

BAE Systems Benefit Center

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**Annual Enrollment:
October 25 – November 8**

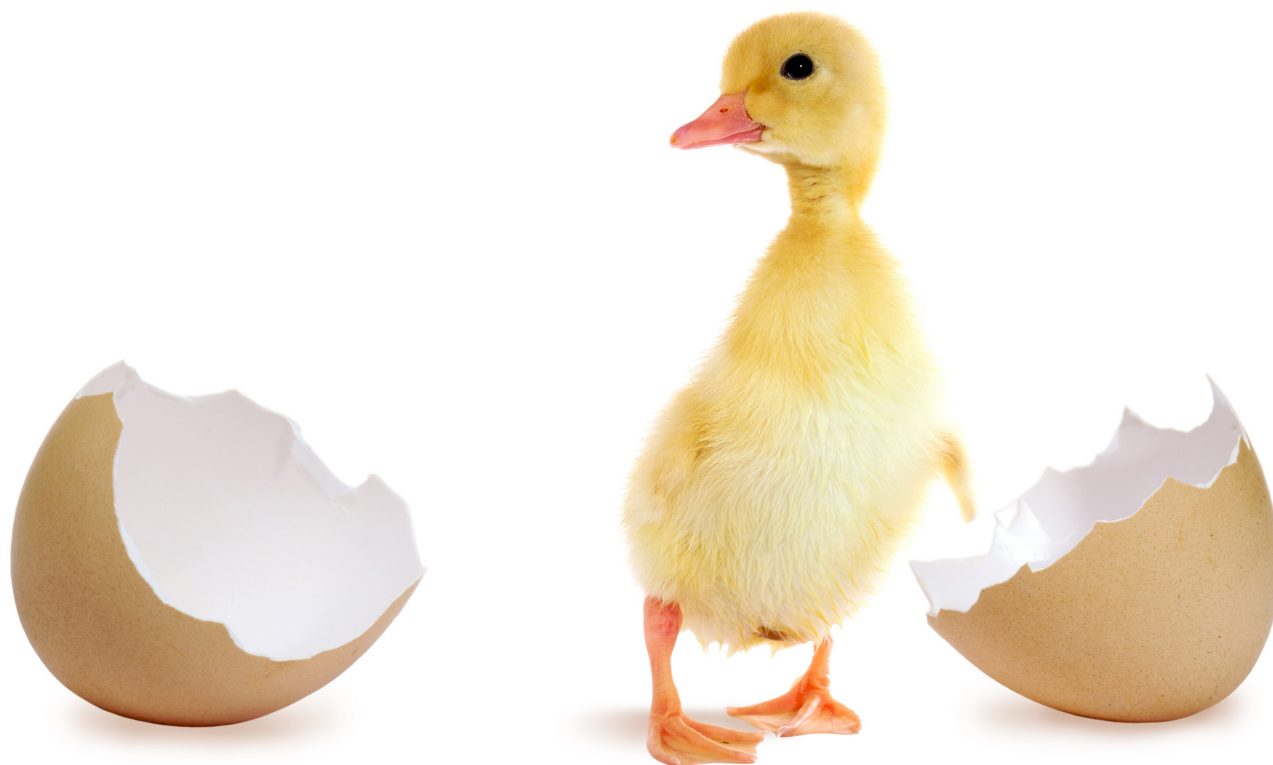
Get ready to enroll in your benefits for 2024.

Look inside for more!

**Get your ducks in a row
for Annual Enrollment!**

Take advantage of the tools and resources to choose benefits
that will best fit your needs **October 25 – November 8.**





Hatch a plan to review your benefits

Annual Enrollment is your opportunity to review all your benefits – not just medical – and make changes for next year. BAE Systems is pleased to offer a range of benefits that can address the diverse needs of you and your family throughout your career with us. In this way, as your life changes, your benefits can change with you.

During Annual Enrollment, dive right in to review your medical coverage and other benefit elections to ensure you will be enrolled in benefits that fit you best. Take some time to think through your options, and once you've decided, it only takes a few minutes to complete the Annual Enrollment process and submit your elections for next year. You can also go back and change your mind as often as you like throughout Annual Enrollment, so **don't wait until the last minute**.

Keep in mind that you can't make changes to your benefits during a calendar year unless you experience a qualified life event, such as getting married or welcoming a child to your family.

Don't duck out on choosing your 2024 benefits!

No single medical plan can be the right one for everyone every year. And your other benefits may need to be updated too – especially with the new supplemental health benefits available for 2024.

Actively choose your benefits. Your current plan may not be the best fit for you next year. But even if it is, it's smart to step through the enrollment process and take action to submit all your benefit elections.

If you don't take action, you will default to the same benefits you have now, with the exception of any Flexible Spending Accounts (FSAs). If you want to contribute to the Health Care and/or Dependent Care FSA, you must elect to participate each year. Learn more about these pretax accounts in the Benefits 101 mailer that was sent to you last month.

Things to consider for 2024

It's important to reevaluate your benefits every year. Highlights for 2024 are provided below; for more details visit benefits.baesystems.com.

- ✓ **Our medical and dental plans aren't changing.** But the right plan for you and your covered family members for next year may be different from what you have now. Be sure to review your options, just in case. All Cigna medical plan members will receive new ID cards for 2024.
- ✓ **Under the VSP EasyOptions plan the allowance for eyeglass frames will increase to \$250** (compared to \$175 for VSP Choice); **the allowance for contact lenses will increase to \$200** (compared to \$120 for VSP Choice). The VSP Choice vision option will remain the same.
- ✓ **Our Health Care FSA contribution limit is increasing to \$3,050 for 2024.** Given IRS rules to use or lose these funds each year, **FSA contributions must be elected during Annual Enrollment** if you want to participate in 2024. Consider increasing your contribution to take advantage of the higher pretax limits.
- ✓ **Health Savings Account (HSA) contribution limits are increasing for 2024.** The maximum HSA contributions for 2024 will be \$4,150 for individual coverage and \$8,300 for family coverage. If you choose the HSA Standard or HSA Select medical plan, BAE Systems will contribute \$750 for individual medical coverage or \$1,500 for family coverage. This company contribution reduces the maximum you can defer to an HSA to \$3,400 for individual coverage and \$6,800 for family coverage, because the IRS limits the total annual contributions from all sources.

Similar to your 401(k) Savings Plan, your HSA contribution elections carry over from year to year, and you can change your HSA contribution and investment elections throughout the year as needed.
- ✓ **New for 2024 – We are offering three voluntary supplemental health benefits** that can provide extra financial protection. Learn more on the next page to decide if one or more of these options will be a good fit for you.



Did you know?

All of our medical plans cover preventive care services at no cost to you and provide comprehensive coverage.

Remember: medical insurance works like car insurance

Don't let the words "high deductible" intimidate you. If you set a high car insurance deductible, then your premiums are lower, but you must pay up to your deductible if you have claims. Similarly, our HSA medical plans come with higher deductibles and out-of-pocket limits, but they also come with lower paycheck deductions for premiums and may result in lower total costs for you. Visit benefits.baesystems.com to see if this type of plan may be right for you.



New optional benefits for when life has you paddling upstream

Your medical plan insurance is your primary source for comprehensive coverage for the care you need to stay healthy or to treat an injury or illness. But, when you're sick or injured, you may also need help with other expenses, like child care, groceries, or transportation. That's where these new supplemental benefits from Cigna can step in to help with unexpected expenses your medical plan doesn't cover.

For 2024, we are offering three supplemental coverage options that can be paired with your medical plan.

- **Accidental injury insurance:** If you have an accident-related injury, like an ankle sprain or arm fracture, this coverage is designed to provide you with a lump-sum payment to use for what you need.
- **Hospital care insurance:** If you need to be admitted to a hospital due to a covered injury or illness, this insurance can provide a lump-sum payment plus a payment for each day of your stay. This plan covers hospitalization due to accidents, sicknesses, and childbirth.
- **Critical illness insurance:** If you're diagnosed with a covered condition, such as cancer, a heart attack, or stroke, this insurance can provide a lump-sum cash benefit directly to you.

You can only enroll in these supplemental benefits during Annual Enrollment or if you have a qualified life event during the year. If you choose to enroll in and pay for one or more of these benefits, once claims are approved, these plans can provide financial assistance directly to you. Use the funds for medical expenses – like copays and deductibles – or for household expenses and bills as you recover from an accident, critical illness, or hospitalization. You pay for these plans with after-tax payroll deductions, so the benefits you receive are not taxed when a claim is paid.

Visit benefits.baesystems.com to learn more about these new supplemental benefits.

These new optional benefits are NOT medical insurance

These supplemental benefits are 100% employee-paid plans. They can provide financial assistance to help with miscellaneous expenses, but you will still need medical insurance to pay for the majority of your health care.

Your Annual Enrollment checklist

- ☐ **Starting today:** Visit benefits.baesystems.com for what you need to know about your 2024 benefit options.
- ☐ **During Annual Enrollment:** Explore the **Medical Plan Evaluator** on BenefitsNavigator.
 - The Medical Plan Evaluator will reflect your 2022 medical plan usage (if you were enrolled in a BAE Systems Cigna medical plan for the full year).
 - If you have claims data loaded, run the tool before making adjustments to see an initial view of your plan option costs and rankings.
 - Next, model your expected medical plan usage for 2024 to help determine which medical plan can best meet your upcoming needs.
- ☐ **Review and update your beneficiaries** for your life and other insurance benefits, as well as any HSA balance. Visit benefits.baesystems.com for more details about how to update your beneficiaries, which you can do at any time.
- ☐ **October 25 – November 8: Enroll in the benefits that are best for you.** Go to benefits.baesystems.com and link to BenefitsNavigator at the top of the page. Enrollment is available 24/7 beginning October 25.

Annual Enrollment ends at 11:59 p.m. Central time on Wednesday, November 8.
After this time the Medical Plan Evaluator will also no longer be available.

Important! For those whose benefits are governed by a Collective Bargaining Agreement (CBA): As provided by your CBA, certain benefits may differ from those described in this mailer and on the Benefits website, so some benefits and provisions may not apply to you.

Need help?

Chat with a benefits representative while on BenefitsNavigator using the Chat link at the bottom of the website, or call the BAE Systems Benefit Center at **1 888 900 4223**, 8 a.m. – 8 p.m. Eastern time, Monday through Friday.

*Si usted necesita información en español, por favor llame a la Benefit Center a **1 888 900 4223**.*