

2022 OPEN ENROLLMENT

OPEN ENROLLMENT DATES:
OCT. 20 – NOV. 5, 2021



Performance by design.
Caring by choice.™



Agenda

- 2020/2021 Health Plan Performance
- What's Changing for 2022 with Key Points
 - RFP Results
 - Pricing
 - Plan Design
 - Other Changes
 - Important Reminders
- Communication Plan

2020/2021 Health Plan Performance



Overview – 2020 Medical Plan Performance

Improved in-network utilization and lower standalone emergency room spend



Measure	BCBS 2020	Aetna 2019
In-Network Cost %	99.2%	86.3%
Baytown ER Spend	\$460K	\$2.6MM
Baytown ER Visits	616	628
Baytown ER Cost/Visit	\$554/visit	\$4,141/visit

Key Point

Significantly improved in-network claims payment percentage and lower standalone emergency room spend with BCBS over Aetna.



Health Plan Review

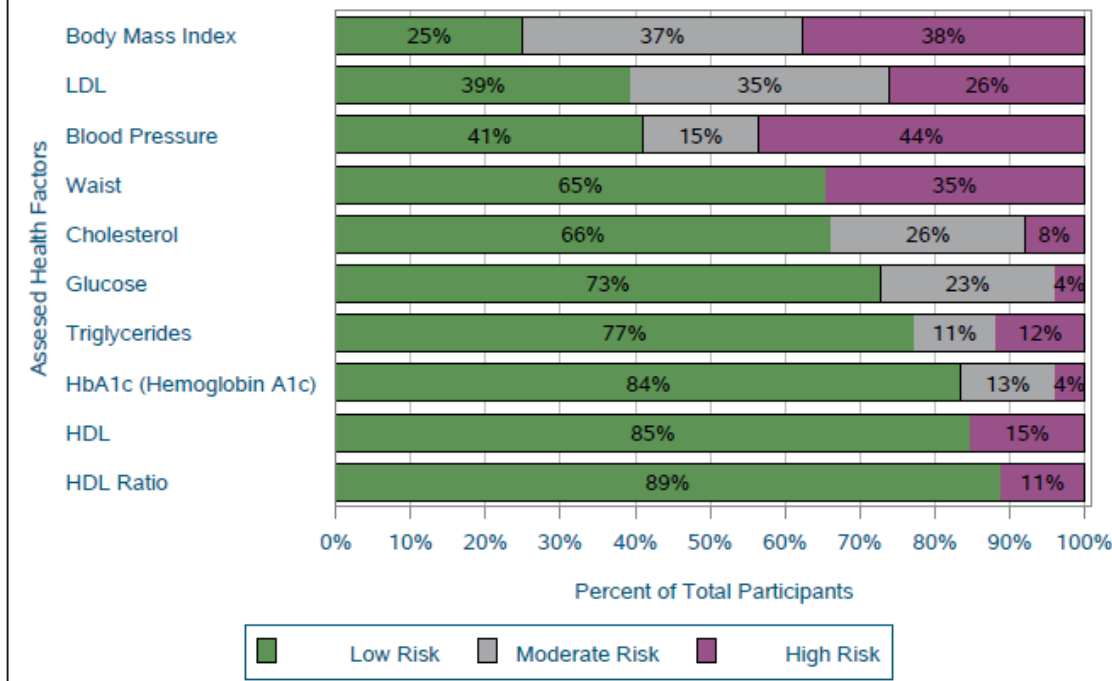
Your Journey to Wellness 2020 Review



Rewarded Activities	Amount	2020 Completions	2019 Completions	2018 Completions
Preventive wellness exam	\$40	2,134	2,029	3,748*
Dental exam	\$10	2,708	2,996	2,884
Biometric screening	\$20	1,115	1,253	1,154
Tobacco credit	\$10	1,064	1,213	1,089
Tobacco test clean	\$10	1,051	1,191	1,076
Tobacco cessation calls	\$10	13	22	13
Financial Wellness New for 2020		1,394	n/a	n/a
Bonus	\$100	761	924	945
Employees who completed at least one activity		3,521	4,007	4,298

*In 2018 all visits to a doctor's office were captured as preventive visits. Beginning 2019 definition was refined.

Top Risks Of All Participants (N=1,122)



Key Point

Contrary to peers, preventive wellness exam counts held steady for 2020 over 2019, through the pandemic



What's Changing for 2022 with Key Points

Summary



Benefits Administrator Change

- Alight Solutions will replace LifeWorks (Morneau Shepell) as the Benefits Administrator effective 1/1/2022 going live at Open Enrollment

Company-Paid Long-Term Disability (LTD)

- Company-paid LTD will replace employee-paid LTD

Rates

- U.S. Actives/Retirees - No increase for Medical, Dental or Vision
- Expats - 6.9% Increase in Medical premiums and 6.55% increase for Dental premiums
- All Life Insurance rates remain the same
- Critical Illness rates will decrease

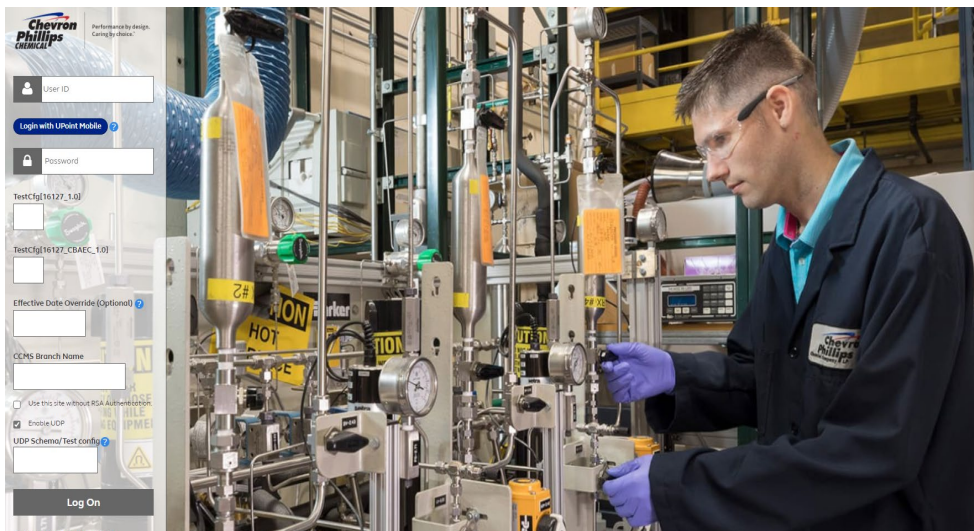
Health & Welfare – Medical and Prescription Drug Plan

- Expansion of Fertility Benefits
- Livongo – Diabetes Management
- Airrosti REMOTE Recovery – Musculoskeletal
- Pipe Hourly Union will be migrated into the BCBSTX plan including FSAs, HSA and Spousal Surcharge
- CVS Caremark Drug Savings Review program
- Specialty Drugs (2 exclusions, 1 addition)

Other Benefits

- Add Adoption Assistance reimbursement program

RFP Results – Alight Solutions



Key Point: Improved User Experience

- Up-to-date web experience
- Spousal Surcharge reminder upfront
- Single sign-on from MySphere (you must register on the Alight site first)

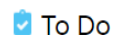


35 days left

Enrollment is open until 11:59 p.m. CT on October 20, 2021

Deborah, it's time to enroll in your benefits!

Continue



To Do

✚ Adding a Child Dependent?

You will need: SSN (if available), Legal Name, Birth Certificate

✚ Adding a Spouse?

You will need: SSN, Legal Name, Marriage Certificate, Proof of Joint Residency

✚ Adding a Beneficiary for Life Insurance or AD&D Insurance?

You will need: Legal Name, SSN, Date of Birth, Address



You may exit the enrollment system at any time.

Any elections made up until that point will automatically be saved



Be prepared

Have your dependents' information handy if you are going to add them to coverage or designate them as a beneficiary



About the 2022 Spouse Surcharge

If you cover a spouse on the CPChem medical plan, you will be charged the spousal surcharge if you don't take action to waive it.

New web address: digital.alight.com/cpchem
New phone number: 1-833-964-3575



RFP Results – Aight Solutions

Spousal Surcharge

This enrollment period is for coverage beginning January 1, 2022.


Does your spouse have access to other employer-sponsored medical coverage?

- ☒ Yes - my spouse has access to other employer-sponsored medical coverage.
- ☐ No - my spouse does not have access to other employer-sponsored medical coverage.
- ☐ Not Applicable - My spouse works for CPChem

Phone NumbersChange

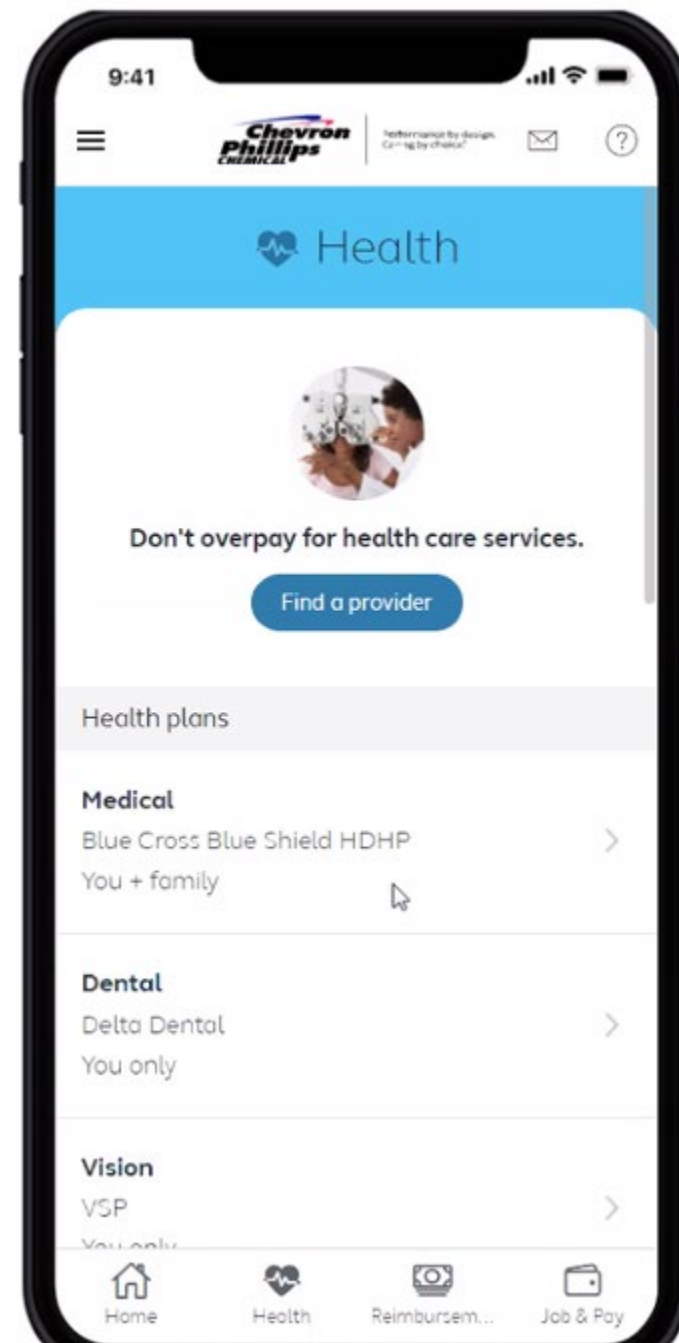
☒ Preferred

Home Phone: 808-385-1888
Work Phone:
Extension:
Mobile Phone: 999-555-1212

 You aren't receiving text messages

Key Point: Improved User Experience

- Mobile app for those who don't have computer access
- Option to elect text messaging
- Better spousal surcharge questions – offering a clearer choice



RFP Results – Alight Solutions



Health Savings Account

Total Benefits Cost
\$354.79 per pay period

This enrollment period is for coverage beginning **January 1, 2022**.

Terms and Conditions

By entering an annual HSA contribution amount, you confirm the following:

- I wish to establish an HSA with Fidelity as custodian.
- I am eligible to contribute to an HSA
- I have reviewed all applicable information and agree to be bound by the terms and conditions governing my HSA. I understand the terms and conditions are available to me anytime at www.netbenefits.com
- I authorize Fidelity, my employer, and those acting on behalf of either party, to exchange information (including my account number) in connection with the establishment and maintenance of my HSA
- I understand my monthly account statements will be made available to me electronically. I agree to notify Fidelity if I wish to have statements mailed to my home address.
- I certify that the information provided is true and complete.

Per the USA PATRIOT Act To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When you open the account, Fidelity will ask for your name, street address, date of birth and other information that will allow us to identify you. Fidelity may also ask to see your driver's license or other identifying documents.

☐ I acknowledge that I have read and agree to the entirety of the HSA terms and conditions outlined on this page.

✓ Save and Continue >

Decline

Key Point: Improved User Experience



- One click can open their HSA at Fidelity


Chevron Phillips
chemical

Performance by Design.
Living by Intent.

Health & Insurance ▾ Life Events ▾

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Your Dependent Information

Plan costs are based on whom you choose to cover.

Ashley	Spouse born on 08/08/1984	Edit
Daylan	Child born on 09/05/2008	Edit
<div> Documentation will be required to verify eligibility</div>		
Dylan	Child born on 09/05/2008	Edit
Donnie	Child born on 05/11/2015	Edit

 Add Dependent

Continue

- Clear which dependents need action
- Upload dependent verification documents at time of enrollment or shortly after. No more faxing or mailing documents required
- Less home mailings. Notices sent by email or via Text Messaging

[illegible]

Life/Accident/Critical Illness/Long-Term Disability Insurance

- Life Insurances: Enhancements with No Cost
 - Supplemental Life Guaranteed Issue increase from 2x/\$300K max to 3x/\$400K max
 - Accelerated Death benefit increase from \$500K to \$600K or 80% of max coverage
 - Spouse Life Guaranteed Issue increase from \$30K to \$50K
 - Child Life – eliminate EOI and add 3rd option of \$15K coverage
 - Basic Life Accelerated Death benefit increase to 80% of max coverage
 - One-time Open Enrollment increases without with no Evidence of Insurability (EOI)
 - 1X increase of Supplemental Life up to Guaranteed Issue
 - \$10K Spouse Life increase up to Guaranteed Issue
- Critical Illness
 - Rate Decrease with estimated employee savings of \$283,986/annually
- 3-year Rate Guarantee

Key Point: Improved or equal benefits with either no rate increase or decrease in rates

- Life Products with enhanced benefits
- Critical Illness with significant rate decrease

Life/Accident/Critical Illness/Long-Term Disability Insurance



- Long-Term Disability Insurance (LTD)
 - **Company-paid** LTD replacing voluntary employee-paid LTD
 - All USD employees (excluding Performance Pipe Hourly Represented at Bloomfield) will be enrolled in LTD insurance at the 60% level effective 1/1/2022 (no cost to employees)
 - Increased mental health illness maximum coverage period from current 24 months to 36 months (does not impact the Disability Leave employment duration)
 - Premiums will not be taxable
 - Benefits will be subject to personal income taxes
 - Cost shift from \$2.7MM employee-paid to \$2.5MM employer-paid

Key Points:

- Part of Total Rewards Optimization
- Expands coverage from current 63% of employees to 100%
- Increases take-home pay for employees currently enrolled in LTD
- Increases CPChem's competitive advantage

Pricing – US Payroll Employees

Monthly employee contribution benchmarks



Plan / Tier	CPChem 2022	Mercer 2020 Chemicals 500+	Mercer 2020 Nationals 500+
EPO			
EE- Only	\$245.02	\$181.00	\$160.00
Family	\$699.34	\$526.00	\$523.00
PPO			
EE- Only	\$110.44	\$142.00	\$160.00
Family	\$335.94	\$488.00	\$590.00
CDHP (HSA)			
EE- Only	\$15.00	\$92.00	\$93.00
Family	\$78.26	\$231.00	\$356.00

Key Point:

- Following the standard rigorous actuarial process – No rate increase for Medical, Dental, Vision or Life benefits for 2022
- CPChem PPO and CDH rates remain below benchmark when compared to other Chemical companies

Pricing – US Expats Employees

Expat Medical and Dental

May 2021 Enrollment

2022 Expat Monthly Rates

	Count	Employee	Company	Total
Medical				
Employee	8	\$196.46	\$790.16	\$986.62
Employee + Spouse	15	\$442.75	\$1,727.81	\$2,170.56
Employee + Children	2	\$381.13	\$1,493.47	\$1,874.60
Employee + Family	45	\$530.44	\$2,577.41	\$3,107.85
<i>Total</i>	<i>70</i>			

May 2021 Enrollment

2022 Domestic Monthly Rates

	Employee	Company	Total
Employee	\$245.02	\$722.86	\$967.88
Employee + Spouse	\$583.47	\$1,597.59	\$2,181.06
Employee + Children	\$502.49	\$1,375.21	\$1,877.70
Employee + Family	\$699.34	\$1,913.95	\$2,613.29

	Count	Employee	Company	Total
Dental				
Employee	8	\$23.03	\$23.03	\$46.05
Employee + Spouse	15	\$44.93	\$44.93	\$89.86
Employee + Children	2	\$53.20	\$53.20	\$106.40
Employee + Family	45	\$75.10	\$75.10	\$150.20
<i>Total</i>	<i>70</i>			

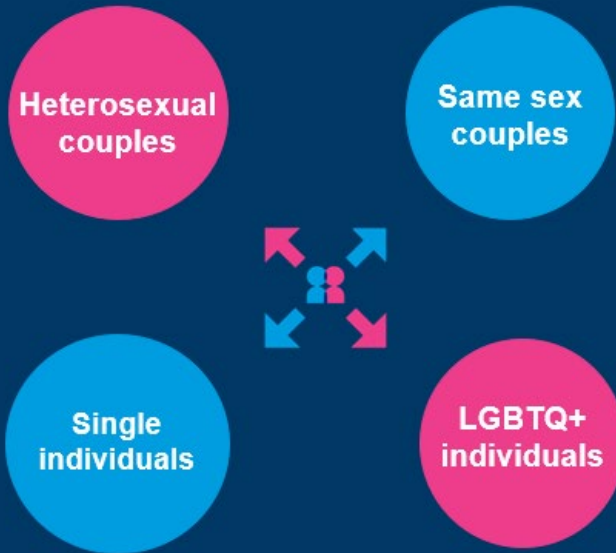
	Employee	Company	Total
Employee	\$22.27	\$22.27	\$44.54
Employee + Spouse	\$44.53	\$44.53	\$89.06
Employee + Children	\$46.78	\$46.77	\$93.55
Employee + Family	\$69.03	\$69.02	\$138.05

Key Point:

- Based on claims experience and a smaller expat population medical rates will increase 6.9% and dental rates will increase 6.55%

Plan Design Changes - Expanded Eligibility for Fertility Treatments

The workforce is made up of all different types of families, each with **varying needs** and challenges



- Plan would no longer require a diagnosis of infertility to utilize this benefit
- Increases access for non-traditional families
- Maintain \$10,000 life-time maximum

Key Point:

- CPChem recognizes the evolving nature of today's families and is committed to providing benefits to meet the needs of all employees

Plan Design Changes - Adoption Assistance Program

- Adoption Assistance reimbursement of up to \$10,000/adoption with \$20,000 lifetime limit



Key Point:

- CPChem recognizes the evolving nature of today's families and is committed to providing benefits to meet the needs of all employees
- Provides an alternative to fertility treatment

Plan Design Changes - Pharmacy Program – Drug Savings Review

Reduce wasteful spend with Drug Savings Review

Identifying evidence-based clinical opportunities that can drive prescription savings

Categories to prompt a savings review



Duplicate therapies

Redundant multiple meds, in the same therapeutic class



Duration of therapy

Longer duration of therapy than clinically recommended



Age appropriate management

Inappropriate medications for certain age groups



Condition management

Inappropriate medications in existing disease state



Dose optimization¹

Twice daily, that can be switched to once-a-day

Key Point:

- Estimated cost: \$42,000/year
- Estimated savings: \$362,000/year
- Completed with doctor... little to no member impact

Plan Design Changes – Diabetes Management

Livongo is a new approach to Diabetes Management



Cellularly-enabled blood glucose meter

- FDA-cleared with touchscreen
- Provides personalized insights
- First meter with remote software upgrades



Real-time data analytics

- Clinical data analytics drive behavior change
- Personalized rules engine provides insights and educational content



24/7/365 insights and real-time support

- Personalized coaching and trends management
- Live interventions triggered by acute alerts



Free unlimited supplies

- Strips and lancets shipped directly to member
- Automated reordering based on usage

Key Point:

- Diabetes continues to be one of the top 10 conditions in the CPChem population
- Adding a point solution to assist employees in managing their diabetes (no out-of-pocket cost)

Plan Design Changes – Musculoskeletal Point Solution

AIRROSTI: *Reduce your Imaging, Surgery and Therapy Spend*



Airrosti Collaborative Care Pathway



Priority Musculoskeletal Triage Inside Primary and Specialty Care Facilities



Thorough Assessment Eliminates Unnecessary Imaging



One Hour, One-on-one Patient Time



Evidence-based Manual Therapy Removes Restrictions and Pain



Patient Education and Focused Active Care

Results



99.6% would refer Airrosti to friends and family



Average 3 visits to resolution



50% Reduction in imaging and surgeries

Ways to Work with Airrosti

On-site & Near-site Collaborative Locations



On-site: Inside Clinic Fitness or Office Space

Near-site: Co-location with Primary Care and Specialty Care Practices committed to Collaborative Care Pathway

No-cost Member Engagement

Programming to Drive Change

Musculoskeletal Wellness Activities

- Health at your desk
- Health on the move
- We've got your back

Injury Specific Workshop

- Tech Neck
- Back Pain & Spine Surgery Prevention

Benefit Announcement

Experience Airrosti Programs

- Injury assessment day(s)
- Experience Airrosti day(s)
- What is Airrosti workshop

Key Point:

- Musculoskeletal continues to be in the top 5 health conditions
- Airrosti provides bricks-and-mortar and virtual access, for those who prefer remote treatment
- Out-of-pocket cost applies, but expected to be much lower than specialist

Other Changes



Prescription Drug Program

- **Addition of coverage for Imcivree** – used for chronic weight management in adults and pediatric patients with rare genetic conditions
- **Discontinuation of coverage for Duexis and Vimovo** – high-cost medications that do not show any clinical value and have many clinical alternatives
- **Important:** The Select EPO Plan and Choice PPO Plan have a different pharmacy Plan design from the Value CDH Plan.
 - The Select EPO and Choice PPO Plans have Prudent Rx for specialty drugs
 - The Value CDH is not eligible for PrudentRx. Employees may still use the manufacturers' copay cards

Health Savings Account and Flexible Spending Account Contribution Limits

- Health Savings Account contribution limits increasing from \$3,600/\$7,200 to \$3,650/\$7,300 for employee and employee plus dependent tiers, respectively
 - **New feature:** Employees will be allowed to elect a one-time HSA contribution for January during Open Enrollment, in addition or in place of per-paycheck contributions.
- No change to the Flexible Spending Account limits

Important Reminders



- Most elections will carry over from the previous year
- The following elections will **NOT** carry over:
 - Spousal Surcharge attestation must be completed each year, or the surcharge will be assessed regardless of the previous year's attestation.
 - Flexible Spending Accounts (FSA) and the Health Savings Account (HSA)
- Increases to Life Insurance elections require a Statement of Health
- Dependents removed from coverage during Open Enrollment will not be offered COBRA
- Any newly added dependents will require dependent verification. Failure to properly and timely respond to the post-enrollment Dependent Verification process will result in the dependents being dropped from coverage.
- **Approximately 1,300 previously unverified existing dependents for 740 employees will need to be verified during Open Enrollment. Targeted communications will be provided to these 740 employees.**

Communications/Next Steps

2022 Open Enrollment (OE) Communication Plan

Audience	Description	Date
HR Manager Network, HRBPs, HR Assistants	Overview	September
Managers/Supervisors	Webcasts for alignment	October
USW and other Unions	Pre-notification meetings	October
All Employees	1st Postcard	October 11 th
All Employees	Benefit Briefings and webcasts	October
All Employees	<i>OE Flyer (replaces the guide)</i>	October 18 th
All Employees	OE window	October 20 th – November 5 th
All Employees	2nd reminder Postcard	October 25 th
All Employees	<i>OE confirmations via email</i>	November
All Employees	Changes effective	January 1, 2022

Questions?
Thank you for your time and support!