

## Carrum Health Medical and Surgery Benefit

Walgreen Co. (“Walgreens” or the “Company”) is pleased to provide its team members (and their eligible dependents) with a comprehensive package of health and welfare benefit options. The Walgreen Health and Welfare Plan (the “Plan”) includes medical, prescription drug and other benefits. Summaries of all the benefits available under the Plan are described in the Plan’s Summary Plan Description (“SPD”). Walgreens team members and dependents participating in BlueCross BlueShield of Illinois (“BCBS”) or United Healthcare (“UHC”) Copay and HSA plans or the BCBSIL myVirtualCare Access plan for medical coverage under the Plan have access to the Carrum Health Benefit, which provides enhanced coverage for certain planned procedures at participating Centers of Excellence. Through the Carrum Health Benefit, you and your covered dependents have access to specialized providers and facilities selected for their expertise in certain high-risk or high-cost procedures. This SPD insert describes this Carrum program under the Plan, and it should be read in conjunction with the SPD for all applicable terms and conditions.<sup>1</sup>

This program is offered under the Plan so that participants facing certain serious medical conditions can receive high-quality affordable care. The Carrum Health Benefit includes the following procedures:

Subject to limited exceptions described below, you must go through Carrum Health when you need:

- Hip and knee replacement
- Spinal fusion surgery
- Bariatric (weight loss) surgery

You can choose to go to Carrum Health for other procedures, including:

- Other orthopedic procedures (e.g., hand, wrist, elbow, shoulder, ankle, foot)
- Cardiac (heart) surgery
- Cancer treatment and guidance, including:
  - Virtual guidance and ongoing support for all cancer diagnoses
  - Comprehensive treatment for breast and thyroid cancer \*
  - CAR (chimeric antigen receptor)-T cell therapy\*

\*Restrictions may apply

This section describes the program in greater detail, including important conditions and restrictions. The Summary of Benefits Coverage table below summarizes terms for the medical services performed through the Carrum Health Benefit. As shown below, certain eligible services performed through the Carrum Health Benefit are covered at 100%, meaning there is no out-of-pocket spend for the participant such as copays or coinsurance, except that a participant in an HSA-eligible plan must meet their annual deductible.

---

<sup>1</sup> Except as specifically addressed in this SPD Insert, all terms and conditions of the SPD apply to your Walgreens benefits. Except as may be limited by applicable collective bargaining agreements, Walgreens reserves the right to amend, modify, or terminate Walgreens benefit plans and programs at any time.

## Summary of Benefits Coverage

Procedures	Carrum Health Centers of Excellence	BCBS	UHC	BCBSIL myVirtualCare Access plan
Hip and knee replacement	100% covered; No Deductible*	No coverage**	No coverage**	No coverage**
Spinal fusion surgery	100% covered; No Deductible*	No coverage**	No coverage**	No coverage**
Bariatric (weight loss) surgery	100% covered; No Deductible*	No coverage**	No coverage**	No coverage**
Other orthopedic procedures (e.g., hand, wrist, elbow, shoulder, ankle, foot)	100% covered; No Deductible*	80% covered after Deductible is met; some copays may apply	<p><b>Non-tiered plans:</b> 80% after Deductible is met</p> <p><b>Tiered Plans:</b> <i>Without Hospital Tiering:</i> 80% after Deductible is met</p> <p><i>With Hospital Tiering:</i></p> <ul style="list-style-type: none"> <li>• Tier 1 Hospital &amp; COE: 80% after Deductible is met</li> <li>• Tier 2 Hospital: \$500 copay + 60% coinsurance for all plans except Premier Copay, which is \$500 copay + 50% coinsurance</li> </ul>	Deductible must be met; then coinsurance will apply
Cardiac (heart) surgery	100% covered; No Deductible*	80% covered after Deductible is met; some copays may apply	<p><b>Non-tiered plans:</b> 80% after Deductible is met</p> <p><b>Tiered Plans:</b> <i>Without Hospital Tiering:</i> 80% after Deductible is met</p> <p><i>With Hospital Tiering:</i></p> <ul style="list-style-type: none"> <li>• Tier 1 Hospital &amp; COE: 80% after Deductible is met</li> <li>• Tier 2 Hospital: \$500</li> </ul>	Deductible must be met; then coinsurance will apply

Procedures	Carrum Health Centers of Excellence	BCBS	UHC	BCBSIL myVirtualCare Access plan
			copay + 60% coinsurance for all plans except Premier Copay, which is \$500 copay + 50% coinsurance	
<b>Cancer guidance</b>	100% covered; No Deductible*	80% covered after Deductible is met; some copays may apply	<p><b>Non-tiered plans:</b> 80% after Deductible is met</p> <p><b>Tiered Plans:</b> <i>Without Hospital Tiering:</i> 80% after Deductible is met</p> <p><i>With Hospital Tiering:</i></p> <ul style="list-style-type: none"> <li>• Tier 1 Hospital &amp; COE: 80% after Deductible is met</li> <li>• Tier 2 Hospital: \$500 copay + 60% coinsurance for all plans except Premier Copay, which is \$500 copay + 50% coinsurance</li> </ul>	Deductible is met; then coinsurance will apply
<b>Breast and thyroid Cancer treatments</b>	100% covered; No Deductible*	80% covered after Deductible is met; some copays may apply	<p><b>Non-tiered plans:</b> 80% after Deductible is met</p> <p><b>Tiered Plans:</b> <i>Without Hospital Tiering:</i> 80% after Deductible is met</p> <p><i>With Hospital Tiering:</i></p> <ul style="list-style-type: none"> <li>• Tier 1 Hospital &amp; COE: 80% after Deductible is met</li> <li>• Tier 2 Hospital: \$500 copay + 60% coinsurance for all plans except Premier Copay, which is \$500 copay + 50% coinsurance</li> </ul>	Deductible must be met; then coinsurance will apply

\* Due to legal requirements applicable under the Plan, participants in HSA plans must meet their deductible before 100% benefits can be provided.

\*\* See the below text under **Coverage and Exceptions for Hip and Knee Replacement, Spinal Fusion Surgery, and Bariatric (Weight Loss) Surgery** for circumstances where exceptions may apply.

## About Carrum Health

Carrum Health provides access to hospitals and surgeons for planned medical procedures and coordinates the delivery of care with travel, communication and other non-medical aspects of the program. Carrum Health itself does not render any medical care or advice and does not recommend any particular medical providers or course of treatment.

To learn more about the Carrum Health Benefit or request a consultation with a Center of Excellence, please contact Carrum Health at 1-888-855-7806 or visit [carrum.me/Walgreens](http://carrum.me/Walgreens). You can also download the 'Carrum Health' app available for iPhone and Android devices.

## How It Works

Eligible -team members and dependents can contact Carrum Health at 1-888-855-7806, Monday - Friday 9am-8pm EST, online ([carrum.me/walgreens](http://carrum.me/walgreens)), or by downloading the 'Carrum Health' app on iPhone and Android devices to search for and compare participating hospitals and physicians.

After contacting Carrum Health, a participant is assigned a Patient Care Specialist to determine if the participant may be referred to a Center of Excellence and provide non-medical coordination throughout the entire episode of care. Patient Care Specialist services can include assistance with selection of a Center of Excellence, appointment scheduling, travel reservations and logistics management (if necessary) and medical records collection. The Patient Care Specialist can also assist the participant with registration for the Carrum Health Benefit through the Carrum Health app and completion of required form.

Participants are required to agree to Carrum Health's Terms of Service and Member Registration Agreement and must also agree to provide their medical records and any other relevant information to their selected Center of Excellence as needed to schedule a consultative evaluation. Medical records and images may be collected on behalf of participants by their assigned Patient Care Specialists. During the consultation, the Center of Excellence will determine if the participant is an appropriate candidate for the requested procedure. Receiving this consultation does not commit a participant to proceed with the procedure or to use the Carrum Health Benefit

## Covered Expenses

**Medical:** The Carrum Health Benefits cover all medical costs incurred and related to the procedure with no Copay, Deductible or Coinsurance (except those enrolled in an HSA plan which will still be subject to your Plan deductible).

**Cancer Care:** Cancer care covered through the Carrum Health Benefit includes:

- **Virtual guidance and ongoing support for all cancer diagnoses**
- **Comprehensive treatment for breast and thyroid cancer**
- **CAR (chimeric antigen receptor)-T cell therapy**

**Travel:** The Carrum Health Benefit covers the cost of travel to the Center of Excellence including transportation, lodging, meals, and incidentals depending on the distance of the participant from the Center of Excellence and the type of procedure requested. Please contact your Patient Care Specialist or Carrum Health at 1-888-855-7806 or via the Carrum Health app for details regarding what travel benefits may be available with respect to your requested treatment.

For transportation and lodging to be covered under the Carrum Health Benefit, it must be booked by Carrum Health's Patient Care Team. Generally, the Patient Care Team will book travel on behalf of the participant for:

- Roundtrip transportation for an in-person consultation with a Center of Excellence, to the extent requested by the Center of Excellence, for the participant only

- Roundtrip transportation and hotel stay to receive the procedure at a Center of Excellence, for the participant and adult travel companion

Any stipend for meals and incidentals is provided via PayPal or prepaid Mastercard.

A participant will receive a Form 1099 reflecting any taxable travel benefits, such as lodging costs over federal tax limits and daily stipends.

### **Coverage Limitations and Disclosures**

- The Carrum Health Benefits are only available to eligible team members and dependents when the Plan is their primary coverage.
- To receive coverage under the Carrum Health Benefit, a Center of Excellence must determine that it will provide the requested procedure to the participant. A Center of Excellence may decline to treat a participant as it determines in its discretion, including, but not limited to, for failure to:
  - identify a designated adult companion who is willing and able to meet caregiver requirements;
  - be safe to travel to the Center of Excellence for medical care and not requiring emergency care at the time of travel;
  - follow preoperative and postoperative instructions;
  - provide all required medical history, labs, and diagnostic tests;
  - make lifestyle changes required by the Center of Excellence as a condition of obtaining the covered procedure (e.g., stop smoking or lose weight); or
  - refrain from committing an act of physical or verbal abuse or other threatening behavior to the staff of the Center of Excellence.
- To receive coverage under the Carrum Health Benefits, services MUST be scheduled and authorized by Carrum Health. If you have a medical condition eligible for care under the Carrum Health Benefits and choose to receive treatment elsewhere, your care will be subject to the coverage outlined in the Summary of Benefits Coverage table above.
- The Plan will remain responsible for incurred costs, in accordance with the applicable terms, if a change of plans is necessary after travel arrangements have been made. The Plan will also cover emergency or life-saving medical services that occur as the result of the planned procedures under the Carrum Health Benefits, subject to the coverage limits, cost-sharing and other terms of the Plan.
- Certain examinations, tests or other medical services may be required before or after the participant visits the chosen Center of Excellence under the Carrum Health Benefit. Any medical services not performed by a participating Center of Excellence facility or physician, including necessary pre- and post-acute care, are not covered under the Carrum Health Benefit and are subject to the coverage limits, cost-sharing and other terms of the Plan.
- The Carrum Health Benefit applies toward any benefit maximums on the covered procedures under the Plan. Any cost-sharing paid by the participant will count towards the Plan's annual deductible and out-of-pocket maximum.
- Carrum Health will provide appropriate documentation for any non-medical benefits paid under the program, which may be subject to taxation as income to the participant, such as the allowance paid for meals and incidentals.

**Coverage under the Carrum Health Benefit may be denied by Carrum Health if:**

- The participant refuses to complete documentation required to participate in the Carrum Health Benefit, including the Terms of Service and Member Registration Agreement;
- A participant requests to be referred to another Center of Excellence after the initial Center of Excellence has determined the participant is not an appropriate candidate for the requested treatment. Note this does not apply when the initial referral is to an outpatient facility or ambulatory surgical center (ASC) that cannot treat the participant because their condition is too complex, in which case the participant may be referred to an acute care Center of Excellence; or

The participant violates the Carrum Health Terms of Service or Member Registration Agreement.

**Coverage and Exceptions for Hip and Knee Replacement, Spinal Fusion Surgery, and Bariatric (Weight Loss) Surgery**

- **For hip and knee replacement, spinal fusion surgery and bariatric (weight loss) surgery:** If you are eligible for Carrum Health Benefits, and you choose to receive treatment in a facility outside the Carrum Health Centers of Excellence program, your treatment will not be covered by the Plan, even if the provider is in the Plan's medical network for other purposes. In such circumstances, no benefits are payable except in cases of emergency or if another exception described below applies.
- **Requests for exceptions to Carrum benefit:** You may request an exception to the rules stated immediately above so that procedures performed by a Plan network provider that is not a Carrum Health Centers of Excellence provider will be covered per your Plan's terms, subject to standard cost-sharing provisions and any applicable utilization management.
- To request an exception, a participant must complete the Exception Initiation Form and send it, along with the required supporting documentation listed in the Exception Initiation Form, to Carrum Health. A participant may request an Exception Initiation Form by contacting Carrum Health at 1-888-855-7806. Please complete the form and submit it via fax to Carrum Health at 650-539-0777, via the Carrum app, via secure email or via U.S. mail. Your Patient Care Specialist, who can be reached at 1-888-855-7806, can walk you through the process of submitting the Exception Initiation Form via the app, secure email, or U.S. mail.
  - Carrum Health will review the Exception Initiation Form to determine whether the submitted information and documentation meets the criteria to approve an exception.
  - Depending on whether the participant has already received treatment when they make their exception request, it will be treated as either a pre-service claim or post-service claim, as described in the Claims and Appeals section of this Summary Plan Description.
  - If the participant's exception request is approved, coverage of the treatment will be subject to the standard Plan terms, including any deductibles, coinsurance, or limitations, and the participant must comply with the Plan's standard protocols for authorizing and receiving care including utilization management. The exception request is not a request for prior authorization for coverage of the treatment under the Plan. The participant may still need to receive prior authorization under the Plan for the desired procedure after their exception is approved. If the exception request is denied, no benefits will be payable for services performed outside the Carrum Health Benefit, as outlined earlier. Participants can file an appeal with Carrum Health if they are denied an exception, as described in the Claims and Appeals section of this Summary Plan Description.

Exception criteria	Description	Documentation required
Urgent Surgery	<p>Either:</p> <ol style="list-style-type: none"> <li>1. Participant already received surgery due to a medical emergency; OR</li> <li>2. Participant has urgent need for surgery and has a surgical date set within 30 days.</li> </ol>	<p>Either (as applicable):</p> <ol style="list-style-type: none"> <li>1. Doctor's note on official letterhead detailing the surgery and the nature of the medical emergency; OR</li> <li>2. Doctor's note on official letterhead confirming the (i) participant is a surgical candidate, (ii) reason why surgery needs to happen urgently, and (iii) date of surgery</li> </ol>
Surgical Candidacy	<p>Participant's doctor disagrees with Carrum COE's determination that the participant is not an appropriate surgical candidate. The COE's determination may be made:</p> <ol style="list-style-type: none"> <li>(1) after consultation with the participant or</li> <li>(2) prior to consultation, based on the participant's failure to meet clinical criteria required for referral.</li> </ol>	<p>Doctor's note on official letterhead stating (i) why the doctor believes the participant is an appropriate candidate for surgery and (ii) why the doctor disagrees with the COE's reason for determining surgery is not appropriate.</p>
Medically Unsafe to Travel	<p>Both:</p> <ol style="list-style-type: none"> <li>1. Participant lives more than 60 miles from the nearest Carrum COE; AND</li> <li>2. Travel to the nearest Carrum COE would be medically unsafe or physically impossible.</li> </ol> <p>“Medically unsafe” means travel would result in (i) placing the participant's health in serious jeopardy, (ii) serious impairment to bodily functions, (iii) serious dysfunction of any bodily organ or part, or (iv) injury.</p> <p>“Physically impossible” means the individual has physical limitations that prevent travel to the nearest COE.</p>	<p>Doctor's note on official letterhead documenting a medical condition and the reason the medical condition makes travel medically unsafe or physically impossible.</p>
Financial Hardship	<p>Both:</p> <ol style="list-style-type: none"> <li>1. Participant lives more than 150 miles from the nearest Carrum COE; AND</li> <li>2. Having surgery at the Carrum COE</li> </ol>	<p>Participants must provide documentation showing the reason why having surgery at a Carrum COE would cause severe financial hardship. For example, this</p>

	<p>would cause the participant severe financial hardship.</p> <p>Examples of severe financial hardship:</p> <ul style="list-style-type: none"> <li>● Inability to work or loss of hours due to the condition that the surgery is intended to fix without the ability to receive disability coverage, resulting in a severe financial hardship</li> <li>● Loss of insurance prior to earliest possible surgery date, resulting in a severe financial hardship</li> <li>● Disability leave cannot be moved to accommodate Carrum surgery date, resulting in a severe financial hardship</li> <li>● Existing obligations as a primary caregiver and travel to a Carrum COE would result in unreasonable disruption to caregiver obligations. “Unreasonable disruption” means having to hire a caregiver for 24hrs+ over and above caregiver needs if staying with a local surgeon, resulting in a severe financial hardship.</li> </ul>	<p>could include, but is not limited to, disability leave approval, plus documentation (i.e., email communication) showing that leave cannot be moved.</p>
Inability to secure and adult travel companion	<p>Both:</p> <ol style="list-style-type: none"> <li>1. Participant lives more than 150 miles from the nearest Carrum COE; AND</li> <li>2. Participant is unable to secure an adult travel companion.</li> </ol>	<p><i>Participant must show good faith effort to secure an adult travel companion, documenting steps taken to find an adult travel companion and describe any roadblocks. Participant to provide supporting materials.</i></p>