or dependent care (child or adult), effectively getting more value out of each dollar you spend.



LUCY

Has a pretax account

- Has set aside \$1,000 in a pretax savings account through payroll deductions
- Can use this \$1,000 for a medical procedure and eligible expenses and is not taxed on that money.
- Saves about \$200 by not being taxed on the \$1,000 set aside.



LOUIS

Does not have a pretax account

- Has not been saving money in a pretax savings account.
- Must pay for a medical procedure and expenses with from dollars from this paycheck, which has been taxed.
- Paid about \$200 in taxes on the \$1,000.



	Health Saving Account (HSA)	Health Care FSA	Limited Purpose FSA	Dependent Care FSA	Health Reimbursement Account (HRA)
Eligibility	BCBS Choice HSA	BCBS Basic / Enhanced PPO Kaiser HRA Not Enrolled in a Medical Plan	BCBS Choice HSA	All benefit eligible Team Member	Kaiser (CA Only)
Contribution Limits	<ul style="list-style-type: none"> <li>2025 IRS Maximums: up to \$4,400 TM Only \$8,750 TM+Dep) Michaels contributes: \$500 if enrolled TM Only and \$1,000 for TM+ Dep annually.</li> <li>IRS limits include Michaels contributions.</li> <li>If you are aged 55+ you can contribute an extra \$1,000.</li> </ul>	\$3,300	\$3,300	A maximum of \$5,000 if you are married and filing a joint return, or if you are single parent (\$2,500 if you are married but filing separately).	<ul style="list-style-type: none"> <li>Michaels contributes: \$425 TM Only \$950 TM+Dep annually.</li> <li>You may not contribute.</li> </ul>
HSA Compatible	Yes	No	Yes	Yes	No
Funds Availability	Funds are available only as contributions are deposited	Full annual balance available on day one	Full annual balance available on day one	Funds are available only as contributions are deposited	You receive full contribution at the beginning of the medical plan year.
Eligible Expenses	Eligible medical, dental, vision and RX expenses.	Eligible medical, dental, vision and RX expenses.	Eligible dental and vision expenses only.	Eligible child/elder dependent care expenses For a full list, visit the HealthEquity website	Eligible medical, dental, vision and RX expenses.
Rollover	<ul style="list-style-type: none"> <li>Your full balance rolls over year after year</li> <li>You may invest your savings</li> <li>If you leave Michaels, you keep your account with any remaining funds.</li> </ul>	2025: Up to \$660 in unused funds Minimum of \$25	2025: Up to \$660 in unused funds Minimum \$25	None	HRA will roll over from year to year until you're no longer enrolled in the Michaels Kaiser HRA plan.

# Pretax Account Enrollment & Electing your 2026 Contributions

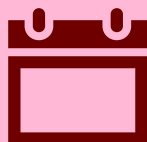
## Updating Your Pretax Contribution

- **FSA:** You **MUST** Make your per paycheck pretax contribution elections during the October enrollment period.
  - This amount will remain until 12/31 of each year, unless you have a qualifying life event that allows you to make changes.
- **HSA:** To participate in an HSA in 2026, you can make your 2026 per paycheck pretax contribution elections during the October enrollment period.
- **Bonus!** You can make HSA contribution changes anytime throughout the year.

## Pretax Account Timing & Effects



Michaels pretax plan elections will be in October 2025 for the 2026 calendar year!



Pretax Account Flexible Spending Accounts (FSA) and Health Savings Account (HSA) run on a calendar year (Jan-Dec) per the IRS.



Changing your medical plans at Open Enrollment can affect your FSA or HSA accounts for the remainder of the calendar year.





# Financial Protection and 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 voluntary plans.
- If you enroll when you're first eligible, an Evidence of Insurability (EOI) is not required. If you enroll after you're first eligible, the EOI is required and approval from provider before coverage begins for most of these benefits.
- Visit [MIKBenefits.com](https://mikbenefits.com) and select the plan from the Financial Security menu to see plan details including biweekly premiums.

# Financial Protection

Benefits to help protect your income if you become injured, disabled, or pass away



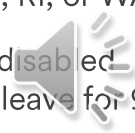
**Pet Health Insurance** can help you prepare for the unexpected with your pet's health. To find out more please visit <https://www.wishboneinsurance.com/michaels>

**wishbone**  
PET HEALTH INSURANCE

**RELIANCE STANDARD**  
LIFE INSURANCE COMPANY

*Michaels* THE MICHAELS COMPANY

- **Basic Life Insurance and Accidental Death and Dismemberment (AD&D)** - Michaels provides coverage of \$25,000 at no cost to you.
- **Basic Dependent Life Insurance** - Michaels provides coverage of \$2,000 for spouse/domestic partner and \$1,000 per child at no cost to you (must be enrolled).
- **Supplemental Life / Accidental Death and Dismemberment (AD&D) Insurance** - You can buy additional Life and/or Accidental Death and Dismemberment (AD&D) insurance for yourself, your spouse/domestic partner, and your children.
- **Voluntary Critical Illness Insurance** – pays lump sum benefit if diagnosed with a covered illness.
- **Voluntary Accident Insurance** - pays lump sum benefit for injuries resulting from a covered accident.
- **Voluntary Hospital Indemnity Insurance** – pays lump sum benefit for hospital stay, hospital admissions, and more.
- **Short-Term Disability (STD)** - replaces part of your income if unable to work due to illness or injury (not available in CA, MA, NJ, NY, RI, or WA).
- **Long-Term Disability (LTD)** - provides income protection if disabled and unable to work due to illness or injury after being out on leave for 90 days.



# Wishbone Pet Health Insurance

- Wishbone is Pet Insurance is accepted at any vet in the U.S., including emergency hospitals.
- You will receive 70% reimbursement on your pet's veterinary care after meeting the \$250 deductible.
- You can expect a fast reimbursement via a mailed check once your claim in submitted.
- Paid by credit card payment through Wishbone, not payroll deducted.
- Get a quote and enroll at: <https://www.wishboneinsurance.com/michaels>



**Sign Up Anytime!**

# Michaels 401(k) Retirement Plan

Give yourself the best chance to afford your retirement dreams by participating in the Michaels 401(k) plan.

Enroll into your 401(k) at anytime through Voya.

See [MIKBenefits.com](https://mikbenefits.com) for additional details.



## Eligibility



- Full-time Team Members age 21+ can enroll on Day 1.

## Vesting



- You are always 100% vested in your contributions, the company match, & earnings.

## Contribution Limit



- Contribute up to \$23,500 in 2025 (Traditional and/or Roth IRAs).
- Additional \$7,500 if age 50 or older.
- You can also contribute After-Tax (cannot exceed 10% of your eligible compensation).

## Investments



- Choose from a variety of investment strategies.
- Options for self-management or professional management.
- Contact Voya at 833-396-4015 for assistance.

## Company Contribution



- Michaels offers a 100% match on the first 3% of your contributions.
- Plus, 50% match on the next 2%.
- Matching begins after 3 months of service.
- After-Tax contributions are not eligible for the match.

## Enrollment



- You can enroll and make changes anytime after becoming eligible.
- Changes and enrollment are done through Voya.
- Visit [michaels401k.voya.com](https://michaels401k.voya.com) for more details.





# Programs for Your Well-Being

Available to ALL of Michaels Team Members (PT & FT):

**aetna**

Aetna Resources For Living <sup>SM</sup>



**Employee  
Assistance  
Program  
(EAP)**



- Free & Confidential Resource
- Available for you and your family
- Access even without Michaels benefits enrollment
- 24/7 Support - Call anytime for assistance
- Up to three face-to-face counseling sessions per issue, per year at no charge
- Online Resources - Information, help, and support

**Supportiv**



**Supportiv  
(online peer  
chats)**



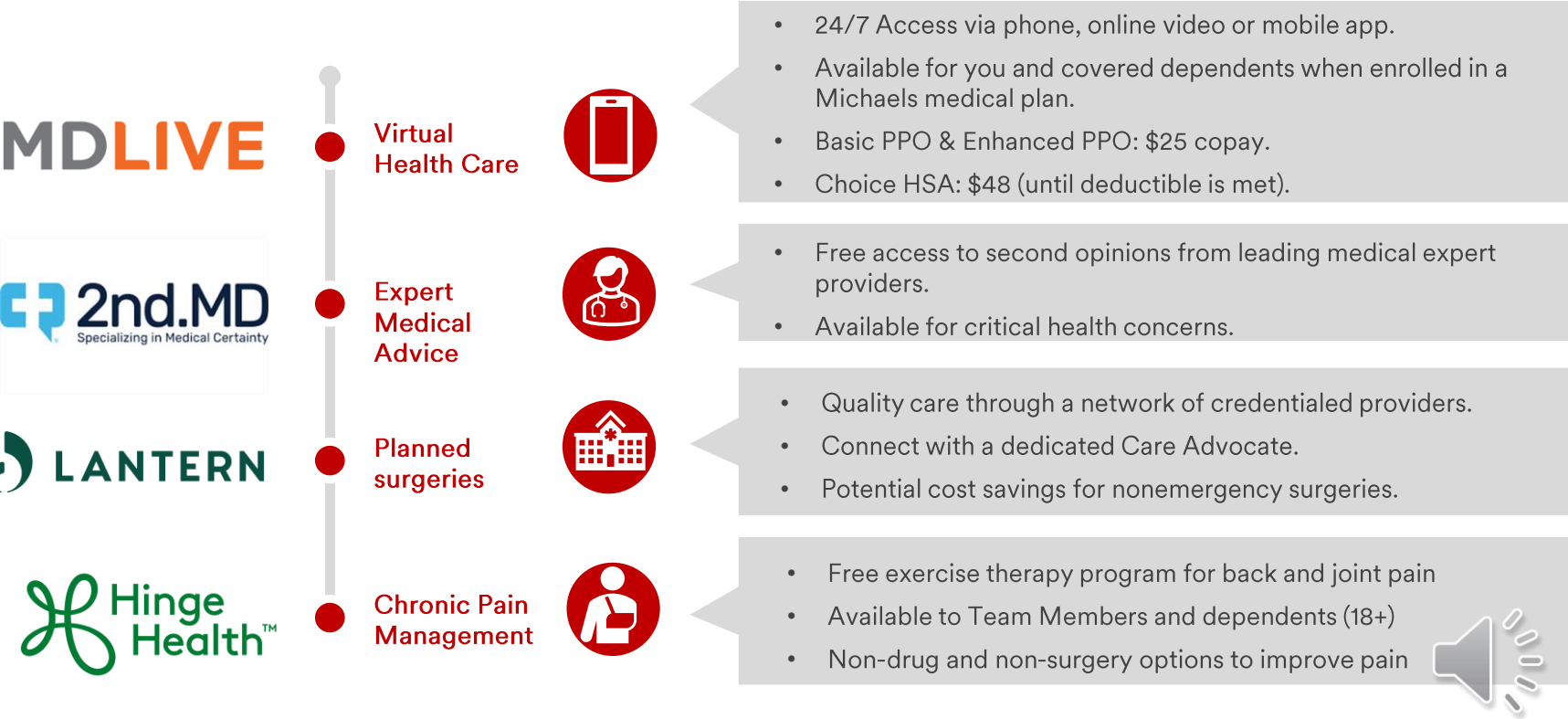
- Online Tool for Mental Health Support
- Engage in small group chats to discuss emotional or social struggles
- 100% Anonymous Discussions
- Guided by professional facilitators for safety
- Available 24/7
- Connect with others who can relate

To access this information, visit [mikbenefits.com](https://mikbenefits.com) > click Benefits > click EAP > click EAP Resources

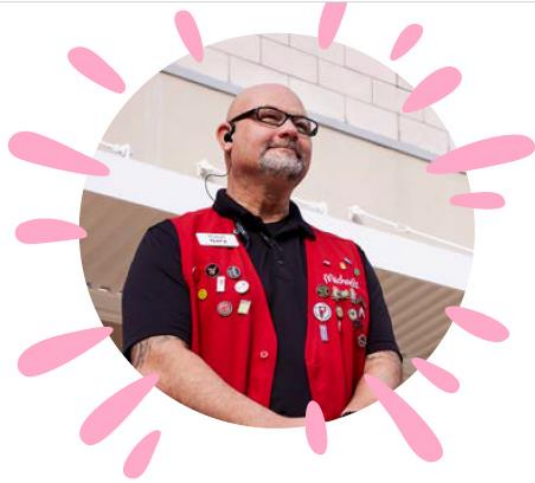


# Programs for Your Well-Being continued

Exclusive to Michaels members enrolled in a BCBS medical plan:



# Let's Review!



Complete your  
wellness exam  
by June 30 to  
avoid the \$30  
surcharge per  
person per  
paycheck

- No changes to plan designs!
- If you take no action, your current benefit elections will continue at the new 2025-2026 premium rates.
- You must actively enroll between May 12 – May 23 to:
  - Change your current benefit elections.
  - Add or remove dependents. If you add a dependent, you'll be required to provide eligibility verification.
  - Adjust your Voluntary Plan coverage limits. EOI or proof of good health may be required.
- **FSA enrollment will be in October, with an effective date of January 1, 2026.** You MUST elect your 2026 FSA pretax contribution the to contribute to your plan in 2026.
  - HSA enrollees can update their election anytime.
  - Changing medical plans may affect your FSA or HSA account.





# Let's Enroll!

## Open Enrollment Task



To enroll, go to  
[Workday](#)

## Need help deciding which plan to choose?

Use eEvaluate on  
[MIKBenefits.com](#)

Michael's



To learn more about your options, go to  
[MIKBenefits.com/open-enrollment](#)

## Need help enrolling?

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



Alliance DC





**Thank you!**

