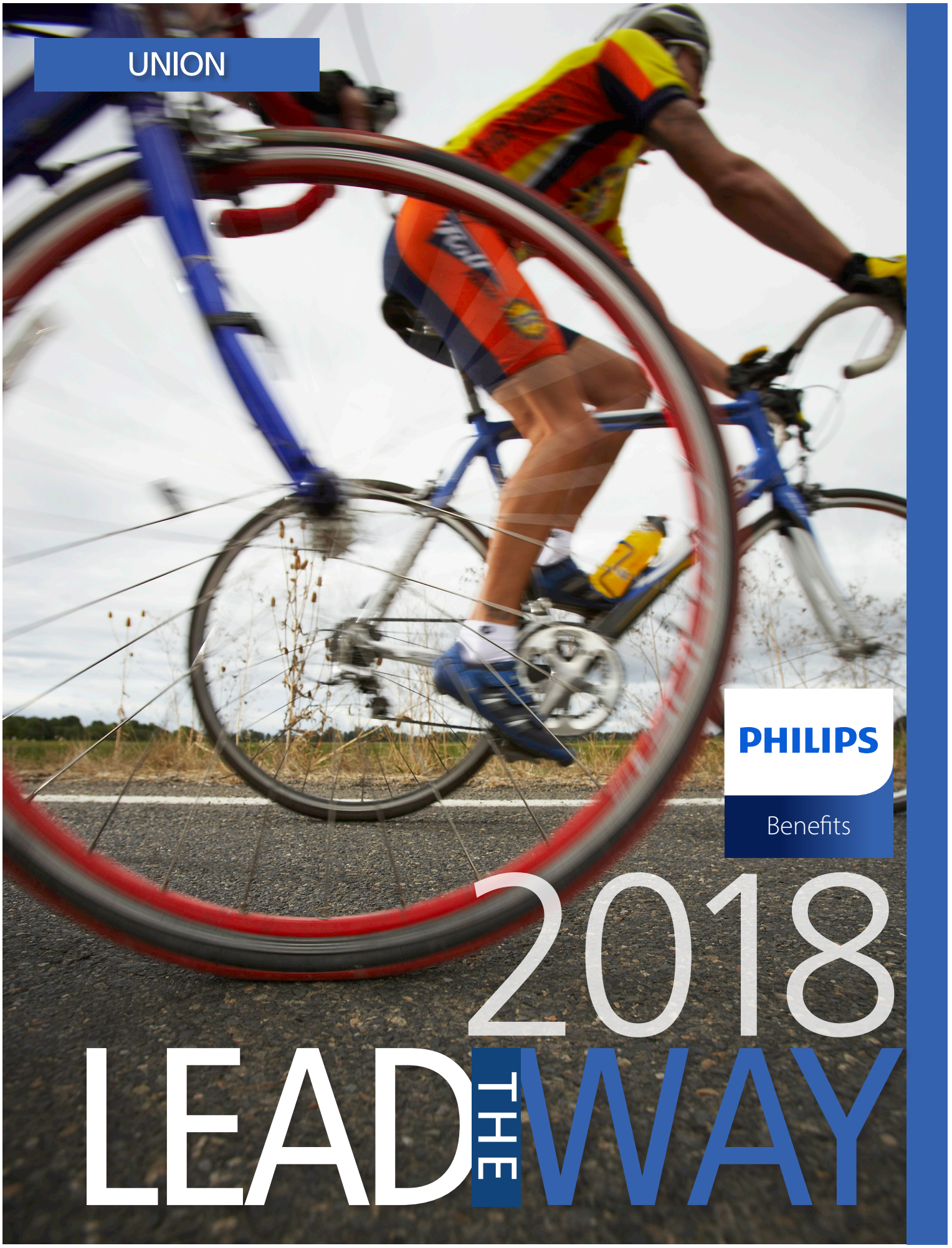
UNION
PHILIPS
Benefits
2018
LEAD THE WAY

What's INSIDE?

Think before you print. To reduce costs and help save the environment, we ask if you need to print this Guide, please print in black and white.

Dear Fellow Employees ~

Welcome to Open Enrollment for 2018!

Thank you for your continued commitment to Philips and our customers. As part of your total rewards, Philips firmly believes that comprehensive, affordable, quality health insurance is one of the most important benefits we can offer you. We have taken great strides to continue to maintain a wide-ranging and competitive benefits program that is valued by our employees.

A two-week online benefits open enrollment period will begin **October 25** and conclude **November 8**. This is your only opportunity to review and make changes to many of your benefits (unless you experience a qualified life event during the year). If you do not make any changes, all of your 2017 elections will roll over into 2018 (with the exception of Flexible Spending Accounts).

The information in this Open Enrollment Decision Guide is intended to inform you of your options and simplify your enrollment process.

The last page of this guide includes an open enrollment checklist for your reference. If you have any questions during the benefits open enrollment period, please contact Health Advocate Benefits Gateway at **888-367-7223, Option 1**, 8:00 a.m. - 9:00 p.m. Eastern time Monday-Friday.

Thank you again for what you do each day to enable Philips's success.

Healthy Regards,

Dana Stocks
Head of HR Philips North America

Benefits Enrollment 2018

October 25 — November 8

What Do I Have to Do?

- **Confirm Your Personal Information Is Correct.** During open enrollment it's important to review your and your dependents' personal information in Benefits Central and update for any changes. It's also a good time to review your personal information in WorkDay and update if needed.

  In accordance with the Affordable Care Act (ACA), the IRS requires social security numbers to be reported for each covered dependent in a Philips medical plan. Please take this opportunity to review and update social security numbers for all covered dependents.

- **Review the information in this guide.** All open enrollment information is also available on the Philips Open Enrollment Site, easily accessible by you and your family members from any computer or mobile device. No password is required! Go to **www.philips.com/benefits**

- **Beginning October 25th, access Benefits Central to review your 2018 benefit coverage(s).** Open enrollment is **online only**. No paper or telephonic enrollment options are available.

  - Access the Philips network: **https://pww-portal.philips.com** Click Benefits Central in the Application Launcher.
  - Or go directly to Benefits Central: **https://PhilipsBenefitsCentral.ehr.com**

- **Decide if you want to make any changes to your elections for next year and make any changes by November 8th.** No changes will be allowed after the open enrollment window, unless you experience a qualified life event during 2018.

What If I Do Nothing?

- You will have the same benefit elections in 2018 that you currently have for medical, dental and vision.
- For your Healthcare and/or Day Care Flexible Spending Account, you **must** designate an annual 2018 contribution amount. If you don't make an FSA election, you will not be enrolled in an FSA for 2018. You may enroll in or change many other benefits at any time during the year.

Print Your 2018 Benefit Election Confirmation Statement

Whether you choose to make an election or not, we encourage you to review and print a copy of your 2018 Enrollment Summary for your records.

2018 Benefit News

Medical Plan Premiums

Employee premiums paid through employee paycheck deductions are increasing on average by about 4.5%. This is below the national rate of medical cost inflation, which is around 6.5%. Please refer to page 13 for premiums.

Coinsurance Change

The ABHP 1, ABHP 2 and PPO plans coinsurance is changing from 80% employer-paid / 20% employee-paid to 75% employer-paid / 25% employee-paid. Coinsurance applies after you meet the deductible. This change aligns with the national benchmark, while still providing comprehensive coverage. **Note: New ID Cards will be mailed due to coinsurance change.**

PPO Plan Remains for Currently Enrolled

If you are currently enrolled in the PPO plan, you can continue this coverage for 2018. If you decide to enroll in one of the ABHPs for 2018, you will only be able to enroll in the ABHPs or local plans (if available) in the future.

What's New?

BCBS Coverage Advisor Tool to Help You Chose the Best Plan for You

By using this tool at open enrollment, you can easily view all of your BCBS medical plan options in an easy-to-understand format and determine what options are most appropriate for you and your family. You can estimate out-of-pocket expenses for each plan, including premiums, and anticipated healthcare utilization, determine what services are not covered by the health plan, and figure out how much to set aside in a Flexible Spending Account (FSA).

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[Union] HTTPS://www.webmdhealth.com/advisor/default.aspx?EXID=PhilipsNorthAmericaUnion&toolid=403

Expansion of Teladoc for Behavioral Health & Dermatology

If you are enrolled in a BCBS medical plan option, beginning January 1, 2018, you will have access to expanded teladoc services. Through Teladoc's Behavioral Health services, you can speak with board-certified and licensed psychiatrists, psychologists, counselors and therapists via phone, laptop or app who can help you with stress, sadness, anxiety, family issues, relationship problems and grief, all from the privacy of your home. With Teladoc's Dermatology services, you can get answers you need about skin conditions when you need them without having to wait months for an office visit. Teladoc provides 24/7 access to dermatologists who can diagnose a variety of skin care issues. Simply take up to 5 photos of the issue and send it to the doctor of your choice. You'll get a response from a dematologist within 48 hours, with the added benefit of a follow up appointment if necessary. Teladoc Behavioral Health visits cost $160/session for an initial psychiatrist visit, $90/session for ongoing psychiatrist visits, and $80 for a psycologist visit. Dermatology visits cost $75 each.

Fitness Reimbursement Expansion The current Philips fitness reimbursement program is expanding to include exercise studios that offer classes for yoga, Pilates, mixed martial arts, and other classes focused on strength, stretching and cardiovascular fitness. Philips will reimburse 100% of eligible fees up to $240 (grossed up for taxes). The new program will apply to eligible expenses incurred in 2018 and future years.

Jovia Coach (Diabetes Prevention Program) Philips Population Health Management is launching a new app-based diabetes prevention program that may help participants reduce the risk of diabetes by losing weight and being more active. Eligible employees enrolled in a BCBS medical plan will be offered the opportunity to take a quiz in early 2018 to find out if Jovia Coach is right for them. The program offers: one-on-one personal health coaching, a free Philips smart scale that syncs to the app, personalized challenges to support healthy living, and advice, articles and tips and group-based support of like-minded people on a similar journey.

2018 Benefit Tools & Resources

Open Enrollment Site –

www.philips.com/benefits You and your family members can access the site to review Philips benefit options tools and resources. No password required!

Health Advocate – 888.367.7223, Option 1 or visit www.healthadvocate.com

Personal Advocates will help you navigate Philips benefits, conduct provider searches, schedule appointments, resolve benefits, billing and claim issues, assist with elder care, help transfer medical records to new providers and provide support during open enrollment.

BCBS Cost Comparison Tool –

www.bcbsma.com Before you schedule a non-emergency treatment, compare providers and costs. Visit the website, click on 'Members', then under 'Using My Plan' tab, click on 'Find a Doctor and Get Cost Estimates'. Available to those covered by a BCBS plan.

CVS/Caremark Prescription Cost Comparison Tool – 800.388.2055 or visit www.caremark.com/philips

Know your costs before you order. Find the estimated cost of your prescription drugs under the ABHPs and PPO plan. Visit the website, click on the 'Check Availability and Cost' tab. Available to those covered by a BCBS or UPMC plan.

Grand Rounds 2nd Opinions & Treatment Decision Support – 800.525.1403 or visit www.grandrounds.com/philips

Grand Rounds will help you get a 2nd opinion or personalized care plan from a world-leading specialist. Grand Rounds is free to anyone enrolled in a BCBS or UPMC medical plan. Use Grand Rounds when you or an enrolled dependent need to visit a specialist, find a new PCP or obtain a second opinion before undergoing surgery.

Teladoc – 800.835.2362 or visit www.teladoc.com

Teladoc is a convenient and affordable option for a variety of medical services, including General Medical, Dermatology and Behavioral Health. Access quality healthcare from the comfort of home, during your lunch break or while traveling. You can even get a prescription sent to your local pharmacy, when medically necessary.

- Connect with a licensed doctor, dermatologist or therapist by web, phone or mobile app
- Over 1,000,000 telehealth visits performed
- 95% member satisfaction
- Speak with a doctor in less than 10 minutes
- Teladoc doctors average 20 years of experience

Working Caregivers Benefit – 888.484.5759 or visit www.homeinstead.com

Home Instead Senior Care provides trustworthy, kind-hearted, senior home care services in your loved one's home. As a Philips employee, you have access to the Home Instead portal, which has information, support, resources and referrals to home care. (Note: No discounts are provided on home care services.)

Access to Children's Education Benefits

- **Chyten** – 800.428.8378 or visit www.chyten.com
  Chyten Education is the leading expert in academic excellence and test prep. Chyten works with students to build skills, success and futures. Philips employee and their family members receive access to exclusive educational resources, training, and a 15% discount on Chyten programs and services, including online and in-center programs (reference code: PHILIPSEDU).
- **AcceptU** – 855.437.8252 or visit www.acceptu.com AcceptU has supported thousands of applicants get into the top 100 high schools, college and graduate programs. They provides 1-on-1 support on all aspects of the admission process, from pre-application planning, to the school list, application strategy, essay writing and interview support. As a Philips employee you are eligible for a 30-minute complimentary phone/video consultation with an AcceptU former college admissions officer and a 20% discount on any college admissions counseling plan (reference code: Philips Healthcare Benefit to enroll).

My Total Rewards Site

Remember, you can always access your personalized My Total Rewards site by clicking on the 'My Total Reward' icon in the Application Launcher on the HR portal. It summarizes all the pay and benefits you receive from Philips – and the value of these rewards.

Medical plans

Your Choices

Philips will continue to offer the following national options for 2018 to provide flexibility and choice:

- **Account-Based Health Plan 1** (ABHP 1)
- **Account-Based Health Plan 2** (ABHP 2)
- **PPO Plan:** this Plan is only available to those who are currently enrolled*

Philips believes that ABHPs (commonly referred to as "consumer-directed health plans") help to manage overall costs and encourage healthy behaviors. As a participant, you are able to see the true cost of services.

*Important Note: If you decide to move from the PPO plan to an ABHP for 2018, you will only be able to enroll in the ABHPs or local plans (if available) in the future, including if you experience a qualified life event (marriage, birth, etc.) during the year.

Provider Network

The three national options offer the same comprehensive medical coverage through the national provider network of Blue Cross Blue Shield (BCBS). Regardless of which plan you select for 2018:

- The same network of doctors and hospitals are available.
- The same services are covered, including preventive care (covered at 100%), emergency services, inpatient and outpatient care – and prescription drugs through CVS/Caremark.
- You receive the benefit of the rates that BCBS has negotiated with network doctors and hospitals when meeting your annual deductible and paying coinsurance.

What You Pay for Coverage

Philips continues to pay for a majority of the cost of your medical coverage. Your "My Total Rewards" site, accessible from the Philips Portal, shows the breakdown. You pay for medical coverage in a few ways:

- **Premiums:** This is what you pay through pre-tax payroll deductions throughout the year.
- **Deductible:** How much you pay, at 100% of the negotiated network cost, before the plan begins sharing in costs through coinsurance.
- **Coinsurance:** The percentage of the cost you pay and the percentage the plan pays when you receive care or buy prescription drugs during the year.

Tobacco user surcharge: if you enroll in a Philips medical plan, you will need to verify if you use tobacco products (cigars, cigarettes, e-cigarettes and chewing tobacco). If you say "yes," you will pay an additional $20 per month as a surcharge on your Philips medical coverage.

To help you kick the habit, you are encouraged to participate in a company-sponsored tobacco cessation program available at no cost to you. If you stop using tobacco or participate in the cessation program, the tobacco surcharge will no longer apply.

Local Plans: if a local medical plan is available to you for 2018, you will see the option(s) and premium listed on the Benefits Central enrollment website. Employees in Hawaii and Puerto Rico only have a local medical plan option; see Benefits Central for more information.

Medical plan options

This chart breaks down how the national medical plans compare. For more details, go to the Resources and Tools tab on Benefits Central.

	ABHP 2 (In-Network)	ABHP 1 (In-Network)	PPO Plan (In-Network)
	For more detailed information about the ABHPs, refer to the Philips Open Enrollment Site (www.philips.com/benefits).		Only available to those currently enrolled.
Network of doctors and providers	The same wide range of doctors and hospitals is available through the national Blue Cross Blue Shield network. Select the "PPO" network when searching for an in-network provider on www.bcbsma.com.		
Premiums: amount you pay out of your paycheck for coverage	You'll pay the lowest premiums, but this plan has the highest deductible.	You'll pay lower premiums compared to the PPO, but higher premiums compared to the ABHP 2.	You'll pay the highest premiums in exchange for the lowest deductible.
Annual deductible: how much you pay before you and the plan share in the cost of care	• $2,000 for employee-only coverage • $4,000 for all other tiers*	• $1,500 for employee-only coverage • $3,000 for all other tiers*	• $750 per any individual covered** • $1,500 per family**
Preventive care	Preventive care is covered at 100% with no deductible or coinsurance.		
Prescription drug coverage: the amount you pay based on the type of drug and supply (see page 9 for details)	You typically pay 100% of the cost of the drug until you meet the annual deductible (which applies to both medical and prescription drug spending), then coinsurance begins. Your drug costs are applied to the annual deductible only if the drug is listed on the plan formulary.		You pay coinsurance (a percentage of the cost) for the drug without having to meet the annual deductible.
Coinsurance for services: how you share the cost of a covered expense with the plan	You pay 25% and the plan pays 75%, after you meet the annual deductible. (Applies to doctor and specialist visits, outpatient surgery, diagnostic X-rays and lab tests, inpatient care and emergency room services, etc.)		
Out-of-pocket maximum: the annual "cap" on how much you pay in a year for eligible medical services and Rx; when you hit the "cap," the plan pays 100% of eligible costs for the rest of the year	• $4,500 for employee-only coverage • For all other tiers: $4,500 per individual**** or $9,000 per family	• $3,250 for employee-only coverage • $6,500 for all other tiers***	• $5,000 per individual covered** • $10,000 per family**
	Healthcare Flexible Spending Account (FSA)		
How you can save and pay with pre-tax dollars (see page 11 for more details)	You can contribute up to $2,650 in 2018. Philips does not contribute to your FSA. If you do not use the entire amount in 2018, you lose the remaining funds under the "use-it-or-lose-it" rule.		

* ABHP deductibles: coinsurance begins if the combined family members' eligible expenses reach the deductible.
**PPO Plan deductible and out-of-pocket maximum: coinsurance begins when an individual reaches the individual deductible or when the family deductible is reached. The same is true for the annual out-of-pocket maximum: 100% coverage begins for the remainder of the year when an individual out-of-pocket maximum, or when the family out-of-pocket maximum, is reached.
*** ABHP 1 out-of-pocket maximum: 100% coverage begins for the remainder of the year if combined family members' eligible expenses reach the out-of-pocket maximum.
**** ABHP 2 out-of-pocket maximum: 100% coverage begins for the remainder of the year if an individual out-of-pocket maximum or family out-of-pocket maximum is reached. If an individual's eligible expenses reach $4,500 then 100% coverage begins for that individual's eligible expenses for the remainder of the year (even if the $9,000 family out-of-pocket maximum has not yet been reached).

Prescription Drug Coverage

If you enroll in one of the Philips national BCBS medical plans or one of the University of Pittsburgh Medical Center (UPMC) plans, you are also automatically covered by the CVS Caremark Prescription Drug Program. Otherwise, prescription drug coverage is offered through your local medical plan.

The current list of drugs or formulary covered under the CVS Caremark Prescription Drug Program is available at **www.caremark.com/druglist** or by calling **800-388-2055**. The formulary is typically updated quarterly.

Here is a summary of how you share the cost of prescription drugs. For more information, go to **www.caremark.com** contact CVS Caremark at **800-388-2055**.

ABHPs

You typically pay 100% of the price of the drug until you've met your annual deductible (which includes medical and prescription drug spending), then coinsurance begins.

PPO Plan

You pay the prescription drug coinsurance right away. There is no deductible for prescription drugs.

Your Share of the Cost in Coinsurance

Generic Drugs

You pay 20% at retail (max. $10), 20% for Maintenance Choice (max. $20)

Preferred Brand Name Drugs

You pay 25% at retail (min. $25, max. $150), 25% for Maintenance Choice (min. $50, max. $300)

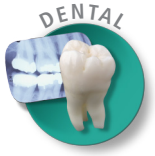
Non-Preferred Brand Name Drugs

You pay 35% at retail (min. $40, max. $200), 35% for Maintenance Choice (min. $80, max. $400)

Special provisions

- Generic drugs for certain chronic conditions are covered 100% (in-network), which means you pay nothing.
- Brand Name Penalty. When a prescription is filled under the Prescription Drug Program (retail and mail order), generic drugs are used to fill prescriptions rather than more expensive brand name drugs, whenever that option exists. If a generic equivalent drug is available and you choose to have the prescription filled with a brand name drug, you will pay the difference in cost between the brand name and generic drug, in addition to the coinsurance. This is true even if your physician has indicated "dispense as written" or "no substitutions" on your prescription. If it is medically necessary for you to take the brand name drug, your physician may file for an exception with CVS Caremark, which they will review and make the final determination. Call CVS Caremark Customer Care at **800-388-2055** to request an exception form.
- Under the ABHP 1 and the ABHP 2, certain prescription medications deemed to be preventive in nature are not subject to the annual deductible, but are subject to coinsurance (in-network). Under the Affordable Care Act, certain prescribed preventive medications are not subject to coinsurance under either the ABHPs or the PPO Plan.
- Some medications may be excluded from coverage or may be discontinued from coverage because equally effective and more cost-effective alternatives are available. If your doctor thinks there is a clinical reason why a covered medication won't work for you, have your doctor fax a letter of medical necessity to CVS Caremark at **888-487-9257**.

Dental plans



Philips offers two national Preferred Provider Organization (PPO) dental carriers: Cigna Dental and Delta Dental of Massachusetts.

PLANS

Philips offers two dental plans: a "Basic Plan" and an "Enhanced Plan." As you consider each plan, it's important to know that both plans cover preventive care in full when you use in-network providers to encourage you to get regular preventive dental check-ups. Early diagnosis and treatment can help avoid more costly dental problems that may develop or be worsened by lack of basic preventive care. Because of this, Philips offers an Annual Maximum Preventive Incentive. Read the chart below for more information!

PROVIDER NETWORKS

There are different provider networks for each carrier. Go to the Cigna website at **www.cignadental.com** and the Delta Dental website at **www.deltadentalma.com** to find the dental providers under each plan and then decide which network is best for you.

Please note: Delta Dental has two levels of providers – PPO providers and Premier providers:

- The PPO provider network of dentists offers the greatest benefit level on services, which means the least out-of-pocket costs for you.
- The Premier Network offers discounted fees and providers don't balance bill. However, out-of-pocket costs including for preventive care, are based on the out-of-network benefit level. Check the Delta Dental website to determine your provider's network status.

	Basic Plan		Enhanced Plan	
	In Network	**Out-of-Network**	**In Network**	**Out-of-Network**
Annual Maximum Reimbursement (applies to Basic & Major Only)	$2,000 per individual	$2,000 per individual	$3,000 per individual	$3,000 per individual
Orthodontic Lifetime Maximum Benefit	$1,500 per individual	$1,500 per individual	$2,500 per individual	$2,500 per individual
Annual Deductible (applies to Basic and Major only)	$50 Individual/ $150 Family	$50 Individual/ $150 Family	$25 Individual/ $75 Family	$25 Individual/ $75 Family
Preventive and Diagnostic Care	Plan pays 100% You pay 0%	Plan pays 80% You pay 20%	Plan pays 100% You pay 0%	Plan pays 80% You pay 20%
Basic and Restorative Care (fillings, oral surgery, endodontic)	Plan pays 80% You pay 20%	Plan pays 60% You pay 40%	Plan pays 80% You pay 20%	Plan pays 60% You pay 40%
Major Care (crowns, dentures, bridges, implants, inlays, onlays)	Plan pays 50% You pay 50%	Plan pays 40% You pay 60%	Plan pays 50% You pay 50%	Plan pays 40% You pay 60%
Orthodontic Care (child and adult)	Plan pays 50% You pay 50%	Plan pays 50% You pay 50%	Plan pays 50% You pay 50%	Plan pays 50% You pay 50%
Annual Maximum Preventive Incentive	The annual maximum reimbursement increases when Preventive Dental Services are received. When you or your covered family members receive preventive care during the plan year, that member's calendar year maximum will increase by one level in the following plan year until Level 4 is reached. In years when no preventive services are received, that member's annual benefit maximum will be reduced by one level per year but never below the Level 1 annual maximum regardless of participation in preventive services.			
Level 1	$2,000		$3,000	
Level 2	$2,250		$3,250	
Level 3	$2,500		$3,500	
Level 4	$2,750		$3,750	

Well-Being Tip

Gum disease has been linked to a host of illnesses, including heart disease and diabetes. Be sure to see your dentist annually.

Vision plans

Philips offers the Vision Service Plan (VSP), a national network of providers offering vision care benefits, including exams and glasses, along with discounts and savings on vision products.

Philips offers two vision plans: a "Basic Plan," and an "Enhanced Plan." The chart below breaks down how the plans compare.

	Basic Plan		Enhanced Plan	
	Benefits	**Frequency**	**Benefits**	**Frequency**
Exams	You pay a $15 copayment	Annual	You pay a $15 copayment	Annual
Lenses	You pay a $15 copayment	Annual	You pay a $15 copayment	Annual
Contacts (material only)	You have an allowance of up to $130	Annual	You have an allowance of up to $150	Annual
Contact Lenses Fitting and Evaluation	You pay a $60 copayment	Annual	You pay a $60 copayment	Annual
Frames Note: if you purchase contacts, you are eligible for frames one year later	You have an allowance of up to $150 An additional $20 will be covered when you purchase frames from certain collections. Visit **www.vsp.com** for the complete list	Every two years	You have an allowance of up to $150 An additional $20 will be covered when you purchase frames from certain collections. Visit **www.vsp.com** for the complete list	Annual
Easy Options	Not Offered		Each calendar year, you and each of your enrolled family members can choose between: $250 frame allowance, Anti-Reflective Coating covered in full, or Progressive Lenses covered in full	

– Philips has elected to offer the Signature network which offers discounts of 35-40% on non-covered lens enhanced, sunglasses, frames, etc. Visit www.vsp.com to find out more!

– Please see the Philips Open Enrollment Site (www.philips.com/benefits) for more detail on your vision benefits and out of network coverage amounts.

– No ID cards are provided for vision

Well-Being Tip

Regular eye exams are important because what may seem like a vision-related problem might be related to another condition or disease, such as a stroke or liver disease.

Flexible Spending Accounts

Flexible Spending Accounts (FSAs) allow you to use pre-tax dollars to pay for eligible healthcare and/or day care-related expenses. In doing so, you reduce your taxable income, which means your dollar goes further.

Philips offers two FSAs, which are administered by WageWorks.

	Healthcare FSA	Day Care FSA
How much you can contribute	Up to $2,650 per year	Up to $5,000 per year (per household)
What's covered	Eligible healthcare expenses such as deductibles and coinsurance, and some expenses not covered by your medical, dental and/or vision plan.	Eligible expenses include home-based day care, licensed day care centers for children and adults, and nursery schools.
When it makes sense	If you expect to have eligible healthcare expenses for yourself or any eligible dependents (as defined in the federal tax code) in 2018.	If you expect to have eligible day care expenses. Eligible dependents include children under age 13, as well as adults who are physically or mentally incapable of caring for themselves, are claimed as a dependent on your federal income tax return and live with you for more than six months of the year.

Contributions cannot be transferred from one account to the other. Expenses related to domestic partners and the children of domestic partners are not covered under either FSA.

The example below illustrates how FSAs can save money.

Bob and Jane's combined gross income is $30,000. They have two children and file their income taxes jointly. Since Bob and Jane expect to spend $2,000 in adult orthodontia and $3,000 for day care in the next plan year, they decide to direct a total of $5,000 into their FSAs.

	Without FSA	With FSA
Gross income	$30,000	$30,000
FSA contributions	$0	($5,000)
Taxable income	$30,000	$25,000
Estimated taxes		
Federal	($2,550*)	($1,776*)
State	($900**)	($750**)
FICA	($2,295)	($1,913)
After-tax earnings	**$24,255**	**$20,561**
Out-of-pocket medical and dependent care expenses	($5,000)	$0 (covered by FSAs)
Remaining spendable income	$19,255	$20,561
Spendable income increase	**--**	**$1,306**

* Assumes standard deductions and four exemptions and 2017 tax rates
** Varies, assumes 3 percent
This example is for illustrative purposes only. Every situation varies and it is recommended you consult a tax advisor for all tax advice.

2018 **employee premiums** (or "rates")

This chart breaks down how the national medical, dental, and vision plans compare. When you enroll through the Benefits Central website, you will see your per-paycheck cost. For more details, go to the Resources and Tools tab on Benefits Central.

2018 Monthly Medical Plan Premiums
(Note: If you are eligible for a local plan(s), the employee premiums will be reflected on Benefits Central.)

Salary Tier	Employee Only	Employee Plus Spouse/Domestic Partner	Employee Plus Child(ren) (No Spouse or Domestic Partner)	Employee Plus Family (Spouse/ Domestic Partner and Children)
Account-Based Health Plan 1				
$0 – $44,999	$67	$167	$159	$267
$45,000 – $99,999	$85	$204	$194	$333
$100,000+	$100	$240	$228	$389
Account-Based Health Plan 2				
$0 – $44,999	$52	$99	$94	$144
$45,000 – $99,999	$63	$124	$118	$179
$100,000+	$76	$147	$141	$211
PPO Plan				
$0 – $44,999	$108	$260	$247	$422
$45,000 – $99,999	$131	$315	$300	$520
$100,000+	$152	$369	$351	$597

2018 Monthly Dental Plan Premiums

Cigna Dental Plan and the Delta Dental Plan

	Employee Only	Employee Plus Spouse/Domestic Partner	Employee Plus Child(ren) (No Spouse or Domestic Partner)	Employee Plus Family (Spouse/ Domestic Partner and Children)
Basic Plan	$9.00	$19.00	$22.00	$32.00
Enhanced Plan	$17.18	$35.36	$40.82	$59.80

2018 Monthly Vision Plan Premiums

Vision Service Plan (VSP)

	Employee Only	Employee Plus Spouse/Domestic Partner	Employee Plus Child(ren) (No Spouse or Domestic Partner)	Employee Plus Family (Spouse/ Domestic Partner and Children)
Basic Plan	$2.60	$13.88	$13.20	$20.12
Enhanced Plan	$7.44	$23.56	$22.38	$34.16

Note: Your premiums will be taken from each paycheck except in months when you receive three paychecks. In those months, a premium will not be taken from the third paycheck. These pre-tax premiums are for dependents as defined by the IRS. After-tax premiums and imputed income rates for domestic partner coverage are shown on the Benefits Central website.

When You're Ready to **Enroll**

Enrolling in Your 2018 Benefits Is Easy on Benefits Central

Access the Philips network: **https://pww-portal.philips.com** and Click **Benefits Central** in the Application Launcher.

- Or go directly to Benefits Central: **https://PhilipsBenefitsCentral.ehr.com**
- If you have a question about how to enroll for your 2018 benefits, call Health Advocate Benefits Gateway at **888-367-7223, option 1** between 8:00 a.m. and 9:00 p.m. Eastern time, Monday through Friday.

Important Enrollment Tips

- All employee premiums are on Benefits Central (including any local medical plan options based on where you live). In addition, employee premiums for the medical, dental and vision plans are on page 13.
- If you are enrolling dependents, it's a two-step process:
  1. **Register** them on the Benefits Central website.
  2. **Enroll** them separately for each benefit you would like them to have (medical, dental, etc.). Click on the box next to the name of each dependent you want to cover.

– Have everyone's Social Security numbers handy – all dependents age 1 year or older must have a Social Security number (SSN) entered in the system.

– If SSNs are not entered, benefits coverage may be interrupted. (Please note: for security purposes, all Social Security numbers you enter on Benefits Central are shown as dots on the screen, instead of numbers).

– Visit the Open Enrollment Site at **www.philips.com/benefits** for more information on who is eligible for dependent coverage.

The deadline for selecting your 2018 benefits is Wednesday, November 8, 2017 at 11:59 p.m. Eastern time.

Take action so you and your family have the coverage you need next year.

If you don't make elections during Open Enrollment

- Your current elections for medical, dental and vision coverage will automatically continue in 2018.
- You will not be able to participate in the Healthcare Flexible Spending Account or the Day Care Flexible Spending Account.

Open Enrollment **Checklist**

- ☑ Review Open Enrollment Decision Guide
- ☑ Visit the Open Enrollment Site for more information www.philips.com/benefits
- ☑ Attend a 2018 Open Enrollment "Live Meeting" or listen to a recorded open enrollment presentation
- ☑ Make Your Elections Online from October 25th through November 8th
  - Access the Philips network: **https://pww-portal.philips.com**
    – Click **Benefits Central** in the Application Launcher.
  - Or go directly to Benefits Central: **https://PhilipsBenefitsCentral.ehr.com**
- ☑ Remember to Update Personal Information
- ☑ Review carefully and print Your Benefit Elections Confirmation Statement
- ☑ New plans are effective January 1st — Be on the lookout! Depending on your elections you may receive a new ID card(s).
- ☑ Provide your medical providers with your new ID card information

This guide contains only highlights of the Philips benefit plans. For detailed information on a benefit plan, please consult your summary plan description and the official plan document for that plan. In the event of a discrepancy between the official plan document and this guide, the official plan document will control. Receipt of this guide does not guarantee eligibility for any Philips sponsored plan or program of benefits. Eligibility for and entitlement to a benefit is governed by the terms of the official plan document. Philips reserves the right to modify, or terminate completely, any benefit plan, at any time and without notice.

This guide does not constitute an express or implied contract of employment. Your employment remains at will.

Important note about Home Instead, Chyten and AcceptU: Philips provides access to these programs solely to enhance the work life of its employees. Philips has no responsibility for, does not endorse and makes no representations or warranties with respect to (a) the vendors who offer products or services under these programs; (b) information provided by vendors in any form, whether printed or electronic; (c) the quality of products or services that vendors offer or sell to employees and their family members through these programs; or (d) the ability of vendors to meet their promises or obligations in connection with the sale of a product or service, including all express, statutory, and implied warranties of merchantability, fitness for a particular purpose, title, and non-infringement.