

# Employee Benefit Enhancements



We're excited to share several benefit enhancements designed to support your financial well-being, work-life balance and overall health. These updates reflect Hendrick's commitment to investing in you through ongoing benefit reviews and a response to your feedback.

Below is an overview of each new or enhanced benefit, the reasons for the changes and answers to common questions.

## 1. INCREASED RETIREMENT COMPANY MATCH

### What's New?

Effective Sunday, Feb. 22, 2026, the Hendrick 403(b)/401(k) retirement plan match will increase up to an additional 1%. See below:

### Current Company Match

Employee contributes 3% or more → Hendrick Contributes 3%\*

### New Company Match

Employee contributes 3% → Hendrick Contributes 3%\*  
Employee contributes 4% → Hendrick contributes 3.5%\*  
Employee contributes 5% or more → Hendrick contributes 4%\*

*\*up to IRS limit of \$10,800 for 2026*

### Why This Change?

Hendrick wants to help its employees build long-term financial security and feel confident about their future. Many financial experts suggest saving 10-15% of your gross income for retirement, which includes the company match. If an employee contributes 5% and Hendrick contributes 4%, that gets the employee to a total of 9%, closer to the recommended savings goal.

## Q&A

### Q: Who is eligible?

A: Full-time employees who participate in the retirement program are eligible.

### Q: Do I need to increase my retirement contribution to receive the higher company match?

A: Yes. To receive the increased match, employees must increase their contribution if not already contributing at least 5%.

### Q: How do I increase my contribution to maximize the increased match?

A: Visit [www.netbenefits.com](http://www.netbenefits.com) or call Fidelity (1-800-343-0860) to change the level of your contribution. Changes must be made no later than March 5, 2026, to ensure the new match is applied as scheduled.

### Q: How do I know what I'm contributing now?

A: Visit [www.netbenefits.com](http://www.netbenefits.com) or call Fidelity (1-800-343-0860) to confirm your current contribution percentage.

## 2. NEW OBSERVED HOLIDAY – EASTER SUNDAY

### What's New?

Effective in 2026, Easter Sunday is an observed holiday. Employees who are required to work on Easter Sunday will receive differential pay in CY26 (FY26) and time-and-a-half in CY27 (FY27). Employees will receive this holiday pay only if they work on the actual holiday between 12 a.m. and 11:59 p.m.

### Why This Change?

As a faith-based organization, we recognize the spiritual and cultural importance of Easter to our employees and mission. Although we remain open to serving our patients and community, we understand that working on Easter Sunday may require staff to miss family, faith-based activities, and traditions.

Because Easter is observed on a Sunday and Hendrick also observes Good Friday as a holiday, the organization will remain open on the Monday after Easter. This means that the holiday is only observed on Easter Sunday, unlike other holidays that are sometimes moved to a weekday if they fall on a Sunday; Easter will not be shifted to the following Monday.

## Q&A

### **Q: Who is eligible for Easter Sunday holiday pay?**

**A:** Under the current policy, non-exempt employees are eligible for holiday pay.

### **Q: What if I'm required to work on Easter Sunday?**

**A:** In CY26, eligible employees will receive differential pay for hours worked between 12:00 a.m. and 11:59 p.m. on the actual holiday. In CY27 and beyond, eligible employees will receive time-and-a-half for hours worked during the same period on the actual holiday.

### **Q: What if I'm required to work the Monday following Easter Sunday?**

**A:** You will receive regular pay for hours worked, as defined in the current policy. Unlike some holidays that may be observed on an alternate weekday when they fall on a Sunday, Easter will not be moved to the following Monday because we also honor Good Friday.

## 3. NEW PERSONAL HOLIDAY

### **What's New?**

Effective March 1, 2026, a Personal Holiday will be added to the Employee Benefits Program. Personal Holiday is a paid day that you can use for a meaningful personal, cultural or religious observance of your choice.

Per fiscal year, full-time employees will receive the cash equivalent of 8 hours, and part-time with benefits employees will receive the cash equivalent of 4 hours of Personal Holiday.

### **Why This Change?**

Hendrick knows flexibility matters. Offering a Personal Holiday supports inclusion, employee well-being and fairness, especially in a hospital environment where not all employees can take time off on traditional holidays.

## Q&A

### **Q: When can I use Personal Holiday?**

**A:** You get to choose, but it must be scheduled in advance and approved by your supervisor. While not restrictive, here are some ideas for when it may be used:

- Observing a religious or spiritual holiday
- Attending an important family milestone (wedding, graduation, birthday, etc.)
- Recognizing a day of personal significance or remembrance
- Taking time for personal reflection or a mental health day

### **Q: Does unused Personal Holiday time roll over into the next fiscal year?**

**A:** No. Initially, time will be added to your Personal Holiday bank on March 1, 2026, and will be then reset based on your employment status at the beginning of the new fiscal year.

### **Q: Is this separate from CTO?**

**A:** Yes, this is in addition to your regular CTO accrual.

### **Q: If I change my employment status during the fiscal year, what happens to my Personal Holiday hours?**

**A:** Personal Holiday hours are capped per fiscal year based on your employment status:

- Part-time with benefits: up to 4 hours
- Full-time: up to 8 hours

If you move from part-time with benefits to full-time, you will receive an additional 4 hours, allowing you to reach the maximum of 8 hours. If you move from full-time to part-time with benefits, no additional hours will be granted, and any balance over 4 hours will be forfeited.

### **Q: Will I be paid for unused Personal Holiday hours if I leave Hendrick or move into an ineligible employment status?**

**A:** No, unused hours will be forfeited.

### **Q: Is Personal Holiday time eligible to be cashed out?**

**A:** No, Personal Holiday time cannot be cashed out.

## 4. HEADSPACE EMPLOYEE ASSISTANCE PROGRAM (EAP)

### What's New

Effective January 1, 2026, Headspace EAP is now available to all employees and dependents, at no cost to you.

### Why This Change

Your mental and emotional well-being matters. Headspace provides confidential support to help you sleep, reduce stress and improve focus from the privacy of your phone.

### Q&A

#### Q: What services are included?

**A:** Mental health resources, counseling sessions, coaching and mindfulness tools.

#### Q: Is it confidential?

**A:** Yes. All services are 100% confidential.

#### Q: Do I need to be enrolled in a Hendrick health benefits plan?

**A:** No. Headspace EAP is available to all employees and eligible dependents.

#### Q: Can my spouse and children use this benefit?

**A:** Yes, your spouse or any child age 13 and older are eligible to participate in the program.

#### Q: Will counseling sessions be covered by Hendrick?

**A:** Yes, Hendrick will cover the cost of 6 sessions per person, per issue, per year.

#### Q: Where can I learn more about this benefit, including how to register?

**A:** View the Benefits Guide (page 14) on the Benefits Website.



**Scan QR code to  
access our  
Benefits Website.**

## 5. TELADOC CHRONIC CARE MANAGEMENT

### What's New?

Effective January 1, 2026, Teladoc Chronic Care Management is now available if you are enrolled in a Hendrick UMR health plan. This is an additional benefit that complements the health plan and is available at no cost to you.

### Why This Change?

Managing chronic conditions can be challenging. This benefit provides ongoing virtual support to improve health outcomes and quality of life.

### Q&A

#### Q: What conditions are supported?

**A:** Diabetes, hypertension, weight management and more.

#### Q: Is there a cost?

**A:** Services through Teladoc Chronic Care Management are covered by Hendrick at no additional cost to you.

#### Q: Where can I learn more about this benefit, including how to register?

**A:** View the Benefits Guide (page 24) on the Benefits Website.

## 6. YEAR 2 OF CTO ACCRUAL INCREASE TRANSITION

### What's New?

Effective Dec. 29, 2024, Hendrick began a three-year transition period, increasing per-pay-period CTO accrual rates and maximum accrual balances. Effective Dec. 28, 2025, we entered the second year of the phased accrual increase. New accrual rates will be displayed on the Jan. 16, 2026, check date. Refer to policy Employee Benefits Program HR.HH.1.2602 for maximum accrual rates.

## Accrued Per Pay Period *(based on 80 hours)*

Approximate Years of Employment	Year 1 (2025)	Year 2 (New 2026)
< 1 year	The cash equivalent of 6.46 hours	The cash equivalent of 6.46 hours
1 - 4 years	The cash equivalent of 6.77 hours	The cash equivalent of 7.08 hours
5 - 9 years	The cash equivalent of 8.31 hours	The cash equivalent of 8.31 hours
10 - 14 year	The cash equivalent of 8.62 hours	The cash equivalent of 8.92 hours
15+ years	The cash equivalent of 9.54 hours	The cash equivalent of 9.85 hours

*\*see policy for details*

### Why This Change?

Time away from work is essential for rest, productivity and well-being. This phased approach enables Hendrick to increase CTO while supporting your work-life balance.

### Q&A

#### Q: What does Year 2 mean for me?

**A:** Your CTO accrual rate may increase according to the established transition schedule.

#### Q: When will I see the increased accrual on my paycheck?

**A:** Second paycheck in January – It will appear on the second paycheck in January (Jan. 16, 2026).

#### Q: Will CTO increase again next year?

**A:** Yes. Year 3 will complete the CTO increase transition.

#### Q: Do I need to do anything?

**A:** No action is necessary on your part. Accrual changes are automatic.

#### Q: Why do the up to 1-year and 5-9 years of employment tiers not increase in Year 2?

**A:** Hendrick adjusted CTO accruals using market benchmarking data and internal analysis. Increases were applied to select years of service tiers to better align with the market, while ensuring the program remains fair, competitive and sustainable.

The **up to 1-year** of service and **5-9 years** of service tiers were enhanced in Year 1 of the transition.

## 7. NAVIGATE WELLNESS PLATFORM

### What's New?

Effective March 1, 2026, Hendrick is moving to Navigate, a new platform for its Wellness program. Navigate will offer more features, including on-demand wellness challenges, social media-style interaction, meal planning assistance, a workout library and more.

### Why This Change?

The current Wellness platform is not user-friendly and requires manual entry of wellness screening data. Hendrick would like to provide you with better resources and a better experience.

### Q&A

#### Q: Will my wellness screening data from 2025 be in the new Navigate platform?

**A:** Yes. Your prior year's screening data will be imported into the new platform.

#### Q: Will my spouse be able to access this platform?

**A:** Yes, however, to access the platform, spouses will register using the employee's ID number.

#### Q: How do I learn more about Navigate?

**A:** Look for more information from the Wellness team on the Hendrick Hub.

### Questions?

We're happy to help. Please contact the following:

**Benefits - [benefits@hendrickhealth.org](mailto:benefits@hendrickhealth.org) or ext. 3163**

**Employee Wellness - [wellness@hendrickhealth.org](mailto:wellness@hendrickhealth.org) or ext. 7777.**

