

KOHL'S | design a life you love

Take Control

with a Consumer-Driven
Health Plan

myChoice. myBenefits. myLife.

Kohl's supports pursuing good health so you can do the things you love—at home and on the job.



HEALTH



It's More Than Meets the Eye

with a Consumer-Driven Health Plan

LOOK NO FURTHER. UNLIKE OTHER MEDICAL PLAN OPTIONS, A MEDICAL PLAN PAIRED WITH A HEALTH SAVINGS ACCOUNT (HSA)—LIKE THE SAVERS AND BASIC PLANS—GIVES YOU CONTROL OF YOUR HEALTH AND YOUR HEALTH CARE SPENDING. ALONG WITH MEDICAL AND PRESCRIPTION DRUG BENEFITS, THESE PLANS INCLUDE AN **HSA** THAT LETS YOU SAVE PRE-TAX DOLLARS THAT YOU CAN USE TO PAY FOR QUALIFIED HEALTH CARE EXPENSES.

CHECK OUT THIS GUIDE TO LEARN HOW YOU CAN TAKE CHARGE OF YOUR PLAN, YOUR HEALTH AND YOUR WALLET.

About Medical Coverage

At its core, a CDHP works just like a Preferred Provider Organization (PPO) Plan. It provides coverage for both in-network and out-of-network care—which gives you the freedom to see any provider you like (although you’ll receive higher benefits when you stay in-network). The main difference is that a CDHP features a higher annual deductible—which is why these plans are sometimes called High Deductible Health Plans or HDHPs. When you choose a CDHP, you’re eligible to set up a tax-advantaged savings account—called a Health Savings Account (HSA)—that you can use to pay your eligible out-of-pocket expenses.

Think a CDHP sounds like a plan for those who don’t use many medical services? Think again! CDHPs are a great choice for many associates. Read on to learn how a CDHP might work for you.

The Savers Plan—Kohl’s Core Medical Plan

If you enroll in the Savers Plan, Kohl’s contributes to your HSA (up to \$500 annually for single coverage; up to \$1,000 annually if you cover a spouse and/or dependents). You can use this contribution to help pay for eligible medical expenses until you meet the deductible and the plan starts paying. Or you can pay your expenses yourself and save your Kohl’s contribution for future health care needs. It’s your choice.

Want a Lower Premium? Try the Basic Plan.

The Basic Plan works just like the Savers Plan, but it has a higher deductible and annual out-of-pocket maximum and lower paycheck contributions. There are some differences with prescription drug coverage as well. If that’s okay with you, consider choosing the Basic Plan.

You’re still eligible for an HSA with the Basic Plan, but Kohl’s **does not contribute to it**. However, if you elect to contribute your own pre-tax dollars, Kohl’s will open an HSA for you. The account can be used to cover your eligible out-of-pocket expenses, build a reserve for medical emergencies or even save for retirement.

Under all Kohl’s medical coverage, you’ll also receive free in-network preventive care and have the flexibility to choose any doctor. But if you’re covered through Anthem, you’ll receive higher benefits for using Anthem’s network of top-rated facilities for certain very specialized procedures.

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The Savers Plan and the Basic Plan

Insurance Carrier Network:

UnitedHealthcare or Anthem
(depending on where you work)

Services:

You're covered if you go to the doctor, hospital or emergency room or receive prescription drugs. And remember, you get free preventive care.

Costs:

You pay less from your paycheck and more when you see a doctor or fill a prescription.

IN-NETWORK PREVENTIVE CARE

Services like annual physical exams, well-child care and immunizations

Savers Plan and Basic Plan
(In-Network):
Plan pays 100%

ANNUAL DEDUCTIBLE

The amount you pay before the plan covers your medical services

Savers Plan
(In-Network):
\$1,500 single
\$3,000 family*

Basic Plan
(In-Network):
\$2,000 single
\$4,000 family*

COINSURANCE

The percentage the plan pays for your medical services after deductible

Savers Plan and Basic Plan
(In-Network):
Plan pays 80%

ANNUAL OUT-OF-POCKET MAXIMUM

The most you'll pay in a single calendar year for services

Savers Plan
(In-Network):
\$5,000 single
\$10,000 family**

Basic Plan
(In-Network):
\$6,000 single
\$12,000 family**

Copay: A flat dollar amount you pay for health care. For care received through the Savers and Basic Plans, you pay deductible and coinsurance only.

Note: These plan details reflect in-network coverage.

*Due to IRS limitations, if you elect family coverage in the Savers Plan or the Basic Plan, the entire family annual deductible must be met before any copays or coinsurance is applied for any individual family member.

**If you elect family coverage, there is a per-person out-of-pocket maximum of \$7,300 for the Basic Plan and \$6,850 for the Savers Plan. Once someone reaches the per-person maximum in a year, the plan pays 100% of that person's remaining eligible expenses for the year.

Your Health Savings Account

THE HEALTH SAVINGS ACCOUNT, OR HSA, ALLOWS YOU TO SAVE TAX-FREE MONEY FROM YOUR PAYCHECK TO PAY FOR CURRENT OR FUTURE HEALTH EXPENSES. YOU'RE IN CHARGE: YOU DECIDE HOW AND WHEN TO SPEND OR SAVE YOUR HEALTH CARE DOLLARS.

Keep in mind that unexpected medical expenses can pop up at any time, so you may want to have some HSA funds available as a safety net...just in case. It's really up to you. Think about how you want to manage your money, based on your health care needs and financial situation.

IT'S EASY. When you choose the Savers Plan (or elect to contribute to an HSA under the Basic Plan), Kohl's opens an HSA for you with HealthEquity. If you choose the Savers Plan, Kohl's contributes to your HSA (even if you don't contribute your own money). You can access your HSA dollars via a debit card.

YOU'LL SAVE ON TAXES. You can contribute up to \$3,450 for single coverage and \$6,850 if you cover a spouse and/or dependents. (These annual limits are for 2018 and include Kohl's contribution, if you choose the Savers Plan.)

The money you contribute lowers your taxable income and therefore the current income taxes you pay.

YOU DECIDE: SPEND NOW OR SAVE FOR LATER. You can use your HSA funds now to pay expenses like office visits, prescription drugs and dental or vision costs. Or save your

funds for later to pay deductibles and other eligible expenses in future years. You can even keep your money in your HSA for use in your retirement years. It's up to you how you want to manage your HSA dollars.

For a full list of eligible expenses, go to [IRS.gov](https://www.irs.gov).

YOUR HSA BALANCE GROWS. Once you save at least \$1,000 in your HSA you can invest your money and it can grow tax-free, just like a retirement savings account. In fact, many people use their HSAs as another type of retirement savings account, paying as many eligible expenses out of pocket as they can while they're working, then claiming reimbursement for health care expenses during retirement.

YOURS TO KEEP. Your unused HSA money rolls over each year. And, if you leave Kohl's, you take your HSA with you.

Important Notes:

- Unlike a flexible spending account, your full HSA contribution is not available right away; your HSA contributions are split evenly across your paychecks throughout the year.
- If you enroll in the Savers Plan, Kohl's contributes money to your HSA each quarter to help you pay for your expenses too:
 - Up to \$500 annually for single coverage (\$125/quarter)
 - Up to \$1,000 annually if you cover a spouse and/or dependents (\$250/quarter)



Need to Go to the Doctor?



YOU'RE COVERED

- Free preventive care (in-network)
- Office visits
- Hospitalization
- Emergency room care
- Prescription drugs

YOU'LL PROBABLY NEED TO SEE A DOCTOR DURING THE YEAR. DON'T WORRY—YOU'RE COVERED. HERE'S WHAT TO EXPECT.

SEE ANY DOCTOR. You can see any doctor you choose. But you'll save when you use:

- A **UHC Tier 1 primary or specialty doctor**; or
- An **Anthem Blue Distinction Center + or Blue Distinction Center facility** for certain medical conditions.

Why? Because UnitedHealthcare and Anthem have recognized them as top-rated for both quality and cost-effectiveness.

Look for their designations when you search for in-network providers at myuhc.com or anthem.com.

DON'T PAY AT YOUR APPOINTMENT. Show your medical ID card, so your provider submits your claim to your insurance carrier first. You'll receive a bill later.

BEFORE YOU MEET YOUR DEDUCTIBLE. You pay the full cost of your care (except in-network preventive care, which is covered at 100%), until you meet your deductible.

To save money, visit a doctor's office or an urgent care clinic. Only use the emergency room if it's a true emergency.

AFTER YOU MEET YOUR DEDUCTIBLE. You'll pay a portion of your expenses—called coinsurance—until you reach your out-of-pocket maximum.

For most in-network care, the plans pay 80% after deductible.

IF YOU REACH YOUR OUT-OF-POCKET MAXIMUM. The out-of-pocket maximum is the most you'll pay for care in a plan year. Once you reach your out-of-pocket maximum, the plan will pay 100% of your eligible medical expenses for the rest of the calendar year.

When it's time to pay your portion of your expenses, you decide whether to use your HSA funds or pay out of your own pocket and save your HSA funds for the future.

Accident Protection Plan and Critical Illness Plan

Kohl's offers the **Accident Protection Plan** as well as the **Critical Illness Plan** that are designed to supplement your Kohl's medical coverage. These voluntary benefits provide additional protection to help meet annual deductibles, copays and out-of-network expenses. The plans pay a lump-sum amount, based on your accident/condition, and you choose how to spend it.

Don't forget to consider this coverage when you enroll.

Telemedicine

If you enroll in Kohl's medical coverage (excluding Kaiser), you and your family will have access to a telemedicine service—the Teladoc® network of physicians—when your primary doctor is unavailable or if it's after hours, or on a weekend. Teladoc is available to you 24/7 with a simple phone call. And Teladoc visits generally cost less than in-person appointments—especially emergency room or urgent care visits.

DEDUCTIBLE? COINSURANCE?

To review key terms, check out the glossary at the end of this book!



Prescription Drug Coverage

PRESCRIPTION COVERAGE IS A LITTLE DIFFERENT WITH THE SAVERS AND BASIC PLANS. SO REVIEW THIS SECTION CAREFULLY SO YOU'LL UNDERSTAND HOW IT WORKS.

Ways to Save

GO GENERIC. Ask your doctor if a generic prescription drug is right for you. Generic prescription drugs are made of the same active ingredients as their brand-name counterparts, but they generally cost much less.

USE CVS CAREMARK. You can use any pharmacy, but you'll save money by using CVS Caremark, Kohl's prescription drug partner. Manage your CVS Caremark account at [caremark.com](https://www.caremark.com).

USE MAIL-ORDER. For medications you take on a long-term basis, you can get a three-month supply delivered right to your door.

You pay the full cost of your prescription drugs until you meet your deductible.*

Once you meet your deductible, you'll pay a percentage of the drug's cost between a set minimum and maximum. See the table below for more details.

		SAVERS PLAN	BASIC PLAN
RETAIL (30-day supply)	Generics	Preventive: \$10 Non-Preventive: Deductible then \$10	Preventive: \$10 Non-Preventive: Deductible, then 20%
	Brand Formulary	Preventive: 30% (\$40 min, \$125 max) Non-Preventive: Deductible, then 30% (\$40 min, \$125 max)	Deductible, then 20%
	Brand Non-Formulary	Deductible, then 40% (\$60 min, \$200 max)	Prior authorization needed
MAIL (90-day supply)	Generics	Preventive: \$25 Non-Preventive: Deductible then \$25	Preventive: \$25 Non-Preventive: Deductible, then 20%
	Brand Formulary	Preventive: 30% (\$100 min, \$312.50 max) Non-Preventive: Deductible, then 30% (\$100 min, \$312.50 max)	Deductible, then 20%
	Brand Non-Formulary	Deductible, then 40% (\$150 min, \$500 max)	Prior authorization needed

*If you take generic preventive prescription drugs, you'll pay a flat \$10 copay at retail or a \$25 copay through mail—even if you haven't met your deductible.

GET THE MOST FROM YOUR RX COVERAGE

1. Check to see if your prescription qualifies as preventive
 - [Savers Plan Preventive Drug List](#)
 - [Basic Plan Preventive Drug List](#)
2. Confirm that your prescription is on the plan's formulary
 - [Savers Plan Formulary List](#)
 - [Basic Plan Formulary List](#)
3. Estimate your prescription drug costs
 - [Basic Plan Estimator](#)
 - [Savings Plan Estimator](#)

Smart Moves

BUDGET FOR HEALTH CARE AND KEEP THE CALENDAR IN MIND. Remember that the deductible and out-of-pocket maximum start again each January.

CONSIDER CONTRIBUTING UP THE ANNUAL HSA LIMIT. Or at least up to your annual deductible. You can always change your HSA contribution election during the year, especially if your medical expenses are higher than you'd originally expected.

PLAN ACCORDINGLY. The full amount of your HSA money—your contributions and what Kohl's contributes, if you choose the Savers Plan—is not available as a lump sum on January 1. The money must be in your account before you can spend it.

For a full list of eligible expenses, go to [IRS.gov](https://www.irs.gov).

SAVE YOUR RECEIPTS. They'll come in handy if you're audited by the IRS.

If you decide to pay an expense out of your pocket, you can reimburse yourself later from your HSA. And you'll need your receipt when you submit the claim.

Also, if your HSA balance isn't enough to pay an eligible expense now, you can pay it out of pocket and request reimbursement later. Another option is to use your HSA as another type of retirement account, paying eligible expenses out of pocket while you're working, then claiming reimbursement of health care expenses after you retire.

KNOW WHAT'S ELIGIBLE. Only spend your HSA funds on qualified expenses, such as medical and prescription drug expenses, radiology services, first aid supplies, etc.

Go to [IRS.gov](https://www.irs.gov) for a full list of eligible expenses.



Keep In Mind

BECAUSE HSAS PROVIDE SOME ATTRACTIVE TAX SAVINGS, THE INTERNAL REVENUE SERVICE (IRS) HAS A FEW RULES YOU MUST FOLLOW IN ORDER TO MAKE CONTRIBUTIONS.

You, as the accountholder:

- Cannot be enrolled in Medicare (for most individuals, this means you will no longer be eligible to contribute to an HSA when you turn age 65. You lose eligibility as of the first day of the month you turn age 65; but it's okay if your dependent is enrolled in Medicare);
- Cannot be claimed as a dependent on someone else's tax return; and
- Cannot be covered under any other health insurance plan.

HSA funds can be used to pay for qualified medical expenses of any family member who qualifies as a dependent on your tax return, including your spouse. Remember, if the dependent isn't covered under your plan, his or her expenses won't be applied toward your plan's deductible.

In addition, you cannot participate in both a traditional flexible spending account (like Kohl's Health Care FSA) and an HSA at the same time. However, you can participate in a limited-purpose FSA and use it for dental and vision expenses.

When Is a Limited Purpose FSA the Right Move?

A limited-purpose FSA is the right solution if you want to use a pre-tax savings account to pay for a specific service—like a major dental procedure—early in the year, before you've contributed enough to your HSA to cover the full cost. That's because with a limited-purpose FSA, your full annual contribution is available to you on January 1 of each year. But with an HSA, you need to have enough in your account to cover the cost of the expense to request reimbursement.

As you're considering your options, keep in mind that limited-purpose FSAs are subject to the "use it or lose it rule," which means you'll forfeit unused funds at the end of each plan year.

Tools and Resources

Learn more about CDHPs and HSAs

Check out these informational videos:

• [HSA videos](#)

- Winning with an HSA
- Saving the day with an HSA
- Add new horsepower to your financial plan
- Save now, cash in later

Know how much to contribute to your HSA

Your financial situation is unique, and so are your health care needs. Use the [HSA contribution calculator](#) for help choosing the right HSA contribution amount.

Manage your HSA online

Check your balance, update your investment funds, order debit cards for dependents and more at [Learn.HealthEquity.com/Kohls](https://www.healthequity.com/kohls). If you have questions about your account, call HealthEquity at 877-372-6250. (Or better yet, download the HealthEquity mobile app!)

Find an in-network provider

You'll pay less when you receive in-network care and services—especially when you use a UHC Tier 1 primary or specialty doctor or an Anthem Blue Distinction Center + or Blue Distinction Center facility for certain medical conditions.

Search for in-network providers by name, location and/or specialty at:

- [Anthem](#)
- [UnitedHealthcare](#)

Remember to look for Anthem's Blue Distinction Center + or UHC's Tier 1 designation!

Note: Your carrier depends on where you work.

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 - [Savers Plan Formulary List](#)
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3. Estimate your prescription drug costs
 - [Basic Plan Estimator](#)
 - [Savings Plan Estimator](#)

Download these apps for access on the go

HEALTHEQUITY MOBILE

[App Store](#) [Google Play](#)

- iOS Touch ID
- Upload receipts
- Enhanced claim payments

ANTHEM ANYWHERE

[App Store](#) [Google Play](#)

- Estimate costs
- Get directions to providers
- Chat with a rep

Already registered on [anthem.com](https://www.anthem.com)? Log in with the same info.

UNITEDHEALTHCARE HEALTH4ME

[App Store](#) [Google Play](#)

- Estimate costs
- Get directions to providers

Already registered on [myuhc.com](https://www.myuhc.com)? Log in with the same info.

CVS CAREMARK

[App Store](#) [Google Play](#)

- iOS Touch ID
- See costs and in-network pharmacies
- Order/refill prescriptions

Already registered with [caremark.com](https://www.caremark.com)? Log in with the same info.



Glossary

BENEFIT TERMS CAN BE CONFUSING. REVIEW THESE KEY DEFINITIONS.

DEDUCTIBLE: A deductible is the amount of money you pay each year before your insurance plan starts paying benefits.

For example, let's say your deductible is \$1,500. The plan won't pay anything until you've paid the first \$1,500 in medical expenses.

COINSURANCE: Coinsurance is when you share a percentage of the cost of medical services with your insurance plan, after you've met the deductible.

For example, your coinsurance is 80% for an in-network primary doctor visit. The plan will pay 80% of the cost and you'll pay 20%. Let's say your doctor's visit is \$100. In that case, the plan will pay \$80 and you will pay \$20.

OUT-OF-POCKET MAXIMUM: The out-of-pocket maximum is the total amount of money you'll pay for your medical care in a year. Once you hit your out-of-pocket maximum, the plan pays 100% of your costs for the remainder of the calendar year (except for copays, if applicable).

For example, if you choose the Savers Plan, the most you'll pay for single coverage is \$5,000. If you have family coverage, the most you'll pay is \$6,850 for one person or \$10,000 in combined family expenses. This maximum protects you from very high medical costs.

COPAY: A copay is the flat dollar amount you pay for a covered expense. For example, you'll pay a \$10 copay for a generic preventive prescription drug from a retail pharmacy.

SAVERS PLAN SINGLE COVERAGE EXAMPLE

PRIMARY DOCTOR VISIT

Deductible

\$1,500
(you pay)

Coinsurance

80% **20%**
(plan pays) (you pay)

Out-of-Pocket Max

\$5,000
(most you can pay)

Plan Pays
100%

