



Choose
wisely

Total **rewards**

Choose wisely

Annual enrollment is just around the corner, so it's time to start learning about your options. We offer you a variety of benefits, as well as tools, to help you use them. Take the time now and use the resources we offer to compare your options and choose the best benefits for you and your family.



**Annual enrollment for
your 2020 benefits will be
October 28 – November 8, 2019
at 11:59 p.m. Central time.**

Your annual enrollment checklist

If you're not sure where to start, review the enrollment checklist below.

Prepare

- ✓ **Read up on your benefits options** and what's changing for 2020, including your new supplemental health options, **the information in this newsletter** and **totalrewards.stryker.com**.
- ✓ **Consider your coverage.** Do your current benefits still meet your needs? Are you paying for more coverage than necessary? Compare your medical plan options using the 2020 Medical Expense Estimator tool, which you can access at **totalrewards.stryker.com**.
- ✓ **Review your dependents.** Make sure you have Social Security numbers and other dependent certification information for any new dependents you will be adding.*
- ✓ **Confirm or update your address and phone number in Workday** so that your annual enrollment materials are sent to the correct address.

Choose

- ✓ **Enroll on enroll.stryker.com** between October 28 and November 8, 2019, at 11:59 p.m. CT.
- ✓ **Update your life insurance elections and beneficiaries**, if needed.
- ✓ **Update your tobacco status to avoid a \$600 Tobacco Use Surcharge in 2020.** You will only need to do this if you are enrolling in a Stryker medical plan.
- ✓ **Choose your contribution amount if you want to contribute to an HSA or FSA in 2020.** Your current HSA or FSA payroll deduction will not roll over to 2020.
- ✓ **Print your confirmation statement.**

Provide documentation

(if applicable)

- ✓ **Provide proof of your dependents' status** for any newly added dependents by November 15, 2019.
- ✓ **Send Evidence of Insurability (EOI)** for your supplemental life insurance if requested by The Hartford in January.



*Dependent certification includes birth certificates for your children and/or your marriage certificate and 2018 tax return for your spouse. For other dependents or options, please contact myHR. Remember, unless your covered children have a qualifying disability, they may only be covered until the end of the month that they turn 26 by the medical, dental, vision, supplemental health and child life insurance plans.

To find out more about your benefits options and what you can choose, visit your one-stop enrollment resource on the **totalrewards.stryker.com**. Visit the annual enrollment page to find FAQs, videos, the Medical Expense Estimator tool, a recorded enrollment presentation and more!

Choose your benefits carefully, since they will be in effect for the entire 2020 plan year. You cannot change your benefits (including your supplemental health benefits) mid-year unless you have a qualifying life event, in which case you can typically only make changes directly related to the life event (e.g., adding a child in the event of a birth). For more details, visit **totalrewards.stryker.com/spd**.

What's changing

Introducing new supplemental health benefits

Underwritten by Transamerica Life Insurance Company

You spoke and we listened! In our Total Rewards survey conducted late last year, we heard that many of you would like new benefit options to supplement your existing medical coverage. That's why we're introducing three new supplemental health insurance policies offered by Transamerica Life Insurance Company. These policies are designed to fulfill a variety of needs, including supplementing your existing medical coverage to give you additional financial support when something unexpected happens. Life is unpredictable, and having these supplementary health benefits can help you be prepared no matter what. A supplemental health policy can help you offset your deductible or pay any other expenses in case of an accident, serious illness or hospital stay. To learn more about these new benefits, the benefit payment amounts, and the cost and details of the coverage, visit totalrewards.stryker.com.



Critical illness insurance

When a serious illness strikes, such as a heart attack or cancer, critical illness insurance provides financial support to help you through your difficult time.

If you or a covered family member experience a covered illness, such as a heart attack or stroke, you receive a lump-sum benefit payment of up to \$15,000 to help cover out-of-pocket expenses that are not covered by your medical plan. The lump sum amount you receive will vary based on the illness.

You can use the money to take care of other expenses, such as housekeeping services, special transportation, bills and day care. A wellness benefit is also provided, paying you \$50 each year you have a preventive test.



Accident insurance

Accidents happen, and accident insurance is there to help protect you from the unexpected costs that come with an accident.

If you or a covered family member is injured in an accident, accident insurance will pay you a lump-sum cash benefit to help cover out-of-pocket medical costs so you can focus on getting well.

The amount you receive will vary depending on the accident or injury. For example, you could receive \$200 for physician treatment and x-rays in an emergency room or doctor's office within 96 hours of the accident. For more details, visit totalrewards.stryker.com.



Hospital indemnity insurance

Spending time in a hospital, especially for an extended stay, can be expensive and cause lasting financial strain. Hospital indemnity insurance is an easy way to get added financial protection to help you pay for medical or ongoing living expenses.

With hospital indemnity coverage, you collect a lump sum of \$100 each day you're in the hospital (but not an emergency room, outpatient stay, or stay in an observation unit) as the result of a covered accident or sickness, including the birth of a child. This money can help offset the hospital bill, take care of day-to-day expenses like groceries and child care, or pay for anything else you need while hospitalized, including travel, food and lodging expenses for your family members.

Note: Critical illness insurance, accident insurance and hospital indemnity insurance are not major medical insurance and are not a substitute for major medical insurance. They do not qualify as minimum essential health coverage under the federal Affordable Care Act.

This is a brief summary of CriticalEvents® Critical Illness Insurance, AccidentAdvance® accident-only insurance and Hospital Select® II hospital indemnity insurance policy underwritten by Transamerica Life Insurance Company. Limitations and exclusions apply. Refer to the policy for complete details.

for 2020



Emergency room copay

The emergency room copay in the UHC Choice, Value and Out-of-Area PPO plans will increase to \$150. If you are enrolled in one of these plans, you will receive new ID cards in December.



Increased contribution limits

The IRS has increased the contribution limits for the Health

Savings Account (HSA) and the Healthcare Flexible Spending Account (HCFA).

For the HSA, the amount you and Stryker can contribute in 2020 is:

- **Individual:** \$3,550
- **Family:** \$7,100
- **Over age 55 “catch-up” contribution:** \$1,000

For the HCFA, the limit is increasing to \$2,700.
(Note: Subject to change for 2020.)



Expanded domestic partner/civil union certification

We are expanding the list of documentation we will accept for domestic partner certification. Previously, if you were declaring a domestic partner, you were required to sign our Domestic Partner Affidavit. For elections that take effect on or after January 1, 2020, if you need to add a new domestic partner or civil union partner to your benefits, you can now provide either of the following:

- Our Domestic Partner Affidavit, or
- A copy of your domestic or civil union partnership registration in a state or jurisdiction recognizing these relationships.

In addition to the documentation above, if your domestic partnership or civil union partnership

was established prior to the current calendar year, we will also need a copy of a current mortgage statement, property tax or utility bill with your name and your declared partner’s name listed.



Employee contributions

- **For the UHC medical plans:** The amount you pay out of your paycheck for coverage will increase slightly in all UHC plans except the Basic HSA Plan, which will remain the same. Thanks to contract negotiations with UHC, we were able to negotiate a smaller increase.
- **For the Kaiser and BCBSAL medical plans:** We are pleased to announce that in 2020, the amount you pay out of your paycheck for coverage will decrease. This savings comes from a combination of favorable claims experience and negotiations for improved contract terms, both of which drive the annual cost of care.
- **For the HMSA medical plan:** Contributions will increase for Employee + 1 and Family coverage, and decrease for Employee only coverage.
- **For the Delta Dental plan:** Contributions will remain the same in 2020.
- **For the EyeMed vision plan:** We are pleased to announce contributions will decrease in 2020.
- **For the supplemental life and spouse/child life plans:** We are pleased to announce contributions will decrease for some levels of coverage in 2020.

Remember, as part of our continued commitment to provide quality benefits at an affordable cost, Stryker still bears the majority of the cost when it comes to your benefits. **In fact, Stryker continues to cover over 70% of the cost of your coverage.** For a closer look at your monthly, full-time contributions, see the chart on [page 7](#). For part-time employee contributions, visit enroll.stryker.com during annual enrollment, or contact the myHR support team.

2020 plan comparison

In-network benefit ¹	UHC Choice PPO	UHC Value PPO	UHC Premium HSA	UHC Basic HSA
Monthly contributions				
Employee only	\$148	\$130	\$111	\$60
Employee + 1	\$290	\$251	\$209	\$80
Family	\$454	\$396	\$333	\$110
HSA contribution from Stryker^{2 3}				
Employee only	None	None	\$500	\$250
Employee + 1			\$1,000	\$500
Family			\$1,000	\$500
Deductible⁴				
Employee only	\$350	\$750	\$1,500	\$2,500
Employee + 1	\$700	\$1,500	\$3,000	\$5,000
Family	\$1,050	\$2,250	\$3,000	\$5,000
Out-of-pocket maximum				
Employee only	\$2,950	\$4,250	\$5,000	\$6,450
Employee + 1	\$5,900	\$8,500	\$10,000	\$12,900
Family	\$6,250	\$9,250	\$10,000	\$12,900
Preventive care	Covered 100%	Covered 100%	Covered 100%	Covered 100%
Copay				
PCP	\$25	\$25	None—subject to deductible and coinsurance	None—subject to deductible and coinsurance
Specialist	\$40	\$40		
ER	\$150	\$150		
Coinsurance	Deductible, then 20%	Deductible, then 20%	Deductible, then 20%	Deductible, then 30%
Rx-retail/mail				
Tier 1	\$10/\$25	\$10/\$25	Deductible, then 20%	Deductible, then 30%
Tier 2	\$25/\$62.50	\$25/\$62.50		
Tier 3	\$50/\$125	\$50/\$125		

¹ The information shown here assumes in-network care and services. For more detailed plan information and out-of-network costs, view your 2020 Benefits at a Glance at totalrewards.stryker.com.

² The HSA contribution from Stryker is made for both employees new to the HSA plan, and employees who were enrolled in the plan last year and continue to be enrolled in an HSA plan for 2020.

³ Direct temporary employees and interns are not eligible for Stryker's HSA funding but are eligible to elect and contribute their own funds to the account.

⁴ In the HSA plans, the total family deductible must be met before the plan covers any expenses. No one family member's expenses are capped at an individual deductible amount.

2020 monthly full-time employee contributions

	Employee only	Employee + 1*	Family*
UHC Choice PPO and Out-of-Area	\$148	\$290	\$454
UHC Value PPO	\$130	\$251	\$396
UHC Premium HSA	\$111	\$209	\$333
UHC Basic HSA	\$60	\$80	\$110
Kaiser Permanente of Northern California	\$150	\$276	\$434
Kaiser Permanente of Southern California	\$133	\$234	\$347
BCBS Alabama	\$135	\$248	\$367
HMSA	\$27	\$270	\$421
Dental	\$20	\$40	\$60
Vision	\$5	\$10	\$15

*Employee + 1 represents Employee + Spouse/Declared Domestic Partner or Employee + Child. Family represents Employee + Children or Employee + Family (Employee + Spouse/Declared Domestic Partner + Child(ren))

Note: You can only change your healthcare plan option (e.g., from an HSA plan to a PPO plan) during annual enrollment (unless you have a qualifying life event that changes your eligibility).

For part-time employee contributions, visit enroll.stryker.com or contact myHR. You can also visit totalrewards.stryker.com to find the contribution rates for the new supplemental health benefits.

Compare your costs

As healthcare costs continue to rise, we work hard to provide you with high-quality coverage that's affordable, and we're proud that our benefits are competitive with other companies. Here's a quick look at how your 2019 monthly contributions at Stryker compare to other Fortune Best Places to Work last year.

	PPO plans		HSA plans	
	Stryker UHC Choice PPO Plan	Fortune Best Places to Work average (2018)	Stryker UHC Basic HSA Plan	Fortune Best Places to Work average (2018)
Employee only coverage	\$148	\$167	\$60	\$90
Family coverage	\$454	\$598	\$110	\$349

Source: Mercer's National Survey of Employer-Sponsored Health Plans 2018

Which medical plan should I choose?

Choosing a medical plan can be difficult. Follow these steps to help you make the best choice for you and your family.

#1 Review your claims on your provider's website

Remember, if you are expecting a large expense in 2020 like a pregnancy or surgery, your claims next year could look very different.

#2 Compare your premiums

Consider that another plan might be better for you and your family, and will cost you less out of your paycheck, such as with the Premium HSA Plan.

#3 Consider one of the new supplemental health plans

Would a medical plan with a higher deductible be a better option considering the tax benefits and employee contributions savings? What if you also enrolled in one of the new supplemental health policies, such as critical illness or accident coverage?

#4 Compare your plans

Even if you end up choosing to stay with your current medical plan, be sure to review your options to make sure you're making the best choice.

#5 Consider a tax-advantaged account

Enrolling in either the HSA or the HCFSA saves pre-tax dollars to use for medical care.

For more information or to access tools like the Medical Expense Estimator, visit totalrewards.stryker.com.

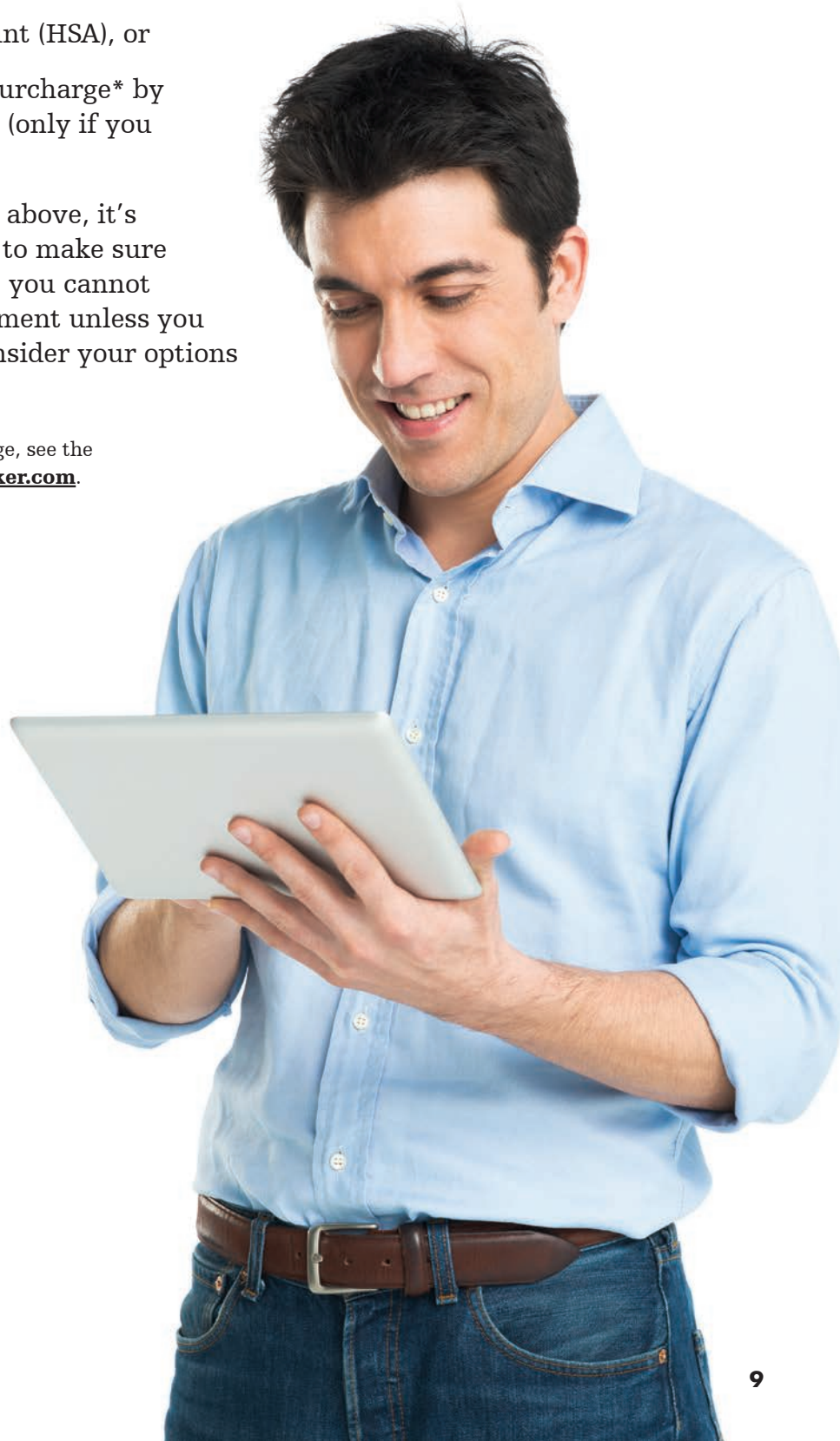
Do I need to enroll?

You must enroll if you want to do any of the following for 2020:

- Change your benefits,
- Enroll in a new supplemental health plan,
- Use a Flexible Spending Account (FSA),
- Contribute to a Health Savings Account (HSA), or
- Avoid paying the \$600 Tobacco Use Surcharge* by completing the Tobacco Use Affidavit (only if you are enrolling in the medical plan).

Even if you don't need to do any of the above, it's always smart to review your coverage to make sure it still matches your needs. Remember, you cannot make changes outside of annual enrollment unless you experience a qualified life event, so consider your options carefully before you enroll.

*For more information on the Tobacco Use Surcharge, see the Wellbeing program section of totalrewards.stryker.com.



How can an HSA

You can start saving big the second you contribute to a tax-advantaged account, and those savings can come in handy when you need to pay for medical expenses, expected or otherwise, now or in the future.

1. Receive an HSA contribution from Stryker

When you enroll in one of the HSA Plans, you will start off with a contribution to your HSA, regardless of whether you're enrolling in an HSA for the first time or have participated in the past. Depending on your plan and coverage tier, that's **between \$250 and \$1,000** of free money from Stryker that you can use on eligible healthcare expenses, just for enrolling in an HSA plan.

- **Premium HSA Plan:**

\$500 employee only / \$1,000 for all other coverage tiers

- **Basic HSA Plan:**

\$250 employee only / \$500 for all other coverage tiers

2. Reduce your taxable income

When you contribute to an HSA, the money you contribute is taken out before taxes, which lowers your taxable income. So the more you contribute to your HSA (up to IRS limits), the less you'll pay in income taxes. As a reminder, the IRS contribution limits for 2020 are \$3,550 for individual coverage and \$7,100 for family coverage, plus an additional \$1,000 "catch-up" contribution if you are over age 55. This limit includes both your and Stryker's contributions. When you contribute the maximum annual amount to your HSA, you can save **between \$500 and \$1,500** just in initial tax savings, depending on your household income and whether you're choosing to cover dependents.

3. Save for future medical expenses

Unlike an FSA, an HSA does not have a "use it or lose it" rule, so your HSA balance rolls over year after year. This means your account balance can continue to grow, and you can save that money to use on future healthcare expenses—even into retirement. Plus, the HSA is a personal bank account that you own, which means you can take it with you if you leave Stryker or if you retire.

- **Don't have a lot of medical expenses currently?** Consider enrolling in an HSA Plan, and put the money you're saving on employee contributions into an HSA. That way, you're not paying more out of your paycheck for coverage you're not using. For example, if you switch from the UHC Value PPO to the UHC Basic HSA, you would save **between \$840 and \$3,400** (depending on your coverage tier) on contributions alone in 2020. Plus, you would get an HSA contribution from Stryker **and** you would get tax savings on any money you contribute to your HSA.
- **Thinking of starting a family?** You could use the HSA to save for medical expenses associated with the birth of your child, as well as for future healthcare expenses for your children.



help you save?

- **Saving for retirement?** No matter where you are in your career, it's never too early to start thinking about retirement. According to Fidelity, a 65-year-old couple retiring in 2019 can expect to spend **\$285,000** in health care and medical expenses throughout retirement. So, in addition to saving in your 401(k), use the HSA to save pre-tax dollars you can use on healthcare expenses in retirement, including long-term care.

4. Invest your HSA balance

If you have an HSA, you have an opportunity to potentially grow* your account with tax-free earnings. Once your account balance reaches \$2,100, you have the option to invest a portion of your HSA dollars in mutual funds. If you have family coverage and contribute the maximum to your HSA, your HSA balance could reach \$7,100 in your first year, which means you could invest **\$5,000** of your HSA balance in mutual funds and potentially grow* your account balance even further. Any investment earnings are tax-free, and can be spent on future healthcare expenses. For more information on investing your HSA, log onto optumbank.com.

*Investments are not FDIC-insured, are not guaranteed by Optum Bank®, and may lose value.

Consider this:

UHC analyzed Stryker's claim data and found that for employees enrolled in the Choice UHC PPO plan in 2018, 75% of employees with individual coverage and 86% of employees with family coverage would be better off enrolling in an HSA plan, and could save **\$1,000 to \$1,700** by switching to the Basic HSA. Not only will you have lower contributions from your paycheck, but you will receive contributions from Stryker to your HSA that you can use to cover all or some of your out-of-pocket medical costs.

It adds up!

Money from Stryker
\$250 to \$1,000



Reducing your taxable income
\$500 to \$1,500



Savings in employee contributions
\$840 to \$3,400



Potential earnings from your investments



Saving big with an HSA

Get help comparing your options

Figuring out which plan is the best fit for your personal situation can be tricky—but we're here to help! Use the 2020 Medical Expense Estimator tool to compare your medical plan options, including how much to contribute to a tax-advantaged account like an HSA or FSA. You can access the tool at totalrewards.stryker.com.



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Introducing Milk Stork

We are excited to announce the addition of a new benefit—Milk Stork—for U.S. employees who are nursing effective August 15, 2019. Milk Stork has been trusted by 16,000 working moms, helping them solve logistical and cooling challenges faced while pumping. This benefit will help get your milk home at no cost to you while on business travel. Visit milkstork.com/stryker and log in with your Stryker email address to place an order or check on the status of an existing order. For more information, visit totalrewards.stryker.com, or contact Milk Stork at info@milkstork.com or 877 242 1306.

Need more information?

Visit totalrewards.stryker.com or contact your myHR team at 877 795 2002 or myhr.stryker.com.

