



CRC BENEFITS

November News 2023

2024 OPEN ENROLLMENT

Now through November 13th

For 2024, CRC will continue to offer employees a comprehensive benefits package with no increases to employee contribution rates. While the benefits offerings will remain mostly unchanged, we are pleased to announce the following changes:

- Prescription drug coverage for the Aetna medical plans will transition from Express Scripts to **Aetna Pharmacy** beginning January 1, 2024, as detailed on [page 2](#).
- Health Savings Accounts (HSA) and the Flexible Spending Accounts (FSA) will be administered by **Fidelity** beginning January 1, 2024, as described on [page 3](#).

CRC expects to spend close to \$40 million on employee benefits in 2023 (including matching and retirement contributions, medical, dental, vision, wellness, life, accident, disability, and other coverages), averaging over \$39,000 per employee, providing employees and their families with the protection they need today and the opportunity to build financial security for their future.

Healthcare Contributions

While US healthcare costs are expected to rise by 6-10% in 2024, CRC will absorb projected cost increases to ensure employees continue to receive comprehensive healthcare coverage without added financial strain. CRC's total healthcare costs are projected to average approximately \$21,000 per employee in 2024, for a total of \$21 million. CRC expects to pay approximately 82% of the total cost, averaging \$17,400 per employee.

Applicable copays, coinsurance, deductibles and out-of-pocket maximums under the medical, dental and vision options will also remain unchanged for 2024. Refer to [Rates and Limits](#) chart to view 2024 plan rates. Additionally, effective January 1, 2024, the annual deductibles under the High Deductible Medical Plan will increase from \$1,500 individual/\$3,000 family to \$1,600 individual/\$3,200 family, which are the minimum deductibles allowed under the law for high deductible health plans. The out-of-pocket and annual maximums, where applicable, are unchanged for the Core Medical Plan and the High Deductible Medical Plan.

Health Savings Account (HSA)

The 2024 HSA annual contribution limits have increased to **\$4,150** and **\$8,300** (Employee Only and Employee Plus One/Family coverage, respectively).

Flexible Spending Account (FSA)

The 2024 Healthcare FSA annual contribution limit unchanged **\$3,050**. The Dependent Care FSA annual contribution limit remains at **\$5,000**.

Other Coverages

Contribution rates for Supplemental Health Plans, Accidental Death & Dismemberment coverage, Optional Group Life and, Group Legal Services remain unchanged for 2024.

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NEW—TRANSITION TO AETNA PHARMACY

Prescription drug and medical benefits under the Aetna Core Medical Plan and the Aetna High Deductible Medical Plan will be fully integrated!

As of January 1, 2024, pharmacy administration for the Aetna Core Medical Plan and the Aetna High Deductible Medical Plan is moving from Express Scripts (ESI) to Aetna Pharmacy. This means **one** member service phone number, **one** ID card for both medical and pharmacy, **one** website and mobile app, and **one** out-of-pocket limit. The prescription copay/coinsurance for the plans are unchanged with the exception of specialty medications.

Aetna Pharmacy Network

The Aetna Pharmacy network includes more than 68,000 pharmacies nationwide, including chain pharmacies (such as Costco, Walgreens), 20,000 independent pharmacies and 9,800 CVS Pharmacy® stores. To find a participating pharmacy near you go to Aetna.com > Find a doctor, then click on "[Find a Pharmacy](#)" and select the plan "Aetna National Pharmacy Network (most common)".

Mail Order Flexibility

When you participate in Aetna's Maintenance Choice® for your long-term medications, you can use either a CVS Pharmacy store, Costco or CVS Caremark Mail Service Pharmacy to fill your long-term maintenance prescriptions for a 90-day supply.

Specialty Pharmacy

Aetna specialty pharmacy benefits, through CVS Specialty Pharmacy, offers the choice to pick up your specialty medications at CVS Pharmacy stores or have them delivered to your home, office, or doctor's office. As a part of Aetna Pharmacy benefit, The PrudentRx Copay Program allows you to get certain specialty medications at no cost to you. That means \$0 out-of-pocket for any medication on the plan's Specialty Drug List when you fill through CVS Specialty. If you choose not to participate in The PrudentRx Copay Program, your coinsurance for specialty medications will be 30%.

Next Steps

- **Begin using your new Aetna ID card for both prescription and medical on January 1, 2024.** All Aetna subscribers will receive a new Aetna ID card in the mail. Your Aetna member ID ("W" number) will not change.
- **Watch your mailbox for an individualized letter from Aetna** about any medication coverage changes you may need to discuss with your doctor. Open refills for mail order pharmacy and/or specialty pharmacy will be transferred on your behalf. Active prior authorizations for covered medications will also be transferred for you.
- **Continue to fill your prescription** needs using Express Scripts, including refills through December 31, 2023.
- **Notify your pharmacist** of the change to Aetna for your prescription coverage as of January 1, 2024.
- **Go to Aetna.com to review the [list](#) of Aetna's preferred and non-preferred medications.** When comparing the Express Scripts list of preferred and non-preferred medications to Aetna's, they are 98% the same.

NEW—FIDELITY BECOMES ADMINISTRATOR FOR HSA AND FSA

Beginning January 1, 2024, Fidelity will replace PayFlex as the administrator for CRC's Health Savings Accounts (HSA) and Flexible Spending Accounts (FSA).

Consolidating administration of the HSA and FSA with Fidelity offers numerous advantages, such as:

1. **Robust Financial Tools:** Fidelity provides a comprehensive suite of financial tools and resources to help you maximize your benefits and savings.
2. **Broad List of HSA Investment Options:** You can choose from a variety of investment options, including the Fidelity HSA® Funds to Consider, which is a professionally selected lineup of funds with no minimum or transaction fees, as well as more than 10,000 mutual funds, stocks and bonds, etc. available on Fidelity's brokerage platform.
3. **User-Friendly Website and Mobile App:** Fidelity's website and mobile app make it convenient to access and manage all of your accounts including retirement.
4. **Holistic Account Management:** One of the most significant advantages is the ability to view your Savings Plan, Employee Stock Purchase Plan, Long-Term Incentives and now, HSA and FSA, all in one place.

Next Steps

If you enroll for an HSA and/or FSA, Fidelity will send you a new debit card in December 2023. The **NetBenefitsAccessCard®** ("Debit Card") is a special-purpose Visa® that provides an easy, automatic way to pay for HSA and/or FSA qualified expenses.

Health Savings Account (HSA)

Following the Open Enrollment Period, if you enroll in the Aetna High Deductible Medical Plan, Fidelity will send you an email notifying you of your eligibility to open an HSA.

To open your HSA log into NetBenefits.com. From the Home page, click "Open" next to Health Savings Account. Once your HSA is open you can make your contribution election online or call Fidelity at 800-835-5097 to make your annual HSA contribution election.

If you open your HSA and make your contribution election before December 15, 2023, you will see your HSA contribution on your first paycheck in January 2024.

Existing HSA funds contributed prior to January 1, 2024, and currently held with PayFlex **will not** transfer to Fidelity automatically. In early January, you will receive more details on action required if you are interested in transferring your existing PayFlex HSA funds to Fidelity.

You should keep your PayFlex debit card as long as you have HSA funds available at PayFlex.

Flexible Spending Accounts (FSA)

If you elect to contribute to a 2024 healthcare FSA, beginning January 1, 2024, your 2024 FSA contributions will be available online at NetBenefits.com > 2024 Health Care Flexible Spending Account tile or through the NetBenefits app; or by using your new Debit Card.

Your 2024 Dependent Care contributions will be available online at NetBenefits.com > 2024 Dependent Care Flexible Spending Account tile; or through the NetBenefits app.

For FSA eligible expenses incurred on or before December 31, 2023, same as prior years, you have until March 31, 2024, to manually submit your claims to PayFlex.

The PayFlex debit card for FSA expenses (not HSA expenses) will be deactivated at midnight December 31, 2023.

OPEN ENROLLMENT—ACTION IS REQUIRED

Open Enrollment takes place now through **November 13, 2023**. The 2024 Open Enrollment Guide summarizes your available choices for next year. To review your current coverage and the choices available to you in 2024, log on to MyInfo at myinfo.crc.com and select Employee Self Service > Benefits Enrollment Event. The site and the [Open Enrollment](#) booklet will guide you through the enrollment process.

New—Fidelity Health Savings Account—ACTION REQUIRED. If enrolled in the High Deductible Medical Plan, you may enroll for a 2024 HSA through the Fidelity website at NetBenefits.com.

Flexible Spending Account (FSA)—ACTION REQUIRED. You must enroll to have a 2024 Health Care or Dependent Care Spending Account.

Medical, Dental and Vision—NO ACTION required to retain your current coverage.

Supplemental Health Plans—NO ACTION required to retain your current coverage for 2024.

MetLaw Group Legal—NO ACTION required to retain your current coverage.

Optional Group Life—NO ACTION required to retain your current coverage.

Accidental Death and Dismemberment Insurance—NO ACTION required to retain your current coverage.

Things to know...

You must use the Fidelity website...To enroll for a 2024 Health Savings Account, after you have been notified by Fidelity that it is ready.

Use your new Aetna ID... Beginning January 1, 2024, for medical and prescription coverages.

If you change medical plan options...changing between Aetna and an HMO will require a new prescription, so make sure you allow enough time to satisfy your new plan's requirements.

Summary Annual Reports (SARs)...2022 SARs for individuals covered under the CRC benefits program are enclosed. The government requires plan sponsors to distribute these disclosures to plan participants annually.

CRC SAVINGS PLAN UPDATES

2024 Annual Contribution Limits

The government limits the annual before-tax and Roth amounts that you may contribute to 401(k) plans like the CRC Savings Plan.

For 2024 this limit is expected to increase to **\$23,000**. The compensation that can be used for contributions is expected to increase to **\$340,000**. CRC's matching contributions will be made on your before-tax, Roth and after-tax contributions.

Catch-Up Contributions

Employees who will be age 50 or older by December 31, 2024, are eligible to make additional before-tax and/or Roth "catch-up" contributions to the CRC Savings Plan. The 2024 catch-up limit is expected to remain the same, up to a **\$7,500** maximum.

The company expects and intends to continue its benefit plans but does not guarantee any specific level of benefits or the continuation of any benefit plan during any periods of active employment, inactive employment, disability or retirement. Benefits are provided solely at the company's discretion and do not create a contract of employment. The company reserves the right to modify, suspend, change or terminate any of its plans at any time. This information is applicable to eligible non-represented employees. Applicability to represented employees is governed by local collective bargaining agreements. Subject to this and future agreements, the company reserves the right to change, amend, or terminate any benefit plan at any time. The information provided in this document is not tax advice. While the information is believed to be accurate as of the print date, it is subject to change. Consult a qualified tax advisor for help in determining eligibility for any tax benefit mentioned herein.

REQUIRED FEDERAL NOTICES

WOMEN'S HEALTH AND CANCER RIGHTS ACT

CRC's medical plan options provide participants with medical and surgical benefits for mastectomies. If a participant has a mastectomy and, in consultation with the physician, elects to have subsequent breast reconstruction, the plan also covers all stages of reconstruction of the breast on which the mastectomy has been performed; surgery and reconstruction on the other breast to produce a symmetrical appearance; prostheses; and treatment of physical complications for all stages of the mastectomy, including lymphedema.

MEDICARE CREDITABLE DRUG COVERAGE

The medical plan provides drug coverage that is considered "creditable," meaning the plan provides coverage that is expected to be as good as or better than the lowest level of drug coverage authorized under a Medicare Part D plan. If you or one of your dependents becomes eligible for Medicare by virtue of a disability, remember to email AskPRC@crc.com to ensure you receive the required "Certificate of Creditable Coverage."

MATERNITY BENEFITS

CRC's medical plan options provide minimum maternity stay benefits for the mother and newborn of 48 hours following a normal delivery and 96 hours following a caesarean section. The attending physician, in consultation with the mother, may decide to discharge the mother and newborn earlier.

These benefits are subject to the same annual deductibles, coinsurance and/or copayment provisions that apply to any other medical condition.

SUMMARIES OF BENEFITS COVERAGE

As required under health care reform, a Summary of Benefits and Coverage (SBC) for each medical plan and the standardized Uniform Glossary in the government-prescribed formats are available on the [MyInfo](http://MyInfo.crc.com) website. To obtain printed copies, email AskPRC@crc.com.

SPECIAL ENROLLMENT RIGHTS

If you have health coverage under Medicaid, or your dependent has health coverage under the Child Health Insurance Program (CHIP), and that coverage is terminated because you are, or your dependent is, no longer eligible, you or your dependent may request coverage under CRC's medical plan within 60 days of such termination of coverage, rather than the 31 days normally required upon a loss of health coverage.

In addition, under CHIP, financial assistance may be available if you meet that program's eligibility requirements.

If you or your dependent becomes eligible for Medicaid or financial assistance under CHIP, you or your dependent may request coverage under CRC's health plan within 60 days, rather than 31 days, after your eligibility determination date. For more information about available programs, refer to the enclosure entitled "Important Notice to Health Plan Participants."

Contact Us

For more information about your CRC Benefits

Visit the website at MyInfo.crc.com

Send an email to AskPRC@crc.com

HIPAA PRIVACY NOTICE

CRC is required to periodically remind participants in the health plans listed below that the HIPAA Notice of Privacy Practices is available upon request by calling 833-5-ASKPRC or online through MyInfo.crc.com.

To access the Notice online, go to MyInfo.crc.com and under *Benefit Resources* select *HIPAA Privacy Notice*. If you are unable to print the Notice, reach out to AskPRC@crc.com for a printed copy.

The CRC health plans subject to HIPAA notification are the following:

- California Resources Corporation Medical Plan
- California Resources Corporation Dental Plan
- California Resources Corporation Vision Plan
- California Resources Corporation Retiree Medical Plan
- California Resources Corporation Retiree Dental Plan
- California Resources Corporation Flexible Spending Account Plan
- California Resources Corporation Supplemental Health Plan