

U.S. 2020 Benefits Open Enrollment

OCTOBER 28-NOVEMBER 10, 2019

Time to Act



Today's Presentation

► Your 2020 Benefits

- Health care plan options, including medical, dental, and vision
- Highlighted changes

► ConnectYourCare (CYC) Replacing WageWorks

- What's new
- What you need to do

► Other Benefits

► Enrollment Resources



Enroll October 28-November 10

1. Visit LamBenefits.com
2. Select Time to Act (main banner) for all Open Enrollment information
3. Select Enroll Now from the homepage or the Open Enrollment page
4. Follow instructions to log in to PlanSource

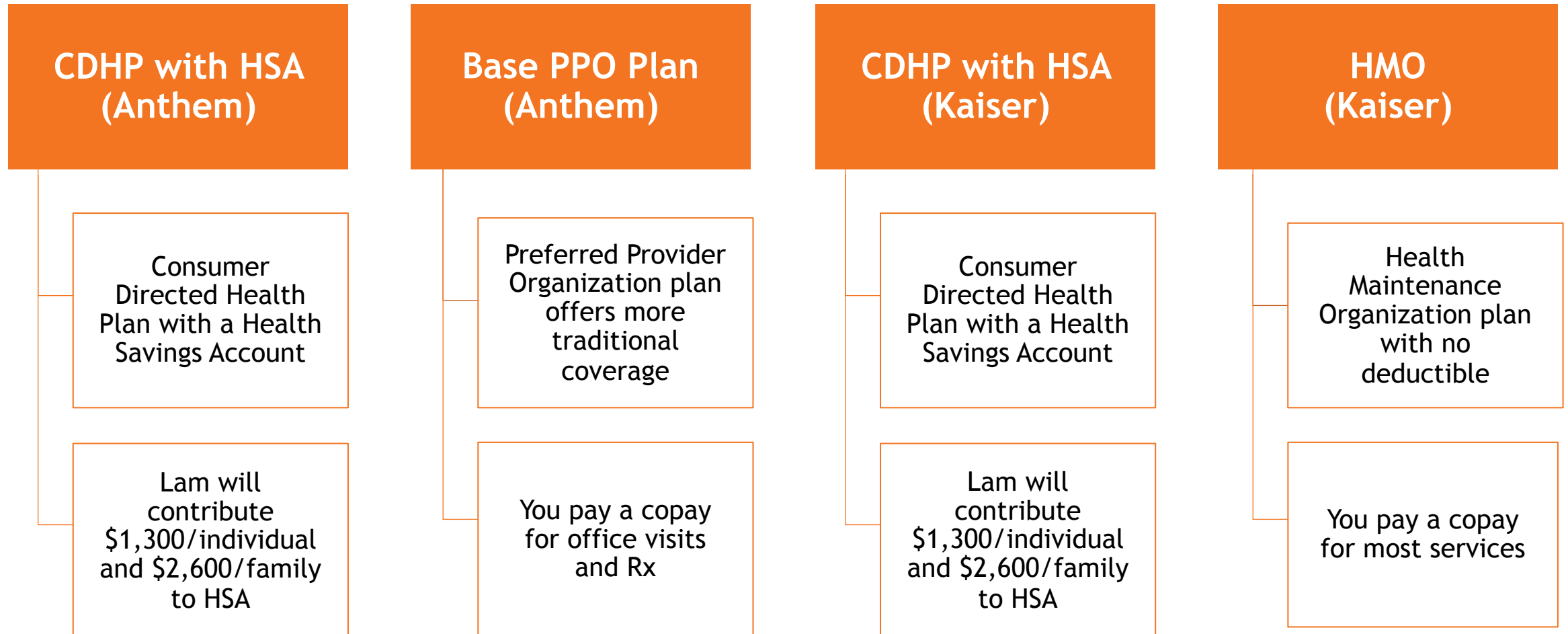


What Happens If You Don't Enroll

- ▶ You'll be enrolled in the same medical, dental, and vision plans as 2019
- ▶ If you waived medical in 2019, you'll have no medical coverage in 2020
- ▶ You will not have a Health Care or Dependent Care FSA
- ▶ Your existing HSA balance will remain at HSA Bank and will not be transferred to ConnectYourCare (CYC); you will pay a \$4.45 monthly fee
- ▶ Your HSA contribution amount will be reset to zero; Lam will contribute to your new CYC HSA
- ▶ You will be enrolled automatically in short-term disability

Your 2020 Benefits

2020 Medical Plan Options



2020 Anthem Plan Enhancements

- ▶ Lifetime fertility benefit increased to \$20,000 (from \$15,000)
 - plus: get WINFertility assistance and coaching from a nurse care manager
 - Help with understanding fertility treatment options
 - Assistance with choosing providers
 - Individualized care plan
 - Emotional support
- ▶ Autism spectrum disorders (ASD) program
 - Access to dedicated case managers
 - Custom care plan for your child
 - Help with finding available services
 - Link your child's treatment providers together for better collaboration
- ▶ Acupuncture benefit increased from \$1,000 per year to 24 visits per year



Medical Plan Coverage Comparison

Anthem CDHP	Anthem Base PPO	Kaiser CDHP California/Oregon/Washington	Kaiser HMO California/Oregon/Washington
\$2,000/\$4,000 Deductible <i>(\$2,800 individual in family)</i>	\$1,300/\$2,600 Deductible <i>(\$1,300 individual in family)</i>	\$2,000/\$4,000 Deductible <i>(\$2,800 individual in family)</i>	\$0 Deductible
\$3,000/\$6,000 Out-of-pocket max <i>(\$3,000 individual in family)</i>	\$3,000/\$6,000 Out-of-pocket max <i>(\$3,000 individual in family)</i>	\$3,000/\$6,000 Out-of-pocket max <i>(\$3,000 individual in family)</i>	\$1,500/\$3,000 Out-of-pocket max
15% Coinsurance	15% Coinsurance	Fee schedule	\$20 Copay
\$1,300/\$2,600 Lam HSA contribution	Copays for office visits and Rx	\$1,300/\$2,600 Lam HSA contribution	\$250 Hospital inpatient

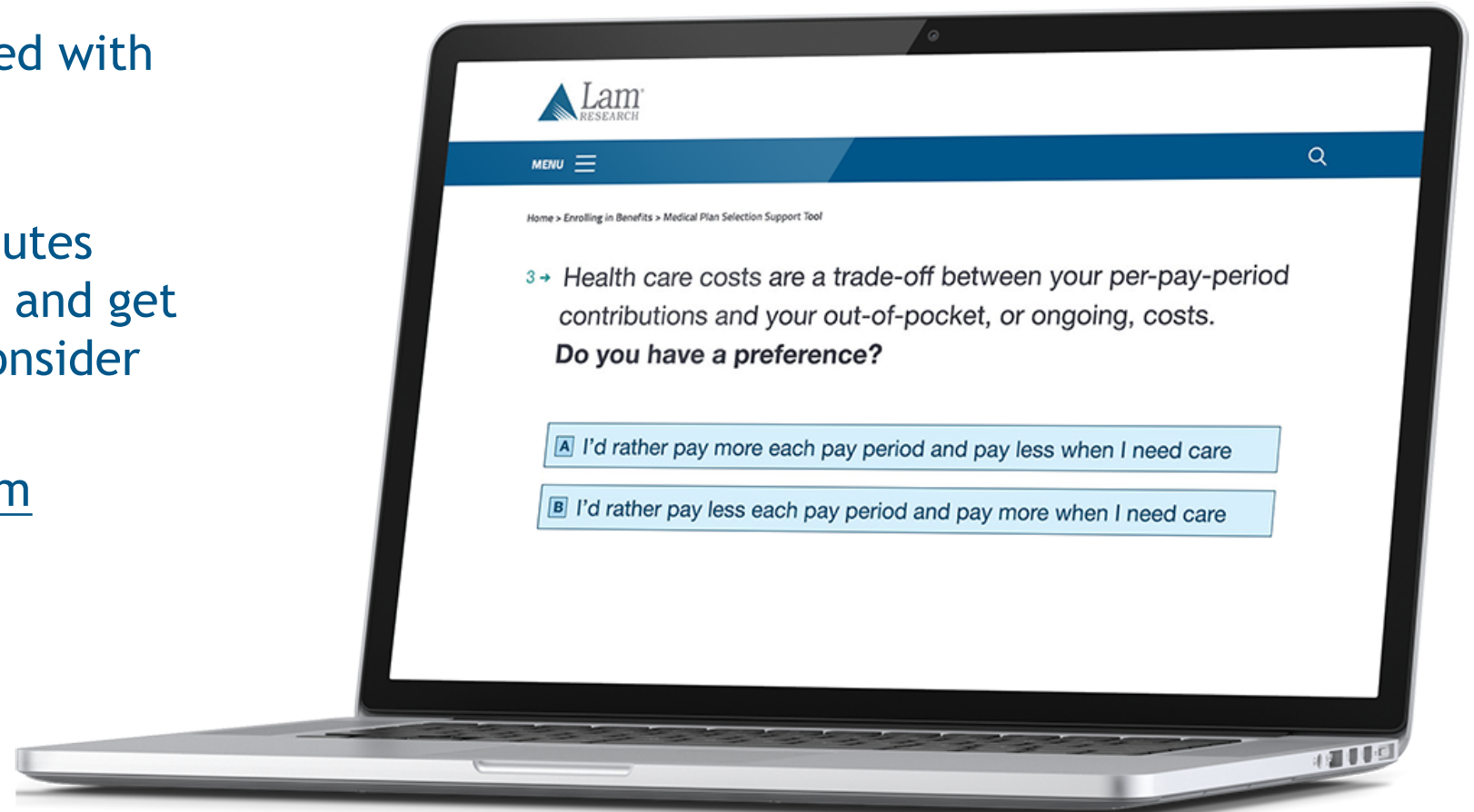
HSA Features

- ▶ Lam contributes \$1,300/individual or \$2,600/family to your HSA
 - Starting in 2020, Lam's full-year contribution is available for medical claims January 1
- ▶ You can contribute more in 2020:
 - \$2,250 if you have individual coverage (\$50 more than in 2019)
 - \$4,500 if you cover others (\$100 more than in 2019)
 - Contribute an additional \$1,000 if you're 55 or older
- ▶ Your HSA rolls over each year and is yours to keep
- ▶ Triple tax advantage; no federal tax on:
 - Contributions
 - Withdrawals for eligible medical expenses
 - Interest/investment earnings

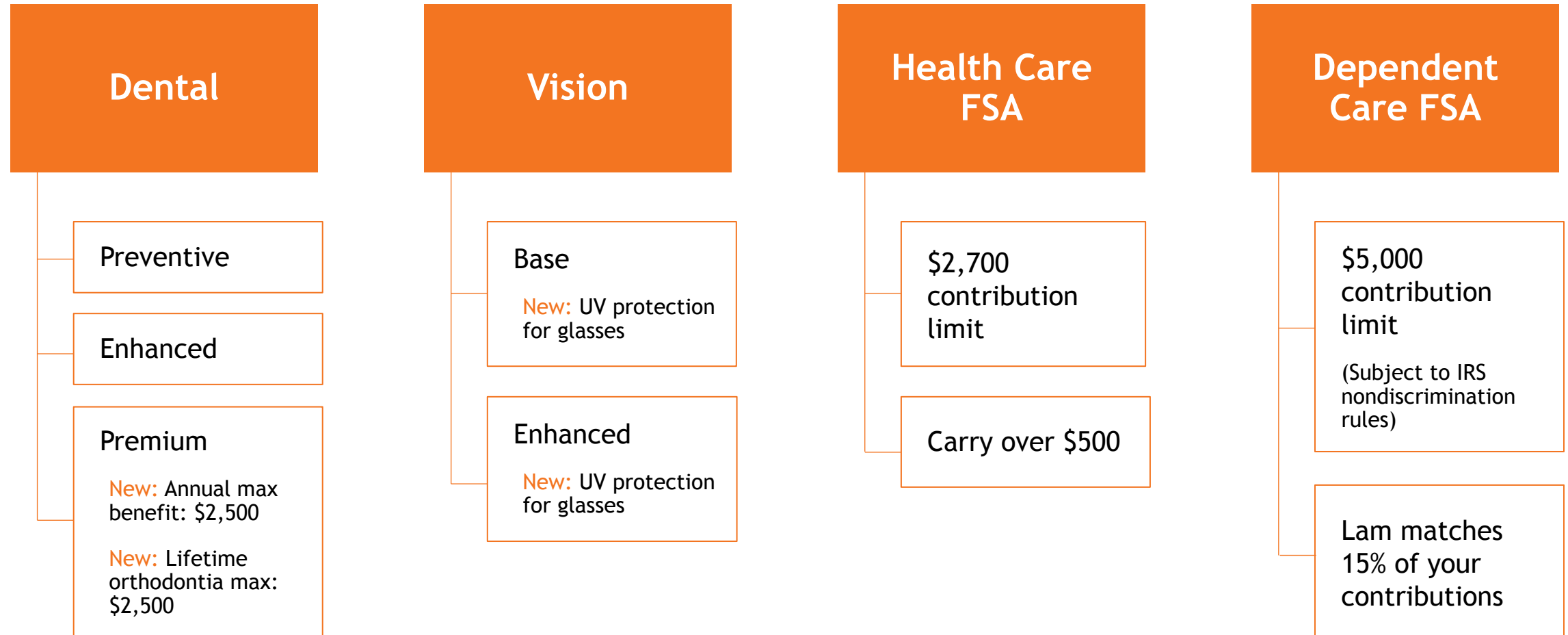


Medical Plan Selection Support Tool

- ▶ Confirm your plan is aligned with your needs
- ▶ Takes just a couple of minutes to answer a few questions and get suggestions for plans to consider
- ▶ Find it on LamBenefits.com



Other 2020 Benefits

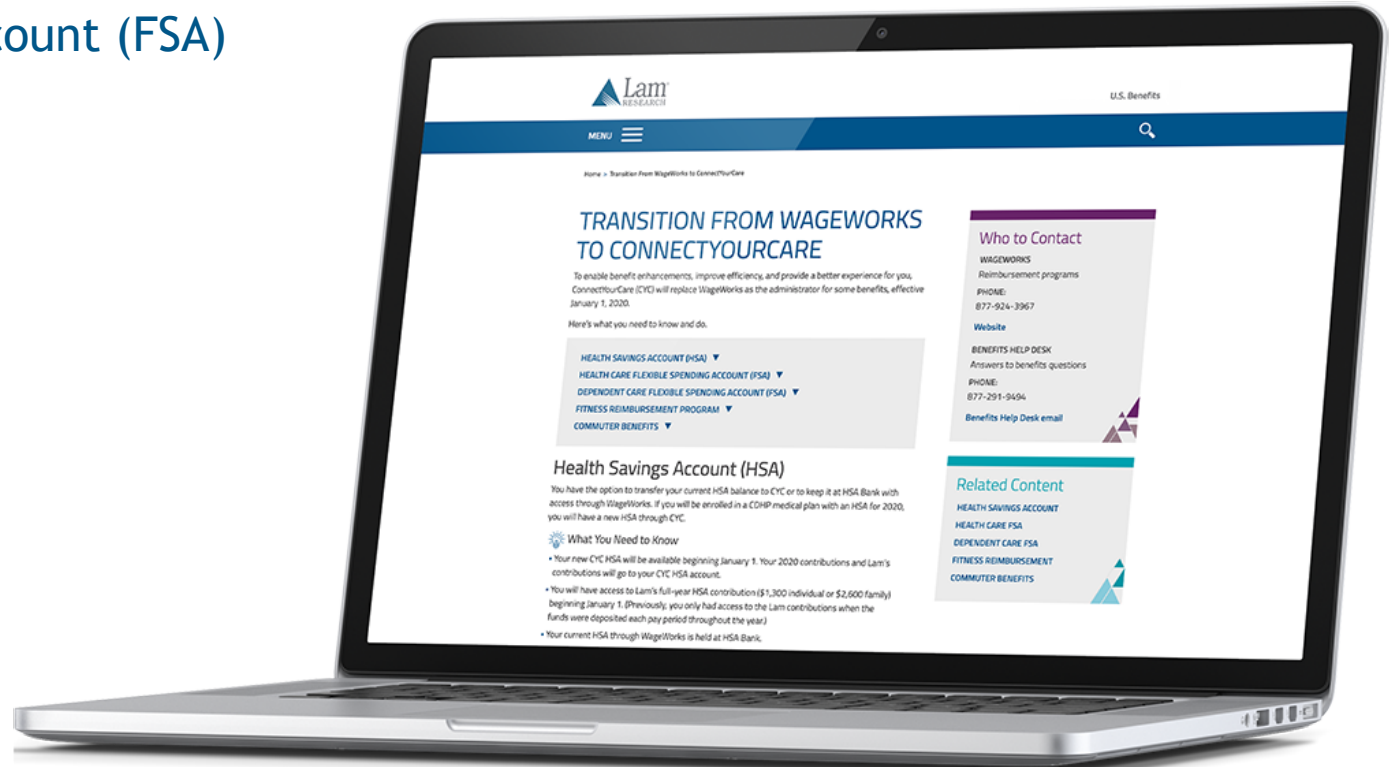


Hello, CYC

ConnectYourCare Replaces WageWorks

- ▶ Health Care Flexible Spending Account (FSA)
- ▶ Dependent Care Flexible Spending Account (FSA)
- ▶ Lifestyle account
 - Previously fitness reimbursement
- ▶ Commuter benefits
- ▶ Health Savings Account (HSA)

LamBenefits.com/cyc



Flexible Spending Accounts

- ▶ If you want to have a Health Care or Dependent Care FSA in 2020, you must enroll through PlanSource during Open Enrollment
- ▶ Until December 31, continue to use your WageWorks Health Care FSA payment card, or submit claims to WageWorks
- ▶ Stop using your WageWorks Health Care payment card December 31
- ▶ Beginning January 1, submit any unreimbursed 2019 FSA claims to CYC—not WageWorks—by March 31, 2020
 - There will be a processing delay in January while your remaining balance, including any rollover amount, is transferred to CYC
- ▶ You'll receive a new Health Care FSA payment card from CYC for 2020 expenses

Lifestyle Account

- ▶ Replaces \$300-per-year fitness reimbursement program
- ▶ New program through CYC will reimburse up to \$500 per year for a variety of expenses that contribute to your life
 - Fitness
 - Financial planning
 - Adult education
 - Student loan payment
 - College admissions coach or counselor



Commuter Benefits

- ▶ Use pretax money to pay for your commuting expenses
- ▶ Lam contributes 50% toward your public transit and parking costs
 - Now up to \$120 per month (double the previous \$60 max)
- ▶ Place your commuter order with CYC by the 10th of each month for the following month
- ▶ Automatic monthly orders with WageWorks will end with the December 2019 benefit
 - To receive commuter benefits in January 2020, you need to register and place your commuter order with CYC by December 10
 - Access to CYC will begin in mid-November
- ▶ You can set up a recurring monthly order with CYC

HSA at ConnectYourCare

- ▶ Similar features as WageWorks
 - Pay yourself or use a payment card
 - Invest your balance over \$1,000
- ▶ You will have access to Lam's full-year HSA contribution beginning January 1 for medical claims payments
 - \$1,300 individual or \$2,600 family
- ▶ Previously, you only had access to the Lam contributions when the funds were deposited each pay period throughout the year



HSA Options

- ▶ Your current HSA is held at HSA Bank with access through WageWorks
- ▶ If you are enrolled in a CDHP (Anthem or Kaiser), an HSA will be opened for you automatically at CYC
- ▶ Your 2020 contributions and Lam's contributions will go to your new CYC HSA
- ▶ You may transfer your current HSA balance to CYC or opt to keep your account at HSA Bank

Option 1: Transfer HSA to CYC

- ▶ You should consider transferring your current HSA balance to CYC
 - Avoid the \$4.45 monthly fee for HSA Bank/WageWorks
 - Have just one HSA at CYC
 - Avoid future \$25 account closing fee
- ▶ Act now to transfer your current HSA balance to CYC
 - From the PlanSource Open Enrollment site, select the option for HSA transfer authorization, and choose “I agree” on the electronic form
- ▶ Stop using your WageWorks HSA card December 31
 - You’ll receive a new card from CYC in December to begin using January 1



Option2: Opt Out of HSA Transfer

- ▶ If you have HSA investments, **you should not transfer** at this time, or your investment assets will be liquidated
 - In California and New Jersey, you will owe state taxes on any investment earnings if you liquidate the account
 - Information will be provided in 2020 on how to transfer TD Ameritrade investments without tax liability
- ▶ Act now to opt out
 - From the PlanSource Open Enrollment site, select the option for HSA transfer authorization, and choose **“I do not agree”** on the electronic form
 - If you do not make an election, the default is for your account to stay at HSA Bank
- ▶ Continue to use your WageWorks HSA card, or submit claims through WageWorks
- ▶ A \$4.45 service fee will be deducted from your account each month
- ▶ If you enroll in a CDHP with an HSA in 2020, you will have two HSAs

Other 2020 Benefits



Basic Life and AD&D

- 2x your salary or \$50,000 coverage



Voluntary Insurance

- Supplemental Life
 - Up to \$500,000 for spouse and \$30,000 for children
- Supplemental AD&D
- Critical illness insurance
- Auto, home, and pet insurance



Employee Stock Purchase Plan

- Purchase Lam stock at a 15% discount
- Enroll October 15-31



401(k) Plan

- Pretax and/or Roth up to \$19,000 per year (\$25,000 if age 50+)
- After-tax up to \$30,000

Other 2020 Benefits



Group Legal Plan

- Low monthly rate



Adoption Reimbursement

- \$7,000 per child



Education Assistance

- \$15,000 per year



Care.com

- Backup child and elder care



Live Well

- 23andMe Health + Ancestry Service
 - One kit for you, and another for your spouse or child
- New well-being partner in 2020

Find More at LamBenefits.com

- ▶ Information on benefits and well-being resources
- ▶ Easy to navigate and find what you need
- ▶ Responsive design optimizes your experience on desktop, tablet, or phone
- ▶ No login required



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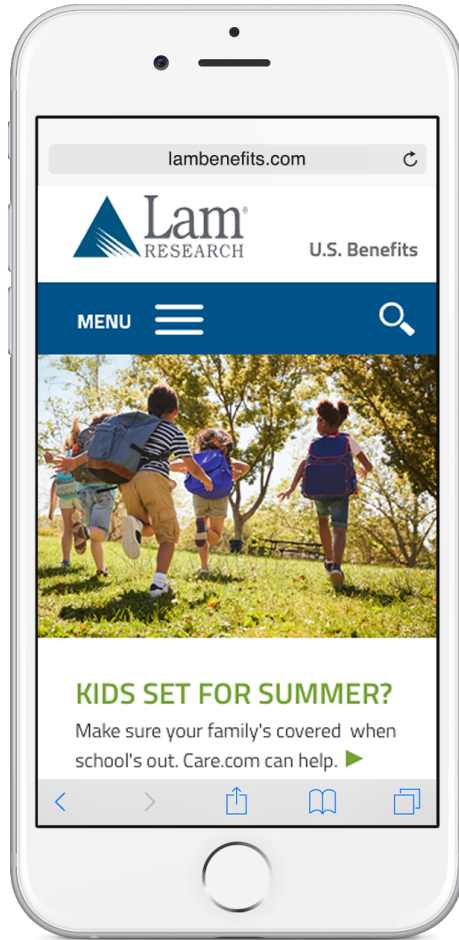
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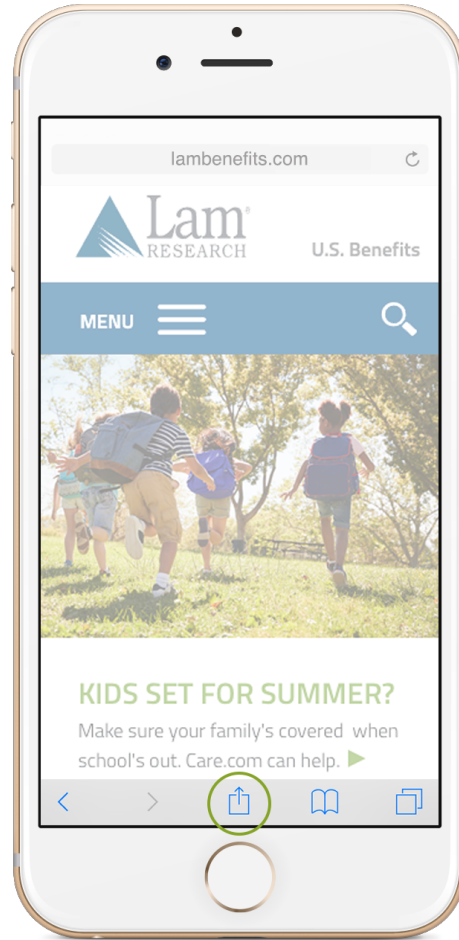


Appendix

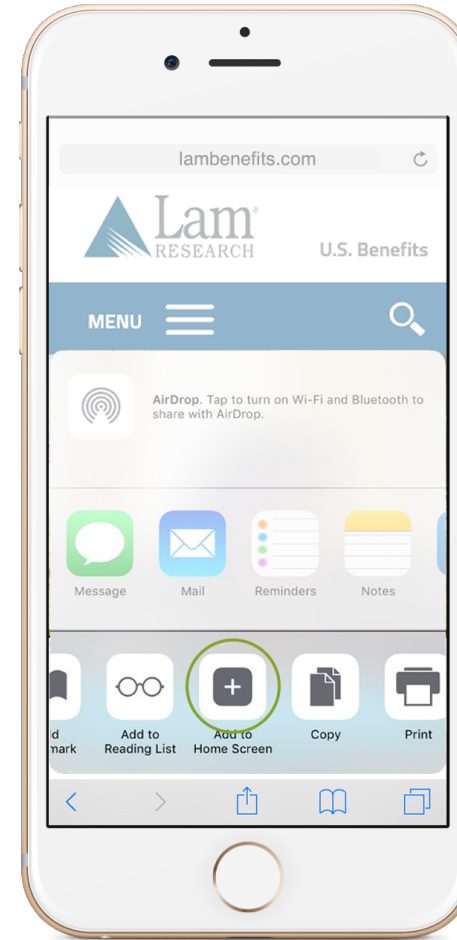
Add LamBenefits.com to Your iPhone



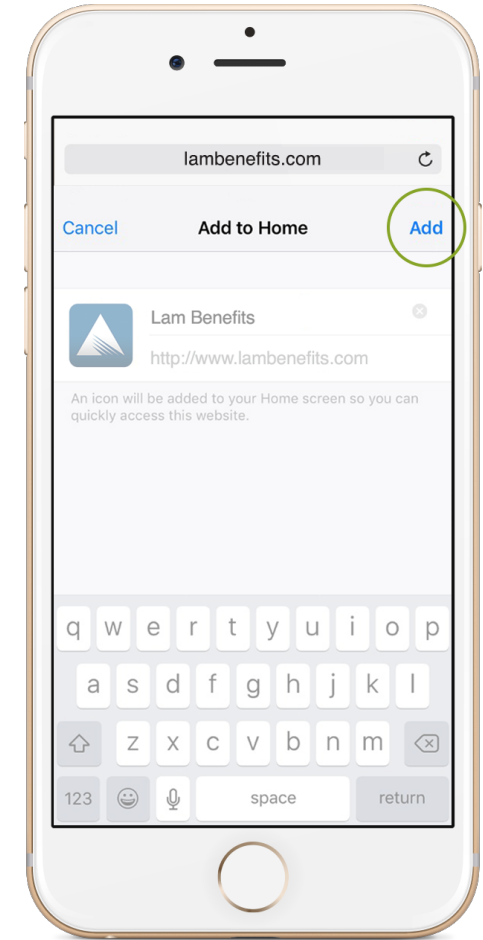
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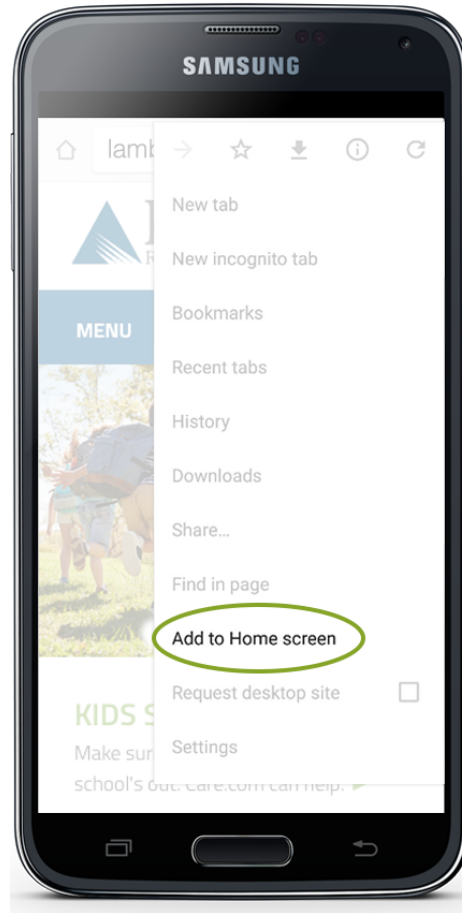


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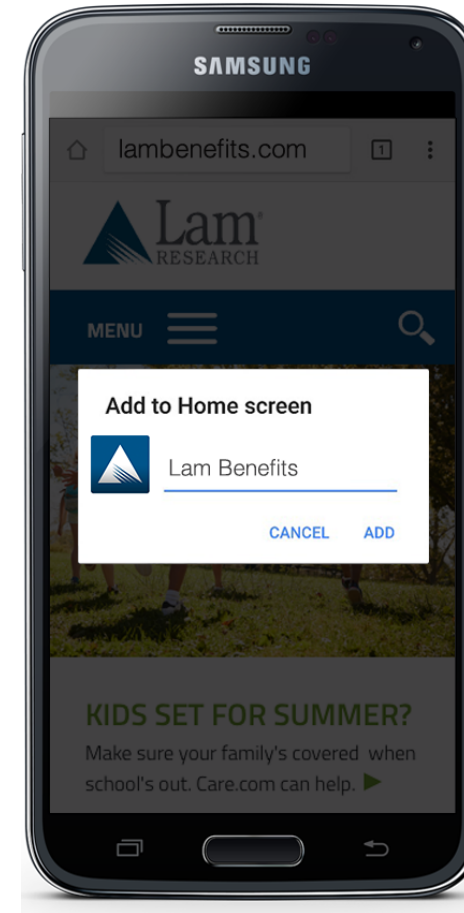
Add LamBenefits.com to Your Android Phone



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Employee Stock Purchase Plan (ESPP)

- ▶ Enroll in the Employee Stock Purchase Plan October 15-31
- ▶ Contribute 1-15% of your salary (up to \$21,250 a year)
- ▶ Purchase stock at a 15% discount on the purchase date
- ▶ To determine the purchase price, Lam compares the stock price from the first day of the Offering Period and the last day of the Purchase Period
 - The plan looks back, and then applies the 15% discount to whichever is the lower price
- ▶ If the stock price is down, the Offering Period is reset, which ensures you pay the lowest price possible for your stock
- ▶ Enroll or change contributions at Fidelity netbenefits.com or 800-544-9354

Lam 401(k) Plan

► Pretax contributions

- Save on taxes now; taxes on contributions and earnings due when you withdraw from your 401(k)
- Up to \$19,000 per year combined with Roth (\$25,000 if over age 50)

► Roth contributions

- Use after-tax money now, and pay no taxes on earnings later
- Up to \$19,000 per year combined with pretax (\$25,000 if over age 50)

► After-tax contributions

- Contribute after-tax money, even if you've reached the pretax/Roth maximum
- Can be converted to Roth through an in-plan conversion
- Up to \$30,000 per year (up from \$25,000 in 2019)

► 50% Lam match on the first 6% of your pretax/Roth contributions

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netbenefits.com or
800-835-5095

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