



# Parker-Hannifin Corporation Flexible Benefits Program **Summary of Material Modifications**

This summary of material modifications (SMM) describes changes to the Parker-Hannifin Flexible Benefits Program (plan numbers 501 and 525), effective **January 1, 2022**. This summary updates the current summary plan description (SPD) that was effective January 1, 2019. Please keep this SMM with your current SPD.

## **ELIGIBILITY**

### **Coverage for Yourself**

Eligibility for LTD coverage is being expanded to all hourly team members who are full-time or part-time and regularly scheduled to work 20 or more hours per week.

### **Spouse Employment Rule**

If you are covering your spouse in Medical Program coverage and do not make your annual enrollment elections, including the Spouse Employment Verification election, you will default to your current year's spouse employment fee election.

## **MEDICAL PLAN**

### **The High Deductible Plan (HDP) Deductible**

The HDP Network and Non-Network annual deductible amounts will increase. The new annual deductible amounts are:

- Network: \$2,800 individual/\$5,600 family
- Non-Network: \$5,600 individual/\$11,200 family

### **Your HSA Contributions**

The financial institution associated with the Health Savings Account (HSA) for the HDP is changing from HSA Bank to a new Anthem HSA.

## **NEW SUPPLEMENTAL PLANS**

Parker is adding three new fully insured supplemental plans. You pay the full cost of these coverages on an after-tax basis. Aetna is the claims administrator for these plans.

- Critical Illness Insurance
- Accidental Injury Insurance
- Hospital Indemnity Insurance

Each benefit has a certificate that serves as the official plan document. The certificate can be requested by calling the YOUR PARKER Service Center at 1-800-992-5564.

## **LIFE INSURANCE**

### **Benefits**

Parker is changing the Basic Life and Accidental Death and Dismemberment (AD&D) benefits from a flat \$50,000 to an amount equal to one time your base pay, with a minimum of \$50,000 and a maximum of \$500,000. Your coverage is determined each year based on your base pay (rounded up to the next higher \$1,000) in Parker's payroll system as of a fixed date prior to annual enrollment. Premiums paid for Basic life benefits that exceed \$50,000 will be treated as Imputed Income, by being included as part of your gross pay.

### **Claims Administrators**

Securian will become the claims administrator for Basic Life Insurance, Optional Life Insurance, and Accidental Death and Dismemberment (AD&D). Claims incurred on or prior to 12/31/21 will be administered by:

- MetLife for the Basic and Optional Life plans
- Chubb for the AD&D plan.

Chubb will continue as the Personal Accident Insurance (PAI) claims administrator.



## **LONG TERM DISABILITY (LTD)**

### **Benefits**

Parker is increasing the LTD benefit to 67% of monthly pay for claims initiated beginning 1/1/22 and after.

### **Claims Administrator**

Sedgwick will be the claims administrator for the LTD benefits, including claims initiated on or prior to 12/31/21.