

# National Oilwell Varco U.S. benefits newsletter

NOV remains committed to providing you and your family with a valuable, competitive benefits program. However, challenging conditions persist in the oilfield markets we serve, and healthcare costs continue to rise. The changes we have made to our benefits plans for 2020 will help us to address these challenges. Importantly, **we have held healthcare premiums at their current levels** to minimize the impact to you and your family.

Please note that beginning January 2020, we have revised the retirement contribution provided by NOV to your 401(k) retirement plan as described later in this newsletter. NOV will continue to offer an employer match of \$1 to \$1 up to 4% of eligible pay, and we encourage all employees to take advantage of this savings opportunity. With the change in retirement contribution, it is important to review your 401(k) plan this year to ensure you're on track to meeting your retirement savings goals.

The 2020 program changes will also bring new and enhanced benefit opportunities through convenient pharmacy offerings, will preparation, travel assistance, and much more. As always, please review these materials carefully to make the best decisions for you and your family. Thank you for all you do to make NOV a special place to work.



## Annual enrollment

**Monday, October 21, 2019**

**through Friday, November 1, 2019**

## 2020 changes

- **No employee premium increase!** Despite increases in healthcare costs, NOV has made the decision to keep your medical and dental premiums at current levels and, as we have in the past, you will not have premiums for the vision plan.
- **Medical plan changes:** The two PPO plan designs have been updated with new deductibles, copays, and out-of-pocket maximums. See details on the next page.
- **Passive enrollment:** If you are satisfied with your current insurance coverage, there's no need to take additional action. Your benefit elections (except for FSAs) will carry over to 2020.
- **New prescription provider:** CVS Caremark will replace OptumRx as the prescription benefit provider for the medical plans. CVS Caremark offers quality prescription services with convenient and cost saving advantages at CVS and non-CVS pharmacies, including HEB, Kroger, Randall's, Walgreens, and many more.
- **New life and AD&D carrier:** MetLife will be your new life and AD&D carrier. There are no changes to your benefit levels; however, you will have access to some additional value-added programs.
- **My Benefits in Hub:** Visit the "My Benefits" section at [hub.nov.com](http://hub.nov.com) for benefits information. Beginning in October, click on 2020 Benefits Information to see all annual enrollment materials, including videos and booklets, to help you make your benefits decisions.
- **Health savings account (HSA) limit increase:** The IRS maximum contribution limit will increase to \$3,550 for individuals and \$7,100 for families.
- **Flexible spending account (FSA) maximum increase:** The health FSA and limited health FSA maximums will increase to \$2,700.
- **New ID cards:** New medical, dental, and now a separate card for prescription drugs, will be issued to everyone enrolled for 2020.
- **Habla español?** Los materiales de inscripción annual sera una vez disponible en español.

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## Your bi-weekly plan costs – no increase for 2020!

We are pleased to announce there will be no increase to your premiums for health insurance in 2020. Biweekly payroll deductions will remain the same as 2019! NOV contributes more than 2/3 of the cost for the medical plans.

	Employee only	Employee + spouse	Employee + child(ren)	Employee + family
<b>Medical</b>				
<b>Consumer Plan + HSA</b>	\$21	\$60	\$57	\$113
<b>800 PPO plan</b>	\$72	\$204	\$158	\$293
<b>1400 PPO plan</b>	\$46	\$117	\$102	\$194
<b>Dental</b>				
<b>NOV dental plan</b>	\$7	\$15	\$14	\$22
<b>Vision</b>				
<b>VSP vision plan</b>			\$0	

## NOV will “pay” you to join the Consumer Plan + HSA\*

NOV continues to provide three high-quality medical plans while keeping your costs low. For 2020, we have made changes to the PPO plans, but there are no changes to the Consumer Plan + HSA benefits. The chart below illustrates the medical plan options with **highlighted** changes for 2020. With the updates to the PPO plans, this may be a good time to take a second look at the Consumer Plan + HSA option.

Plan	Consumer Plan + HSA	800 PPO (600 PPO enrollees will be defaulted to this plan)	1400 PPO (1200 PPO enrollees will be defaulted to this plan)
<b>Network</b>	BCBSTX PPO (BCA)	BCBSTX PPO (BCA)	BCBSTX PPO (BCA)
<b>Premiums</b>	Lowest per paycheck cost	Highest per paycheck cost	Mid-range per paycheck cost
<b>Annual deductible**</b>	\$1,500/employee only \$3,000/all other tiers	<b>\$800</b> /individual <b>\$1,600</b> /family	<b>\$1,400</b> /individual <b>\$2,800</b> /family
<b>Preventive care**</b>	You pay \$0	You pay \$0	You pay \$0
<b>Office visit copay**</b>	No copay. You pay 20% after you meet your deductible.	<b>\$25</b> for primary <b>\$35</b> for specialist	<b>\$30</b> for primary <b>\$60</b> for specialist
<b>Coinsurance**</b>	You pay 20% after you meet your deductible.	You pay 20% after you meet your deductible.	You pay 20% after you meet your deductible.
<b>Prescription copays (\$ or %) apply?</b>	Yes, after you meet the deductible.***	Yes***	Yes***
<b>Can I participate in the health flexible spending account (FSA)?</b>	Yes, if it is a limited FSA which reimburses dental and vision expenses only.	Yes	Yes
<b>Can I participate in a health savings account (HSA)?</b>	Yes, if eligible, NOV will contribute \$500 for employee only and \$1,000 for all other tiers.*	No	No
<b>Out-of-pocket maximum: What’s the most I may spend out of my pocket in 2020 (includes deductibles, copays, prescriptions and coinsurance)?</b>	\$3,000 for employee only \$6,000 for other tiers  Plus the cost of premiums from your paycheck	<b>\$4,000</b> /individual <b>\$8,000</b> /family  Plus the cost of premiums from your paycheck	<b>\$4,200</b> /individual <b>\$8,400</b> /family  Plus the cost of premiums from your paycheck

\*First time enrollees in the Consumer Plan + HSA also receive a lump sum contribution of either \$500 (if enrolled as employee only) or \$1,000 (if a dependent is also enrolled in the plan).

\*\*Benefits listed are based on in-network provider visits.

\*\*\*Certain preventive medications are not subject to the deductible or copay.

## Contribute even more to the HSA in 2020

The IRS determines the amount that can be contributed to an HSA each year. For 2020, the IRS will increase the contribution limits to \$3,550 for an individual or \$7,100 for a family. This means you may contribute an additional \$50 as an employee only or \$100 as a family.

Annual enrollment is a good time to review your HSA contributions and make any adjustments necessary for the new plan year. To be eligible for NOV contributions, you must be an active NOV employee on the date funds are posted to your account. Don't forget, the money NOV contributes to your HSA counts toward the above limits.

### Now is a great time to enroll in the HSA!

If you're enrolling in the HSA for the first time, NOV will make an additional one-time lump sum contribution to your HSA in January. You will receive \$500 if you enroll in the Consumer Plan + HSA as employee only, or \$1,000 if you enroll yourself and one or more eligible dependents in the plan. This is on top of the NOV per pay period contribution and the amount you elect to contribute to your HSA.

Medical plan	Coverage tier	2020 IRS maximum contribution limit	NOV contribution (funded each pay period)*	Maximum employee contribution	Catch-up contribution (age 55 or older)
Consumer Plan + HSA	Employee only	\$3,550 (individual)	\$500 per year (\$19.23 biweekly)	\$3,050	\$1,000
	All other tiers	\$7,100 (family)	\$1,000 per year (\$38.46 biweekly)	\$6,100	

\*First time Consumer Plan + HSA enrollees receive a one-time lump sum contribution of \$500 for individuals and \$1,000 for families. This contribution is in addition to the amounts listed here.

## New prescription provider – CVS Caremark

For 2020, CVS Caremark will provide NOV's pharmacy benefits. CVS Caremark makes it convenient to get the medications you need when you need them. Here are some of the benefits you will experience with this new program:

- You have access to a **large network of pharmacies**, including 7,000 CVS locations and 60,000+ non-CVS pharmacies.
- **90-day prescriptions** are available for pick up at your local CVS pharmacy or by mail. Be sure to ask your doctor to write a prescription for a 90-day supply with refills.
- **Specialty medications**, such as those used to treat many chronic conditions, can be picked up at your local CVS pharmacy. Use the online tools to order refills, communicate with the pharmacist, track your order, and more.
- **Prescription ID cards** will be issued in December 2019 and will be available through the mobile app.
- Use the **drug cost tool** to find out if your medication is covered and what it will cost based on your plan. You will also receive information on lower-cost options, if available.
- Watch for more information on this important change taking place for January 2020.

## New life and AD&D carrier - MetLife

Beginning in January, our life and accidental death and dismemberment (AD&D) carrier will change from Unum to MetLife. While your life and AD&D benefits will remain the same, some enhanced benefit features include:

- **Will preparation:** Ensure your final wishes are met. Choose to work one-on-one with an attorney, in person or on the phone, to prepare or update a will, living will, or power of attorney.
- **Travel assistance:** Travel with peace of mind. Receive access to emergency services while traveling.
- **Funeral planning and grief counseling:** If the unexpected does happen, MetLife will be there to assist you and your dependents.

Your current voluntary life and AD&D coverages (employee, spouse, child and/or family) will be transferred to MetLife – no need to make a new election. But annual enrollment is a good time to review your life and AD&D needs to ensure protection for your family.

Unum will continue to be NOV's disability provider and leaves administrator.

## Easier access to MDLIVE virtual visits

Keep your health on track with access via phone or video to board-certified physicians 24 hours a day, 7 days a week, 365 days a year. MDLIVE now provides single sign-on access directly through [bcbstx.com](http://bcbstx.com). Visit [MDLIVE.com/bcbstx](http://MDLIVE.com/bcbstx) to register or call 888-680-8646 to speak with a representative.

## 401(k) plan update

Retirement readiness is a key component of financial well-being. NOV will continue to match your 401(k) contribution \$1 for \$1 up to 4%, but the additional company retirement contribution to your 401(k) will change effective the first pay date in 2020. To keep costs competitive while continuing to provide a robust benefits package, NOV will contribute an additional amount equal to 1% to 4% of your eligible base salary and overtime based on your years of service beginning the first pay date of 2020, as shown below:

Full years of service by December 31	Retirement contribution percentage
<b>1 but less than 5</b>	1.0%
<b>5 but less than 10</b>	1.5%
<b>10 but less than 15</b>	2.0%
<b>15 but less than 20</b>	2.5%
<b>20 but less than 25</b>	3.0%
<b>25 but less than 30</b>	3.5%
<b>30 or more</b>	4.0%

The retirement contribution, like the match, is deposited to your 401(k) account each payroll period. This is an important piece of your total benefits package. You may make changes to your contributions at any time throughout the year, but take time to review your 401(k) contributions to determine whether you need to make adjustments for 2020. For example, if you are age 50 or over, consider making an additional catch-up contribution. Log on to [wellsfargo.com](http://wellsfargo.com) to review and update your contributions, get account information, and update your beneficiary designations.

**Note:** The employer match is calculated and contributed to your 401(k) account each payroll period. To maximize your match, make sure you have a contribution of at least 4% deducted from your check each payroll period throughout the year. This will ensure you receive the highest possible NOV match.

## Employee assistance program (EAP)

Did you know your EAP is more than just a resource for managing stress? You have access to six (6) face-to-face confidential visits for a variety of issues related to family and marital problems, financial issues, legal matters, alcohol and drug abuse problems, or many other emotional and behavioral health issues that may be a concern to you. Go to [unum.com/worklivesupport](http://unum.com/worklivesupport).





## 10 ways to unlock the power of your health savings account (HSA)



**1.**

**NOV puts free money** into your HSA. In 2020, NOV will contribute \$500 for employee only and \$1,000 for all other tiers to Consumer Plan + HSA enrollees. If this is your first time to enroll in the Consumer Plan + HSA, NOV will also contribute a lump sum amount of \$500 for employee only and \$1,000 for all other tiers in January 2020.

**2.**

Pay for your health care needs tax-free. A key feature of an HSA is that it allows you to pay for qualified health care expenses with **tax-free dollars**.

**3.**

All money you contribute to the HSA is **100% tax deductible for federal tax purposes**.

**4.**

You can pay for your HSA-eligible expenses using the HSA Bank debit card or your own personal debit or credit card. If, for example, you prefer to use your personal card to earn points or mileage, you may **reimburse yourself from your HSA**.

**5.**

Treat your HSA like an investment account. You can **choose how to invest your money** to help your dollars grow.

**6.**

The money in your account is yours to use as you see fit. There is **no “use-it or lose-it” provision**, so you can decide whether to spend the money now or save for the future. Unused funds roll over year to year. Even if you leave your job or enroll in a non-HSA plan, you may continue to use the HSA funds that are in your account.

**7.**

Your eligible **dependents’ qualified expenses can be paid** using your HSA funds, even if they’re not on your health plan.

**8.**

You can also use your HSA dollars to **pay for vision and dental expenses**.

**9.**

If you are enrolled in the HSA in 2019, you can **reduce your 2019 tax burden** by adding funds to your HSA until you file your taxes or reach the IRS maximum.

**10.**

The best reason to enroll in the Consumer Plan + HSA is to save money. More than just saving on taxes, you will keep more of your paycheck due to **lower premiums** for the HSA plan versus the PPO plans. Keep the savings growing by adding the money you save on premiums to your HSA!

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## Pre-enrollment checklist: your key to success!

Annual enrollment is your once-a-year opportunity to make changes to your existing benefit elections. The key to a successful annual enrollment is preparation. Take time now to learn about the wide range of benefits available to you. Follow these steps to get started:

- New:** Access benefits information and enroll in benefits with single sign-on through Hub at [hub.nov.com](http://hub.nov.com). From the “My Benefits” tab, you can access benefits information and enroll.
- If you have an NOV email, annual enrollment information will be provided through Hub. For all other employees, enrollment packets will be mailed to your home address. These communications will be distributed in early October. Go to “My Benefits” at [hub.nov.com](http://hub.nov.com) for all your benefit information needs and enrollment. Watch for annual enrollment materials in October.
- Read all the materials to educate yourself about the benefits offered.
- Consider your current and future needs and those of your family, so you can make necessary updates for the upcoming plan year.
- Gather required documentation, such as a birth certificate or marriage certificate, to add new dependents to your coverage.
- Review your health savings account (HSA) contribution to decide if you need to adjust the amount as a result of the 2020 limits and employer contributions.
- Go online to enroll starting Monday, October 21, 2019. You have until Friday, November 1, 2019 to finalize your elections.

Call the NOV Benefits Service Center with your questions before annual enrollment begins at 1-877-668-2363. Representatives are ready to take your call Monday through Friday from 8am to 5pm CST (closed 12pm to 1pm).



**¿Habla Español?**

Para leer este boletín en español:  
[NOVbenefitsspanish.com](http://NOVbenefitsspanish.com)