Health Plan Eligibility Changes

WinCo's launch of Workday will transform how employees become eligible for; enroll in; and are covered under WinCo's health plan.

<u>Please read this entire document carefully to become familiar with the coming changes.</u>

What's Changing?

Beginning January 1, 2027, to be eligible for our health plan, employees must **average at least 24 paid hours per week** during the pay periods with end dates that fall within a three-month window (our measurement period). Employees who qualify are eligible for health plan coverage during the related six-month stability period. Coverage begins only if the employee enrolls in Workday by the applicable deadline.

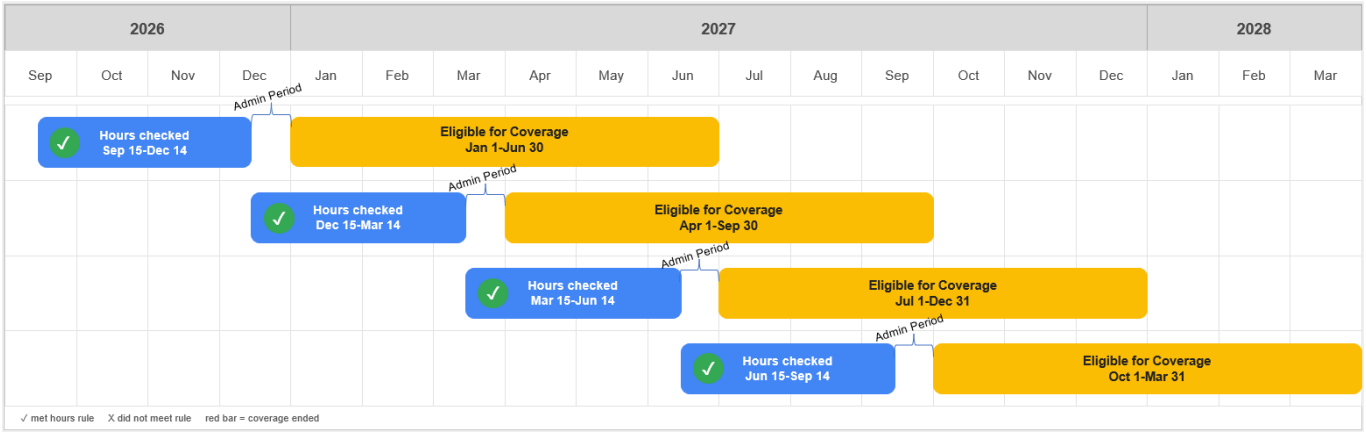
For example:

For the December 15, 2026 – March 14, 2027, measurement period, here are the pay period end dates: 12/19/26, 1/2/27, 1/16/27, 1/30/27, 2/13/27, 2/27/27, and 3/13/27. The corresponding stability period is April 1, 2027 – September 30, 2027.

Ongoing Measurement Periods (Hours Check)	Related Six-Month Stability Periods
Sep 15th -Dec 14th	Jan 1st -Jun 30th
Dec 15th -Mar 14th	Apr 1st -Sep 30th
Mar 15th -Jun 14th	Jul 1st -Dec 31st
Jun 15th -Sep 14th	Oct 1st -Mar 31st

The Stability Period: What it Means

A stability period is a fixed period when you are eligible for health plan coverage. It does not automatically enroll you in the health plan. To receive coverage for the entire stability period, **you must enroll in Workday by the original enrollment deadline and remain actively employed during that period**. Qualifying employees receive an enrollment event in Workday during the quarterly administrative period - the white "gap" between the hours check (blue) and its corresponding stability period (yellow).

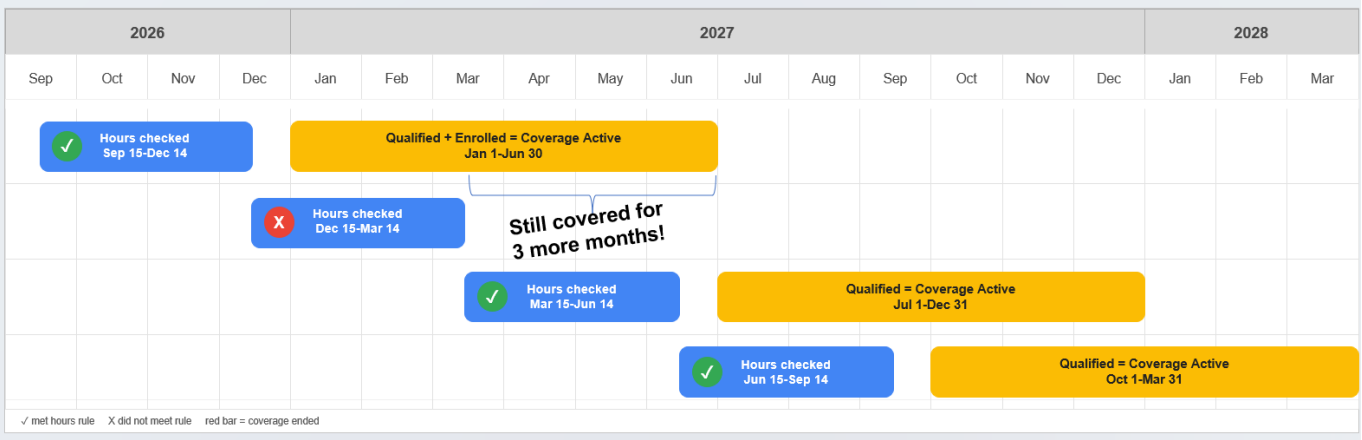


Health Plan Eligibility Changes

Grace Periods:

If an enrolled employee does not have enough paid hours during one ongoing measurement period, coverage continues during the remaining three months of the current stability period. The employee must meet the hours requirement during the next measurement period to continue coverage after that.

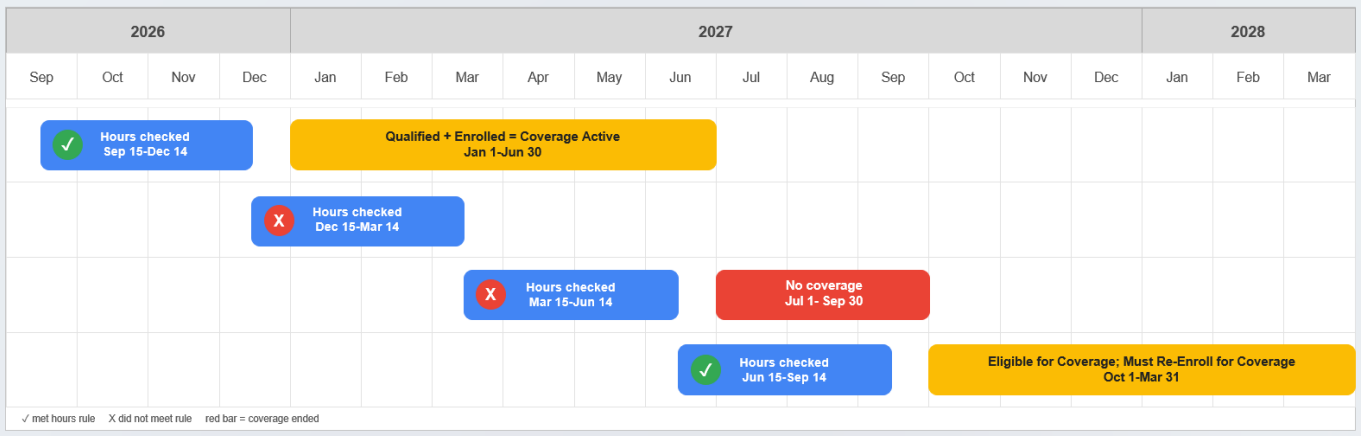
Example:



Losing Health Plan Coverage:

Anytime an employee has two consecutive measurement periods without enough paid hours, coverage will end at the end of the current stability period. Workday will review the employee's hours again <u>at the end of the following measurement period.</u>

Example:



Health Plan Eligibility Changes

Re-Enrollment After Losing Coverage:

After losing coverage, an employee must meet the eligibility requirement again **and complete a new enrollment event in Workday. Coverage will not restart automatically.**

During the quarterly admin period, Workday will send a “Newly Eligible for Healthcare Plan Enrollment” event to the employee’s Workday inbox. It’s an **employee’s responsibility to check their Workday inbox regularly** and complete the event by the stated deadline. If the deadline is missed, the employee generally must wait until Open Enrollment or experience a qualifying life event before enrolling.

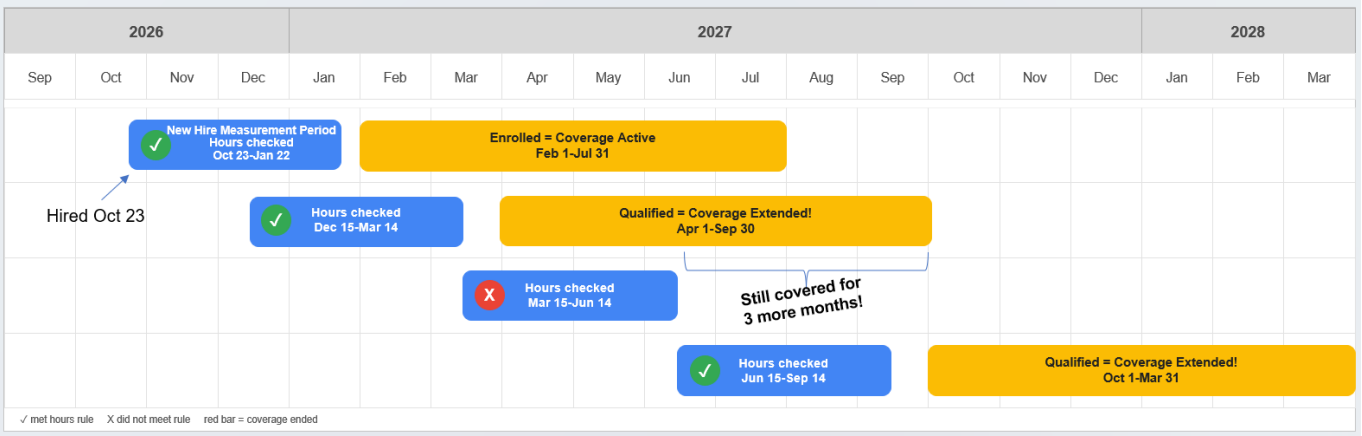
Once Workday is launched, the Benefits team will no longer accept paper applications.

New Hires:

For hourly new hires, the eligibility calculation is based on the three-month initial measurement period starting from date of hire.

For salaried “exempt” new hires, eligibility begins the first of the month following date of hire.

The example below shows the hourly new hire’s initial measurement period.



Health Plan Eligibility Changes

Enrollment Events in Workday:

The consequence of missing an initial or re-enrollment event deadline in Workday is that you will be required to wait until Open Enrollment (or within 31 days of a qualifying life event) to enroll in WinCo's health plan.

As a reminder, employees with a qualifying life event may make mid-year changes to their benefits in Workday, provided they do so within 31 days of the event. There will be video and other resources to guide employees on how to update their benefits in Workday due to a life event at the benefits website: https://benefits.wincofoods.com/.

Common life events include:

- ✓ Getting married
- ✓ Having a baby
- ✓ Getting divorced
- ✓ Losing or gaining other coverage
- ✓ Adopting a child

Also, in the future, starting with the Open Enrollment for 2028 benefits, employees will also make their Open Enrollment elections in Workday.

Unpaid Status:

In Workday, when an employee on unpaid status misses regularly-scheduled premium deductions from a payroll, those premiums will be automatically withheld upon the employee's return to paid status. To make this less burdensome, we have set the following limits in the system: an additional premium will be withheld along with your current premium until the outstanding balance is recaptured.

In summary, please remember that **it is your responsibility to access Workday and check your inbox on a regular basis**. Also, do not forget to visit the Benefits team website for important plan documents and guidance on how to enroll in Workday: https://benefits.wincofoods.com/. Additional information about the Workday transition and changes to benefits will be posted there soon. This communication is a summary only. In the event of any conflict with the applicable Summary Plan Description, the 2027 Summary Plan Description controls.

Questions? Please contact us at benefits@wincofoods.com.