



## 2018 Important Benefits Information

Grainger is legally required to distribute the following notices. These notices are for informational purposes only. In addition, on page 8, Grainger is including a summary of material modifications relating to upcoming plan changes that have not otherwise been described in the 2018 open enrollment materials.

### Availability of Summary Health Information

As a team member, the health benefits available to you represent a significant component of your compensation package. They also provide important protection for you and your family in the case of illness or injury.

Your plan offers a series of health coverage options. Choosing a health coverage option is an important decision. To help you make an informed choice, your plan makes available a Summary of Benefits and Coverage (SBC), which summarizes important information about any health coverage option in a standard format, to help you compare across options.

The SBC is available on the *Your Benefits Resources*<sup>™</sup> website at: [www.ybr.com/grainger](http://www.ybr.com/grainger). A paper copy is also available, free of charge, by calling the Grainger Benefits Service Center at **1-847-535-HR4U (4748)** (inside a Grainger facility) or **1-888-477-3781** (outside a Grainger facility). Select **Option 3**.

### Your Rights Following a Mastectomy (Women's Health and Cancer Rights Act Notice)

Do you know that Grainger's medical plan options, as required by the Women's Health and Cancer Rights Act of 1998, provide benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses and complications resulting from a mastectomy, including lymphedema. Contact the administrator of your medical plan (UnitedHealthcare, Aetna, BlueCross BlueShield of Illinois, Kaiser Permanente, Triple-S or SelectCare) for more information.

### Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from its Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs, but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit [www.healthcare.gov](http://www.healthcare.gov).

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a state listed below, contact your state Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your state Medicaid or CHIP office or dial **1-877-KIDS NOW** or [www.insurekidsnow.gov](http://www.insurekidsnow.gov) to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at [www.askebsa.dol.gov](http://www.askebsa.dol.gov) or call **1-866-444-EBSA (3272)**.

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of States is current as of August 10, 2017. Contact your State for more information on eligibility.

<p align="center"><b>ALABAMA – Medicaid</b></p> <p>Website: <a href="http://myalhipp.com/">http://myalhipp.com/</a> Phone: 1-855-692-5447</p>	<p align="center"><b>IOWA – Medicaid</b></p> <p>Website: <a href="http://dhs.iowa.gov/ime/members">http://dhs.iowa.gov/ime/members</a> Phone: 1-888-346-9562</p>
<p align="center"><b>ALASKA – Medicaid</b></p> <p>The AK Health Insurance Premium Payment Program Website: <a href="http://myakhipp.com/">http://myakhipp.com/</a> Phone: 1-866-251-4861 Email: <a href="mailto:CustomerService@MyAKHIPP.com">CustomerService@MyAKHIPP.com</a> Medicaid Eligibility: <a href="http://dhss.alaska.gov/dpa/pages/medicaid/default.aspx">http://dhss.alaska.gov/dpa/pages/medicaid/default.aspx</a></p>	<p align="center"><b>KANSAS – Medicaid</b></p> <p>Website: <a href="http://www.kdheks.gov/hcf/">http://www.kdheks.gov/hcf/</a> Phone: 1-785-296-3512</p>
<p align="center"><b>ARKANSAS – Medicaid</b></p> <p>Website: <a href="http://myarhipp.com/">http://myarhipp.com/</a> Phone: 1-855-MyARHIPP (855-692-7447)</p>	<p align="center"><b>KENTUCKY – Medicaid</b></p> <p>Website: <a href="http://chfs.ky.gov/dms/default.htm">http://chfs.ky.gov/dms/default.htm</a> Phone: 1-800-635-2570</p>
<p align="center"><b>COLORADO – Health First Colorado (Colorado’s Medicaid Program) &amp; Child Health Plan PLUS (CHO+)</b></p> <p>Health First Colorado Website: <a href="https://www.healthfirstcolorado.com/">https://www.healthfirstcolorado.com/</a> Health First Colorado Member Contact Center: 1-800-221-3943/ State Relay 711 CHP+: <a href="http://Colorado.gov/HCPF/Child-Health-Plan-Plus">Colorado.gov/HCPF/Child-Health-Plan-Plus</a> CHP+ Customer Contact: 1-800-359-1991/ State Relay 711</p>	<p align="center"><b>LOUISIANA – Medicaid</b></p> <p>Website: <a href="http://dhh.louisiana.gov/index.cfm/subhome/1/n/331">http://dhh.louisiana.gov/index.cfm/subhome/1/n/331</a> Phone: 1-888-695-2447</p>
<p align="center"><b>FLORIDA – Medicaid</b></p> <p>Website: <a href="http://flmedicaidprecovery.com/hipp/">http://flmedicaidprecovery.com/hipp/</a> Phone: 1-877-357-3268</p>	<p align="center"><b>MAINE – Medicaid</b></p> <p>Website: <a href="http://www.maine.gov/dhhs/ofi/public-assistance/index.html">http://www.maine.gov/dhhs/ofi/public-assistance/index.html</a> Phone: 1-800-442-6003 TTY: Maine relay 711</p>
<p align="center"><b>GEORGIA – Medicaid</b></p> <p>Website: <a href="http://dch.georgia.gov/medicaid">http://dch.georgia.gov/medicaid</a> - Click on Health Insurance Premium Payment (HIPP) Phone: 404-656-4507</p>	<p align="center"><b>MASSACHUSETTS – Medicaid and CHIP</b></p> <p>Website: <a href="http://www.mass.gov/eohhs/gov/departments/mashealth/">http://www.mass.gov/eohhs/gov/departments/mashealth/</a> Phone: 1-800-862-4840</p>
<p align="center"><b>INDIANA – Medicaid</b></p> <p>Healthy Indiana Plan for low-income adults 19-64 Website: <a href="https://www.in.gov/fssa/hip/">https://www.in.gov/fssa/hip/</a> Phone: 1-877-438-4479 All other Medicaid Website: <a href="http://www.indianamedicaid.com">http://www.indianamedicaid.com</a> Phone 1-800-403-0864</p>	<p align="center"><b>MINNESOTA – Medicaid</b></p> <p>Website: <a href="http://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/medical-assistance.jsp">http://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/medical-assistance.jsp</a> Phone: 1-800-657-3739</p>

<b>MISSOURI – Medicaid</b>	<b>OKLAHOMA – Medicaid and CHIP</b>
Website: <a href="http://www.dss.mo.gov/mhd/participants/pages/hipp.htm">http://www.dss.mo.gov/mhd/participants/pages/hipp.htm</a> Phone: 573-751-2005	Website: <a href="http://www.insureoklahoma.org">http://www.insureoklahoma.org</a> Phone: 1-888-365-3742
<b>MONTANA – Medicaid</b>	<b>OREGON – Medicaid</b>
Website: <a href="http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP">http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP</a> Phone: 1-800-694-3084	Website: <a href="http://healthcare.oregon.gov/Pages/index.aspx">http://healthcare.oregon.gov/Pages/index.aspx</a> <a href="http://www.oregonhealthcare.gov/index-es.html">http://www.oregonhealthcare.gov/index-es.html</a> Phone: 1-800-699-9075
<b>NEBRASKA – Medicaid</b>	<b>PENNSYLVANIA – Medicaid</b>
Website: <a href="http://www.ACCESSNebraska.ne.gov">http://www.ACCESSNebraska.ne.gov</a> Phone: 1-855-632-7633 Lincoln: 402-473-7000 Omaha: 402-595-1178	Website: <a href="http://www.dhs.pa.gov/citizens/healthcaremedicalassistance/index.htm">http://www.dhs.pa.gov/citizens/healthcaremedicalassistance/index.htm</a> Phone: 1-800-692-7462
<b>NEVADA – Medicaid</b>	<b>RHODE ISLAND – Medicaid</b>
Medicaid Website: <a href="http://dwss.nv.gov/">http://dwss.nv.gov/</a> Medicaid Phone: 1-800-992-0900	Website: <a href="http://www.eohhs.ri.gov/">http://www.eohhs.ri.gov/</a> Phone: 855-697-4347
<b>NEW HAMPSHIRE – Medicaid</b>	<b>SOUTH CAROLINA – Medicaid</b>
Website: <a href="http://www.dhhs.nh.gov/oii/documents/hippapp.pdf">http://www.dhhs.nh.gov/oii/documents/hippapp.pdf</a> Phone: 603-271-5218	Website: <a href="http://www.scdhhs.gov">http://www.scdhhs.gov</a> Phone: 1-888-549-0820
<b>NEW JERSEY – Medicaid and CHIP</b>	<b>SOUTH DAKOTA – Medicaid</b>
Medicaid Website: <a href="http://www.state.nj.us/humanservices/dmahs/clients/medicaid/">http://www.state.nj.us/humanservices/dmahs/clients/medicaid/</a> Medicaid Phone: 1-609-631-2392 CHIP Website: <a href="http://www.njfamilycare.org/index.html">http://www.njfamilycare.org/index.html</a> CHIP Phone: 1-800-701-0710	Website: <a href="http://dss.sd.gov">http://dss.sd.gov</a> Phone: 1-888-828-0059
<b>NEW YORK – Medicaid</b>	<b>TEXAS – Medicaid</b>
Website: <a href="https://www.health.ny.gov/health_care/medicaid/">https://www.health.ny.gov/health_care/medicaid/</a> Phone: 1-800-541-2831	Website: <a href="http://gethipptexas.com/">http://gethipptexas.com/</a> Phone: 1-800-440-0493
<b>NORTH CAROLINA – Medicaid</b>	<b>UTAH – Medicaid and CHIP</b>
Website: <a href="http://www.ncdhhs.gov/">http://www.ncdhhs.gov/</a> Phone: 919-855-4100	Medicaid Website: <a href="https://medicaid.utah.gov/">https://medicaid.utah.gov/</a> CHIP Website: <a href="http://health.utah.gov/chip">http://health.utah.gov/chip</a> Phone: 1-877-543-7669
<b>NORTH DAKOTA – Medicaid</b>	<b>VERMONT – Medicaid</b>
Website: <a href="http://www.nd.gov/dhs/services/medicalserv/medicaid/">http://www.nd.gov/dhs/services/medicalserv/medicaid/</a> Phone: 1-844-854-4825	Website: <a href="http://www.greenmountaincare.org/">http://www.greenmountaincare.org/</a> Phone: 1-800-250-8427

VIRGINIA – Medicaid and CHIP	WISCONSIN – Medicaid and CHIP
Medicaid Website: <a href="http://www.coverva.org/programs_premium_assistance.cfm">http://www.coverva.org/programs_premium_assistance.cfm</a> Medicaid Phone: 1-800-432-5924 CHIP Website: <a href="http://www.coverva.org/programs_premium_assistance.cfm">http://www.coverva.org/programs_premium_assistance.cfm</a> CHIP Phone: 1-855-242-8282	Website: <a href="https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf">https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf</a> Phone: 1-800-362-3002
WASHINGTON – Medicaid	WYOMING – Medicaid
Website: <a href="http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program">http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program</a> Phone: 1-800-562-3022 ext. 15473	Website: <a href="https://wyequalitycare.acs-inc.com/">https://wyequalitycare.acs-inc.com/</a> Phone: 1-307-777-7531
WEST VIRGINIA – Medicaid	
Website: <a href="http://mywvhipp.com/">http://mywvhipp.com/</a> Phone: 1-855-MYWVHIPP (1-855-699-8447)	

To see if any other states have added a premium assistance program since August 10, 2017, or for more information on special enrollment rights, contact either:

U.S. Department of Labor  
 Employee Benefits Security Administration  
[www.dol.gov/agencies/ebsa](http://www.dol.gov/agencies/ebsa)  
 1-866-444-EBSA (3272)

U.S. Department of Health and Human Services  
 Centers for Medicare & Medicaid Services  
[www.cms.hhs.gov](http://www.cms.hhs.gov)  
 1-877-267-2323, Menu Option 4, Ext. 61565

### HIPAA Notice of Medical Information Privacy Practices for the Grainger Group Health Plans (the “Plans”)

The HIPAA Notice of Medical Information Privacy Practices ("Notice of Privacy Practices") explains how the Grainger Plans may use and disclose your protected health information, your rights related to your protected health information, and the Plans’ duties with respect to your protected health information. The HIPAA Privacy Notice was recently updated and contains minor revisions, including:

- Removing two examples of when the Plans may disclose your PHI to federal officials—for the purpose of protecting the President or to conduct investigations;
- Clarifying that the Plans may deny your request to inspect and/or copy your PHI (in certain limited circumstances) is subject to certain exceptions; and
- Clarifying that you have a right to receive written notice of when a breach of your PHI occurs, and, if necessary, the Plans or its business associate will provide you with notice of the breach.

The HIPAA Privacy Notice can be found on the Grainger Intranet site at <http://gnet.grainger.com>, or on the *Your Benefits Resources* website: available through Global Connections (under **Benefits** on the HR homepage) or at [www.ybr.com/granger](http://www.ybr.com/granger). You may view and print a paper copy of the notice from the Grainger Intranet site. You may also view the notice on the *Your Benefits Resources* website and/or print a paper copy from the website, or you may request a paper copy of the notice by contacting the Grainger Benefits Service Center at **1-847-535-HR4U (4748)** (inside a Grainger facility) or **1-888-477-3781** (outside a Grainger facility). Select **Option 3**.

## Wellness (Tobacco Users)

The Grainger group health plans are committed to helping you achieve your best health. The HSA Gold, HSA Silver, POS Platinum, and Long Term Disability and Medicare options offer the opportunity to qualify for lower contributions for non-tobacco users (a tobacco-free incentive), which is a “wellness program.” If you think you might be unable to meet a standard for a reward under this wellness program, you might qualify for an opportunity to earn the same reward by different means (i.e., by participating in a tobacco cessation program through your medical plan carrier). Contact the Grainger Benefits Service Center at **1-847-535-HR4U (4748)** (inside a Grainger facility) or **1-888-477-3781** (outside a Grainger facility) for information. Select **Option 3**. The Grainger Benefits Center will work with you (and if you wish, with your doctor) to find a wellness program with the same reward that is right for you in light of your health status.

## HIPAA Special Enrollment Rights

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in a Grainger medical/prescription drug option if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents’ other coverage). **However, you must request enrollment within 31 days after your or your dependents’ other coverage ends (or after the employer stops contributing toward the other coverage).**

In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. **However, you must request enrollment within 31 days after the marriage, birth, adoption, or placement for adoption.** To request special enrollment or obtain more information, contact the Grainger Benefits Service Center at **1-847-535-HR4U (4748)** (inside a Grainger facility) or **1-888-477-3781** (outside a Grainger facility) for information. Select **Option 3**.

*Your Benefits Resources is a trademark of Hewitt Associates LLC.*

## Notice of Nondiscrimination and Accessibility Requirements Discrimination Is Against the Law

The W.W. Grainger, Inc. Group Benefit Plan I, with respect to its employee health benefit programs (the “Plan”), which is a covered entity under Section 1557 of the Affordable Care Act, complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. The Plan does not exclude people or treat them differently because of race, color, national origin, age, disability or sex.

The Plan:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Qualified sign language interpreters, and
  - Written information in other formats (large print, audio, accessible electronic formats, other formats).
- Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters, and
  - Information written in other languages.

If you need these services, contact the Grainger Benefits Service Center at **1-888-477-3781** TTY: 711.

If you believe that Grainger's Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability or sex, you can file a grievance with: Grainger iCare, W.W. Grainger, Inc., 100 Grainger Parkway, Mail Stop A1 E45, Lake Forest, IL 60045, **1-888-873-3731** (phone), **1-847-588-1354** (fax), <https://www.tnwgrc.com/grainger/>. You can file a grievance in person or by mail, fax or email. If you need help filing a grievance, Grainger iCare is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at:

U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Room 509F, HHH Building  
Washington, DC 20201  
1-800-368-1019, 800-537-7697 (TDD)

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al **1-888-477-3781** (TTY: 711).

注意：如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 **1-888-477-3781**。

PAUNAWA: Kung nagsasalita ka ng Tagalog, maaari kang gumamit ng mga serbisyo ng tulong sa wika nang walang bayad. Tumawag sa **1-888-477-3781**.

CHÚ Ý: Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số **1-888-477-3781**.

ATTENTION: Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le **1-888-477-3781** (ATS: 711).

주의: 한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. **1-888-477-3781** 번으로 전화해 주십시오.

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: **1-888-477-3781**.

ملحوظة: إذا كنت تتحدث اذكر اللغة، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم **1-888-477-3781** (رقم هاتف الصم والبكم).

ВНИМАНИЕ: Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните **1-888-477-3781**.

ATANSYON: Si w pale Kreyòl Ayisyen, gen sèvis èd pou lang ki disponib gratis pou ou. Rele **1-888-477-3781**.

ATTENZIONE: In caso la lingua parlata sia l'italiano, sono disponibili servizi di assistenza linguistica gratuiti. Chiamare il numero **1-888-477-3781**.

ATENÇÃO: Se fala português, encontram-se disponíveis serviços linguísticos, grátis. Ligue para **1-888-477-3781**.

UWAGA: Jeżeli mówisz po polsku, możesz skorzystać z bezpłatnej pomocy językowej. Zadzwoń pod numer **1-888-477-3781**.

注意事項：日本語を話される場合、無料の言語支援をご利用いただけます。**1-888-477-3781** まで、お電話にてご連絡ください。

**توجه:** اگر به زبان فارسی گفتگو می کنید، تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد. با **1-888-477-3781** تماس بگیرید.

## **Tax Form 1095-C**

The Affordable Care Act generally requires Americans to have health care coverage and be able to provide proof of that coverage at tax time. At the beginning of each year, you will receive a Form 1095 reflecting your health care coverage for the prior year. You will want to use this information to complete the Health Care – Individual Responsibility section of your IRS Tax Form 1040 or similar personal income tax return. If you have questions, you may want to contact your tax advisor.

## **Changes to Your Plan—A Summary of Material Modification**

Changes to employee benefit plans described in the open enrollment materials and on [GraingerTotalRewards.com](http://GraingerTotalRewards.com) are considered to be part of a Summary of Material Modification until the changes can be incorporated into Summary Plan Descriptions for those benefit plans. Some additional changes effective January 1, 2018, are outlined below:

### **Retiree Health**

Medicare-eligible retirees and dependents will no longer participate in our group retiree health plan. Instead, Medicare-eligible participants will have access to multiple individual plans (medical, pharmacy, dental and vision) through a private exchange. Additionally, Grainger will continue to share in the cost of coverage but it will be through a Health Reimbursement Arrangement (HRA) using the current service bands that we have today. A separate HRA account will be set up for each Medicare-eligible participant.

### **Short Term Disability (STD)**

Grainger will replace the current annual quota for STD benefits to tenured benefits based on the current schedule that restart with each period of disability within the same calendar year. Additionally, if a team member refuses to accept a modified duty assignment offered by the company, STD benefits will end.

### **Life Insurance**

As of January 1, 2018, when a team member retires from Grainger, portability will be offered in addition to conversion under the life insurance plans.

This Summary of Material Modification (SMM) section of your legal notices packet contains updates to your existing Summary Plan Descriptions (SPDs) effective January 1, 2018. Until Grainger provides you with an updated SPD, this notice packet is intended to be an SMM. Please keep this SMM and related legal notices with your SPDs for your records. As explained in the SPD, Grainger has full and sole authority to, at any time and for any reason, make changes to the W.W. Grainger, Inc. Group Benefit Plan (the "Plan"). While Grainger currently intends to continue the Plan, it reserves the right to amend, modify or terminate the Plan, at any time for any reason, at its discretion.