



# BENEFITS FOR THE WHOLE YOU



## TODAY & TOMORROW

### BIG CHANGES IN 2023

ANNUAL ENROLLMENT:

OCTOBER 24 – NOVEMBER 4, 2022



# WELCOME TO YOUR 2023 K-C BENEFITS GUIDE!



Each fall, you have the opportunity to review and elect your benefits for the upcoming year. As Annual Enrollment approaches, I encourage you to take a moment to learn more about your K-C benefits and how they can support your overall financial, emotional, and physical wellbeing.

The small decisions we make today impact our lives for weeks, months, and years into the future. While you balance work, relationships, and personal commitments, K-C balances our financial commitments to our employees, shareholders, and customers *today* so that we're here for you and your families *tomorrow*. This includes the investment K-C makes in providing benefits for you and your loved ones. To ensure that we're delivering on this commitment, we review our benefits strategy each year.

As a result of our review, K-C will rebalance our existing investment to keep our benefits package comprehensive and competitive. While K-C will not recognize any savings from these changes, this rebalance allows us to expand our offerings in several key areas, enhance your user experience, and keep K-C's benefits in line with what our peer companies provide.

It's important that you take time to review this guide to learn about the changes in 2023 and the resources available so that you feel confident in your elections. Annual Enrollment begins October 24 and ends November 4. Mark your calendars now and prepare to take action in the coming weeks!

Sincerely,

A handwritten signature in dark blue ink that reads "Sandi Karrmann".

Sandi Karrmann  
SVP - Chief Human Resources Officer





# BENEFITS FOR THE WHOLE YOU

The value of working for K-C goes beyond your paycheck. Our comprehensive benefits package is designed to support your overall financial, emotional, and physical wellbeing.



This guide is focused on what's changing. To learn more about K-C's full suite of benefits, go to [mykcbenefits.com](https://mykcbenefits.com) or access **K-C & Me**.



# OUR 401(K) MATCH IS INCREASING TO 5%



**Are you leaving money on the table?** If you're not contributing at least 5% of your eligible earnings today, consider increasing your 2023 contribution to at least 5% to take full advantage of K-C's increased Company Match. Update your contribution on [netbenefits.com](https://netbenefits.com).



## 401(k) & Profit Sharing Plan (401(k) & PSP)

The 401(k) & PSP allows you and K-C to team up when it comes to your retirement savings. To help you better save today for your tomorrow, K-C is increasing the Company Match from 4% to 5% and will match your 401(k) contribution, dollar-for-dollar, on the first 5% of the eligible earnings you contribute, starting January 1, 2023. This increase is in addition to the 4% target discretionary profit-sharing component of K-C's 401(k) & PSP.

$$\begin{array}{ccccc}
 5\% & + & 4\% & = & 9\% \img alt="piggy bank icon" data-bbox="755 358 869 435"/> \\
 \text{Company Match} & & \text{Discretionary Profit} & & \text{Targeted K-C contribution} \\
 & & \text{Sharing Target} & & \text{to your retirement account}
 \end{array}$$



## Example

**Name:** David

**Annual Salary:** \$70,000

**401(k) contribution:** 9% in pre-tax dollars

David's Annual  
Contribution (9%)

Company Match (5%)

Discretionary Profit  
Sharing (4%)

Total Contributed  
to His 401(k)

$$\begin{array}{ccccccc}
 \$6,300 & + & \$3,500 & + & \$2,800^* & = & \$12,600 \\
 & & \text{up \$700 from} & & & & \\
 & & \text{2022 match} & & & & 
 \end{array}$$

*\*Posted to your account in February of the following year. Profit-sharing contributions will vary from year to year based on K-C's achievement of financial goals.*





# GET ON BOARD & MOVE TO FIDELITY

ALL YOUR K-C FINANCIAL  
BALANCES IN ONE PLACE

*The following benefits  
are moving to Fidelity  
in 2023:*

- Health Savings Account (HSA)\*
  - Flexible Spending Account
  - Dependent Care Spending Account
  - Commuter Benefits
  - Education Assistance
  - Adoption & Surrogacy Assistance
- \*Requires you to take action. See page 5.**



## Saving, Spending, and Reimbursement Accounts

We're excited to announce that Fidelity will manage all of K-C's saving, spending, and reimbursement accounts beginning January 1, 2023.

The move to Fidelity will allow you to:



**View your 401(k) and saving/spending account balances in one place,**



**Access new tools and resources,**



**Explore additional investment options for your HSA, and more.**

Stay tuned! You'll learn more about the transition over the next few months.



## IMPORTANT - YOUR ACTION REQUIRED

Your HSA is an individually owned bank account. This means that during enrollment, you must provide consent for K-C to move your HSA to Fidelity. You'll also be required to accept Fidelity's terms and conditions to open your new HSA.

### **If you don't provide consent:**

- your HSA balance will remain with Optum and be subject to a monthly account fee,
- you won't have an HSA with Fidelity,
- you won't receive your 2023 HSA contribution from K-C (if eligible), and
- your 2023 HSA contribution election will be canceled.



## EMOTIONAL WELLBEING

**NEW**

# TOOLS & RESOURCES FOR LIFE'S CHALLENGES







K-C is reinventing your Employee Assistance Program (EAP) experience by transitioning to SupportLinc provided by CuraLinc Health on January 1, 2023. With this change, K-C is increasing your counseling visits from 6 to 10 per situation per family member. Additionally, SupportLinc will provide expert referrals and consultation to support your work-life balance.

Here's the big picture of what the new SupportLinc program will look like in 2023.

**SUPPORTLINC CAN HELP WITH:**

*Anxiety  
Depression  
Stress  
Relationships  
Grief and Loss  
Substance Abuse  
and More*

**LOTS OF NEW WAYS TO ACCESS THE HELP YOU NEED:**

-  **24/7/365 phone support**
-  **Video counseling**
-  **In-person counseling**
-  **Anonymous chat-based group therapy**
-  **Textcoach (text therapy)**
-  **Video modules and more**



## SUPPORTLINC CAN ALSO CONNECT YOU TO EXPERT RESOURCES:

- **Legal Assist:** Free telephonic or face-to-face legal consultation
- **Financial Assist:** Expert financial planning and consultation
- **Family Assist:** Consultation and referrals for everyday issues such as dependent care, auto repair, pet care, and home improvement

**Stay tuned!** We'll share more details about the new SupportLinc in the Q4 edition of the K-C Benefits Buzz newsletter.



# CARING FOR CAREGIVERS – NEW PAID LEAVE

K-C cares about caregivers. It's at the heart of our business and embedded in our company values and culture. And when your loved ones need attention and help, we understand you need time away from work. That's why beginning January 1, 2023, we're introducing 40 hours of paid time off to help employees care for a qualifying family member's serious health condition.

## Example:



Brigette's spouse John recently had surgery.



As part of his recovery, John requires extra care and assistance with his everyday tasks.



Brigette contacts Matrix to apply for the new caregiver leave.



More information about caregiver leave and how to request it will be provided in the Q4 edition of the K-C Benefits Buzz newsletter.



## WE SALUTE YOU – ENHANCED MILITARY LEAVE

We're proud of our Military Reserve, National Guard, and veteran employees who serve our country, keep us safe, and support our communities. We recognize the unique skills and talent you bring to K-C. That's why we've stepped up our efforts to recruit and retain those with military experience by enhancing our military leave benefits effective June 1, 2022. The new policy provides paid leave for:



### New Enlistments



### Inactive Duty Training



### Annual Active Duty Required Training



### Active Duty Deployment



### Post-Deployment

To learn more about the new policy, go to [mykcbenefits.com](https://mykcbenefits.com) > **Time** > **Time Away** > **Military Leave**.

## MORE FLEX IN YOUR PARENTAL LEAVE

We're making two changes to our parental leave benefits to bring more flexibility to families welcoming a new child through birth or adoption. Beginning with new leave requests starting on or after January 1, 2023:

- parental leave may be taken either in one continuous block of time (7 calendar weeks) or intermittently, in a minimum of one calendar-week increments, and
- parental leave must be used within 12 months following the date of birth or adoption.

If you experience a birth or adoption in 2022 and begin your parental leave before January 1, 2023, your leave must be taken in one continuous block of time, even if the leave crosses into 2023.

If you experience a birth or adoption in 2022 and wait to begin your parental leave until on or after January 1, 2023, you'll have the choice of continuous or intermittent leave. You'll have up to 12 months from the date of birth or adoption to use your parental leave benefit.







# NEW COMPANY-DESIGNATED HOLIDAY

To honor the civil rights leader who dedicated his life in the fight for racial justice and equality for all, K-C is adding Martin Luther King Jr. Day as an additional company-designated holiday in 2023. This will increase our company-designated holidays from 8 to 9, in addition to your 32 hours of personal floating holidays. K-C provides personal floating holidays to recognize the diversity within our organization and allow you the flexibility to celebrate the days and events that matter most to you.

Save  
the Date  
Martin Luther  
King Jr. Day  
January 16, 2023

## MAKE TIME TO GET AWAY – CHANGES TO VACATION PAYOUT

K-C offers vacation as a way to support your overall wellbeing and work-life balance. This includes the ability to carry over up to 40 hours of unused vacation to the following year. To encourage better utilization of your vacation benefit, K-C is eliminating the payout of unused vacation at separation.\*

Here are the key dates to note:

Last Day Worked	Payout
On/before December 30, 2022	Payout of all unused 2022 vacation (including carryover)
On December 31, 2022	Maximum payout of 40 hours of unused 2022 vacation that could have been carried over to 2023**
On/after January 1, 2023	No payout of unused vacation or carryover unless required by state law

Additionally, the option to request a payout of unused vacation for those moving from Short-Term to Long-Term Disability is being eliminated effective January 1, 2023.

**Note:** As a reminder, you cannot use vacation or personal holidays to extend your separation date.

*\*As of October 2022, the following states require a payout of eligible time at termination: California, Colorado, Illinois, Louisiana, Maine, Massachusetts, Montana, Nebraska, North Dakota, and Rhode Island.*

*\*\*Employees in the states above whose last day of work is December 31 will be eligible for payout of the following year's vacation allotment in addition to unused vacation eligible for carryover (up to 40 hours).*

### Learn More

For more information on K-C's time away from work benefits, go to [mykcbenefits.com](https://mykcbenefits.com) > **Time** > **Time Away**.

## SUPPORTING YOU AFTER A LOSS – UPDATES TO BEREAVEMENT LEAVE

K-C understands the importance of taking time away from work after experiencing the loss of a loved one. That's why we offer paid leave with our bereavement leave policy. Effective January 1, 2023, the bereavement leave allotment will change from hours to days. Below is a high-level overview of the benefit amount based on your relationship to the individual.

Relationship	Amount of Paid Leave (in work days)
Spouse, domestic partner, or child/grandchild	10 days
Parent	5 days
Sibling, son-in-law, daughter-in-law, grandparent, or great-grandparent	3 days
Niece, nephew, aunt, uncle, cousin, or K-C co-worker	1 day

More information will be provided when the new policy is available by January 1, 2023.





# **A MORE BALANCED APPROACH TO MEDICAL COSTS**



## LOW MEDICAL PLAN PREMIUM INCREASE

In 2023, you'll notice only a 3% increase in your medical plan premiums. The new premiums are lower than our typical annual increase (5%–8%) and well below market trend (6%). K-C is keeping the premium increase lower to help offset some of the medical changes outlined below.

## CHANGES TO DEDUCTIBLES & OUT-OF-POCKET MAXIMUMS

The annual deductibles and out-of-pocket maximums are increasing. Review the chart on page 16 to see the new limits and rates for 2023.

## NEW WORKING SPOUSE/PARTNER SURCHARGE

K-C offers coverage to all spouses/partners, but for those **who have employer-provided medical coverage available** to them, there will be an additional cost starting in 2023. This means if your spouse/partner has access to medical coverage through their employer, K-C will apply a \$100 monthly surcharge if you continue to cover them on the K-C medical plan. The surcharge will help manage the additional cost of health care K-C is incurring instead of your spouse/partner's employer and will be included with your medical paycheck deduction.

The surcharge **will not** apply if your spouse/partner is:

- not employed,
- a K-C employee,
- self-employed, or
- not offered or eligible for medical coverage through their employer's plan.



During enrollment, you'll be asked about your spouse/partner's eligibility for coverage. If you currently cover your spouse/partner and don't complete your enrollment, the \$100 monthly surcharge will be automatically applied in 2023.





# GET MOVING AGAIN IN 2023

## New Virtual Physical Therapy Program

To help in the prevention and management of musculoskeletal pain (e.g., back, joint, muscle), you'll have access to a new virtual physical therapy program with Hinge Health in 2023. While you'll still have access to traditional in-person physical therapy, the new virtual program will allow you and your family members (enrolled in a K-C medical plan) an easier and more cost-effective way to receive care in the comfort of your home. The best part is there are no copays. Here's how it works:



STEP ONE

**Contact Hinge Health to create a customized care plan with a physical therapist and health coach for up to 12 months.**



STEP TWO

**Receive all the tools needed for your care plan directly to your door.**



STEP THREE

**Access virtual app-guided exercise therapy at your own pace, on your own time.**

Go to [hingehealth.com/kimberlyclark](https://hingehealth.com/kimberlyclark) now for more information and join the waitlist to receive communications leading up to the launch.

**Note:** K-C's traditional physical therapy benefit will continue to be subject to the deductible, coinsurance, and Plan limits.



# GENERIC OR BRAND?

## THE DIFFERENCE MAY MATTER

K-C will continue to cover certain generic and brand-name long-term maintenance prescription drugs at zero cost to you and your covered dependents. However, effective January 1, 2023, certain brand-name long-term maintenance drugs, for which generic alternatives are available, will be subject to 20% coinsurance until you reach the out-of-pocket maximum. This change does not impact certain drug classes (e.g., diabetic, respiratory, multiple sclerosis).

During Annual Enrollment, go to [info.caremark.com/oe/kimberlyclark](https://info.caremark.com/oe/kimberlyclark) or contact CVS/caremark at **888-797-8911** (available 24/7/365) to find out if you're impacted by this change.

### Example:



Cody takes long-term maintenance drug Marplan and currently pays \$0.



In 2023, Cody would pay \$80 for his prescription.



However, Cody checks with his physician, who prescribes the generic alternative Doxepin that costs him \$0.



### What are long-term maintenance prescriptions?

Long-term maintenance prescriptions are taken by individuals who have risk factors for a disease or to prevent the occurrence of a disease (e.g., prescriptions to treat conditions such as high blood pressure, high cholesterol, depression).



**Note:** The chart below reflects annual amounts.

## WEIGH YOUR OPTIONS – K-C MEDICAL

K-C offers two medical plan options: the Consumer Driven Health Plan (CDHP) Blue with HSA and CDHP Green with HSA. Both plan options offer access to Anthem's national network of providers and CVS/caremark's network of pharmacies.

	CDHP Blue with HSA		CDHP Green with HSA	
How the Options Are Different				
<b>Your medical paycheck costs<sup>1</sup></b> (excludes tobacco-free discount and working spouse/partner surcharge)	\$582 Individual \$2,380 2-Party \$4,194 2-Party Plus		\$300 Individual \$1,561 2-Party \$2,966 2-Party Plus	
<b>Tobacco-free discount</b>	(\$240)		(\$240)	
<b>Working spouse/partner surcharge</b> (New for 2023)	\$1,200		\$1,200	
	<b>In-Network</b>	<b>Out-of-Network</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Deductible</b> (Increased from 2022)	\$2,000 Individual \$4,000 2-Party \$4,000 2-Party Plus	\$4,000 Individual \$8,000 2-Party \$8,000 2-Party Plus	\$3,500 Individual \$7,000 2-Party \$7,000 2-Party Plus	\$7,000 Individual \$14,000 2-Party \$14,000 2-Party Plus
	<b>In-Network</b>	<b>Out-of-Network</b>	<b>In-Network</b>	<b>Out-of-Network</b>
<b>Out-of-pocket maximum</b> (Increased from 2022)	\$4,000 Individual \$8,000 2-Party \$8,000 2-Party Plus	\$8,000 Individual \$16,000 2-Party \$16,000 2-Party Plus	\$7,000 Individual \$14,000 2-Party \$14,000 2-Party Plus	\$14,000 Individual \$28,000 2-Party \$28,000 2-Party Plus
	How the Options Are the Same			
<b>K-C's HSA contribution<sup>2</sup></b>	\$700 Individual \$1,400 2-Party \$1,400 2-Party Plus			
<b>Preventive care</b>	<b>In-Network:</b> K-C pays 100%. <b>Out-of-Network:</b> You pay 100% until you reach the out-of-network deductible, then K-C pays 60%.			
<b>Coinsurance, office visits, urgent care, emergency room, hospitalizations, labs, x-rays, imaging, mental health inpatient, and outpatient</b>	<b>In-Network:</b> You pay 100% until you reach the in-network deductible, then K-C pays 80%. <b>Out-of-Network:</b> You pay 100% until you reach the out-of-network deductible, then K-C pays 60%.			
	How Both Options Cover Prescription Drugs			
<b>Preventive</b>	K-C pays 100% for preventive prescriptions.			
<b>Long-term maintenance</b>	K-C pays 100% for certain long-term maintenance prescriptions. <sup>3</sup>			
<b>Generic, brand-preferred, and non-preferred brand</b>	You pay 100% until you meet the deductible, then K-C pays 80%.			

<sup>1</sup> Amounts may differ based on rounding.

<sup>2</sup> ELT and grades 1-4 are not eligible for K-C's HSA contribution starting in 2023.

<sup>3</sup> To learn which long-term maintenance prescriptions are included, log in to [caremark.com](https://caremark.com) or call CVS/caremark at 888-797-8911.

# DENTAL

## 2023 Annual Dental Rates – No Change from 2022

Individual	Two-Party	Two-Party Plus
\$218	\$436	\$653

# VISION

## 2023 Annual Vision Rates

Individual	Two-Party	Two-Party Plus
\$79	\$158	\$236



To help you keep perfect focus, the annual frames allowance will increase from every 24 months to every 12 months beginning in 2023.

# YOU CAN SAVE MORE IN 2023!

The IRS has increased the pre-tax HSA contribution limits for 2023 to the following amounts.

	Individual		2-Party & 2-Party Plus	
	Under Age 55	Age 55+	Under Age 55	Age 55+
2023 Annual IRS Limit	\$3,850	\$4,850	\$7,750	\$8,750
K-C Contribution*	\$700	\$700	\$1,400	\$1,400
<b>You may contribute up to:</b>	<b>\$3,150</b>	<b>\$4,150</b>	<b>\$6,350</b>	<b>\$7,350</b>

*\*If you're ELT or grades 1-4, you can contribute up to the maximum IRS limit since you're not eligible for K-C's HSA contribution starting in 2023.*

## Learn More

For more information on K-C's health care benefits, go to [mykcbenefits.com](https://mykcbenefits.com) > **Health & Welfare** > **Health Care**.



# ENROLLMENT CHECKLIST

## ☒ 1. Learn

**Learn more about your K-C Benefits.** Before enrollment starts, go to [mykcbenefits.com](https://mykcbenefits.com) to learn about all the benefits K-C offers so that you'll be ready to make your elections beginning October 24.

## ☒ 2. Gather

**Gather the information/paperwork required for adding a new, eligible dependent.** This includes your dependent's personal information (e.g., social security number) and the required documentation that is due 30 days from the date you complete your enrollment. For more information on the documentation required, go to [mykcbenefits.com](https://mykcbenefits.com) > **Resources** > **Update Your Information** > **Dependent Verification**.

## ☒ 3. Understand

**Understand how other coverage impacts your HSA eligibility.**

If you're ineligible for an HSA, you'll be offered a CDHP with an Health Reimbursement Account (HRA) that meets IRS regulations. To learn more about HSA eligibility and/or the CDHP with HRA, visit [mykcbenefits.com](https://mykcbenefits.com) > **Health & Welfare** > **Health Care** > **Medical**.



## COMPLETING YOUR ENROLLMENT

Now that you know what's changing, you'll need to complete your 2023 Annual Enrollment elections between October 24 and November 4. To enroll from work, go to **K-C & Me** and select *Health & Welfare* under *Quick Links*. To enroll from home, go directly to **kcbenefitcompass.com** or download the EmpyreanGO mobile app.

When you complete your enrollment online, keep in mind the following:



**As you go through the online enrollment process, you may see a "recalculating" message on your screen. This means the system is calculating your paycheck costs as you move through each benefit.**



**You'll have until 11:59 p.m. ET on November 4 to complete your enrollment online.**

## AFTER YOU ENROLL

Once you've completed your enrollment, here's what to expect:

- **Confirmation Email:** Within 24 hours of completing your enrollment, you'll receive a confirmation email from Empyrean at your K-C email address.
- **Changing Elections:** If you need to make changes to your elections before enrollment ends, log in to **kcbenefitcompass.com** before 11:59 p.m. ET on November 4 and click *Annual Enrollment Event - Confirmed*.





# IF YOU *Don't* TAKE ACTION



If you don't enroll by the November 4 deadline, here are the consequences:

- **Medical Plan Option:** You and your covered dependents will default into the medical plan option you're currently enrolled in. If you declined coverage for 2022, you'll continue with no coverage in 2023.
- **Working Spouse/Partner Surcharge:** If your spouse/partner is currently enrolled in K-C medical coverage, you'll be charged the \$100 monthly spouse/partner surcharge for 2023.
- **Saving & Spending Account(s):** You won't have an HSA opened for 2023 (if HSA-eligible). This means you won't receive K-C's HSA contribution. You'll also miss out on the opportunity to contribute to other spending accounts.
- **Tobacco-User Status:** You'll default to tobacco-user status, meaning you may miss out on the \$240 tobacco-free discount on your annual medical paycheck costs.

## QUESTIONS?

Call the K-C Benefits Information Line at **800-551-2333** and choose the Health & Welfare option. Empyrean representatives are available Monday through Friday, 9 a.m. to 5 p.m. ET, with extended hours to 6 p.m. ET during Annual Enrollment.

# ADDITIONAL MEDICAL PLAN INFORMATION

## **K-C Medical Coverage and Breast Reconstruction:**

All options offered through a K-C medical plan provide coverage for breast reconstruction following a medically necessary mastectomy. Reconstruction includes the affected breast and the non-affected breast to produce a symmetrical appearance, prostheses, and physical complications related to the mastectomy, including lymphedema, in a manner determined in consultation with the attending physician and the patient. This change was effective January 1, 1999, and is required to be communicated every year.

## **K-C Prescription Drug Coverage and Medicare:**

The prescription drug coverage offered as part of the K-C Medical Plan from CVS/caremark is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

If you decide to join one of the Medicare drug plans, you may be required to provide a Notice of Creditable Coverage stating you have maintained creditable prescription coverage to determine whether or not you're required to pay a higher premium (a penalty). You can find the Creditable Coverage Notice on [kcbenefitcompass.com](https://kcbenefitcompass.com) > **Plan Information > Communications and Notices.**

Or you can call Empyrean at **800-551-2333** (Health & Welfare option) to request a copy.

This notice has information about your current prescription drug coverage with K-C and your options under Medicare's prescription drug

coverage. Reference to benefits paid by K-C refers to the Medical Plan, and all benefits are subject to the terms of the Medical Plan.

**K-C Medical Plan Amendments:** The CDHP Blue with HSA, CDHP Green with HSA, and CDHP with HRA now cover vision therapy, biofeedback, acupuncture, and elective abortions.

Additionally, the travel and lodging benefit under K-C's Medical Plans has been expanded to cover transportation to obtain services not available at an in- or out-of-network provider within 100 miles of the member's residence. Expenses will be reimbursed up to \$3,000 per occurrence in accordance with IRS guidelines and are subject to in-network deductibles and coinsurance.

## **Plan Change Details**

Each of K-C's medical plan options provides a Summary of Benefits and Coverage (SBC) with key plan details that reflect medical plan changes. You can access the 2023 SBCs by logging in to [kcbenefitcompass.com](https://kcbenefitcompass.com) > **Plan Information > Communications and Notices.**

*This notice is a summary of the governing Plan documents and policies. It's intended to be a brief description and cannot present all the details of the Plan provisions. In all cases, the provisions of the applicable Plan will govern. Except for certain provisions subject to collective bargaining, Kimberly-Clark reserves the right to make changes to its benefits programs at any time.*

*This document constitutes the Summary of Material Modification for the purposes of ERISA.*



