Spousal Incentive HRA (SIHRA)
2026 Update

September 2025

Discussion Items

- Open Enrollment
- SIHRA Questions & Support Resources
- Changes for 2026
- Overview of SIHRA, Enrollment & Scenarios
- Employee SIHRA Experience with Lindsay Dawson – Intralox Supply Chain Manager
- Q&A

Open Enrollment (OE)

- November 5-21
- Passive Enrollment for Benefit Elections
  - 2025 elections (except Flexible Spending) WILL carryover to 2026
- Benefit Elections via ADP except for SIHRA Enrollment (Manual Forms)
- Visit laitrambenefits.com for all your OE and SIHRA Information and Resources
  - SIHRA Landing Page

SIHRA Questions & Support

Catilize Health (SIHRA Administrator)

- (877) 872-4232 (Select Option 2)
- memberservices@catilizehealth.com
- M-F: 7:30 AM – 7:00 PM CT

Benefit Specialists

- Edie Sclafini
- Becky Klein

Baltimore Support

- Kathleen Brusca

Changes for 2026

- Spouses with alternative group medical coverage will not be able to remain on or join the Laitram medical plan in 2026. The $300 surcharge option to remain on the Laitram medical plan will be eliminated.
- Out of pocket reimbursement amounts increasing to:
  - Single: $10,600
  - 2 or More: $21,200

SIHRA Options for 2026

1. Spouse **DOES NOT** have credible alternative group medical coverage (e.g., not employed or self-employed)
   - Spouse remains on or can join Laitram medical plan

2. Spouse **DOES** have credible *alternative group medical coverage*
   - Spouse is not eligible for the Laitram medical plan and will need to move to alternative group medical coverage. Enrollment in SIHRA is optional.

3. All family members currently on the Laitram medical plan are eligible to move with SIHRA coverage to alternative group medical coverage (e.g. spouse employer's group medical plan)
   - EE Dependents also have option to move to their employer's plan or parent's plan (<26)

4. New Employees or those with a Qualifying Life Event (e.g., marriage, spouse loses coverage) may also qualify for the SIHRA

SIHRA – What is Alternate Coverage?

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What IS Qualifying Alternate Medical Coverage?

1. Spouse's employer sponsored group medical plan
2. Retiree plan from a former job
3. If Laitram EE under age 26, parent's employer sponsored group medical plan
4. Dependent's employer sponsored group medical plan

What IS NOT Qualifying Alternate Medical Coverage?

1. High-deductible health plan with active contributions to a Health Savings Account
2. Medicare, Tricare, Medicaid or VA
3. Individual policy or limited benefit health plan (e.g., critical illness, hospital indemnity)

Contact Catilize Health or Laitram's Benefit Specialists if you are unsure if your spouse or dependent's medical plan is a qualifying alternate medical plan.

SIHRA – What it provides?

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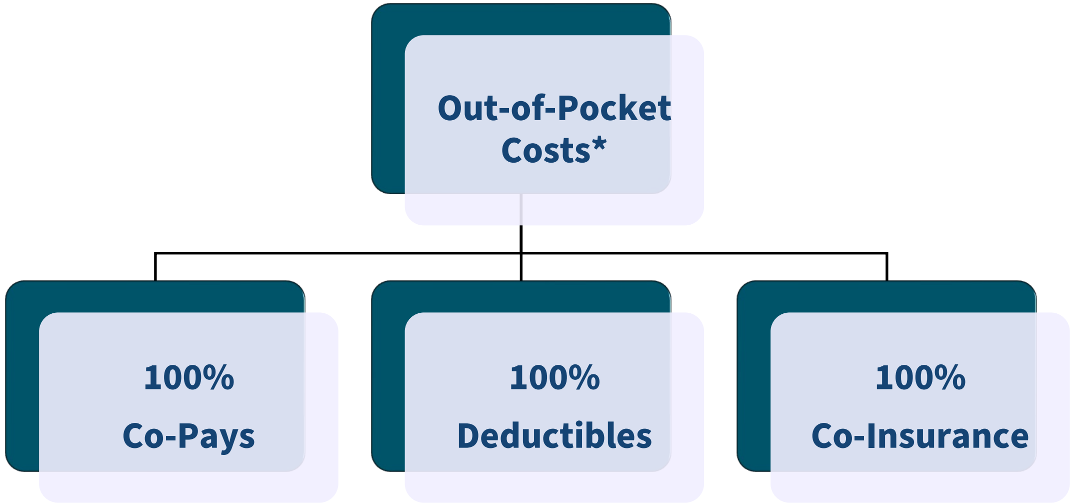
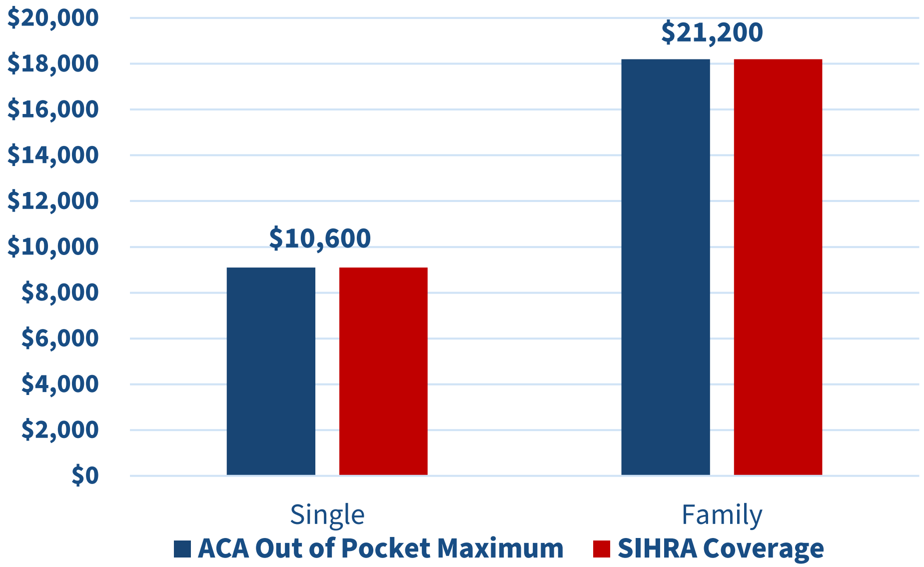
Alternate Group Medical Plan (Spouse/Dependent Plan)	The SIHRA Plan Funded by Laitram*
Primary medical plan that processes and pays medical and prescription claims for participants per its plan rules subject to any deductibles, co-pays and/or co-insurance	• Pays participant's out of pocket expenses including co-pays, co-insurance and deductibles up to annual maximum + • Pays the difference in premiums between Laitram's plan and alternate group medical plan *Subject to plan limits

SIHRA – What it provides?





- Reimbursement up to **100% of out-of-pocket costs** for **eligible Medical/Rx claims** incurred under alternate coverage up to the Affordable Care Act (ACA) maximum out of pocket limits
- Procedures and services not covered by the alternate medical coverage **will not** be reimbursed by the SIHRA

SIHRA – What it provides?

Reimbursement of difference in premium costs paid for alternate coverage

Maximum Premium Reimbursement

- **Single:** **$200 monthly max**
- **EE + Spouse:** **$400 monthly max**
- **EE + Child(ren):** **$400 monthly max**
- **Family:** **$600 monthly max**

- Reimbursements paid monthly through Laitram's payroll ***and are subject to federal and state tax.***
- Reimbursements can include surcharge for Laitram employee to join a spouse's medical plan subject to max above.
- Proof of premium contribution required (e.g., copy of spouse's 2025 pay stub). Provided by EE/SP/DP to Catilize Health.

SIHRA Example:
Spouse with Serious Illness

Laitram Basic Plan

Laitram Basic Family Plan

Annual Premium – $4,200

Max Out-of-Pocket - $8,000

Total Annual Cost - $12,200

Alternate Medical Plan with the Laitram SIHRA

Spouse's Employer Family Plan

Annual Premium – $6,000*

Premium Differential (Paid by Laitram): $1,800**

Max Out-of-Pocket - $0***

Total Annual Cost - $4,200

**Subject to maximum monthly premium differential limits*
***Subject to state and federal tax*
***Subject to eligible expenses and maximum annual limits (e.g., $21,200 for 2026)*

Premium Differential Calculation

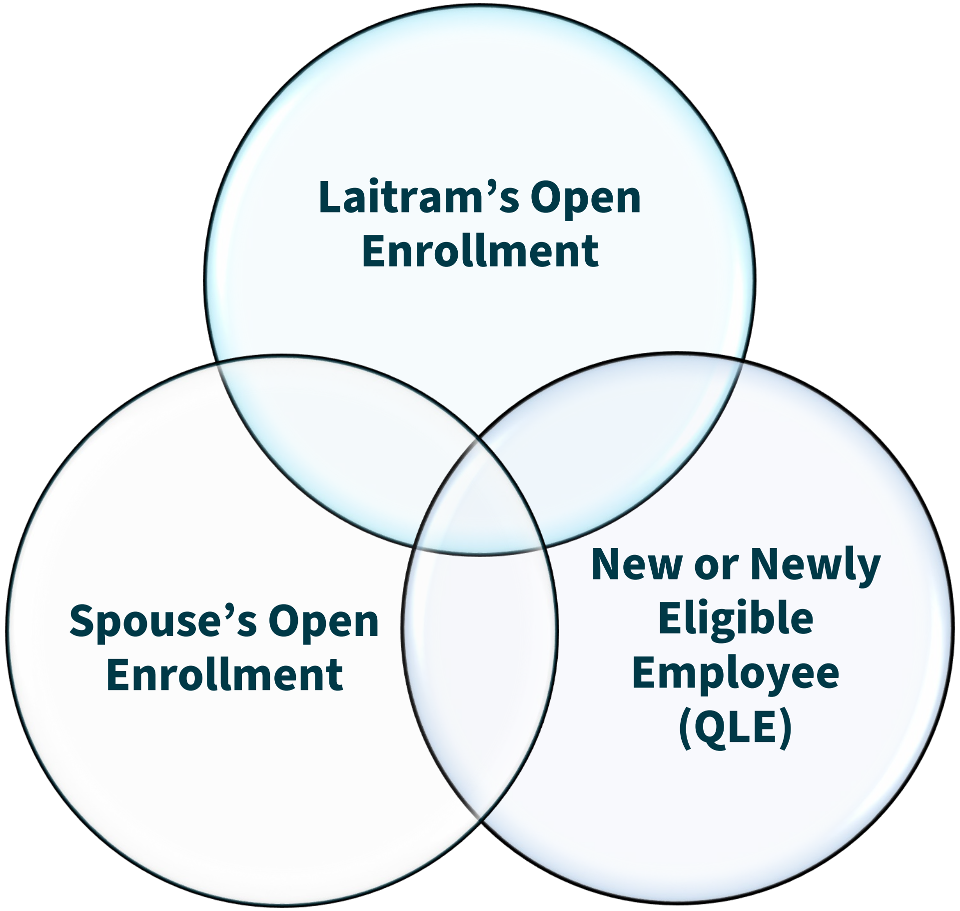
Premium Reimbursement Examples

Tier	EE's Medical Plan	Tier	SP's Medical Plan
Employee	$60	Employee	$100
EE+Spouse	$120	EE+Spouse	$200
EE+Child(ren)	$130	EE+Child(ren)	$250
Family	$200	Family	$300

Example 1	Enrolled in EE's Plan: Jane, Joe, 1 Child
	Enrolled in SP's Plan: None
	Whole family moves from EE to SP Plan
	EE Plan Subtraction Factor = $200
	SP Plan Cost = $300
	Reimbursement: $300-$200 = **$100**

Example 2	Enrolled in EE's Plan: Jane, 1 Child
	Enrolled in SP's Plan: Joe
	Jane and Child move from EE to SP Plan
	EE Plan Subtraction Factor = $130
	Cost to add SP/CH to SP's Plan = $200 ($300-100)
	Difference between family and single coverage
	Reimbursement: $200-$130 = **$70**

SIHRA – Enrollment opportunities?



Employees can also join the SIHRA during a **Qualifying Life Event** if they are currently enrolled on Laitram's health plan.

SIHRA – How to enroll?

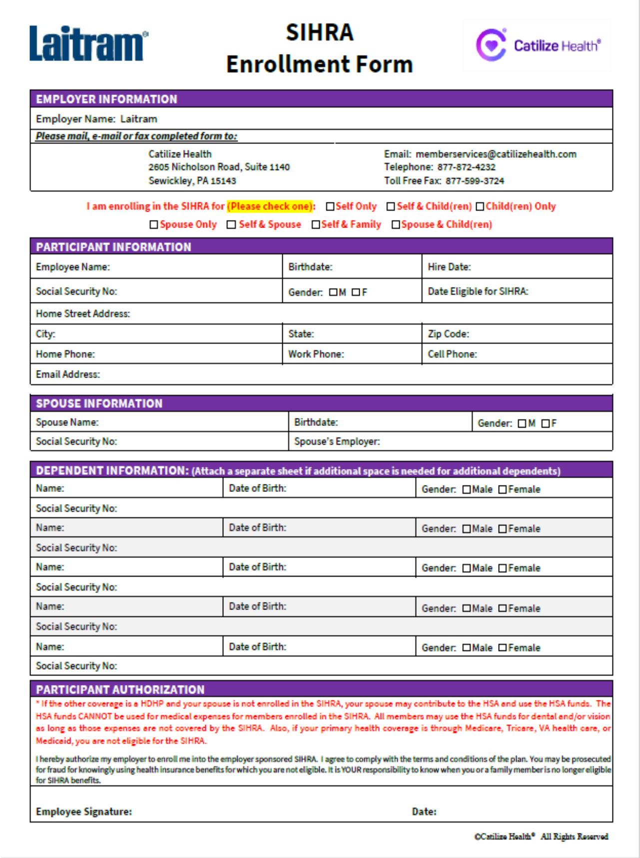
Step 1
Eligible EE, SP and/or DPs enroll in alternate group medical coverage (e.g., SP or DP employer medical plan, retiree plan, parent's plan).

Step 2
EE, SP and/or DPs waive coverage on Laitram's medical plan.
Note: Performed on the ADP enrollment platform

Step 3
Eligible EE/SP/DP complete and return the SIHRA Enrollment and Attestation forms to Catilize Health. Note: Performed outside the ADP enrollment platform (manual forms right/SIHRA landing page)

Step 4
Provide proof of 2026 premium contributions to Catilize Health (e.g. pay stub).

Step 5
Use alternate medical insurance card for claims and your Catilize SIHRA card for out-of-pocket expenses.



SIHRA Enrollment Form

EMPLOYER INFORMATION	
Employer Name: Laitram	
Please mail, e-mail or fax completed form to:	
Catilize Health 2605 Nicholson Road, Suite 1140 Sewickley, PA 15143	Email: memberservices@catilizehealth.com Telephone: 877-872-4232 Toll Free Fax: 877-599-3724

I am enrolling in the SIHRA for (Please check one): ☐Self Only ☐Self & Child(ren) ☐Child(ren) Only
☐Spouse Only ☐Self & Spouse ☐Self & Family ☐Spouse & Child(ren)

PARTICIPANT INFORMATION		
Employee Name:	Birthdate:	Hire Date:
Social Security No:	Gender: ☐M ☐F	Date Eligible for SIHRA:
Home Street Address:		
City:	State:	Zip Code:
Home Phone:	Work Phone:	Cell Phone:
Email Address:		

SPOUSE INFORMATION		
Spouse Name:	Birthdate:	Gender: ☐M ☐F
Social Security No:	Spouse's Employer:	

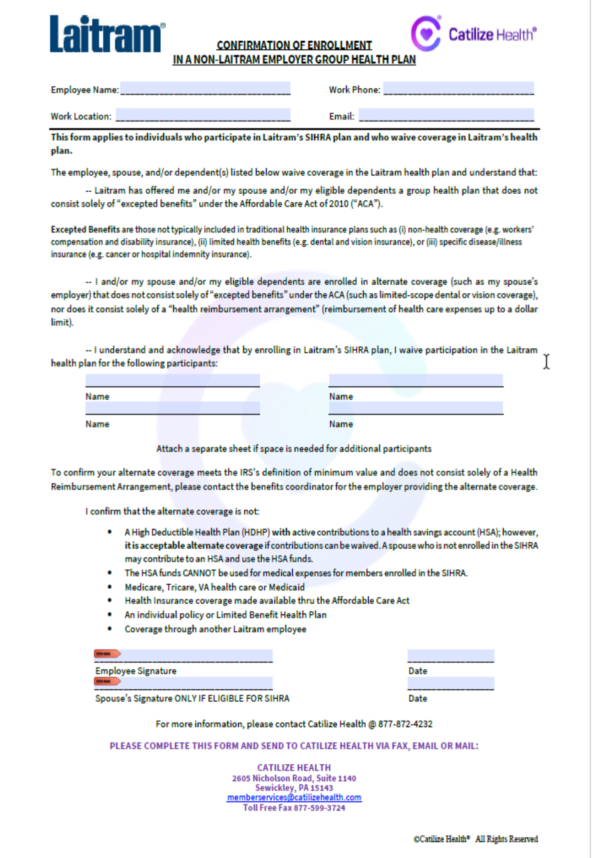
DEPENDENT INFORMATION: (Attach a separate sheet if additional space is needed for additional dependents)		
Name:	Date of Birth:	Gender: ☐Male ☐Female
Social Security No:		
Name:	Date of Birth:	Gender: ☐Male ☐Female
Social Security No:		
Name:	Date of Birth:	Gender: ☐Male ☐Female
Social Security No:		
Name:	Date of Birth:	Gender: ☐Male ☐Female
Social Security No:		
Name:	Date of Birth:	Gender: ☐Male ☐Female
Social Security No:		

PARTICIPANT AUTHORIZATION

* If the other coverage is a HDHP and your spouse is not enrolled in the SIHRA, your spouse may contribute to the HSA and use the HSA funds. The HSA funds CANNOT be used for medical expenses for members enrolled in the SIHRA. All members may use the HSA funds for dental and/or vision as long as those expenses are not covered by the SIHRA. Also, if your primary health coverage is through Medicare, Tricare, VA health care, or Medicaid, you are not eligible for the SIHRA.

I hereby authorize my employer to enroll me into the employer sponsored SIHRA. I agree to comply with the terms and conditions of the plan. You may be prosecuted for fraud for knowingly using health insurance benefits for which you are not eligible. It is YOUR responsibility to know when you or a family member is no longer eligible for SIHRA benefits.

Employee Signature: **Date:**



CONFIRMATION OF ENROLLMENT
IN A NON-LAITRAM EMPLOYER GROUP HEALTH PLAN

Employee Name: ________________ Work Phone: ________________

Work Location: ________________ Email: ________________

This form applies to individuals who participate in Laitram's SIHRA plan and who waive coverage in Laitram's health plan.

The employee, spouse, and/or dependent(s) listed below waive coverage in the Laitram health plan and understand that:

-- Laitram has offered me and/or my spouse and/or my eligible dependents a group health plan that does not consist solely of "excepted benefits" under the Affordable Care Act of 2010 ("ACA").

Excepted Benefits are those not typically included in traditional health insurance plans such as (i) non-health coverage (e.g. workers' compensation and disability insurance), (ii) limited health benefits (e.g. dental and vision insurance), or (iii) specific disease/illness insurance (e.g. cancer or hospital indemnity insurance).

-- I and/or my spouse and/or my eligible dependents are enrolled in alternate coverage (such as my spouse's employer) that does not consist solely of "excepted benefits" under the ACA (such as limited-scope dental or vision coverage), nor does it consist solely of a "health reimbursement arrangement" (reimbursement of health care expenses up to a dollar limit).

-- I understand and acknowledge that by enrolling in Laitram's SIHRA plan, I waive participation in the Laitram health plan for the following participants:

Name Name

Name Name

Attach a separate sheet if space is needed for additional participants

To confirm your alternate coverage meets the IRS's definition of minimum value and does not consist solely of a Health Reimbursement Arrangement, please contact the benefits coordinator for the employer providing the alternate coverage.

I confirm that the alternate coverage is not:

- A High Deductible Health Plan (HDHP) **with** active contributions to a health savings account (HSA); however, **it is acceptable alternate coverage** if contributions can be waived. A spouse who is not enrolled in the SIHRA may contribute to an HSA and use the HSA funds.
- The HSA funds CANNOT be used for medical expenses for members enrolled in the SIHRA.
- Medicare, Tricare, VA health care or Medicaid
- Health Insurance coverage made available thru the Affordable Care Act
- An individual policy or Limited Benefit Health Plan
- Coverage through another Laitram employee

Employee Signature Date

Spouse's Signature ONLY IF ELIGIBLE FOR SIHRA Date

For more information, please contact Catilize Health @ 877-872-4232

PLEASE COMPLETE THIS FORM AND SEND TO CATILIZE HEALTH VIA FAX, EMAIL OR MAIL:

CATILIZE HEALTH
2605 Nicholson Road, Suite 1140
Sewickley, PA 15143
memberservices@catilizehealth.com
Toll Free Fax 877-599-3724

All SIHRA information and forms can be found at laitrambenefits.com/SIHRA

SIHRA – How Claims Work ?

Medical Claim Reimbursement

When a member sees a medical provider or has a medical procedure, they present the primary medical plan ID, then present the Catilize Health ID Card.

↓

Most times the provider will accept the Catilize Health ID Card. Members will owe nothing up front and do not need to submit a claim. Catilize Health is billed by, and sends the payment to, the provider, ER, or hospital.

↓

In some situations, the provider is not able to accept the Catilize Health ID Card. The member will pay for any co-pay, co-insurance, or deductible due. An Explanation of Benefits (EOB) is provided by the primary medical plan.

↓

The member submits the EOB and claim amount to Catilize Health via portal.catilize.com.

OR

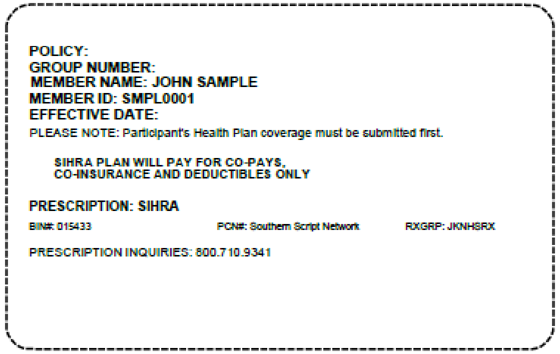
The member submits the EOB and a completed Claim form to Catilize Health via mail, fax, or secure email.

↓

Catilize Health processes claims and issues reimbursement within 2 -3 weeks from when the member submitted the documents covering the out-of-pocket expenses.

Spouse Insurance Card

SIHRA Card



Spouse/dependent has alternate coverage – Now What?

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- In **2025,** Laitram Employee, Spouse &/or Children currently enrolled on Laitram's medical plan
- In **2026**, Laitram employee has the following scenarios…

Scenario 1: Family moves to Spouse's Plan

- Spouse required to move off Laitram medical plan if alternate coverage available
- Employee and Family waive coverage on Laitram medical plan AND family enrolls in Spouse's medical plan and the Laitram SIHRA
- Laitram reimburses employee via payroll for any premium differential
    - Example: Spouse's plan family premium is $500 per month while Laitram's family plan premium is $350 per month. Laitram reimburses employee the $150/month difference via Laitram's Payroll. Premium differential payments are subject to state/federal tax as premiums are paid pretax under spouse's plan.
- Laitram pays ALL eligible deductibles, co-pays and co-insurance for the Family under the Spouse's plan via the Laitram SIHRA.

Scenario 2:
Spouse & Children move to Spouse's Medical Plan and Employee remains on Laitram Medical Plan

Laitram®

- Spouse required to move off Laitram medical plan if alternate coverage available
- Spouse & Children waive coverage on Laitram medical plan, enroll on the Laitram SIHRA and enroll on Spouse's medical plan
- Laitram reimburses any premium differential via Laitram Payroll
- Laitram pays ALL eligible deductibles, co-pays and co-insurance under the Spouse's medical plan via the Laitram SIHRA.
- Laitram employee responsible for his/her deductibles, co-pays and co-insurance under Laitram's medical plan

Scenario 3: Spouse moves to Spouse's Medical Plan and Laitram Employee & Children remain on Laitram Medical Plan

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- Spouse required to move off Laitram medical plan if alternate coverage available
- Spouse enrolls on the Laitram SIHRA and enrolls on Spouse's medical plan
- Laitram reimburses any premium differential via Laitram Payroll
- Laitram pays ALL eligible deductibles, co-pays and co-insurance under the Spouse's medical plan via the Laitram SIHRA
- Laitram employee responsible for his/her deductibles, co-pays and co-insurance under Laitram's medical Plan

Scenario 4: Laitram Dependent Moves to His/Her Employer's Plan

Laitram

- Dependent waives coverage on Laitram medical plan, enrolls on the Laitram SIHRA and enrolls on Dependent's medical plan
- Laitram reimburses any premium differential via Laitram Payroll
- Laitram pays ALL eligible deductibles, co-pays and co-insurance under the Dependent's medical plan via the Laitram SIHRA
- Laitram employee responsible for his/her deductibles, co-pays and co-insurance under Laitram's medical Plan

Scenario 5: Laitram Employee (<26) Moves to Parent's Employer's Plan

Laitram®

- Employee waives coverage on Laitram medical plan, enrolls on the Laitram SIHRA and enrolls on Parent's medical plan
- Laitram reimburses any premium differential via Laitram Payroll
- Laitram pays ALL eligible deductibles, co-pays and co-insurance under the Parent's medical plan via the Laitram SIHRA

Scenario 6: Laitram Employee Gets Married

Laitram

- Employee on Laitram's medical plan gets married
- Spouse on his/her employer's medical plan is eligible to enroll in the SIHRA
- Employee (with kids if applicable) can choose to move to Spouse's employer medical plan but not required

SIHRA Q&A

Q. Can EEs/SPs/DPs not on the Laitram medical plan access the Laitram health clinic and pharmacy?

A. Yes, the clinic can be accessed for $20/visit to be paid via debit/credit card at time of service. This payment **is not** reimbursable under the SIHRA. The Laitram pharmacy can be used if it accepts the participant's insurance. Any deductible/co-pays are reimbursable under the SIHRA.

Q. What happens if the network on my alternate coverage does not include my current doctor?

A. The SIHRA will reimburse you for co-pays, co-insurance and deductibles up to the maximum limits for services or benefits covered under your alternate plan. If you're alternate plan **does not** include **out-of-network benefits**, they are not eligible for reimbursement under the SIHRA.

Q. When my spouse or I become Medicare eligible, will we be required to move off Laitram's medical plan?

Q. No, Medicare eligibility does not disqualify you from enrolling or remaining on Laitram's medical plan. However, you can talk with a consultant at our partner Benefits All In (BAI) to understand your options and what makes the best sense for you and your family.

Q. Are there plans to phase out the SIHRA program as spouses, employees and dependents become accustomed to being on their employer's plan?

A. No, there is no plan currently to phase out the SIHRA in the in the future.

Q. Are spouse's already on their employer's plan eligible for the SIHRA?

A. No, but employees and/or dependents currently on Laitram's medical plan are eligible for the SIHRA if they move to the spouse's plan.

Q. Is there any cost to employees associated with signing up for the SIHRA?

A. No, there is no cost or fee for employees and their families to enroll in the SIHRA other than the spouse or dependent employer's medical plan premiums.

Q. Has the SIHRA plan saved Laitram money to date?

A. Yes. The calculated savings through August 2025 total $2.2 million

SIHRA Q&A

Q. My spouse is currently enrolled on Laitram's health plan and his/her employer's medical plan. Is he/she eligible for the SIHRA?
A. Yes, your spouse is required to move off Laitram's health plan in 2026 and may signup for the SIHRA.

Q. How will the Company determine when spouses enrolled on Laitram's plan don't have coverage with their employer?
A. If you enroll your spouse on Laitram's medical plan for 2026, you will be asked to answer the following question.

Is your spouse eligible for alternate medical coverage through their employer?

1. My spouse is employed and is eligible for alternate group medical coverage.
2. My spouse is not employed and is not eligible for alternate group medical coverage.
3. My spouse is self-employed and not eligible for group medical coverage. Note: If selected, you must provide documentation of self-employment confirming this response.
4. My spouse is employed but their employer does not provide group medical coverage. Note: If selected, you must provide documentation from your spouse's employer confirming this response.
5. My spouse is a current Laitram employee and is not eligible for alternate group medical coverage.

Q. My spouse's open enrollment has passed. Can he she/he remain on Laitram's medical plan in 2026?
A. No. Loss of coverage is considered a Qualifying Life Event so your spouse's employer should allow him/her to join its plan outside of its open enrollment. You and/or your dependents can also join your spouse's plan at this time if you choose to waive coverage under Laitram's plan.

My SHIRA Experience

Lindsay Dawson

Pre-SIHRA Experience (2024)

- 2 Adults, 3 Children
- 2024 Election: Family Enhanced Plan
  - Expense to Me: $7401 ($9401-$2000 from HRA)
    - Premiums
    - Deductibles
    - Co-Insurance
  - Expense to Laitram: $33,608

SHIRA Experience (2025)

- 2 Adults, 3 Children
- Elected Family coverage through Spouse’s plan
- Enrolled Family in SIHRA
- Expense to Me: $275.00
- Expense to Laitram from SHIRA: $9,766
  - 2025 Expenses reimbursed to me (so far):
    - Reimbursement for Premium Differential: $3,248
    - Reimbursement for Deductible Payments/Co-Insurance: $6,517

Questions