



Benefits
U.S.

U.S. medical plans

A guide to help you choose the right NOV medical plan

2020

Unlock the power
of your benefits



Your key to health.

At NOV, we believe your health is the key to your overall well-being. We want to do everything we can to help you understand your medical coverage and choose the plan that is best for you and your family. We encourage you to read this information before you make your decisions for 2020. Be sure to review any medical plans your spouse may have access to. Annual enrollment is your opportunity to review your options and choose the plan that is right for you.

To meet your needs, we offer three medical plan options through Blue Cross Blue Shield of Texas (BCBSTX), which give you power in the way you spend your healthcare dollars. The three options are:

1. Consumer Plan + HSA (Health Savings Account)
2. 800 PPO Plan
3. 1400 PPO Plan



Which medical plan is right for you?

Now is the time to learn all you can about the medical options available to you. When deciding which medical plan is right for you and your family, it is important to consider the total cost of coverage. This includes what you pay in premiums, out of your paycheck, and what you pay for services, out of your pocket.

While each medical plan covers preventive screenings in full, the medical plans vary on annual deductibles, copays, and levels of coinsurance. With the new PPO plan changes, this is the perfect time to consider the benefits of the Consumer Plan + HSA.

Here are some of the ways these plans are different:

Benefit	Consumer Plan + HSA	PPO Plans
Payroll deductions (premiums)	Lower	Higher
Annual deductible	Aggregate*	Embedded**
Out-of-pocket maximum (OOPM)	Aggregate*	Embedded**
Prescription drugs	Pay full prescription cost until deductible is met. Costs count toward the OOPM and deductible.	Pay prescription copay or coinsurance. Costs count toward the OOPM, but not the deductible.
Eligible for annual NOV contribution of \$500/employee only or \$1,000/all other tiers	Yes	No
Eligible for one-time NOV lump sum contribution of \$500/employee only or \$1,000/all other tiers	Yes, for first time enrollees	No
Eligible to enroll in health FSA	Yes, a limited health FSA	Yes, a health FSA
Eligible to enroll in HSA	Yes	No

*The Consumer Plan + HSA deductibles and out-of-pocket maximums are aggregate or “per family” with one deductible limit. The individual deductible applies when coverage is employee only. There is one family aggregate OOPM. Once the family OOPM has been met, all covered services are paid at 100% for the remainder of the plan year. The deductible is included in the OOPM.

**The PPO deductibles and out-of-pocket maximums are embedded. There is an individual and family deductible. Any costs toward the individual deductible also count toward the family deductible. Copays and prescriptions do not apply toward the deductibles. The individual PPO OOPM is satisfied when each individual has met their OOPM limit. Once the family OOPM has been met, covered services are paid at 100% for all family members for the remainder of the plan year.

Medical plan summaries

Take a look at some of the features of the three plans available to you through BCBSTX.

Plan features	Consumer Plan + HSA		800 PPO Plan		1400 PPO Plan	
	In-network	Out-of-network	In-network	Out-of-network	In-network	Out-of-network
Deductible	\$1,500 employee only/ \$3,000 other tiers	\$3,000 employee only/ \$6,000 other tiers	\$800 individual/ \$1,600 family	\$2,400 individual/ \$4,800 family	\$1,400 individual/ \$2,800 family	\$4,200 individual/ \$8,400 family
Out-of-pocket maximum	\$3,000 employee only/ \$6,000 other tiers	\$6,000 employee only/ \$12,000 other tiers	\$4,000 individual/ \$8,000 family	\$8,000 individual/ \$16,000 family	\$4,200 individual/ \$8,400 family	\$8,400 individual/ \$16,800 family
Coinsurance	You pay 20%*	You pay 50%*	You pay 20%*	You pay 50%*	You pay 20%*	You pay 50%*
Routine office visit Primary / Specialist	You pay 20%*	You pay 50%*	You pay \$25/\$35 copay	You pay 50%*	You pay \$30/\$60 copay	You pay 50%*
Preventive care	You pay \$0	You pay 50%*	You pay \$0	You pay 50%*	You pay \$0	You pay 50%*
Virtual Visits Powered by MDLIVE** (Telehealth)	You pay \$44 before deductible You pay \$30 after deductible		You pay \$25 copay		You pay \$30 copay	

*after deductible

**charges for mental health services may be higher

Prescription drug coverage

Prescription drug tier	Consumer Plan + HSA		800 PPO Plan and 1400 PPO Plan	
	Retail (30-day supply)	Mail order (90-day supply)	Retail (30-day supply)	Mail order (90-day supply)
Generic drugs	You pay up to \$10*	You pay up to \$20*	You pay up to \$10	You pay up to \$20
Preferred drugs	You pay \$25 or 20%, whichever is greater*	You pay up to \$50*	You pay \$25 or 20%, whichever is greater	You pay up to \$50
Non-preferred drugs	You pay \$50 or 30%, whichever is greater*	You pay up to \$100*	You pay \$50 or 30%, whichever is greater	You pay up to \$100
Specialty drugs	You pay 30% up to \$200* (limited to 30-day supply)	N/A	30% up to \$200 (limited to 30-day supply)	N/A

*after deductible

Your cost for coverage

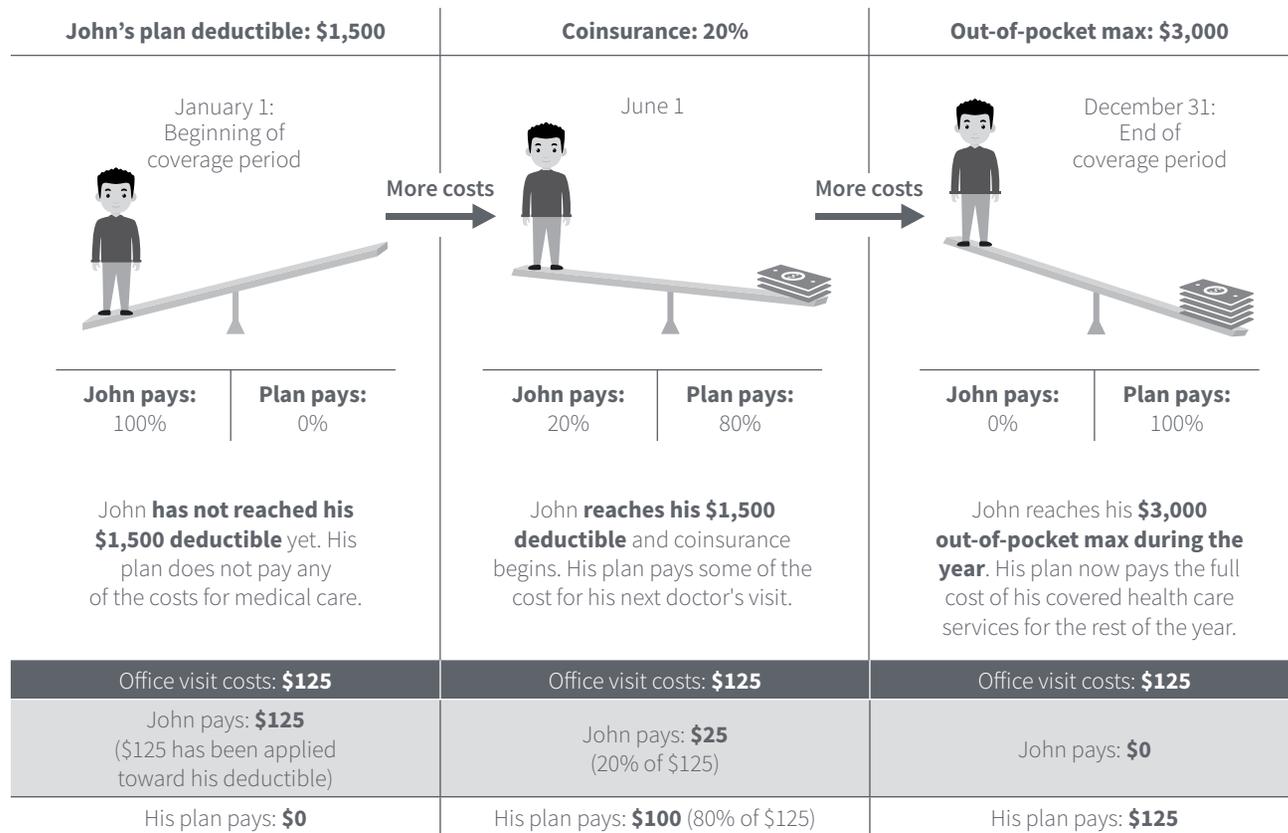
You and NOV share the cost of your medical benefits. NOV pays at least 2/3 of the plan costs depending on the plan and coverage tier. Premiums are paid before taxes are deducted. Here is your bi-weekly* cost for medical coverage:

	Consumer Plan + HSA	800 PPO Plan	1400 PPO Plan
Employee only	\$21	\$72	\$46
Employee + spouse	\$60	\$204	\$117
Employee + child(ren)	\$57	\$158	\$102
Employee + family	\$113	\$293	\$194

*Employees who are paid weekly should calculate their payroll deduction by dividing the bi-weekly amount by 2.

Sharing the cost with the Consumer Plan + HSA

When you enroll in the Consumer Plan + HSA, your plan works differently than a PPO plan. Let's take a look at how the Consumer Plan + HSA works with John, who has "employee only" coverage:



Note: John has a health savings account (HSA) that can help him pay for these out-of-pocket expenses. Continue reading for more detail about HSAs and how NOV helps you accumulate money toward your HSA.

What is a health savings account (HSA)?

When you enroll in the Consumer Plan + HSA, a health savings account (HSA) will be opened for you with HSA Bank. The HSA is a tax-favored account that you can use to pay for eligible medical, dental, and vision expenses and is an effective way to save for retirement.

Triple tax advantage:

- You contribute **pre-tax** dollars to the account—this lowers your taxable income and gives you more take home pay.
- Account balances accrue interest **tax-free**.
- You can withdraw funds **tax-free** when you pay for eligible healthcare expenses.

You elect the amount to contribute, up to the IRS maximum. HSA balances roll over year to year, and the account is yours to keep, even if you leave NOV. When you enroll in the Consumer Plan + HSA, NOV will also contribute to your HSA.

Coverage tiers	2020 IRS maximum contribution limits	NOV lump sum contribution	2020 NOV contribution (funded each payroll period)	Maximum employee contribution	Catch-up contribution (age 55 or older)
Employee only	\$3,550	\$500*	\$500**	\$3,050	Additional \$1,000
Employee + spouse, Employee + child(ren), Employee + family	\$7,100	\$1,000*	\$1,000**	\$6,100	

*Contributed within 60 days, or as soon as administratively feasible, for first time enrollees

**Prorated for new hires and newly eligible



Why choose an HSA?

Here are some of the key features of the Consumer Plan + HSA that make it a good choice for medical coverage:

- **Affordable:** The Consumer Plan + HSA has the lowest payroll deductions.
- **Flexible:** You control the HSA and decide when and how to spend your healthcare dollars. You can use the funds to pay for your covered family member's care as well as your own.
- **Portable:** Take your HSA with you wherever you go – even if you retire or leave NOV.
- **Future savings:** Your HSA account balance rolls over year to year and can be invested for long-term savings.
- **Tax savings:** Since you contribute pre-tax dollars, your taxable income is lowered. You can also grow your HSA funds tax-free.
- **Nationwide network:** You have access to the same network of providers and facilities as the PPO plans, as well as the discounts provided by BCBSTX.
- **Helpful tools and resources:** HSA Bank and BCBSTX offer interactive tools and programs to help you make the best healthcare decisions, so you spend your HSA dollars wisely.

Health tax savings accounts: What's the difference?

Through NOV's benefits program, there are several ways to set aside tax-free dollars to cover your healthcare expenses: Health Savings Account (HSA), Health Flexible Spending Account (FSA), and Limited Health FSA. But what are the differences between the accounts?

Benefit questions	HSA	Health FSA	Limited health FSA
Can you contribute pre-tax dollars and pay for qualified expenses tax free?	Yes	Yes	Yes
Can you use the funds for eligible expenses?	Yes, medical, prescription, dental, and vision	Yes, medical, prescription, dental, and vision	Yes, dental and vision only
What is the maximum amount that can be contributed for the year?	\$3,550 (employee only) \$7,100 (other tiers)	\$2,700	\$2,700
Does this account qualify for the NOV one-time lump sum contribution when you first enroll?	Yes, \$500 (employee only) \$1,000 (other tiers)	No	No
Does this account qualify for an annual NOV contribution (funded each payroll period)?	Yes, \$500 (employee only) \$1,000 (other tiers)	No	No
Do funds roll over from year to year?	Yes	No, unused funds are forfeited at the end of the plan year	No, unused funds are forfeited at the end of the plan year
Can you use the funds to cover eligible expenses for yourself and your dependents?	Yes	Yes	Yes
Can you be enrolled in this account and the Consumer Plan + HSA?	Yes, you must be enrolled in the Consumer Plan + HSA	No, you cannot be enrolled in the Consumer Plan + HSA	Yes, you must be enrolled in the Consumer Plan + HSA
What are the contribution limitations?	You <u>cannot</u> contribute to an HSA while covered with a health FSA (including a spouse's health FSA)	You <u>cannot</u> contribute to an HSA while covered with a health FSA	You <u>can</u> contribute to an HSA and a limited health FSA during the same year
Can you take the account with you if you leave NOV?	Yes	No	No

HSA frequently asked questions

What is an HSA?

A health savings account (HSA) is a tax-favored savings account created for the purpose of paying medical and other health-related expenses.

• Tax-deductible

Contributions to the HSA are 100% deductible (up to the legal limit).

• Tax-free

Withdrawals to pay qualified health expenses are not taxed.

• Tax-deferred

Interest earnings accumulate tax-deferred, and if used to pay qualified health expenses, are tax-free.

• HSA money is yours to keep

Unlike a flexible spending account (FSA), unused money in your HSA is not forfeited at the end of the year; it can continue to grow tax-deferred.

When can I start to use the funds in my HSA?

Once your account is open and funds are available, you can start using your HSA with the debit card provided by HSA Bank. You are 100% vested as soon as the funds are deposited, and you have total control over the funds.

When do I contribute to my HSA account, and how often can I deposit funds?

You can contribute to your HSA account through payroll deductions or as a lump sum deposit. You can contribute as often as you like, provided the combined employee and employer total annual contributions do not exceed the annual IRS maximums. The IRS adjusts HSA contribution allowance amounts to account for inflation each year. Individuals who are age 55 or older are eligible to make “catch-up” contributions up to \$1,000 a year.

Who is eligible for an HSA?

You are eligible to participate in an HSA if you meet the requirements defined by the IRS below:

- You are covered under the Consumer Plan + HSA, and you have no other health coverage.
- You or your spouse do not participate in a health FSA. Participation in a limited health FSA is acceptable.
- You are not enrolled in any part of Medicare.
- You are not claimed on someone else’s tax return, excluding your spouse.

Can my HSA be used for dependents who are not covered by the health insurance?

Generally, yes. Qualified medical expenses include unreimbursed healthcare expenses of the account holder, spouse, or dependents.

Do I need to submit receipts when I use my HSA debit card?

No, but you should keep your receipts in the event of an IRS audit.

What happens if I’m no longer eligible for an HSA?

You cannot make or receive any additional deposits into your HSA, but you can continue to use the remaining money in your HSA for eligible health expenses.

Is it true that individuals 65 or older can take out funds from their HSAs for any reason without a penalty?

Yes. If an individual is age 65 or older, regardless of whether the individual has been enrolled in Medicare, there is no penalty to withdraw funds from the HSA. As always, normal income taxes will apply if the distribution is not used for unreimbursed eligible healthcare expenses.

Plan cost estimator - things to consider

For an online cost estimator, go to www.hsabank.com/hsabank/education/compare-your-health-plans.

Annual medical costs

Consider copays and medical expenses for you and any covered family members. Exclude in-network preventive care visits, which are typically 100% covered across all plans.

- For the Consumer Plan + HSA, include the cost after the in-network discounted rate but without copays/coinsurance. This is typically the “covered amount” on an Explanation of Benefits (EOB).
- For the PPO plans, include the cost of copays for doctor’s visits. For other services, include the “covered amount” which is the cost after the in-network discounted rate. Do not include cost of preventive care.

Annual prescription cost

Consider the amount you expect to pay for prescription drugs for each family member. Do not include the cost of preventive drugs, which are typically covered at 100% in all plans, including the Consumer Plan + HSA, even if you have not met the deductible.

- For the Consumer Plan + HSA, include the cost after the in-network discounted rate but without copays/coinsurance.
- For the PPO plans, include the cost of prescription copays.

Estimation of out-of-pocket medical and prescription costs			
	Consumer Plan + HSA	800 Plan	1400 Plan
Step 1: Estimate your annual medical costs			
All family members:	\$	\$	\$
Step 2: Estimate your prescription drug costs			
All family members:	\$	\$	\$
Estimated cost: Add Step 1 + 2	\$	\$	\$

Deductibles

Before you meet your deductible:

- For the Consumer Plan + HSA, you will pay 100% of the covered costs (after discount) until you reach your deductible (excludes preventive care and preventive prescriptions which are covered at 100%).
- For the PPO plans, doctor visit and prescription copays will apply but do not count toward your deductible. You will pay 100% of other covered costs (after discount) until you reach your deductible.

Coinsurance

Coinsurance begins after you meet your deductible but before you reach your OOPM.

- For the Consumer Plan + HSA, you will pay 20% of the covered costs (after discount) for most in-network services until you reach your OOPM.
- For the PPO plans, doctor visit and prescription copays will apply and count toward your OOPM. You will pay 20% of the other in-network covered costs (after discount) for most services until you reach your OOPM.

Out-of-pocket maximums

OOPM is achieved when your out-of-pocket costs reach this amount.

- For the Consumer Plan + HSA, you will pay \$0 towards your out-of-pocket medical and prescription costs. After you meet the OOPM, your costs are covered at 100% for the remainder of the plan year.
- For the PPO plans, you will pay \$0 toward your out-of-pocket medical and prescription costs.

Deductibles and out-of-pocket maximums (OOPM)

Enter the deductible and out-of-pocket maximum for each plan based on the applicable coverage tier.
For coverage tiers other than employee only, enter the family deductible and OOPM.

	Consumer Plan + HSA	800 Plan	1400 Plan
Deductible (in-network):	\$	\$	\$
Out-of-pocket max (in-network):	\$	\$	\$

Premiums

Premiums are the amount deducted from your payroll check.

- For the Consumer Plan + HSA, you will pay the lowest amount for premiums.
- For the PPO plans, the lower the deductible, the higher the premiums. In other words, you will pay more out of your paycheck for the 800 PPO Plan than for the 1400 PPO Plan.

Premiums			
Take the amount from the chart on page 5 for the appropriate coverage tier and multiply by the number of payrolls you receive from NOV. This is 26 for most employees.			
	Consumer Plan + HSA	800 Plan	1400 Plan
Annual Premium:	\$ _____	\$ _____	\$ _____

HSA contributions

- For the Consumer Plan + HSA, NOV will contribute annually during 2020: \$500 for employee only coverage or \$1,000 for all other coverage tiers, funded into your HSA each payroll period. This amount will be prorated, if newly eligible during the year.
- First time enrollees in the Consumer Plan + HSA will receive a one-time only lump sum HSA contribution of \$500 (if you enroll as employee only) or \$1,000 for all other coverage tier levels.
- You may also contribute via pre-tax payroll deductions into your HSA.
- For the PPO plans, you will not have an HSA. You may enroll in a health flexible spending account (FSA), but NOV does not make a contribution to the health FSA.

NOV's HSA contribution			
	Consumer Plan + HSA	800 Plan	1400 Plan
NOV's HSA contribution:	\$ _____	N/A	N/A

The most you will pay for medical and prescription coverage

The most you will pay for medical and prescription coverage in 2020 will be the OOPM for the plan you chose plus the annual premiums withheld from your paychecks. This assumes that you and your family have reached that level. However, most NOV members have total claims of less than \$500 per year. Review your medical expenses and choose the plan that best fits your needs.

The most you will pay for medical and prescription coverage in 2020			
	Consumer Plan + HSA	800 Plan	1400 Plan
Add the OOPM	\$ _____	\$ _____	\$ _____
+ the annual premium	+\$ _____	+\$ _____	+\$ _____
- NOV's HSA contribution	-\$ _____	-\$ _____	-\$ _____
	\$ _____	\$ _____	\$ _____

Note: The above section assumes you are using in-network providers. All plans provide coverage at both in-network and out-of-network providers. By going to an in-network provider, you will receive greater reimbursement and discounts from BCBSTX. There are separate schedules for deductibles, coinsurance, and OOPMs depending on whether you go in or out of the network.

Helpful tools and resources

Blue Access for MembersSM (BAM) for BCBSTX members

Register for BAM on **bcbstx.com** to get 24/7 access to your benefit information and your health savings account. With BAM, you can:

- View your HSA balance and recent activity
- Find a network doctor, hospital, or pharmacy
- Check the status of your medical claims
- Estimate costs for common healthcare services

Benefits Value Advisor (BVA)

A BVA can help you:

- Learn about your benefits
- Compare cost estimates
- Find in-network providers
- Schedule visits for you
- Use online tools
- Assist with claims

Before you schedule a medical procedure, call a Benefits Value Advisor to save money. Simply call BCBSTX at 1-855-212-1613 or the number on the back of your BCBSTX ID card.



Any questions?

If you have questions about your medical coverage, go to **hub.nov.com** or call the NOV Benefits Service Center at 1-877-668-2363.

You can also call Blue Cross Blue Shield of Texas (BCBSTX) at 1-855-212-1613 or visit **bcbstx.com**.

For questions regarding your HSA account, contact HSA Bank at 1-855-731-5220 or visit **hsabank.com**.

