

# Benefits Updates



## Summary of Material Modifications - 2024

*This document contains information on changes to Disney benefits plans effective January 1, 2024 (or as otherwise noted). Depending on your job location and work status, not all plans may apply to you. Please keep this document for reference.*

### Amendments to Signature Benefits Plan

The *Signature* Benefits Plan (the “Plan”), is amended effective January 1, 2024 (except as otherwise specified below), in the following respects:

#### ELIGIBILITY

- Effective 1/1/23 US Citizens, or Alien Resident Card (ARC) holder individuals employed by Magical Cruise Company, LTD (Disney Cruise Line) will be eligible to enroll in the Consumer Choice medical plan option, with a Health Savings Account, if such individual averages at least 30 hours per week during a “measurement period” of 365 days (with at least 1,560 cumulative hours over this time). The Plan’s rules regarding the “Initial Measurement Period” and “Ongoing Measurement Period” shall apply to such eligibility for coverage.
- Effective 1/1/24, KGO-TV SAG-AFTRA Staff (as defined in the collective bargaining agreement) will be eligible for a one-time election to opt-in to Signature benefits as well as a one-time election for KGO-TV new regular full-time employees within 30 days of hire per the 2024 ratified collective bargaining agreement.

#### MEDICAL AND PRESCRIPTION DRUG PROGRAMS

##### RETIREE MEDICAL

- Medicare-eligible retirees and currently Medicare-eligible covered dependents in PRM groups 1-4 will be eligible for the Humana MAPD Premier, a new retiree medical option under the Plan, during the 2024 annual enrollment event. This retiree medical option is in addition to the retiree medical options currently available to these retiree groups.
- Medicare-eligible retirees and currently Medicare-eligible covered dependents in retiree groups PRM 5, TFCF, ABC and CMC will be automatically enrolled in the Humana MAPD Classic medical option. If such retirees would like additional coverage, they may enroll in the Humana MAPD Classic Buy Up option.
- Medicare-eligible and currently Medicare-eligible covered dependents in PRM 5, TFCF, ABC and CMC will no longer be eligible for any other retiree medical coverage option.
- All Non-Medicare eligible dependents of retirees will remain in the medical Plan option they were enrolled for plan year 2023 but have the option of electing another Disney retiree medical option for which they are eligible during the 2024 annual enrollment event.

## **EXPRESS SCRIPTS PHARMACY PROGRAM**

- Effective August 1, 2023, all active and retiree Cigna medical plan options and Allegiance active medical plan options will require prior authorization for certain medications and non-FDA approved combinations of medications such as diabetes GLP-1s and impose quantity limits for certain products such as diabetes continuous glucose monitors will be active and retiree Cigna medical options and Allegiance.
- Effective August 1, 2023, the Consumer Choice medical plan option will apply the same utilization management rules that apply to the HMO and PPO medical plans. Examples of these utilization management rules are step therapy for non-steroidal anti-inflammatory drugs (a requirement to try the generic equivalent generics first), prior authorization for beta-agonist/corticosteroid inhalers, and quantity limits for diabetes products.
- Effective August 1, 2023, the formulary for all active and retiree Cigna medical plan options and Allegiance active medical plan options is amended to add additional drugs to the drug exclusion list, which means such drugs will be excluded without an exception for clinical reviews. Visit [www.express-scripts.com/disney](http://www.express-scripts.com/disney) for more information.
- Effective October 1, 2023, the formulary for all Cigna active and retiree medical plan options and Allegiance active medical plan options is amended to add coverage of Allergy Sera.
- Effective January 1, 2024, the Consumer Choice medical plan option is amended to adopt Express Scripts Standard Consumer Directed Healthcare Preventive Medications list. Visit [www.express-scripts.com/disney](http://www.express-scripts.com/disney) for more information.

## **COVID-19 MEDICAL & PHARMACY COVERAGE**

- Effective January 1, 2024, Plan participants (including covered dependents) will be required to pay cost sharing amounts for the services and items listed below:
  - in-network virtual office visits related to COVID-19 testing or treatment
  - COVID-19 related testing (including home testing)
- At home testing kits will no longer be covered under the ESI Pharmacy Program.

## **FAMILY BUILDING PROGRAM**

- The definition of “Legally Finalized” for surrogacy-related expenses is amended to include either (i) the time at which the Intended Parent(s) have been granted permanent legal custody of the child as evidenced by a copy of either the certified birth certificate or a notarized court order acknowledging parentage of the Intended Parent(s) as the child’s permanent legal parent(s) (ii) after a failed surrogacy arrangement (e.g., unsuccessful pregnancy or failed surrogate IVF cycle or a discontinuance of the surrogacy process due to the surrogate’s documented medical reason) as evidenced by medical documentation.

## **VISION PLAN**

Employees enrolled in the VSP Basic Vision and High Vision Plans will be offered the Essential Medical Eye Care program, which replaces the current Specialty Diabetic Eye Care program. The Essential Medical Eye Care program includes the following services:

- Covered-in-full retinal screening (digital imaging of the inside of the eye) for VSP members with diabetes who do not have diabetic eye disease. (currently covered)
- Fundus photography with interpretation and report and optical coherence tomography (OCT) for members with diabetic eye disease. (currently covered)
- Additional medical eye exams to monitor diabetic eye disease, glaucoma, and age-related macular degeneration (AMD). (currently covered)
- Additional medical eye exams and diagnostic services for other acute and chronic eye conditions. (new)
- Treatment and services for dry eye, eye allergies, eye injury, eye infections, and foreign body removal. (new)

## **HEALTH CARE FLEXIBLE SPENDING ACCOUNT AND HEALTH SAVINGS ACCOUNTS**

- Health Care Flexible Spending Account (FSA) –The maximum annual contribution to a Health Care FSA will change from \$2,850 to \$3,050.
- Health Savings Accounts (HSA) – For active employees and COBRA participants enrolled in the Consumer Choice medical option, the maximum annual contribution (Company and participating employee) to an HSA will increase from \$3,850 to \$4,150 for those electing individual coverage and from \$7,750 to \$8,300 for family coverage. Employee contribution maximums are decreased by the potential amount of Company-paid wellness rewards and the annual Company contribution to the Health Savings Account for eligible active employees participating in the Consumer Choice medical option.
- The Dependent Care Flexible Spending Account (DCFSA) maximum annual contribution limit for highly compensated employees (defined by IRS for 2023 as employees who own more than 5% value of outstanding stock and employees whose total compensation is equal to or greater than \$155,000+) is reduced to \$1,000.

## **DISABILITY INSURANCE**

- The Temporary Disability Insurance maximum weekly benefit for employees that meet the eligibility requirements to receive Temporary Disability Insurance will be the 2024 maximum weekly benefit amount set by the Hawaii Department of Labor and Industrial Relations.

## **LONG-TERM DISABILITY PLAN**

- The SPD is amended to describe the Basic Long-Term Disability Benefits (Option 1, in the table below), which is provided at no cost to all persons in the class or classes shown in the Schedule of Insurance will be considered Eligible Persons.

- The definition of “Benefit Amount” is amended and restated in its entirety below:

Coverage Option	Elimination Period	Benefit Percentage	Maximum Monthly Benefit
Option 1:	90 days for all other states 180 days for CA	50%	\$2,500
Option 2:	90 days for all other states 180 days for CA	60%	\$30,000

- The Maximum Duration of Benefits Table amended and restated in its entirety below:

Maximum Duration of Benefits	Age When Disabled Benefits Payable
Prior to Age 63	To Normal Retirement Age or 48 months, if greater
Age 63	To Normal Retirement Age or 42 months, if greater
Age 64	36 months
Age 65	30 months
Age 66	27 months
Age 67	24 months
Age 68	21 months
Age 69 and over	18 months

- The section titled “Effective Date: When does my coverage start?” is amended and restated in its entirety below:

**Effective Date:** *When does my coverage start?*

If You are not required to contribute toward the cost of coverage, Your coverage will start:

- for benefit amounts not requiring Evidence of Insurability, on the date You become eligible; or
- for benefit amounts requiring Evidence of Insurability, on the date We approve such evidence.

If you are required to contribute toward the cost of coverage, Your coverage will start on the earliest of:

- the first of the month following the date You become eligible, for benefit amounts not Requiring Evidence of Insurability if You enroll or have enrolled by then; or
- the date on which You enroll, for benefit amounts not requiring Evidence of Insurability, if You do so within 31 days after the date You are eligible; or
- the date We approve Your Evidence of Insurability, for benefit amounts requiring Evidence of Insurability; or
- the later of the January 1st following the Annual Enrollment Period or the date We approve Your Evidence of insurability, for amounts requiring Evidence of Insurability, if You enroll during an Annual Enrollment Period.

- The section titled “Changes in Coverage: Can I change my benefit options?” is amended and restated in its entirety below:

### **Changes in Coverage:**

You may change Your benefit option only:

- 1) while You are an Active Regular Hourly Employee; and
- 2) during an Annual Enrollment Period; or
- 3) within 31 days of the date you return from a Leave of Absence.

When will a requested change in benefit option take effect?

If You enroll for a change in benefit option during an Annual Enrollment Period, the change will take effect on the January 1st following the Annual Enrollment Period.

Any increase in coverage is subject to the following provisions:

- 1) Deferred Effective Date; and
- 2) Pre-existing Conditions Limitations.

- The section titled "Termination of Payment: When will my benefit payments end?" is amended and restated in its entirety below:

### **Termination of Payment:** *When will my benefit payments end?*

Benefit payments will stop on the earliest of:

- 1) the date You are no longer Disabled;
- 2) the date You fail to furnish Proof of Loss;
- 3) the date You are no longer under the Regular Care of a Physician;
- 4) the date You refuse Our request that You submit to an examination by a Physician or other qualified medical professional;
- 5) the date of Your death;
- 6) the date You refuse to receive recommended treatment that is generally acknowledged by Physicians to cure, correct, or limit the disabling condition;
- 7) the last day benefits are payable according to the Maximum Duration of Benefits Table;
- 8) the date Your Current Monthly Earnings exceed:
  - a) 80% of Your Indexed Pre-disability Earnings if You are receiving benefits for being Disabled from Your Occupation; or
  - b) 80% of Your Indexed Pre-disability Earnings if You are receiving benefits for being Disabled from Any Occupation;
- 9) the date no further benefits are payable under any provision in The Policy that limits benefit duration;  
or
- 10) the date You are no longer Disabled;
- 11) the date You fail to furnish Proof of Loss;
- 12) the date You are no longer under the Regular Care of a Physician;
- 13) the date You refuse Our request that You submit to an examination by a Physician or other qualified medical professional;
- 14) the date of Your death;
- 15) the date You are no longer Disabled;
- 16) the date You fail to furnish Proof of Loss;
- 17) the date You are no longer under the Regular Care of a Physician;
- 18) the date You refuse Our request that You submit to an examination by a Physician or other qualified medical professional;

- 19) the date You are no longer Disabled;
- 20) the date You fail to furnish Proof of Loss;
- 21) the date You are no longer under the Regular Care of a Physician;
- 22) the date You refuse Our request that You submit to an examination by a Physician or other qualified medical professional;
- 23) the date of Your death;
- 24) the date You refuse to receive recommended treatment that is generally acknowledged by Physicians to cure, correct, or limit the disabling condition;
- 25) the last day benefits are payable according to the Maximum Duration of Benefits Table;
- 26) the date Your Current Monthly Earnings exceed:
  - a) 80% of Your Indexed Pre-disability Earnings if You are receiving benefits for being Disabled from Your Occupation; or
  - b) 80% of Your Indexed Pre-disability Earnings if You are receiving benefits for being Disabled from Any Occupation;
- 27) the date no further benefits are payable under any provision in The Policy that limits benefit duration; or
- 28) the date You refuse to participate in a Rehabilitation program, or refuse to cooperate with or try:
  - a) modifications made to the work site or job process to accommodate Your identified medical limitations to enable You to perform the Essential Duties of Your Occupation;
  - b) adaptive equipment or devices designed to accommodate Your identified medical limitations to enable You to perform the Essential Duties of Your Occupation;
  - c) modifications made to the work site or job process to accommodate Your identified medical limitations to enable You to perform the Essential Duties of Any Occupation, if You were receiving benefits for being disabled from Any Occupation; or
  - d) adaptive equipment or devices designed to accommodate Your identified medical limitations to enable You to perform the Essential Duties of Any Occupation, if You were receiving benefits for being disabled from Any Occupation;

provided a qualified Physician or other qualified medical professional agrees that such modifications, Rehabilitation program or adaptive equipment accommodate Your medical limitation.

- The definition of “Pre-Disability Earnings” is amended and restated in its entirety below:

*With respect to Active Regular Employees, excluding hourly ESPN regular remote employees and permalancers:*

Pre-disability Earnings means Your usual monthly rate of pay from the Employer just prior to the date You become Disabled, not counting (except as determined under a collective bargaining agreement on file with the Employer and applicable to You):

- 1) commissions;
- 2) bonuses;
- 3) overtime pay; or
- 4) any other fringe benefit or extra compensation.

*With respect to hourly ESPN regular remote employees and permalancers:*  
Pre-disability Earnings means a flat \$75,000 annually or \$6,250 monthly.

## OVERVIEW SUMMARY IN SPD

- The third paragraph in the first section of the “Overview Summary” section of the SPD is hereby amended as restated in its entirety as outlined below:

Although this SPD provides essential information about your benefits, this information is intended only as a general summary of the basic terms under which benefits are provided and should be read in connection with any applicable insurance policy/evidence of coverage or benefit booklet provided by the insurers or claims administrators listed in the “Self-Insured/Insured Plans” table. Unless otherwise noted, if there is a conflict between a specific provision under the Plan Document and a benefit booklet/summary, insurance policy/evidence of coverage, or this SPD, the Plan Document controls. If the Plan Document is silent on a specific issue, then the SPD controls on that issue, except where the SPD refers to a benefit booklet/summary or insurance policy/evidence of coverage, in which case the benefit booklet/summary or insurance policy/evidence of coverage control. If both the Plan Document and SPD are silent, the terms of the applicable insurance policy/evidence of coverage or benefit booklet/summary controls. However, with respect to fully insured benefits, the terms of the certificate of insurance coverage or insurance policy/evidence of coverage control when describing specific benefits that are covered or insurance-related terms. See “Self-Insured/Insured Plans” table to determine whether a particular benefit is self-funded by the Company or fully insured by the insurer. The terms and conditions of the insurance coverage provided under the Plan, including the description of covered benefits, limitations and exclusions, coordination of benefits, subrogation, claims procedures, and pre-certification are set forth in greater detail in the insurance policies/evidence of coverage issued in connection with the Plan.

## Summary of Material Modifications – 2024

*This Summary of Material Modifications is designed to highlight certain information about Disney benefits plan changes in the Plan effective January 1, 2024 (unless otherwise indicated). However, it does not attempt to spell out all the details, provisions, limitations, restrictions and exclusions of the Plan. The Company reserves the right to amend, suspend, or terminate an entire Plan or any part of the Plan(s) at any time. See your Summary Plan Descriptions for the Plan for additional information about the Plan. The Walt Disney Company complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Please go to **Benefits.Disney.com** for the full text of the nondiscrimination notice as well as information on language assistance for those who do not speak English.*