

# Key Changes and Highlights for 2024 Benefits

Danfoss evaluates the Health & Welfare Benefits Program annually to help ensure that it remains market competitive and cost effective. We make significant investments into our benefit programs, including investing over \$50 million in support of our self-insured medical and prescription drug program.

In 2023, due to the aligned Health & Welfare Benefits Program and favorable claims experience in 2022, we were able to avoid a medical and prescription drug premium increase. Unfortunately, our healthcare costs experience in 2023 has been less favorable due to higher medical claims, increasing pharmacy spend and healthcare inflation. As a result of increasing healthcare costs, Danfoss made changes to the 2024 Health & Welfare Benefits, including a 10% medical premium increase to the PPO, HDHP Enhanced and HDHP Basic plans, along with deductible and out-of-pocket changes to the HDHP plans. Key changes and highlights are provided below, along with Annual Enrollment details.

## Annual Enrollment Is **Thursday, October 26 to Friday, November 10, 2023**

### Enroll on the Danfoss Benefits Portal

Log in to [USBenefits.Danfoss.com](https://USBenefits.Danfoss.com) during Annual Enrollment to enroll in or change your Danfoss health and welfare benefits coverage, including:

- Medical, dental, and vision
- Flexible spending accounts (FSAs) — **2023 FSA elections do not automatically carry over to 2024.**
- Life and accidental death & dismemberment (AD&D)
- Voluntary benefits, such as accident, hospital indemnity, critical illness, and legal and identity theft protection
- Tobacco Attestation for you and/or your spouse/domestic partner to avoid the \$75 monthly tobacco user surcharge — **Current attestations automatically carry over to 2024.**

You can use the portal throughout the year to access benefit details and to make changes after a qualifying life event.



You can also use the **MyChoice app** to enroll.



### Eligibility

- The Dependent Eligibility Verification Program starts in January 2024 in partnership with Consova. The program reflects a common practice among employers to periodically review the eligibility of dependents who receive Company benefits. Starting in January, you can expect a request for eligibility verification documents if you have dependents enrolled in the Danfoss medical, dental and/or vision plan who have not been previously verified by the Danfoss Benefits Center. Examples of documents you can submit as proof of eligibility include:
  - Copy of a birth certificate
  - Copy of documents verifying adoption or legal guardianship
  - Copy of your marriage certificate
  - Copy of the first page of your tax return showing your dependent(s)

Consova will provide additional details in December.

### Medical coverage

- Medical premiums for all plans are increasing by approximately 10% due to overall higher medical costs. The chart below shows estimated monthly premiums for 2023 and 2024. In the Difference column, you can see about how much more you can expect to pay per month for medical premiums. Keep in mind that estimated premium amounts shown include the wellness credit.

	PPO			HDHP Enhanced			HDHP Basic		
	2023	2024	Difference	2023	2024	Difference	2023	2024	Difference
<b>Employee Only</b>	\$98	\$108	<b>\$10</b>	\$48	\$52	<b>\$4</b>	\$32	\$35	<b>\$3</b>
<b>Employee + Child</b>	\$217	\$238	<b>\$21</b>	\$100	\$108	<b>\$8</b>	\$68	\$74	<b>\$6</b>
<b>Employee + Children</b>	\$284	\$312	<b>\$28</b>	\$119	\$130	<b>\$11</b>	\$80	\$87	<b>\$7</b>
<b>Employee + Spouse or Domestic Partner</b>	\$379	\$416	<b>\$37</b>	\$199	\$217	<b>\$18</b>	\$165	\$182	<b>\$17</b>
<b>Employee + Family</b>	\$436	\$477	<b>\$41</b>	\$256	\$277	<b>\$21</b>	\$201	\$221	<b>\$20</b>

- Applied Behavior Analysis (ABA) therapy will be covered under all Danfoss medical plans. Review your plan's 2024 Summary of Benefits and Coverage (SBC) for details.

## Medical coverage

- The HDHP Basic's deductible and out-of-pocket maximum are increasing, and the embedded deductible for Employee + Dependent(s) coverage is increasing for both the HDHP Enhanced and HDHP Basic. See the chart below for increases.

	HDHP Enhanced			HDHP Basic		
	2023	2024	Difference	2023	2024	Difference
<b>Deductible</b>						
Employee Only	\$2,000	\$2,000	\$0	\$2,700	\$3,000	\$300
Employee + Dependent(s)	\$4,000	\$4,000	\$0	\$5,400	\$6,000	\$600
<b>Out-of-Pocket Maximum</b>						
Employee Only	\$4,000	\$4,000	\$0	\$5,000	\$5,500	\$500
Employee + Dependent(s)	\$8,000	\$8,000	\$0	\$10,000	\$11,000	\$1,000
<b>Embedded Deductible</b>						
Employee + Dependent(s), per Individual	\$3,000	\$3,200	\$200	\$3,000	\$3,200	\$200

## Health savings account (HSA)

- The IRS increased the maximum HSA contribution amount to:
  - \$4,150 (up from \$3,850) for Employee Only
  - \$8,300 (up from \$7,750) for Employee + Dependent(s)
- Company HSA contributions will remain at:
  - \$600 for Employee Only coverage
  - \$1,200 for Employee + Dependent(s) coverage

## Dental coverage

- There are no dental premium increases.
- Out-of-network dental services will be charged the same as Delta Dental Premier Network services. This means you will pay more than you did last year for out-of-network dental services. Keep in mind that you receive the most benefits from your dental plan, and save the most money, by receiving in-network services. Learn more at [deltadentalia.com](https://deltadentalia.com) or call **800-544-0718**.

## Vision coverage

- There are no plan changes or premium increases.

## Supplemental life and accidental death & dismemberment (AD&D) coverage

- You can make the following elections during Annual Enrollment without providing evidence of insurability (EOI), or proof of health:
  - Enroll for the first time in Supplemental Employee Life coverage at 1 times your base pay.
  - Increase existing Supplemental Employee Life coverage by 1 times your base pay, up to the guaranteed issue maximum of 4 times your base pay.
  - Enroll for the first time in Supplemental Spouse or Domestic Partner Life coverage at the \$10,000 level.
  - Increase existing Supplemental Spouse or Domestic Partner Life coverage by one level up to the plan maximum of \$400,000.
  - Elect Supplemental Child Life coverage at any available amount, up to \$25,000.
  - Elect any available option of Supplemental Accidental Death & Dismemberment (AD&D) coverage for you, your spouse or domestic partner or child(ren).

## Upcoming Key Dates

### October 17

- Join a virtual benefits session — look for the Teams meeting invite in your inbox

### Throughout mid-October

- Join on-site benefit sessions — ask your local HR for dates and times
- Look in your mailbox and visit [USBenefits.Danfoss.com](https://USBenefits.Danfoss.com) for Annual Enrollment materials, including health and welfare plan premiums

### October 26

- First day of Annual Enrollment
- Make your elections at [USBenefits.Danfoss.com](https://USBenefits.Danfoss.com)

### November 10

- Last day of Annual Enrollment

### November 30

- Last day to earn a \$600 credit toward your 2024 medical premiums by completing both steps below:
  - Complete a Biometric Screening
  - Take the CareFirst Wellbeing RealAge survey

**Danfoss Benefits Portal**  
[USBenefits.Danfoss.com](https://USBenefits.Danfoss.com)

Enroll in benefits during Annual Enrollment and access benefit details throughout the year.

**Danfoss Benefits Center**  
**833-925-0492**

Speak with a benefits representative.