



**Your Michaels benefits for the new plan year:
July 1, 2025 through June 30, 2026**

Create the Coverage for Your Life

Open Enrollment is
May 12–May 23, 2025

Michaels Everything
to create
anything™

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Our benefit plans follow a July 1 to June 30 plan year. However, Flexible Spending Accounts (FSAs) and the Health Savings Account (HSA) follow the calendar year. To make pretax contributions for the 2026 calendar year, you'll be required to make your FSA or HSA elections during the October 2026 enrollment period.

What You Need to Do

You **must** log in to Workday and actively enroll to:

- * Change your current benefit elections
- * Add or remove dependents
- * Make adjustments to your coverage for Life, Accidental Death and Dismemberment (AD&D), Voluntary Accident, and Voluntary Critical Illness Insurance. Evidence of Insurability (EOI) or proof of good health may be required based on any adjusted coverage amount(s).

If you take no action, your current benefit elections will continue at the new 2025–2026 premium rates. Please take the time to review this guide to make sure you understand the benefit programs available to you and your family.

Your 2025–2026 Benefits

At Michaels, we offer you and your eligible family members benefit programs and resources that support your life. This year, **Open Enrollment is May 12 through 23, 2025** for the plan year that begins July 1, 2025. Here are a few important reminders.

You Have Choices When It Comes to Benefits

You have a wide array of plans and options to suit your needs. To help you make the best decisions for you and your family, more information (including your 2025–2026 costs for coverage) is available in English and Spanish on the Open Enrollment Resources page at [MIKBenefits.com/open-enrollment](https://mikbenefits.com/open-enrollment).

Benefits for Peace of Mind

Michaels offers additional benefit options to help protect your income if you or your spouse/domestic partner are injured, disabled, or pass away. During Open Enrollment, you'll have the option to enroll or update your coverage. EOI or proof of good health may be required for some benefits based on the amount of any coverage changes. Enrollment in a medical plan is not required for certain benefits.

Dependent Eligibility Verification Will Be Required

If you add new dependents to any benefit plan, you will be required to submit documentation to verify their eligibility to participate in our plans. Documentation includes but is not limited to a birth certificate, court order, or marriage license, etc. Dependent verification is also required during the new hire process and qualifying life events. **As part of this Open Enrollment**, if you add a new dependent to your Michaels benefit coverage, you will be required to verify their eligibility.

Full dependent audit in July 2025: A full dependent verification audit of all enrolled dependents in Michaels benefit programs will be conducted in July. If you



previously added a dependent to your coverage and their eligibility was not verified, you will be required to submit appropriate documentation for those dependents.

Consova, our third-party administrator, will conduct the verification audit process and contact Team Members directly in mid-July 2025 to provide instructions and a timeline to complete verification.

IMPORTANT: Any covered dependents who are not verified as eligible will be determined ineligible. They will be removed from any Michaels benefit programs in which they are enrolled.

Choosing the Right Plan

Use the [eValue](#) tool to select the right medical plan for you and your family. Choosing a medical plan can be complicated, and the **eValue** tool on [MIKBenefits.com](https://mikbenefits.com) can help! The eValue tool offers transparency in plan costs and a way to model how you and your family use your medical plan. The more you know about the available choices, plans, and features, the easier it is to select and use your benefits wisely.



Wellness Exam and Tobacco Cessation Program

Annual Wellness Exam

If you, or you and your spouse/domestic partner have been enrolled in a Michaels medical plan on or before March 1, 2025, you each be required to complete an annual physical between July 1, 2024, and June 30, 2025, to avoid paying \$30 surcharge per person, per paycheck, on your medical premiums. If you are enrolled in a Michaels medical plan, you can complete your annual wellness exam with your primary care physician. Michaels provides a **convenient annual checkup** at no cost to you using the **Catapult Health VirtualCheckup home kit**.



Tobacco Cessation Program

If you and/or your spouse/domestic partner are a tobacco user (including e-cigarettes/non-nicotine vaporizers) while enrolled in a Michaels BCBSTX or Kaiser medical plan, you pay a \$30 fee per person, per paycheck, added to your medical premiums. You can qualify to have the fee removed by completing a tobacco cessation program, available to you free of charge. If you are enrolled in a BCBSTX medical plan, start your program by calling 877-269-1180 or visiting bcbstx.com/michaels. You can access **Kaiser's tobacco-free toolkit** if you are a California Team Member enrolled in the Michaels Kaiser medical plan.

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 insurance (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)
- * Certain changes in employment status
- * 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.

Questions?

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

Enrollment Checklist



Understand if you are required to complete enrollment.

If you do not want to make any changes to your benefit elections or covered dependents, no action is required. Your current elections will continue effective July 1, 2025, at the new 2025–2026 premium rates.

If you want to make changes to your benefit elections, you **must** actively enroll in to **Workday** to:

- * Change your current benefit elections
- * Add or remove covered dependents (dependent verification will be required for any new dependents and existing dependents that have not been verified)
- * Update your beneficiary information – you can change your beneficiary at any time



Know the new plan year.

With the exceptions of FSAs and the HSA, any changes you make during Open Enrollment will be in effect July 1, 2025, to June 30, 2026 unless you have a qualifying life event.



Know who's eligible.

If you work an average of 30 or more hours per week, you are eligible to participate in benefits as of the first of the month following 30 days of employment. If you enroll in benefits for yourself, you may also cover the following dependents:

- * Your legal spouse
- * Foster children
- * Same- or opposite-gender domestic partner
- * Legally adopted children
- * Natural children
- * Children for whom you have legal custody or court-appointed guardianship
- * Stepchildren
- * Children of your domestic partner

If you have not already done so, you will be required to submit documentation to verify that your dependents are eligible. **Important:** Any covered dependents who are not verified as eligible will be determined as ineligible and will be removed from any Michaels benefit programs in which they are enrolled.



Compare your medical options.

Michaels offers you a variety of medical plans. Use **eEvaluate** to help you choose the right medical plan for you and your family. Get started at **MIKBenefits.com**.



Review your Life Insurance.

Make sure you have the coverage you need to protect yourself and those you love. During Open Enrollment, you may adjust your voluntary coverage amounts. EOI or proof of good health may be required based on any adjusted coverage amounts.



Enroll online through **MIKBenefits.com/open-enrollment** and select **Enroll Now**.

Log in to **Workday**. Follow the prompts through each step of the enrollment process. You have the opportunity 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. When you are done, click **Review and Sign**. You **MUST** submit any changes you have made to finalize your choices.



Get ready to make your 2026 FSA and HSA elections.

If you want to make pretax Flexible Spending Account (FSA) and/or Health Savings Account (HSA) contributions beginning in January 2026, you'll have the opportunity to elect your pretax contribution amounts during our October FSA/HSA enrollment. As a reminder, HSA contribution amounts can be updated at any time.

Plan Options

Michaels offers all benefit-eligible 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 choose the **Kaiser Permanente** HMO plan with a Health Reimbursement Account (HRA). All plans include prescription drug coverage. Your choices are:

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

Find out if your provider participates in the BCBSTX network and make the most of your coverage by calling **877-269-1180** or visiting **bcbstx.com/michaels**. In certain areas, you can use a Select Network provider finder. Read on for more information and links.

Blue Cross Blue Shield Select Networks

Michaels partners with BCBSTX for our high-quality medical plans and broad network of providers to choose from. Effective July 1, 2025, BCBSTX and Michaels will implement new networks in the locations listed below. The same Michaels benefit plans will continue to be offered across all networks.

Depending on your location, you'll have access to either the BCBS Select Network or the BCBS BlueCard PPO Network. Team Members in the locations below can go to the specific websites listed to search for a provider. While some providers may no longer be considered in-network, a majority of Team Members should not experience disruption in their health care services. Team Members outside the locations below will continue to access the [BCBSTX.com/Michaels](https://www.bcbstx.com/Michaels) website to search for a provider.

BCBSTX Select Network Provider Finder links:

- * California – [Tandem PPO](#)
- * Colorado – [CO Pathway](#)
- * Florida – [Network Blue](#)
- * Georgia – [Blue Open Access POS](#)
- * Illinois – [Blue Choice PPO \(BCS\)](#)
- * Kansas City, Missouri – [Preferred Care](#)
- * New Jersey – [Horizon Managed Care Network](#)
- * Minnesota – [High Value Network](#)
- * St. Louis, Missouri – [Blue Access Choice](#)
- * Wisconsin – [Blue Preferred POS](#)

Your Biweekly Premium Costs

Pretax paycheck contributions for your medical coverage are based on the plan you choose and your covered eligible dependents. These rates do not include any surcharges or fees that may apply to you and/or your spouse or domestic partner if you do not complete your annual wellness exam or are a tobacco user. Learn more about our [wellness programs](#) and [tobacco cessation program](#) on [MIKBenefits.com](#).

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

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.

HSA/HRA Funding from Michaels

If you enroll in the Choice HSA or Kaiser HRA plan, Michaels will contribute to your HSA or HRA. Michaels contributes to the HSA for Team Members in the Choice HSA to use for eligible expenses. HSA funds are yours to use for current or future eligible expenses, even if you leave Michaels. The Kaiser HRA is available for California-based Team Members only, and HRA funds will automatically be applied to first-dollar out-of-pocket medical expenses.

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser HRA (CA only)
Team Member Only	\$500	N/A	N/A	\$425
Team Member + Family Members	\$1,000			\$950

Plan Design at a Glance

This table provides a high-level summary of each plan's features and **what you pay for services**. For full plan information, please review the Summaries of Benefits and Coverage for each plan available in the [Document Library on MIKBenefits.com](#).

	Choice HSA		Basic PPO		Enhanced PPO		Kaiser (CA Only)
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network Only
PLAN YEAR DEDUCTIBLE							
Team Member Only	\$2,000	\$5,000	\$2,500	\$5,000	\$1,000	\$2,000	\$1,500
Team Member + Spouse or Child(ren)	\$4,500	\$10,000	\$5,000	\$10,000	\$2,000	\$4,000	\$3,000
Team Member + Family	\$4,500	\$12,500	\$5,000	\$12,500	\$2,500	\$5,000	\$3,000
PLAN YEAR OUT-OF-POCKET MAXIMUM							
Team Member Only	\$6,000	\$10,000	\$4,500	\$10,000	\$4,500	\$9,000	\$3,000
Team Member + Spouse or Child(ren)	\$12,500	\$20,000	\$10,600	\$20,000	\$9,000	\$18,000	\$6,000
Team Member + Family	\$14,500	\$20,000	\$10,600	\$20,000	\$10,000	\$20,000	\$6,000
COINSURANCE	20% after deductible	50% after deductible	25% after deductible	50% after deductible	20% after deductible	50% after deductible	20% after deductible
PREVENTIVE CARE	Covered at 100%	50% after deductible	Covered at 100%	50% after deductible	Covered at 100%	50% after deductible	Covered at 100%
PRIMARY CARE OFFICE VISIT	20% after deductible	50% after deductible	\$25 copay	50% after deductible	\$30 copay	50% after deductible	\$20 copay
SPECIALIST OFFICE VISIT	20% after deductible	50% after deductible	\$50 copay	50% after deductible	\$50 copay	50% after deductible	\$20 copay
TELEHEALTH	\$48	N/A	\$25 copay	N/A	\$25 copay	N/A	\$0
URGENT CARE	20% after deductible	50% after deductible	\$75 copay	50% after deductible	20% after deductible	50% after deductible	\$20 copay
EMERGENCY ROOM	20% after deductible	20% after deductible	25% after deductible	25% after deductible	\$250 copay + 20%	\$250 copay + 20%	20% after deductible
RETAIL CLINIC	20% after deductible	50% after deductible	\$25 copay	50% after deductible	20% after deductible	50% after deductible	\$20 copay
HOSPITAL CARE AND MENTAL HEALTH	20% after deductible	50% after deductible	25% after deductible	50% after deductible	20% after deductible	50% after deductible	20% after deductible
ROUTINE PRENATAL CARE	\$0	50% after deductible	\$0	50% after deductible	\$0	50% after deductible	\$0
BIRTH DELIVERY	20% after deductible	50% after deductible	25% after deductible	50% after deductible	20% after deductible	50% after deductible	20% after deductible

How the Plans Work: Basic PPO, Enhanced PPO, and Kaiser HRA

The PPO and HRA plans have copays, deductibles, coinsurance, and out-of-pocket maximums. In-network providers have agreed to accept negotiated, discounted rates for covered services. Out-of-network providers are more expensive and have separate, higher deductibles and out-of-pocket maximums. Summaries of Benefits and Coverage for each plan are available in the [Document Library on MIKBenefits.com](#).

Copay

Office visits and prescriptions

- * Copays are a fixed cost you pay at the time a service is provided.
- * Generally, copays apply to primary care physicians, specialists, urgent care, and prescription medications.
- * Copay amounts count toward your out-of-pocket maximum.

Deductible

Your cost for services until coinsurance begins

- * For covered services that don't have a copay, you pay 100% of the cost until you meet your deductible.
- * Deductible amounts vary based on your coverage level – Team Member only, Team Member + spouse or child(ren), or Team Member + family.
- * Once you or one of your dependents meet the deductible, coinsurance applies for that member.
- * Any additional covered family members must meet their own deductible before coinsurance applies, **OR** until the family deductible is met.
- * Amounts you pay toward deductibles count toward out-of-pocket maximums, if applicable.

Coinsurance

You and Michaels share costs

- * After you meet your deductible, coinsurance applies – you and Michaels share the cost for most covered services.
- * When you use in-network providers, coinsurance applies until the out-of-pocket maximum is reached.
- * Coinsurance amounts you pay count toward 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, the plan pays 100% of your eligible covered costs for the rest of the plan year.
- * The Basic PPO has a separate out-of-pocket maximum for prescription drugs.

How the Plan Works: Choice HSA

Health Savings Account (HSA)

Use now or save for the future

- * Michaels funds your HSA account to help you pay for eligible medical expenses.
- * You can also contribute pretax dollars to your HSA up to IRS annual maximums.
- * You have the options to invest your HSA funds. Visit [HealthEquity.com](https://www.healthequity.com) to learn more.

Deductibles

Your cost for services until coinsurance begins

- * Whether you choose to use your HSA funds or pay out of pocket, you will pay 100% of the cost for services until you meet your deductible.
- * Deductible amounts vary based on your coverage level – Team Member only, Team Member + spouse or child(ren), or Team Member + family.
- * The total deductible **must** be met before coinsurance starts for **any** family member.
- * The total deductible can be met by one or more family members.
- * Amounts you pay toward deductibles count toward out-of-pocket maximums, if applicable.

Coinsurance

You and Michaels share costs

- * After you meet your deductible, coinsurance applies – you and Michaels share the cost for most covered services.
- * When you use in-network providers, coinsurance continues until the family out-of-pocket maximum is reached.
- * Coinsurance amounts you pay count toward 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, the plan pays 100% of your eligible covered costs for the rest of the plan year.

Prescription Drugs

Prescription drug coverage is included with all medical plans. Here's what you pay using in-network providers. There is no out-of-network coverage for prescription drugs. For more information on covered preventive drugs, review the list on [MIKBenefits.com](https://www.mikbenefits.com).

	Choice HSA	Basic PPO	Enhanced PPO	Kaiser (CA only)
PREVENTIVE DRUGS – PPO/HSA: Retail up to 30-day supply; CVS mail order up to 90 days. Kaiser: Includes medications outlined by ACA				
Retail and Mail Order	\$0 copay	\$0 copay	\$0 copay	\$0 copay For medications as listed in ACA
RETAIL: Up to 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 MEDICATIONS OR HOME DELIVERY – PPO/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 30-day supply; specialty drug costs apply toward out-of-pocket maximum				
Generic	20% after deductible (\$200 maximum)	\$14 copay	\$10 copay	\$30 copay for a 30-day supply in most cases
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 MAXIMUM: The most you will pay before the plan covers 100% of the remaining eligible prescription drug costs for the remainder 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	Included in medical out-of-pocket maximum	\$4,100	Included in medical out-of-pocket maximum	Included in medical out-of-pocket maximum

* Non-preferred brand medication costs do not count toward out-of-pocket maximums.

Save on Prescriptions

Prescription drug costs continue to rise. If you are enrolled in a BCBSTX medical plan, you have options available to lessen the financial burden.

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 your medication is not included on the formulary list, ask your doctor whether another drug will work for you.
- * 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), you'll save with home delivery.
- * You are allowed to fill a 30-day maintenance prescription once at a retail pharmacy.
- * After that, you must get a 90-day supply through home delivery or at your local CVS Pharmacy.

Use Discounts

- * Compare prices at [BCBSTX.com/michaels](https://www.bcbstx.com/michaels) and check your drug manufacturer's website for discounts.
- * The cost of a prescription may differ by more than \$100 between pharmacies. Do the math and compare pharmacies!

How to Access the Formulary

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

Split-Fill Program for Select Specialty Drugs

If you receive a new prescription for certain specialty drugs, you may try a smaller quantity of the drug before the full month's supply is filled.



Pretax Benefits to Pay for Eligible Expenses

Michaels offers a variety of pretax accounts that allow you to set aside dollars to pay for eligible expenses while lowering your taxable income! You have the following options for pretax accounts, and participation may be restricted based on your medical plan election or IRS rules. The chart on the next page has more information to help you compare your options.

- * **Health Savings Account (HSA):** Team Members who enroll in the Choice HSA plan can set aside pretax dollars to use for eligible medical, prescription drug, dental, and vision expenses now or in the future. Michaels helps you get your savings started with a company contribution to the account, and the funds are yours to keep even if you leave the company or change medical plans.
- * **Health Care Flexible Spending Account (FSA):** Team Members who are enrolled in a PPO plan, the Kaiser HRA plan, or no medical plan can use Health Care FSA funds for eligible medical, prescription drug, dental, and vision expenses. If you enroll in the Choice HSA plan, you are not eligible to have a Health Care FSA.
- * **Limited Purpose FSA:** Team Members in the Choice HSA plan can participate in the Limited Purpose FSA to set aside pretax dollars to use for eligible dental and vision expenses only.
- * **Dependent Care FSA:** Any benefits-eligible Team Member can set aside pretax money to use for eligible dependent and elder care expenses.

- * **Health Reimbursement Account (HRA):** California-based Team Members enrolled in the Kaiser HRA plan automatically receive tax-free dollars to use for eligible medical, dental, vision, and prescription drug expenses. Team Members cannot contribute to this account.
- * **Commuter Benefit:** Team Members can set aside pretax dollars for qualified transit and parking expenses.

Enrolling in a Pretax Account

Team Members will have the opportunity to make FSA and/or HSA elections in October 2025 for the 2026 calendar year, as a new hire, or in the case of a qualifying life event.

- * **FSA:** To participate in an FSA in 2026, you **MUST** make your per-paycheck contribution elections during the October 2026 FSA/HSA enrollment period. Your contribution elections will remain in effect until December 31 of each year, unless you experience a qualifying life event that allows you to make changes to your FSA.
- * **HSA:** To participate in an HSA in 2026, you can make your 2026 per-paycheck contribution elections during the October 2026 FSA/HSA enrollment period. You can make HSA contribution changes any time throughout the year.

What Happens to Your FSA/HSA if You Change Medical Plans

If you change from one medical plan type to another (for example, PPO to HSA), it can affect your current FSA or HSA election for the remainder of the calendar year. Here are some examples of how changing your medical plan enrollment can affect your pretax account.



Benefit Election Effects on FSAs, HSAs, and HRAs	Flexible Spending Accounts (FSAs)	Health Savings Account (HSA)
Enrolled in: PPO or Kaiser* Change to: Choice HSA <small>* If you change from the Kaiser HRA to the Choice HSA, you will no longer receive the HRA contribution from Michaels.</small>	Health Care FSA: If you participate in a Health Care FSA, your FSA and pretax contributions to the account will be automatically transitioned from the Health Care FSA to the Limited Purpose FSA effective July 1, 2025. You can opt out of the Limited Purpose FSA during the October FSA/HSA enrollment period with an effective date of Jan. 1, 2026.	HSA: You will be eligible for a Michaels HSA contribution. You can elect this account during Open Enrollment. The 2025 HSA pretax contribution you elect will stay in place for the remainder of 2025, unless you change it during the year. In October, you will elect your 2026 HSA contribution amount. Bonus! You can change your contribution amount any time during the year.
Enrolled in: Choice HSA Change to: PPO	Limited Purpose FSA: If you are enrolled in the Limited Purpose FSA, your account and the pretax contributions will be automatically transitioned to the Health Care FSA effective July 1, 2025. You can opt out of the Health Care FSA during the Michaels October FSA/HSA enrollment period with an effective date of Jan. 1, 2026.	If you enroll in a PPO plan, you are required to stop contributing to your HSA. Your unused HSA funds remain available to use.
Enrolled in: Basic PPO Change to: Enhanced PPO Or vice versa	Health Care FSA: If enrolled in this plan, your 2025 contributions will stay in place for the remainder of 2025. In October 2025, you will have the opportunity to elect your 2026 pretax Health Care FSA contribution amount.	The HSA is not available with the PPO plans.

Pretax Account Side-By-Side Comparison

Pretax accounts allow you to use pretax deductions from your paycheck to use for eligible expenses while lowering your taxable income.

Enroll in October to contribute pretax dollars in 2026!

Account and Eligibility	About the Account	Eligible Expenses	Using Funds for Eligible Expenses	Annual Maximum Contributions
Health Reimbursement Account (HRA) – enrolled in Kaiser HRA plan	<ul style="list-style-type: none"> * Michaels contributes tax-free dollars. * You receive the full company contribution at the beginning of the plan year. * The company contribution may be prorated if you are a new hire. 	<ul style="list-style-type: none"> * Medical, prescription drug, dental, and vision expenses that qualify based on IRS rules * List of eligible expenses: HealthEquity.com 	HRA automatically debited when you receive covered medical services, or submit a claim through Kaiser	<ul style="list-style-type: none"> * Company contribution of \$425 for Team Member only; \$950 if you cover one or more family members * Team Members cannot contribute to the account
Health Care Flexible Spending Account (FSA) – enrolled in a PPO, Kaiser HRA, or no medical plan	<ul style="list-style-type: none"> * You make pretax contributions through payroll deductions. * If you leave the company, any unused funds may be forfeited. 	<ul style="list-style-type: none"> * Medical, prescription drug, dental, and vision expenses that qualify based on IRS rules * List of eligible expenses: HealthEquity.com or IRS publication 502 	Full annual election amount available at start of plan year (or at enrollment if a new hire)	<ul style="list-style-type: none"> * \$3,300 annual maximum contribution * Carry over up to \$660 of unused funds at end of plan year
Dependent Care FSA – all benefits-eligible Team Members can participate	<ul style="list-style-type: none"> * You make pretax contributions through payroll deductions. * If you leave the company, any unused funds may be forfeited. 	<ul style="list-style-type: none"> * Child or elder day care expenses that allow you to work and qualify based on IRS rules * List of eligible expenses: HealthEquity.com or IRS publication 503 	Funds available as you make contributions	\$5,000 annual maximum contribution (or \$2,500 if married filing separate tax returns)
Limited Purpose FSA – enrolled in Choice HSA plan	You make pretax contributions through payroll deductions.	<ul style="list-style-type: none"> * Dental and vision expenses not reimbursed through your HSA and qualify based on IRS rules * List of eligible expenses: HealthEquity.com or IRS publication 502 	Full annual election amount available at start of plan year (or at enrollment if a new hire)	<ul style="list-style-type: none"> * \$3,300 annual maximum contribution * Carry over up to \$660 of unused funds at end of plan year
Health Savings Account (HSA) – enrolled in Choice HSA plan	<ul style="list-style-type: none"> * Michaels contributes tax-free dollars each pay period. * You can contribute pretax dollars from each paycheck. * You may invest your savings based on plan provisions. * If you leave Michaels, you keep your account and any unused funds. 	<ul style="list-style-type: none"> * Medical, prescription drug, dental, and vision expenses that qualify based on IRS rules * List of eligible expenses: HealthEquity.com or IRS publication 502 	<ul style="list-style-type: none"> * Company contributions made each pay period * Your contributions available as you make them * Use HSA debit card at point of service or submit a claim through HealthEquity 	<ul style="list-style-type: none"> * Company contribution of \$500 for Team Member only; \$1,000 if you cover one or more family members * 2026 IRS annual maximum of \$4,400 for Team Member only; \$8,750 if you cover one or more family members (limit includes company contribution) * Catch-up contribution of up to \$1,000 allowed for age 55+

Note: This chart is for general guidance and not intended to direct personal plan decisions. Please consult with your family, your benefits advisor, or your tax advisor when deciding which account is best for you and your family.



Programs for Your Well-Being

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, per year at no charge using the EAP. Whatever is happening in your life, online EAP resources can provide information, help, and support.

Supportiv

Supportiv is an online platform that lets you talk through any mental health, emotional, or social struggles in small group chats with people who can relate. Available to you and your family (children over the age of 13), discussions are anonymous and are guided and safeguarded in real time by professional facilitators. Supportiv is anonymous and available 24/7.

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. The Basic PPO and Enhanced PPO have a \$25 copay for virtual visits. For the Choice HSA, the cost for a virtual visit is \$48 (until you meet your deductible, and then coinsurance applies). Kaiser HRA plan members may similarly register and seek care from Kaiser Telehealth services, and the cost for the visit is \$0.

2nd.MD

Michaels BCBSTX 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.

Lantern Surgery Care

Lantern Surgery care 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.

Pet Insurance

Enroll in pet health insurance from Wishbone and receive 70% reimbursement on your pet's veterinary care. With a low deductible of \$250, protecting your pet's health and your finances has never been easier. Wishbone Pet Insurance is accepted at any vet in the United States, including emergency hospitals.

Dental

The **Cigna Dental 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 be required to choose a new dentist in the Cigna DHMO network.

	Cigna PPO	Cigna DHMO
PREVENTIVE SERVICES		
Oral Exams, Cleanings, X-rays	\$0 (in-network only)	\$0
PLAN YEAR 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 Biweekly Premium Cost

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

	Cigna PPO	Cigna DHMO
Team Member	\$15.50	\$5.99
Team Member + Spouse/Domestic Partner ¹	\$35.42	\$10.92
Team Member + Child(ren)	\$33.21	\$11.19
Team Member + Family	\$56.46	\$17.48

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.

Vision

Michaels offers vision coverage through EyeMed Vision Care. When you stay in-network, you will likely pay less. If you use an out-of-network provider, you pay the full cost up front 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, either eyeglass lenses or contact lenses, and eyeglass frames 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 Lenses	\$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 Biweekly Premium Cost

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

Team Member	\$3.30
Team Member + Spouse/ Domestic Partner ¹	\$6.24
Team Member + Child(ren)	\$6.60
Team Member + Family	\$8.62

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.

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 Life, Voluntary AD&D, Long-Term Disability, Accident, Critical Illness, or Hospital Indemnity 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](https://mikrbenefits.com) and select the plan from the **Financial Security** menu to see more information about these plans, including biweekly premiums.

Benefit	Available Coverage	Plan Overview and Eligibility	Paid By
Basic Life Insurance and Accidental Death and Dismemberment (AD&D)	<ul style="list-style-type: none"> * \$25,000 Basic Life coverage * \$25,000 AD&D coverage 	<ul style="list-style-type: none"> * You are eligible if you are a full-time Michaels Team Member. * The plan provides a benefit if you become injured, disabled, or pass away. 	Michaels
Basic Dependent Life Insurance	<ul style="list-style-type: none"> * \$2,000 for spouse/domestic partner * \$1,000 per child 	You must enroll dependents in the Basic plan during enrollment.	Michaels
Voluntary 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; increase coverage by up to \$40,000 during Open Enrollment) * Spouse/domestic partner: \$5,000 to \$100,000 when first eligible (\$5,000 increments; increase coverage by up to \$5,000 during Open Enrollment) * Children: \$1,000 to \$10,000 (\$1,000 increments) 	<ul style="list-style-type: none"> * You are eligible if you are a full-time Michaels Team Member. * The plan provides an additional benefit if you become injured, disabled, or pass away. * Spouse/domestic partner or child enrollment is dependent on your own enrollment. * EOI is required if you did not enroll when first eligible. 	Team Member; enrollment is voluntary
Voluntary AD&D Insurance	<ul style="list-style-type: none"> * 1x to 8x annual base pay, up to \$700,000 * Coverage available for dependents 	<ul style="list-style-type: none"> * The plan provides an additional benefit. * No EOI is required. * Team Members, spouses, domestic partners, and children are eligible. 	Team Member; enrollment is voluntary
Short-Term Disability (STD)	<ul style="list-style-type: none"> * 100% of base pay for salaried Team Members * 60% of base rate for hourly Team Members * Reduced benefit may be available for pre-existing conditions¹ * Exclusions: STD not available in California, Connecticut, the District of Columbia, Massachusetts, New Jersey, New York, Rhode Island, or Washington due to statutory state coverage 	STD offers wage replacement if you are unable to work due to a non-work-related health condition or injury.	Michaels pays for coverage for salaried Team Members; enrollment is voluntary for hourly Team Members
Long-Term Disability (LTD)	<ul style="list-style-type: none"> * 60% of weekly earnings up to \$7,500 monthly for salaried Team Members * 60% of weekly earnings up to \$5,000 monthly for hourly Team Members 	<ul style="list-style-type: none"> * LTD provides wage replacement if you cannot work for more than 90 days due to a non-work-related health condition or injury. * EOI is required if you did not enroll when first eligible. * No coverage for pre-existing conditions.¹ 	Michaels pays for coverage for salaried Members; enrollment is voluntary for hourly Team Members
Accident Insurance	Review list of covered health conditions and lump sum amounts on MIKBenefits.com	<ul style="list-style-type: none"> * Accident Insurance provides a range of fixed, lump-sum benefits for injuries resulting from a covered accident. * Payments can be used for any expense. 	Team Member; enrollment is voluntary
Critical Illness Insurance	<ul style="list-style-type: none"> * Guaranteed issue by coverage tier: <ul style="list-style-type: none"> – Team Member: \$30,000 – Spouse/domestic partner: \$15,000 – Child(ren) up to age 26: \$25,000 * May increase coverage * Pre-existing condition limitation¹ 	<ul style="list-style-type: none"> * Critical Illness Insurance offers lump-sum payments to bridge the gap financially if you are diagnosed with a covered illness. * Benefit amounts are paid based on condition. * EOI is required if you did not enroll when first eligible. * Payments can be used for any expense. 	Team Member; enrollment is voluntary
Hospital Indemnity Insurance	Lump sum payment in the event of a covered hospital stay	<ul style="list-style-type: none"> * Review payments for hospitalization on MIKBenefits.com. * Payments can be used for any expense. 	Team Member; enrollment is voluntary

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

Invest in your future by participating in the 401(k) Plan.

Open Enrollment is a great time to review all your benefits – including your Michaels 401(k) plan. Michaels partners with you to build your retirement savings.

- * **Eligibility:** Full-time Team Members are eligible to enroll on day 1 with Michaels, if age 21 or over. Contribute up to \$23,500 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. Full-time Team Members are eligible for company contributions after three months of service.
- * **Vesting:** Your contributions and earnings 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:** The annual maintenance loan fee is \$25; the web or voice-initiated fee is \$75.
- * **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 your account or call Voya at 833-396-4015.
- * **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 michaels401k.voya.com to learn more.



Let's Enroll!



To enroll, go to
[Workday](#)



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

**Need help
deciding which
plan to choose?**

Use [eValue](#) on
[MIKBenefits.com](https://mikbenefits.com)

**Need help
enrolling?**

Contact Team Member Services
at **855-432-MIKE**
(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 (SMM) as required by the Employee Retirement Income Security Act of 1974 (ERISA), as amended.