

Kroger Setting the record straight

Your union recently published a handbill comparing their proposed health care benefits through the South-Central Fund vs. benefits through our proposed company-administered plan. **We've heard concerns from some of you and feel it is necessary to set the record straight:**

- ✓ Some of the information they shared was incorrect and misleading – even on items in their own proposal.
- ✓ The union also failed to provide you with side-by-side comparisons of associate weekly contributions and co-insurance, which are two of the biggest factors determining what you will pay for your health care.
- ✓ We have also heard that the union is telling associates to enroll in the South-Central Fund for 2021 benefits. **Kroger will no longer be paying for your future benefit coverage in the South-Central Fund. If you intend to have benefits in 2021 through your employer – Kroger – it is imperative that you enroll in the company-administered plan.**
- ✓ Check it out for yourself. You can view the union's and company's health care proposals on www.krogerhoustoncba.com.

The union wants to mislead you in order to protect and maintain their health and welfare trust fund, the very fund that significantly reduced your benefits in May 2019. Incorrect pieces of information as the union's communication below shows will not help you make an informed decision. **Here are the facts:**

		Healthcare Comparison			
Plan	South Central A&B	South Central Plan C	K-Plan 1 (year 1-2-3)	K-Plan 2	
Eligibility	22/88	22/88	22-25-27	27	
	30/120	30/120	30/120	30	
	35/140	35/140	34-36-36	36	
Deductible	400/800	500/1000	450/900	900/1800	
	450/900	550/1100	550/1,100	1,100/2,200	
	500/1000	650/1200	650/1,300	1,300/2,600	
Out of Pocket Max	4000/8000	5000/10000	7,900/15,800	7,900/15,800	
	4500/9000	5000/10000	7,900/15,800	7,900/15,800	
	5000/10000	5500/11000	15,800/31,600	15,800/31,600	

There is no Spouse or Family Coverage option in South-Central Plans B & C

The union may not understand its own proposal – Plan C deductible is \$600

Kroger Plan 1 Hired Before 1/1/21

Kroger Plan 2 Hired After 1/1/21 Does not impact current associates

Under the proposed South-Central Fund plans, out of pocket (OOP) maximums listed are medical only. Your actual OOP maximums in the South-Central Fund are aligned with the Affordable Care Act – for 2021 South-Central OOP maximums would be \$8,150/\$16,300.

Kroger Plan 2 Hired After 1/1/21 deductibles are \$1,000/\$2,000 over 3-years

This out-of-pocket maximum represents Out-of-Network.

More importantly, here are the comparisons on associate weekly contributions and co-insurance, which the union failed to share:

	Proposed South-Central Plans	Proposed Company Plan Hired Before 1/1/21
<u>Weekly Contributions</u>	\$5 increase across the board effective 1/1/21	
Associate only	\$10 / \$11	\$8 (\$1 increase in 2022,2023)
Associate + Spouse	Plan A only: \$44.62-45.62* Plan B&C: N/A	\$36 (\$3 increase 2022, 2023)
Associate + Children	\$15 / \$17	\$14 (\$1 increase 2022, 2023)
Associate + Family	Plan A only: \$49.62/\$51.62* Plan B&C: N/A	\$43 (\$3 increase 2022, 2023)
Working Spouse Fee	*Includes Working Spouse Fee of \$34.62	No working spouse fee
<u>Co-Insurance</u>		
Company	Plan A: 80% Plan B: 75% Plan C: 70%	80%
Associate	Plan A: 20% Plan B: 25% Plan C: 30%	20%