



2019 Benefits Decision Guide

**BENEFITS FOR YOUR
HEALTH AND WELL-BEING**



In this Guide



The information contained within these pages may be proprietary to Leidos and is principally intended for employees of Leidos and its subsidiaries only. The benefits described apply to U.S. benefits-eligible employees. This benefits information is not applicable to employees of Leidos Biomedical Research, Inc., Leidos Commercial Health, Leidos Cyber, or QTC. Union-represented employees are covered by the terms of their collective bargaining agreements.

For additional information, visit the Benefits Summary Plan Description website at <http://benefits.leidos.com>.

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EXPLORE**EXPLORE. Use this Guide to Help You Get Started**

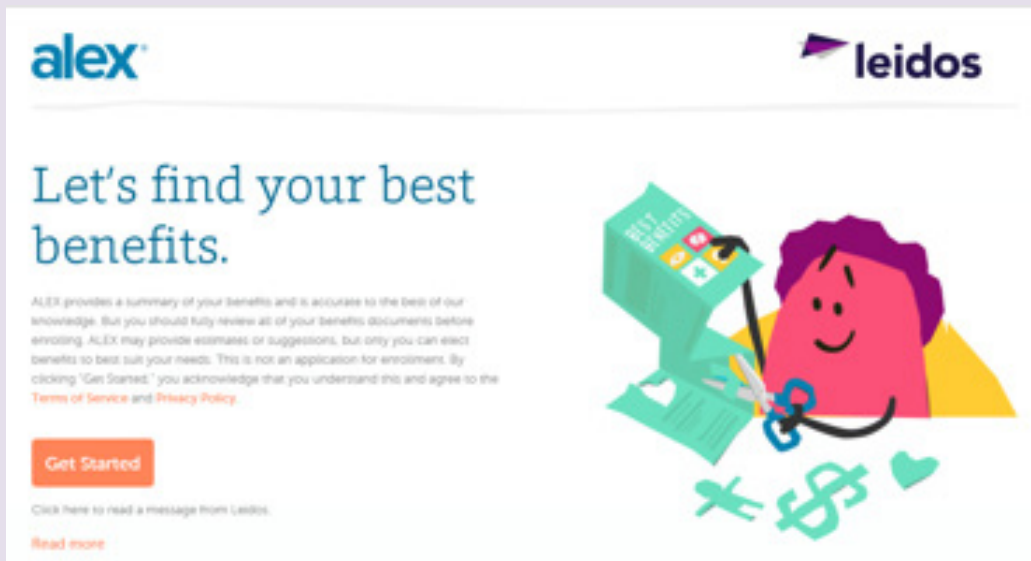
You can use this guide and other resources available to you on the Benefits: Health & Welfare page on Prism and the Benefits Summary Plan Description website at <http://benefits.leidos.com> for decision-making support.

ENGAGE**ENGAGE. Ask Alex for Benefits Help**

ALEX is a virtual benefits counselor that explains your benefit options and helps you choose the plan that's best for you and your family.

ALEX prompts you for some basic information about your personal situation, asks a few questions about how you anticipate using your healthcare (your answers remain anonymous, of course), and helps you figure out what to choose based on your responses.

Before you make your benefit elections in Workday, be sure to spend a few minutes with ALEX at www.myalex.com/leidos/2019 to make sure you're enrolling in a plan that's right for you and your family.

ENROLL

EXPLORE**ENGAGE****ENROLL****If You Have Questions**

Contact Employee Services for help with enrolling or benefit-related questions: 855-553-4367, option 3 or email: AskHR@leidos.com.

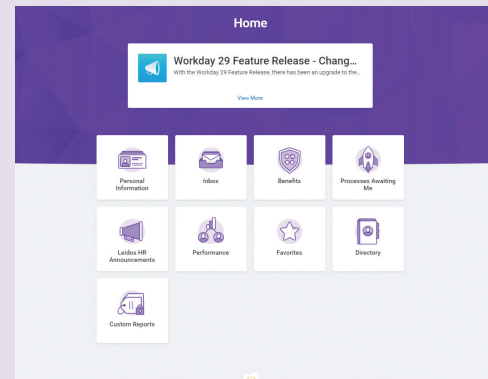
Changing Your Benefits During the Year

IRS regulations require that, once enrolled, you may not change your benefit elections until the next Open Enrollment period — unless you experience a qualified life event. Experiencing a qualified life event allows a participant to make some changes to coverage within 31 days of the event.

ENROLL. Open Enrollment is October 25 – November 8, 2018

You can enroll in 2019 benefits beginning October 25 by accessing Workday through the link on Prism. (Note: You will need an activated token if accessing Prism remotely.) From Workday's homepage, locate and click the "Inbox" icon to find the Open Enrollment event and begin the enrollment process.

We want to make enrolling as simple as possible! If you need help, review the Step-by-Step Quick Reference Card on Prism.

**Important Note About Medical Coverage For Dependents!**

Leidos must report to the IRS the names and social security numbers of everyone covered by our company-sponsored medical plans. Therefore, if you are enrolling dependents in the medical plans, be sure to include their social security numbers.

If You Don't Enroll

If you do not enroll by Nov. 8 you will be defaulted to your current 2018 elections with the exception of HSA and FSA elections, and also any contribution to the Group Universal Life (GUL) insurance Cash Accumulation Fund (CAF), which do not roll-over. You will need to actively enroll in these benefits if you want them for 2019.

What's New or Changing for 2019

HERE ARE HIGHLIGHTS OF THE BENEFIT PROGRAM CHANGES FOR 2019

MEDICAL

Healthy Focus Medical Plans

- ▶ Embedded Out-Of-Pocket Maximums for Healthy Focus Essential plan increased from \$7,150 to \$7,900 per individual within family to allowable amount under Affordable Care Act (ACA) regulations.
- ▶ Walgreens Smart90 Program - Penalties paid for not filing prescriptions through Express Scripts (ESI) mail order or Walgreens will not count towards the deductible or out-of-pocket maximum. Additionally, participants will still pay penalties after they meet their out-of-pocket maximum.
- ▶ NEW Expert Medical Second Opinion benefit provided by Grand Rounds. For details, refer to page 16
- ▶ NEW Diabetes Management Program administered by Livongo. Refer to page 13 for program details.

Cigna Global (Available to Expat Employees)

- ▶ Members will receive new cards for 2019
- ▶ Dispense as Written clause - When a member has a prescription for a brand name medication, it will be filled with the generic alternative unless the provider indicates "Dispense as Written" on the prescription
- ▶ Updates to Drug List which will be communicated to participants directly from Cigna Global
- ▶ NEW Telehealth Pilot Program - Access to doctors licensed in the U.S., Europe, the Middle East, and Asia

Leidos Dental PPO Plan Administered by Delta Dental of VA

- ▶ Leidos is adopting the Delta Dental standard reimbursement for Out-Of-Network claims which will result in a decrease in the amount allowed for reimbursement for Out-Of-Network providers

Health Savings Account (HSA)

- ▶ Increase to IRS HSA limits for 2019 - \$3,500 maximum for single coverage and \$7,000 maximum for family coverage
- ▶ 2019 HSA employer contributions will increase for those employees that make \$85,000 annually or less. Refer to page 14 for the new contribution rate.

Mission for Life Wellness Program

- ▶ Starting in 2019, the incentive structure will change to five levels, each level worth 1,000 points.
- ▶ The amount of incentives a participant can earn will increase in 2019 - up to \$300 for HSA eligible participants and up to \$125 for Amazon gift card participants.
- ▶ NEW Tobacco Cessation program available for all U.S. benefits eligible employees effective January 1, 2019. For details, refer to page 20.

International Employee Assistance Program

- ▶ Empathia has partnered with ICAS for international EAP services. The international program is branded as "Lifestyle: vs. the domestic program branded as "Lifematters".
- ▶ Member Portal - ICASLifestyle.com

Eligibility

If you are regularly scheduled to work at least 12 hours per week, you are eligible for Leidos benefits:

- Full-time: 30–40 regularly scheduled hours per week
- Part-time: 12–29 regularly scheduled hours per week

Eligibility for medical and dental plans is determined by your home ZIP code.

- If you enroll in a Healthy Focus medical plan, your home state will determine whether the plan is administered by Aetna or Anthem. For example, if you live in California, your plan will be administered by Aetna, and if you live in Arizona, your plan will be administered by Anthem.
- Plan administration for a covered dependent is based on your residence. For example, if your child attends college in Arizona, but you live in California, your child will receive coverage under Aetna.

Refer to the Benefits Summary Plan Description website at <http://benefits.leidos.com> for more information.

Double Coverage Is Not Allowed

You may not cover a spouse, registered domestic partner, or dependent child if that individual is also a Leidos employee and has elected his or her own coverage.

ELIGIBLE DEPENDENTS

- Your legal spouse or domestic partner (if proof of registration with a state or local domestic partner registry is provided or if a Declaration of Domestic Partnership form is submitted)
- Dependent children up to age 26, regardless of student status
- Unmarried children beyond the age of 26 who are incapable of self-support due to physical or mental disability
 - Children include your natural child, legally adopted child, children placed with you for adoption, stepchildren, children of your domestic partner, or any other child who depends on you for support and lives with you in a parent-child relationship and for which you can provide proof of legal guardianship

A complete description of Leidos eligible dependent guidelines is available on the Benefits Summary Plan Description website at <http://benefits.leidos.com>.

TAKE NOTE! Spousal Surcharge

Leidos offers coverage to all spouses and domestic partners, but for those who have other medical coverage available to them, there will be an additional cost.

If your spouse/domestic partner has access to another employer's medical plan, you will pay an additional \$100 per month to cover him/her on the Leidos medical plan.

The spousal surcharge would not apply if your spouse/domestic partner is:

- Currently employed by Leidos
- Enrolled in coverage through the Marketplace or a private plan
- Not employed
- Eligible for Medicare
- Not offered/eligible for medical coverage through their employer

Spousal Surcharge Certification

I certify that my spouse does not have employer-provided healthcare coverage available to him/her. I understand that if I knowingly and willfully submit false information to Leidos in order to obtain a spousal surcharge waiver, or fail to immediately notify Leidos that I am no longer eligible for a spousal surcharge waiver, I will be subject to disciplinary action, up to and including termination of employment, and I will be required to repay all surcharges that were waived.

To enroll a domestic partner, you must provide proof to our Dependent Eligibility Verification (DEV) administrator, Budco, that your domestic partnership is registered with a state or local domestic partner registry, or you must complete a Declaration of Domestic Partnership. For additional information, contact Employee Services at AskHR@leidos.com or by phone at **855-553-4367**, option 3.

Note: The law requires that you are taxed on contributions for medical and dental coverage for your domestic partner and the children of your domestic partner, unless those children are considered tax dependents. Also, to qualify for coverage under the life insurance programs, a registered domestic partner's child must reside with the participant and be born to or legally adopted by the registered domestic partner.

DEPENDENT ELIGIBILITY VERIFICATION (DEV)

The Dependent Eligibility Verification (DEV) program is administered by Budco. At the conclusion of the enrollment period, you will be asked to verify any dependents added to your benefits for the 2019 plan year. Budco will contact you by mail and you should be ready to provide the following documents:

- Proof of marital status — redacted recent tax return or a copy of the marriage certificate, and with a joint ownership document (current utility bill, mortgage statement, etc.).
- Proof of domestic partnership — proof of registration with a state or local domestic partner registry, residency document, and a joint ownership document.
- Proof of parent — birth certificate, recent hospital record, adoption paperwork, report of birth abroad, or legal guardianship document.

If you fail to submit the required documentation, or if the documents you submit are insufficient or incomplete, your dependent(s) will be removed from coverage.



2019 Benefits Program

Benefit	Options	Vendor
Medical	Healthy Focus Essential Plan	Anthem or Aetna
	Healthy Focus Advantage Plan	
	Mid-Atlantic (Md., District of Columbia, and Va.) California (Northern and Southern) Hawaii	Kaiser
	Hawaii Medical Service Association (HMSA)	
	Cigna Global Plan	Cigna
	TRICARE Supplement	Selman & Co.
Prescription Drugs	Available with the Healthy Focus Advantage and Essential Plans	Express Scripts
Health Savings Account (HSA)	If you enroll in an HSA-eligible Healthy Focus Advantage Plan or Healthy Focus Essential Plan	HealthEquity
Mission for Life Wellness Program	Wellness Program	Limeade
Flexible Spending Accounts (FSAs)	Limited Purpose FSA	HealthEquity
	Healthcare FSA	
	Dependent Care FSA	
Dental	Dental PPO	Delta Dental
	Dental DHMO	Aetna or Cigna
	Cigna Global Dental Plan	Cigna
Vision	Vision Plan	VSP
Retirement	401(k) Plan	Vanguard
Life and AD&D	Basic Life (includes Dependent Term Life coverage) Group Universal Life (GUL) Optional Dependent Life	Prudential
	Basic AD&D Voluntary AD&D	
	Business Travel Accident	Leidos
	Disability Sick Leave (DSL)	Sedgwick
Disability	Voluntary Short-Term Disability Insurance (VSDI)	Sedgwick
	Voluntary Long-Term Disability Insurance	Cigna
	Accident Insurance	MetLife
Voluntary Benefits	Critical Illness	MetLife
	Legal Plan	MetLaw
	Home & Auto Insurance	Liberty Mutual, Travelers Insurance or MetLife
	Pet Insurance	VPI
Employee Assistance Program (EAP)	Work/life Support	Empathia

2019 Benefits Program (continued)

Benefit	Options	Vendor
Other Benefits	Telephone and Online Doctor Visits	Teladoc
	NEW Commuter Benefits Program	Wageworks
	Back-Up Childcare	Bright Horizons
	Employee Discounts	Beneplace
	NEW Diabetes Management Program	Livongo
	NEW Tobacco Cessation Program	Clickotine
	NEW Medical Expert Second Opinion and Referrals	Grand Rounds
	NEW Financial Wellness	<ul style="list-style-type: none"> ▶ Purchasing Power ▶ Prudential Financial Wellness Center Portal ▶ SmartPath Financial Wellness Seminar/Coaching PILOT program



Your Health

HEALTHY FOCUS MEDICAL PLANS

The Healthy Focus medical plans are self-funded by Leidos, which means that Leidos pays the plan's portion of all medical claims. The plans will be administered by Aetna or Anthem depending on the state in which you have your home residence. Aetna and Anthem are two best-in-class healthcare companies who will provide administrative services, including member services and medical claims processing.

You have two Consumer Directed Health Plan (CDHP) options to choose from:

- ▶ Healthy Focus Advantage Plan
- ▶ Healthy Focus Essential Plan

The plans provide:

- ▶ Flexibility to see any provider, but you'll pay lower costs when you receive in-network care.
- ▶ Prescription drug coverage, with greater savings when using generics and the mail order pharmacy.
- ▶ An HSA to help you pay for current eligible expenses with pre-tax dollars, as well as to save for future healthcare expenses.

What is a CDHP?

CDHPs are designed to encourage you to take an active role in your healthcare by knowing your treatment options and the cost implications of your choices. They have a high deductible, but the tax-free HSA can help you cover out-of-pocket costs. With an HSA, you can carry forward unused dollars if you don't use all of the money in a particular year.

AETNA AND ANTHEM NETWORKS

Our decision to partner with Aetna and Anthem comes after a careful analysis of key factors including quality of care, participation of your current doctors in the network, customer service, and cost-effectiveness.

Locate an In-Network Provider

When you see an in-network doctor, you'll pay lower costs. Aetna Choice POS II and Anthem Blue Card PPO will be our 2019 provider networks.

To find an in-network provider go directly to the websites for **Aetna: www.aetna.com** or **Anthem: www.anthem.com/leidos**.

If you are currently seeing a provider who is not part of the network, you have a couple of options:

- **Request that your doctor be solicited for participation in the plan's network.** You may do this by contacting your medical plan administrator's customer service to initiate the process.
- **Find a new provider — one that is already part of the plan's network.** Customer service can assist you with your search.

Aetna Customer Service
800-843-9126

Anthem Customer Service
866-403-6183

If you plan to enroll in a Healthy Focus medical plan for 2019 and are unsure which administrator you will have, contact Employee Services for help at **855-553-4367**, option 3 or email: **AskHR@leidos.com**.

HOW THE MEDICAL PLANS WORK

- ▶ In-network preventive care, e.g., annual physicals, routine tests, and screenings, is covered at 100 percent.
- ▶ Other than in-network preventive care, you pay a certain amount out-of-pocket, before the plan begins to pay for care — that's your annual deductible. You have access to in-network discounts even before you meet your annual deductible.
- ▶ After you reach your annual deductible, the plan pays 80 percent (Healthy Focus Advantage Plan) or 65 percent (Healthy Focus Essential Plan) of the cost of most in-network care. (You pay the remaining percentage, or co-insurance.)
- ▶ Your out-of-pocket costs are limited to an out-of-pocket maximum — which is the most you may pay in one year.

How Much You Pay for Covered Expenses

	Healthy Focus Advantage Plan		Healthy Focus Essential Plan	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductible				
▶ Individual	\$1,350	\$1,350	\$2,000	\$2,000
▶ Family	\$2,700	\$2,700	\$4,000	\$4,000
Out-of-Pocket (OOP) Maximum				
▶ Individual	\$3,000	\$3,000	\$5,000	\$5,000
▶ Family	\$6,000	\$6,000	\$10,000	\$10,000
▶ Embedded OOP	N/A	N/A	(\$7,900 for individual within family)	(\$7,900 for individual within family)
Your cost for Covered Care				
Preventive Care	0%	50% after deductible	0%	50% after deductible
▶ Doctor Office Visit				
▶ Urgent Care	20% after deductible	50% after deductible	35% after deductible	50% after deductible
▶ Other Covered Care				
▶ Emergency Room*	20% after deductible	20% after deductible	35% after deductible	35% after deductible

* For non-emergent use of the emergency room, employee pays 50% after deductible

PRESCRIPTION DRUGS

If you are enrolled in one of the Healthy Focus medical plans, you have access to prescription drug coverage, administered by Express Scripts. The Express Scripts plan is competitive and designed to help you manage prescription drug costs.

HOW THE PRESCRIPTION DRUG PLAN WORKS

Under both of the Healthy Focus medical plans, you must meet the annual medical plan deductible before the plan begins sharing the cost for prescription drugs.

The medical plan deductible does not apply to certain preventive drugs, such as many medications to treat and prevent hypertension, high cholesterol, and asthma. Visit the Healthy Focus Medical Plans page on the Benefit Summary Plan Description website <http://benefits.leidos.com>.

	In-Network	Out-Of-Network
Generic	\$5 after deductible	Not Covered
Preferred Brand	30% after deductible	Not Covered
Non-Preferred Brand	50% after deductible	Not Covered

Note: Certain preventive prescriptions are not subject to the deductible. Applicable copay or co-insurance will automatically kick-in.

Paying for Prescription Drugs with the Healthy Focus Medical Plans

With a CDHP, you pay the full price of prescription drugs until you meet the deductible for preferred brand and non-preferred brand medications. That's really important to understand, especially for you and covered dependents managing serious conditions that are treated with costly medications.

WAYS TO SAVE ON PRESCRIPTION DRUGS

- ▶ **Ask your doctor or pharmacist about generic versus brand name drugs.** Generic equivalent medications contain the same active ingredients and are subject to the same Federal Drug Administration (FDA) standards for quality, strength, and purity as their brand name counterparts. Choosing generic rather than brand name drugs can really save you money.
- ▶ **Use the Express Scripts mail service or Walgreens Smart90 program for your long-term medications.** You can get up to a 90-day supply for a single mail-order payment. That means you will typically pay less over time. *Note - If the long-term maintenance medication is not filled through mail order or a Walgreens pharmacy, participants will pay a penalty.*
- ▶ **Explore the My Rx Choices prescription savings program (also known as Savings Advisor) on the Express Scripts website.** With My Rx Choices, you can see if you have lower-cost alternatives available for medications you take regularly. Simply look up the name of your medication to find potential savings. Be sure to discuss any potential changes to your medication with your provider.

PREScription DRUG CLINICAL MANAGEMENT PROGRAMS

Prior Authorization

Prior Authorization is a feature of your prescription benefits that helps ensure the appropriate use of selected prescription drugs. Certain prescription drugs require your doctor to get approval before they're covered. This process helps make sure you receive the right medicine in the correct dose, which is very important if you're taking a specialty drug.

Step Therapy

Step Therapy is an approach intended to control the costs and risks posed by certain prescription drugs. It begins by trying the safest and most cost-effective drug therapy for a medical condition and progresses to other more costly or risky drug therapies only if necessary.

Walgreens Smart90

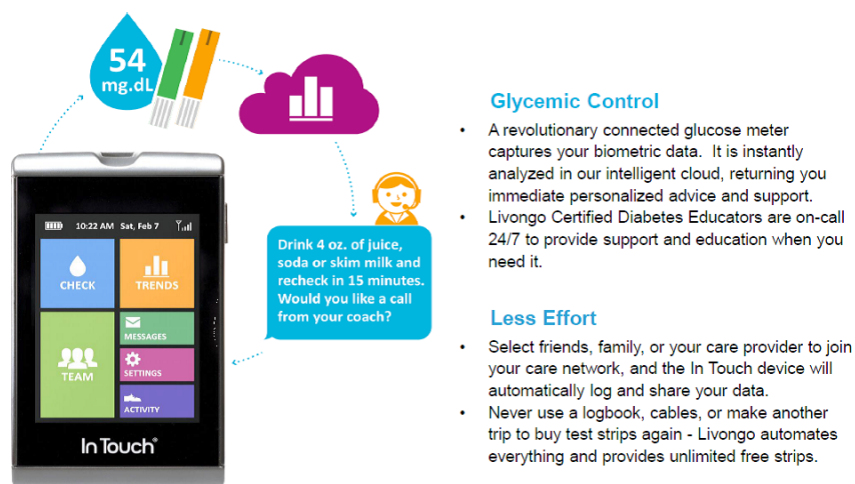
The Walgreens Smart90 Program is a feature of the Express Scripts program where participants can receive a 90-day supply of maintenance medication through either Express Scripts mail order or any Walgreens network pharmacy. If the medication is not filled through mail order or a Walgreens pharmacy, participants will pay a penalty. **Starting in 2019**, these penalties will not count towards the deductible or out-of-pocket maximum. Additionally, participants will still receive penalties after they have met their out-of-pocket maximum.

NEW Livongo Diabetes Management

In 2019, Limeade is partnering with Express Scripts to offer a diabetes management solution through Livongo. The Livongo program offers a blood glucose monitor accompanied with a service designed to intervene and help coach individuals diagnosed with diabetes. **Participants in the Livongo program will receive their testing strips for free.**

The program is available to all U.S. benefits eligible employees enrolled in the Healthy Focus medical plans at no cost.

The smartest diabetes management program



HEALTH SAVINGS ACCOUNT (HSA)

An HSA is a great tax-savings opportunity. You can use the account to pay for qualified health expenses with tax-free dollars. Both the Healthy Focus Advantage Plan and Healthy Focus Essential Plan feature an HSA, designed to help you save for current and future medical expenses.

WHO'S ELIGIBLE TO ENROLL IN AN HSA?

IRS guidelines dictate HSA eligibility. If you can answer YES to any of the below questions, you will still be eligible to enroll in a Healthy Focus medical plan but NOT eligible to participate in an HSA.

1. Are you enrolled in Medicare or TRICARE?
2. For the plan year 2019, will you be enrolled in a medical plan or program in addition to the plan such as your spouse's/partner's HMO or traditional PPO plan or standard Healthcare FSA?

Note: If you're enrolled in an HSA, you can also enroll in a Limited Purpose FSA to cover eligible dental and vision expenses — but you cannot enroll in a standard Healthcare FSA.

HOW THE HEALTHY FOCUS PLANS AND THE HSA WORK TOGETHER

HSA You start with tax-free contributions to the HSA	Paying for Care When Needed You can use your HSA to pay your share of expenses tax-free	Carrying Funds Forward If you have HSA dollars left...
Your contributions + Company contributions (if eligible)	You pay 100% until you meet the deductible* You and the company share costs (co-insurance depending on the plan) After you meet out-of-pocket max, company pays 100%	Unused dollars carry forward to 2020 and beyond

*Except for in-network preventive care.

Leidos May Also Contribute to your HSA

In addition to your pre-tax contributions, Leidos may contribute to your HSA. The amount Leidos will contribute is based on the plan you choose, your coverage level and your annual base salary. The company contribution to your HSA will be made in equal installments on a biweekly basis. To determine your company contribution, refer to the chart below:

Annual Base Salary	Healthy Focus Advantage Plan		Healthy Focus Essential Plan	
	Employee only	Employee + Spouse Employee + Children/ Family	Employee only	Employee + Spouse Employee + Children/ Family
\$85,000 or less	\$1,200	\$2,200	\$600	\$1,100
\$85,001–\$150,000	\$500	\$1,000	\$250	\$500
\$150,001 or greater	\$0	\$0	\$0	\$0

Note: In the event that salary and/or coverage level change during the year (e.g., Employee only to Employee + Spouse), the company's contribution will not change.

WHAT YOU NEED TO KNOW ABOUT HSAs

- ▶ You must re-enroll every year to participate.
- ▶ You can make pre-tax contributions through payroll deductions. The IRS maximum contribution in 2019 is \$3,500 for employee only coverage, or \$7,000 for all other coverage levels. This annual limit includes any contributions made by Leidos through biweekly company contributions and/or incentives earned through participation in wellness activities. If you are older than age 55 at any point during 2019, you can make an additional \$1,000 contribution directly to HealthEquity.
- ▶ You can make additional, post-tax contributions at any time during the year by sending a check to HealthEquity. Keep in mind that any post-tax contribution that you make applies to the annual IRS maximum.
- ▶ The funds in your account roll over from year to year and there is no limit to how much you can accumulate over time. You will never be taxed on this money (as long as it's used for eligible expenses); and once your balance reaches \$100, you can choose to invest it in a range of funds through HealthEquity. Remember, all investing is subject to risk; consult a financial advisor for assistance.
- ▶ You can earn up to \$300 in your HSA by participating in the Mission for Life wellness program activities.

Please note that you can change the amount of your HSA contribution at any time during the plan year in Workday. No qualified status change is required for you to make a change. Changes made will go into effect the first of the following month. For more information on eligibility, eligible expenses and how an HSA works, go to **www.healthequity.com**.

HealthEquity Mobile App:

- ▶ On-the-go access for all account types including HSA and FSAs
- ▶ Take a photo of documentation with your phone and link to claims and payments
- ▶ Make contributions to and receive reimbursements from your HSA
- ▶ Manage debit card transactions
- ▶ View claims status
- ▶ Available FREE for iOS and Android in the Apple Store and on Google Play

HealthEquity administers the HSA for Leidos and opens an account for you when you enroll in a Healthy Focus medical plan and indicate you are HSA eligible. To view your HSA information online, register with HealthEquity at **www.healthequity.com/leidos**. You'll need to verify your employee status, confirm your contact information and create a user name and password.

SUPPORT FOR YOUR HEALTH

GRAND ROUNDS

Whether you need help finding the best physician in your area, information about a new diagnosis or treatment, or support deciding if surgery is right for you, Grand Rounds will take care of it all. The following services will be offered to employees enrolled in Healthy Focus medical plans:

- ▶ Free Expert Medical Opinion (non-mandatory) – Grand Rounds partners with world-leading specialists so they can provide exceptional expertise and support for the most complex cases.
- ▶ Office Visits – Assists participants in finding high-quality in-network physicians, scheduling appointments and medical records transfer.
- ▶ Treatment Decision Support – Physician led care team can assist participants in making the right decisions based on their condition/case.



Expert opinions for optimized treatment plan
20% of Grand Rounds expert opinions are for members with cancer

With Expert Opinions

36%

OF ONCOLOGY CASES RESULT IN
CHANGE IN TREATMENT PLAN

Ana

CHANGE IN TREATMENT PLAN & CANCER-FREE



Situation
Ana was diagnosed with cervical cancer and underwent surgery and chemotherapy to remove her tumors. For 6 months post-surgery, Ana experienced pain and negative side effects. Her treating physicians were not able to give clear direction based on her radiology reports. She looked to Grand Rounds for a second opinion.

Outcome
A world-renowned gynecologic oncologist reviewed Ana's medical record and recommended a potentially life-saving hysterectomy. Post-surgical pathology results confirmed there were still cancer cells on Ana's cervix. She is now cancer and symptom free.

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TELADOC

If you are enrolled in the Healthy Focus medical plans, you have access to Teladoc, a service that helps you resolve non-emergency medical issues (i.e., ear infections, sinus problems, cold and flu symptoms, urinary tract infection, pink eye, and allergies) 24/7. Teladoc provides phone and video conference access to a national network of U.S. board-certified doctors and pediatricians to diagnose, treat, and prescribe medication (when necessary) for many medical issues. Teladoc also offers dermatological and caregiver consultations; fees will vary for these types of consultations. The cost to you for a Teladoc consultation is a flat \$40.

Once you meet your in-network deductible, the Teladoc fee will be covered by insurance at 100 percent. For more information, go to www.teladoc.com/doctornow or call **800-Teladoc (800-835-2362)**.



KAISER MEDICAL PLANS

Employees in California, Mid-Atlantic States (Md., D.C., and Va.), and Hawaii have the option to enroll in a Kaiser HMO medical plan. HMOs require you to receive all medical care exclusively from the HMO's network of providers in order to receive benefits. When you enroll in Kaiser, you and your covered dependents will need to select a primary care physician (PCP) to coordinate all routine medical care and specialist referrals. The Kaiser plan includes a prescription drug benefit. Preventive care received in the Kaiser plans is covered at 100 percent, no deductible.

The chart below highlights Kaiser plan features and some key covered services. Benefits are only paid for care from in-network providers.

California and Mid-Atlantic Plan Features	
Annual Deductible	
▶ Individual	\$500
▶ Family	\$1,000
Annual Out-of-Pocket Maximum	
▶ Individual	\$3,000
▶ Family	\$6,000
Co-insurance	10% after deductible
Covered Services	
Preventive Care	
Office Visit	
▶ PCP	\$10
▶ Specialist	\$10
Emergency Room	10% after deductible
Hospital Stay	10% after deductible
Outpatient Surgery	10% after deductible
Prescription Drugs (Retail)	
Generic	\$10
Preferred Brand	\$30
Non-Preferred Brand	\$50 (Mid-Atlantic Only)

For more information about the Kaiser medical plans, see the Benefits Summary Plan Description web site at <http://benefits.leidos.com>.

CIGNA GLOBAL PLAN

The Cigna Global Plan is available to employees who are on long-term assignments and reside abroad. Participants in the Cigna Global Plan can receive medical care from any provider. The chart below highlights plan features.

Outside the U.S.	
Annual Deductible	\$200/\$400
Out-of-Pocket Maximum	\$1,250/\$2,500
Co-insurance	85%
Hospitalization	\$200 copay, then 85%
In-Network in the U.S.	
Annual Deductible	\$1,000/\$2,000
Out-of-Pocket Maximum	\$2,000/\$4,000
Co-insurance	80%
Hospitalization	\$250 copay, then 80%
Out-of-Network in the U.S.	
Annual Deductible	\$2,000/\$4,000
Out-of-Pocket Maximum	\$4,000/\$8,000
Co-insurance	60%
Hospitalization	\$250 copay, then 60%

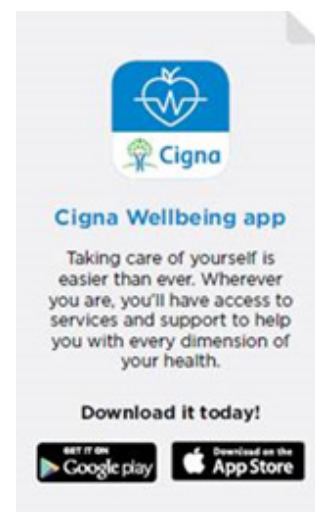
For more information about the Cigna Global Plan, refer to the Benefits Summary Plan Description web site at <http://benefits.leidos.com>.

TELEHEALTH (PILOT PROGRAM):

When you don't feel well, you want to get better fast. There are times when a visit to a doctor's office is difficult to manage. But now you can have convenient access to quality health care through global telehealth, a new service available with the Cigna Wellbeing app. Telehealth gives you access to licensed doctors around the world – by phone or video – for nonemergency health issues. Simply arrange a telephone or video consultation from your Cigna Wellbeing app.

CIGNA ENVOY MOBILE APP:

Cigna Global Health Benefits®, knows it's important to stay connected. Cigna Envoy mobile app allows you to Locate nearby health care professionals and facilities and get directions delivered via Google Maps, submit claims by taking a photo with your Android or Apple mobile device and sending it through the app, manage and track the status of pending claims, download or send an electronic version of your membership card and contact Cigna directly via the app with the tap of a finger.



MISSION FOR LIFE WELLNESS PROGRAM

The Mission for Life wellness program is an optional benefit offered to benefits-eligible U.S. employees and their spouses/domestic partners administered by Limeade. The program is designed to support you on your journey to health and well-being. By checking in on your health and completing fun wellness challenges, you can earn points toward great rewards.

Within the Mission for Life program, there are five levels you can reach, each with different rewards:

Levels	Total Points	Reward	
		Employees enrolled in HSA eligible plan	All other eligible Leidos & Leidos Health (Including employees enrolled in a Kaiser, HMSA, medical plan waivers, all spouses/ domestic partners)
Level 1 – Integrity	1,000	\$50 HSA contribution	\$25 Amazon gift card
Level 2 – Innovation	2,000	\$50 HSA contribution	\$25 Amazon gift card
Level 3 – Agility	3,000	\$50 HSA contribution	\$25 Amazon gift card
Level 4 – Collaboration	4,000	\$50 HSA contribution	\$25 Amazon gift card
Level 5 – Commitment	5,000	\$100 HSA contribution	\$25 Amazon gift card

The 2019 program will start on January 9, 2019. To start earning points toward rewards, log into the Mission for Life website at <http://limeade.leidos.com> on or after January 9 and take your **annual** well-being assessment — it is required for Leidos and Leidos Health employees to reach the Integrity Level and earn any incentives. The well-being assessment gives a great summary of your strengths and recommends areas you can improve on. Next, you can check out the “Other Things To Do” section of your Mission for Life home page, which offers fun challenges to improve your physical, emotional, social, and financial health.

Starting in 2019, the Leidos Integrity Pledge is a mandatory activity to earn any rewards.

GO MOBILE WITH LIMEADE — HERE’S HOW:

iPhone Users	Android/Non-iPhone Users
<p>Follow these steps to download the iPhone app:</p> <ul style="list-style-type: none"> ▶ Open the app store on your iPhone and search for “Limeade” ▶ Download and open the Limeade app ▶ Enter this code: Leidos ▶ Log in with your sign-in name (or email address) and password 	<p>Follow these steps to add the shortcut to your home screen</p> <ul style="list-style-type: none"> ▶ Open a web browser on your phone ▶ Go to www.leidos.limeade.com ▶ Sign in with your Mission for Life credentials ▶ Add a shortcut directly to your home screen ▶ Here’s how: http://www.howtogeek.com/196087/how-to-add-websites-to-the-home-screen-on-any-smartphone-or-tablet/

If you have questions, please contact support+mobile@limeade.com.

KEY THINGS TO KNOW

- ▶ You don’t have to be enrolled in a Leidos medical plan to participate in the Mission for Life wellness program and earn incentives!!
- ▶ In order for your spouse/domestic partner to participate, you must link him/her to the wellness benefit when completing your enrollment process in Workday.

NEW PROGRAM AVAILABLE 2019

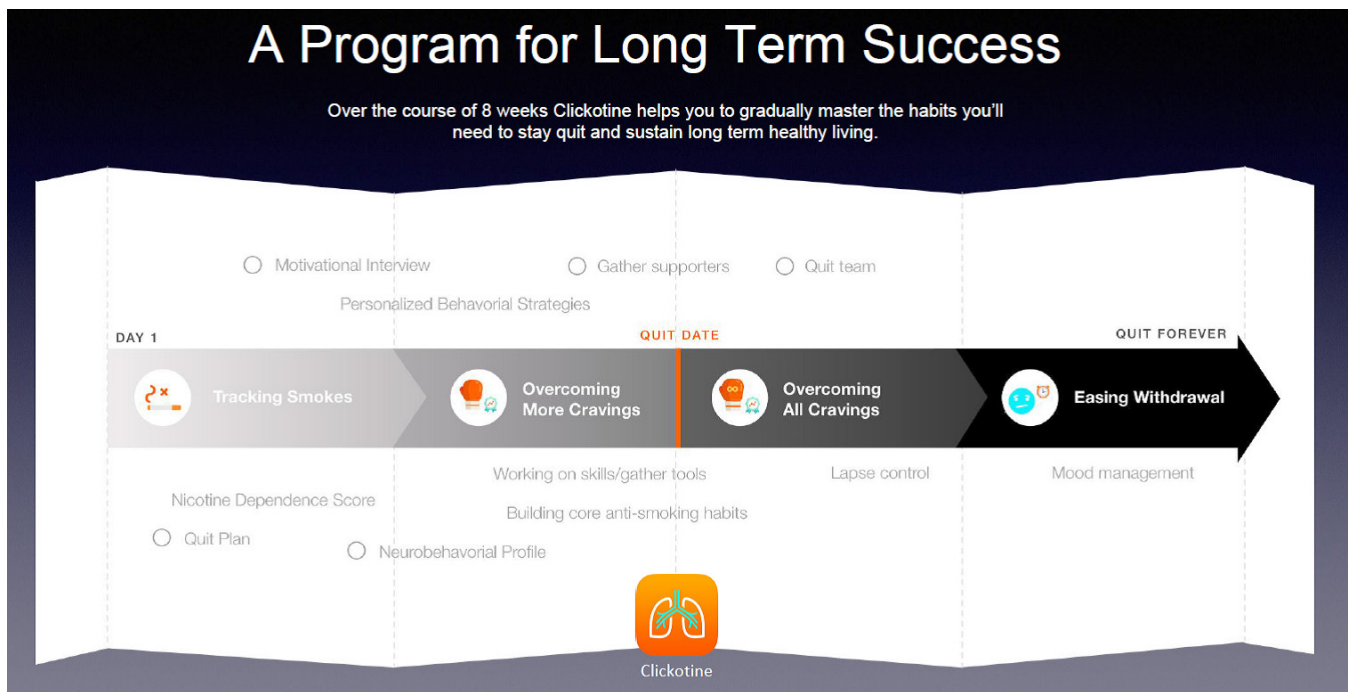
CLICKOTINE

Leidos is implementing, Clickotine, a FREE tobacco cessation program for all U.S. benefits eligible employees effective January 1, 2019 in advance of imposing a surcharge for tobacco use in 2020.*.

Clickotine is an innovative, digitally based tobacco cessation program that uses mobile app technology to help you create and stick to a personalized cessation plan. Based on clinical trials and data, Clickotine has a high success rate and includes these key features:

- ▶ Receive personal messages that keep you on track towards quitting.
- ▶ Monitor and control your breathing—an effective way to reduce nicotine withdrawal symptoms.
- ▶ Help diverting cravings to healthier actions.
- ▶ Track how much money you've saved since you quit smoking—a powerful motivator for quitting

Starting in 2019, Clickotine will be integrated with the Mission for Life wellness platform.



*Starting with 2020 Open Enrollment, Leidos will be implementing a tobacco surcharge for those enrolled in a Leidos medical plan (with the exception of the Tricare Supplement, Kaiser Hawaii and HMSA medical plans due to regulatory statutes).

FLEXIBLE SPENDING ACCOUNTS (FSAs)

Leidos offers the following FSAs through HealthEquity:

- ▶ Limited Purpose FSA
- ▶ Healthcare FSA
- ▶ Dependent Day Care FSA

HOW THE FSAs WORK

- ▶ The FSA has an annual pre-tax contribution limit of:
 - \$2,650 for the Healthcare and Limited Purpose FSAs
 - \$2,500 for married couples filing separately or \$5,000 for single or married employees filing tax returns jointly for the Dependent (Daycare) FSA
- ▶ You decide how much to set aside for eligible healthcare or dependent care expenses for 2019.
- ▶ You must re-enroll every year to participate.
- ▶ Estimate carefully, because you can only change the amount you contribute to your FSA if you have a qualified change in family status during the year. Funds can only be used for 2019 expenses. Remaining balances in excess of the \$500 carry-over at the end of the plan year will be forfeited. You have until April 30, 2020, to file claims for 2019.
- ▶ Money is taken from your pay pre-tax, which lowers your taxable income. You'll never be taxed on the money you use for eligible expenses.
- ▶ You can have your FSA reimbursements deposited directly into your bank account.

HealthEquity administers the FSA for Leidos. To view your FSA information online, register with HealthEquity at www.healthequity.com. You'll need to verify your employee status, confirm your contact information and create a user name and password.

TAKE NOTE!

Carry-Over Feature

Don't forget you are able to carry over up to \$500 of your unused Limited Purpose FSA or Healthcare FSA balance remaining at the end of the year into 2020. The carry-over feature helps you avoid losing unused money at the end of the year!

Limited Purpose FSA (HSA-Compatible)

- ▶ Use it when you have an HSA
- ▶ For eligible dental and vision expenses
- ▶ For medical and prescription drug expenses after you meet the deductible (Contact HealthEquity if you meet the deductible to find out what you will need to provide to begin using your account for eligible medical and prescription drug expenses.)

Healthcare FSA

- ▶ Use it if you're not enrolled in a Healthy Focus plan with an HSA
- ▶ For eligible medical, prescription drug, dental and vision expenses

For more information on FSAs and eligible expenses, visit www.healthequity.com.

DEPENDENT (DAYCARE) FSA

You can set aside money on a pre-tax basis to pay for eligible dependent day care expenses for qualified dependents.

Under the Dependent (Daycare) FSA, a qualified dependent is:

- ▶ A child under age 13 whom the participant claims as a dependent on his or her federal income tax return,
- ▶ A participant's spouse who is physically or mentally incapable of self-care, or
- ▶ Any other dependent who is physically or mentally incapable of self-care, whom the participant claims as a dependent on his or her federal income tax return, and who normally spends at least eight hours in the participant's home each day.



DENTAL

Good dental health is important to your overall health and well-being. Leidos offers you a choice when it comes to the type of dental plan that works best for you and your family. Depending on where you live, you may be able to choose the Dental PPO administered by Delta Dental through the Delta Dental PPO Plus Premier network, or a DHMO administered by Aetna or Cigna.

Depending on the option you choose, the plan provides coverage for:

- ▶ Preventive care and diagnostic services, such as exams, cleanings, and X-rays
- ▶ Basic restorative and major services, such as fillings, crowns, and dentures
- ▶ Orthodontia for children and adults

See the below comparison chart for details.

Beginning in 2019, Leidos will move to the Delta Dental standard reimbursement level for out-of-network providers for all Benefit Groups. Therefore, those Delta Dental participants who use out-of-network providers may see an increase in the amount payable by the employee due to a decrease in the allowed reimbursement amount to their provider.

In-Network Covered Services	Delta Dental PPO	Aetna DHMO*	Cigna DHMO*
Deductible (Per Person)	\$50	\$0	\$0
Annual Maximum Benefit	\$1,500	N/A	N/A
Preventive Services	100%	100%	100%
Diagnostic Services	100%	\$0–\$5	100%
Basic Services	90%	\$0–\$165	\$0–\$370
Major Services	60%	\$10–\$275	\$12–\$500
Orthodontia Coverage	50%	N/A	N/A
Orthodontia Lifetime Max	\$1,500 (Child/Adult)	\$1,545 child/adult plus \$30 orthodontic screening exam, \$150 diagnostic records and \$275 retention fee	\$1,340 (child) copay - \$1,940 (adult) copay plus \$275 retention. \$125 pre-orthodontic treatment visit. \$270 orthodontic treatment plan and records.

A complete description of dental plan options is available on the Benefits Summary Plan Description website at <http://benefits.leidos.com>.

*If you intend to enroll in either Aetna DHMO or Cigna DHMO, you must choose a primary dentist when you enroll.

VISION

To help you see your best, Leidos offers vision coverage through Vision Service Plan (VSP). This plan is designed to provide a variety of eye care services. See the below comparison chart for details.

Covered Services Every 12 months	VSP Provider	Non-VSP Provider
Vision exam	100% after \$20 copay	Up to \$45 after \$20 copay
Lenses	100% for: Single vision Lined bifocal Lined trifocal (25% discount on lens options)	Up to the following amounts after \$20 copay: \$30 single vision \$50/lined bifocal \$65/lined trifocal \$100/lenticular
Frames	Up to \$150 (20% discount on remaining balance)	Up to \$70 after \$20 copay
Contacts (in lieu of lenses and frames)	Up to \$150 (15% discount on exam, then 100% after \$60 copay)	Up to \$105 (applies to fitting and evaluation and contacts)
Medically necessary contact lenses (in lieu of lenses and frames)	100%	Up to \$210
Laser Vision Correction	\$100 per eye up to a \$200 lifetime max + discounts 15% average not to exceed: ► Custom LASIK: \$2,300 per eye ► Lasik \$1,800 per eye ► PRK: \$1,500 per eye	\$100 per eye, up to a \$210 lifetime max

You can learn more about the vision plan on the Benefits Summary Plan Description website at <http://benefits.leidos.com>.



Your Money

RETIREMENT: 401(k) PLAN

Leidos cares about your financial well-being, which includes having the financial resources to enjoy life once you retire. The 401(k) Plan helps you prepare for retirement. You can grow your account by making contributions and receiving matching contributions (if eligible) from the company in the 401(k) Plan. You decide how to invest your account, and your investments may grow tax-free until you take money out of the plan.

Please note: You may enroll, start contributions, change or stop contributions to the 401(k) Plan at any time, not just during Open Enrollment. Also, please take this time to ensure that your beneficiaries are up-to-date in this plan as 401(k) beneficiary designations are separate from life and other benefits!

PLAN HIGHLIGHTS

Who is eligible	All employees on U.S. payroll (Bargained employees: Participation is subject to the terms and conditions of your collective bargaining agreement.)
How you can save	<p>You can contribute 1% to 90% of your base pay (up to IRS limits) on a pre-tax, Roth after-tax, and traditional after-tax basis. You can also contribute additional catch-up contributions, up to IRS limits, if you are age 50 or older in 2019.</p> <p>Bargained employees only: Plan features are subject to the terms of your collective bargaining agreement and may allow for contributing 1% to 4% of your CODA, if applicable.</p>
Matching contributions	<p>In general, Leidos will match dollar for dollar when you contribute on a pre-tax or Roth after-tax basis, up to the first 5% of your base salary, inclusive of paid time off and holiday pay.</p> <p>Under certain contracts or negotiations, you may be ineligible for a match, or the match may be reduced to 50% on the first 6% of your annual base salary deferred.</p> <p><i>Eligibility for the company match is based on fringe codes.</i></p>
Vesting	You are always 100% vested in — have full rights to — any contributions you make to the 401(k). You are fully vested in the company's matching contributions after three years of service. Service is defined as working at least 850 hours during a calendar year.
Traditional after-tax contributions	<p>Traditional after-tax contributions allow you to save above the IRS pre-tax and Roth limit. You can find the 2019 limits at vanguard.com/contributionlimits. Traditional after-tax contributions are not eligible for the company match.</p> <p>Traditional after-tax contributions are an excellent way to save additional money, after maximizing your match, for "rainy-day/emergency" funds instead of taking a loan or hardship withdrawal. You can also convert your traditional pre-tax and after-tax balances to Roth via the Vanguard in-plan Roth conversion feature.</p>
Investing your account	Vanguard offers an investment line up with a diverse selection of funds to choose from, including Leidos Common Stock. You have access to online and phone support through Vanguard for managing your account, plus additional resources to help with investment decisions and planning for retirement.
Getting money from your account	<p>In general, your vested account balance is available to you:</p> <ul style="list-style-type: none"> › If you retire or terminate employment with the company › Through plan loans › Through in-service traditional after-tax withdrawals, withdrawals from rollover accounts, and limited hardship withdrawals while you're working for the company › At any time following attainment of age 59½ while working for the company

Not saving in the company 401(k) Plan? Visit retirementplans.vanguard.com to get started. You'll need your plan number: 090518. (Bargained employees: Your plan number is 094548.)

Questions? Call a Vanguard Participant Services associate at 800-523-1188 Monday through Friday from 8:30 a.m. to 9 p.m. ET. If you are calling from outside the U.S., dial the AT&T Direct Access number for your country and enter 800-523-1188. (There is no need to dial "1" before the number.) You also can call Vanguard collect at 610-669-1000 and ask to have the charges reversed.

EMPLOYEE STOCK PURCHASE PLAN (ESPP)

Separate from the Leidos stock fund option offered in the 401(k), the ESPP offers a convenient way for employees to purchase Leidos stock at a discount through payroll deductions. The discount offered is 10% on each purchase date which occurs each calendar quarter. You may contribute from 1% to 10% of your eligible compensation in whole percentages. Enrollment periods are held separately each December, March, June, and September. Once enrolled, your active election will carry-over to the next purchase period.

For more information, please visit the Stock Programs and Deferred Compensation page on Prism or contact Computershare at **855-894-5367**.

The ALEX Retirement tool is an educational and interactive video experience tool that guides you through the decisions and plan design available to you through the Leidos Retirement Plan. This tool may be especially helpful if you haven't enrolled yet, are new to the Plan or to Leidos!

<https://www.myalex.com/leidos/retirement2019>

Want to amp up your savings?

Become best friends with compounding interest.

Let ALEX® help!

alex

GET STARTED >



FINANCIAL WELLNESS

Financial well-being doesn't just encompass retirement planning. Leidos is dedicated to helping you with improving or maintaining your overall financial wellness by offering you a complimentary suite of programs to meet varying needs. We are providing two unique programs and an additional pilot program that may be added to the Financial Wellness suite after your feedback.

PURCHASING POWER

This is not a discount program. This is a purchasing program where you can purchase items you need and pay for them over time, directly from your paycheck via payroll deductions. There is no interest, no credit checks, and no fees. This program is free to employees and is administered through our voluntary benefits provider, Beneplace. Coming in November 2018.

FINANCIAL WELLNESS PROGRAM

This program provides financial education seminars and an online Financial Wellness Center portal that offers educational articles, short videos, and interactive tools to help you with your financial wellness goals such as budgeting, credit card debt, student loans, managing life events, and much more. This program is free to employees and is administered through Prudential. Coming in January 2019.

SMARTPATH (PILOT PROGRAM)

Employees will be invited to voluntarily participate in financial seminars and one-on-one coaching programs, if interested. Leidos will ask for candid feedback from employees through surveys and this feedback will drive the decision to include SmartPath in our overall Financial Wellness suite. Be on the lookout for communications on this unique program in early 2019.

LIFE INSURANCE

Leidos offers several types of financial protection for participants and their families, administered by Prudential, including Basic Life insurance, Group Universal Life Insurance (GUL), and Optional Dependent Life. Leidos also provides the following additional benefits: Basic Accidental Death & Dismemberment (AD&D) and Voluntary AD&D for you and your dependents, both of which are administered by Cigna, and Business Travel Accident (BTA) Insurance.

BASIC LIFE INSURANCE

If you are eligible, you will automatically receive Basic Life insurance for you. The amount of your Basic Life insurance coverage is equal to one times your annual base salary to a maximum of \$1,000,000. Leidos pays the full cost of basic life. Note: Basic Life insurance includes dependent life in the amount of \$2,000 per eligible dependent.

Basic Life benefit amounts over \$50,000 are subject to income tax. The income tax amount added to your W-2 is calculated based on the value of the premium paid by Leidos for coverage amounts over \$50,000. This is called "imputed income."

GROUP UNIVERSAL LIFE INSURANCE (GUL)

You can purchase GUL insurance for yourself — from one times to eight times annual base salary, up to a \$4 million maximum benefit.

GUL insurance provides benefits that go beyond term life insurance. GUL helps protect your family and builds a secure financial future. In addition to providing a life insurance benefit for your loved ones, it features a Cash Accumulation Fund that allows you to earn interest on a tax-deferred basis.

You can:

- ▶ **Earn guaranteed interest.** The Cash Accumulation Fund has a guaranteed interest rate that will never be less than 2 percent. Until Dec. 31, 2020, the minimum will be 4 percent. *Please note that for 2019, there is a 2.81% deduction for premium state tax.*
- ▶ **Keep it even after your employment with Leidos ends.** Insurance can continue under certain circumstances at the full coverage amount up to age 100, on a direct-billed basis.
- ▶ **Enjoy tax benefits.** Earnings and interest credited on contributions to the Cash Accumulation Fund are tax-deferred. The death benefit (typically the face amount of insurance plus the Cash Accumulation Fund) is generally income tax-free to beneficiaries.
- ▶ **Access funds easily.** You can take loans or make withdrawals from the Cash Accumulation Fund at any time and for any reason. You can also use the Cash Accumulation Fund to pay premiums or purchase fully paid up coverage.
- ▶ **Qualify for special benefits if you become disabled or terminally ill.** Our Waiver of Premium provision for qualifying disabled employees and the Accelerated Benefit Option for terminally ill employees provide extra support when it's needed most.

Evidence of Insurability (EOI):

- ▶ As a new hire, you can enroll in coverage for yourself up to 3 times your annual base salary, not to exceed \$500,000, without having to provide EOI.
- ▶ If you previously waived coverage or are currently enrolled in GUL you may increase your coverage by one level as long as the total benefit does not exceed the lesser of three times your annual base salary or \$500,000, without satisfying Evidence of Insurability (EOI).

DEPENDENT LIFE INSURANCE

You also can purchase dependent life insurance for your covered dependents. You pay the full cost for this coverage, post-tax.

You can purchase coverage for:

- ▶ Your spouse/domestic partner. Coverage options are \$10,000, \$25,000, \$50,000, \$100,000, \$150,000, \$200,000, or \$250,000.
- ▶ Your dependent child(ren). Coverage options are \$5,000, \$10,000 or \$25,000.

Evidence of Insurability (EOI):

- ▶ If the coverage you elect exceeds \$25,000, your spouse/domestic will be subject to EOI.
- ▶ There's no need to provide EOI for coverage increases or new enrollments for child life.

Note:

- ▶ Coverage is not available to your spouse or registered domestic partner if they are also employed by Leidos.
- ▶ To qualify for coverage under the Leidos life insurance programs, a stepchild must reside with the participant.
- ▶ To qualify for coverage under the Leidos life insurance programs, a registered domestic partner's child must reside with the participant and be born to or legally adopted by the registered domestic partner.

To learn more, visit the Benefits Summary Plan Description website at <http://benefits.leidos.com>.



ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

BUSINESS TRAVEL ACCIDENT INSURANCE

Leidos provides all eligible employees with Business Travel Accident (BTA) Insurance in the amount of three times annual base salary, up to a maximum benefit of \$500,000. This plan pays a benefit in the event that you die as a result of an accident while traveling on company business.

BASIC AD&D

Basic AD&D provides coverage to your beneficiary if you die as the result of an accident. If you are injured as the result of an accident, you will receive a percentage of your coverage based on your injury.

Eligible employees will automatically receive Basic AD&D coverage equal to one times your annual base salary, to a maximum of \$250,000, rounded to the next higher \$1,000. Leidos pays the full cost of Basic AD&D.

VOLUNTARY AD&D

You can purchase additional AD&D insurance for yourself and your dependents. You pay the full cost of this coverage, pre-tax.

You can purchase Voluntary AD&D in amounts equal to one-half of your pay up to 10 times your annual base salary, to a maximum of \$1,000,000. There are also options available for spouses and dependents.

To learn more, visit the Benefits Summary Plan Description website at <http://benefits.leidos.com>.

DISABILITY COVERAGE

In general, Leidos provides three disability plans – Disability Sick Leave (DSL), Voluntary Short-Term Disability Insurance (VSDI) and Voluntary Long-Term Disability (LTD). Both the VSDI and LTD benefits are voluntary and provide financial protection for you if you are unable to work because of a medical condition, including pregnancy.

DSL

DSL is a company-provided benefit, which provides employees with income replacement as part of an approved Short-Term Disability (STD) claim (less than 180 days). Eligible employees are credited up to 10 days on each employment anniversary. This benefit works in conjunction with VSDI to provide income replacement when you file for STD for a short-term illness or injury.

VSDI

Eligible employees can purchase VSDI. This plan integrates with other Leidos plans such as DSL, Leidos CASDI, and any state-mandated programs. VSDI can be important to purchase if you do not have a significant DSL balance. VSDI typically covers 80 percent of your STD monthly benefit for up to 26 weeks following the first week of disability, or day one if you are hospitalized as shown in the schedule below.

Week 1 (if hospitalized 24+ hours)	Weeks 2-10	Weeks 11-19	Weeks 20-26
100% of annual base salary up to a maximum weekly benefit of \$4,808*	100% of annual base salary up to a maximum weekly benefit of \$4,808*	80% of annual base salary up to a maximum weekly benefit of \$3,846*	66 ² / ₃ % of annual base salary up to a maximum weekly benefit of \$3,202* Not to exceed 180 days

*Typically, VSDI covers 80 percent of the benefit and the remaining 20 percent of the benefit is provided by DSL. If you do not enroll in VSDI, all benefits would be paid through your available DSL balance and your state's plan, where applicable.

LTD

Voluntary Long-Term Disability (LTD) insurance is designed to provide you with income if you become disabled and cannot work for six consecutive months or longer. If elected, LTD begins after you have been disabled for more than 26 weeks and approved by the insurance carrier. The benefit will pay up to 60 percent of your covered monthly annual base salary to a maximum monthly benefit of \$14,500.



Your Life Balance

VOLUNTARY BENEFITS PROGRAM

Leidos offers voluntary benefits and an employee discount program administered by Beneplace. You may enroll in the following employee-paid benefits:

- ▶ Critical Illness Insurance*
- ▶ Accident Insurance*
- ▶ Group Legal Plan*
- ▶ Home & Auto Insurance
- ▶ Pet Insurance

*Critical Illness Insurance, Accident Insurance, and Group Legal are offered only during Open enrollment or if you experience a qualifying life event. If you are currently enrolled in these voluntary benefits, those elections will continue into the next plan year. Should you decide to cancel coverage for the next plan year, contact Beneplace via phone at 800-683-2886 or via web at www.beneplace.com/leidos.

CRITICAL ILLNESS

See below for examples of the benefit for certain diagnoses.

Critical illness insurance is administered by MetLife and provides financial protection for employees and covered dependents who are diagnosed with a serious illness. There are two levels of benefits to choose from: \$15,000 or \$30,000.

Covered Condition	Initial Benefit	Recurrence Benefit
Full Benefit Cancer	100% of Initial Benefit	100% of Initial Benefit
Partial Benefit Cancer	25% of Initial Benefit	25% of Initial Benefit
Heart Attack	100% of Initial Benefit	100% of Initial Benefit
Stroke	100% of Initial Benefit	100% of Initial Benefit
Coronary Artery Bypass Graft	100% of Initial Benefit	100% of Initial Benefit
Kidney Failure	100% of Initial Benefit	Not applicable
Alzheimer's Disease	100% of Initial Benefit	Not applicable
Major Organ Transplant Benefit	100% of Initial Benefit	Not applicable



ACCIDENT INSURANCE

Accident insurance is also administered by MetLife and provides financial protection for employees and covered dependents who are injured in an accident. There are two plans to choose from: the Low Plan and the High Plan.

See below for examples of the benefit amount paid for injuries and medical services/treatment.

Benefit Type	Low Plan Benefit	High Plan Benefit
Injuries		
Fractures/Dislocations	\$50–\$3,000	\$100–\$6,000
Second and Third Degree Burns	\$50–\$5,000	\$100–\$10,000
Concussions	\$200	\$400
Cuts/Lacerations	\$25–\$200	\$50–\$400
Medical Services & Treatment		
Ambulance	\$200–\$750	\$300–\$1,000
Emergency Care	\$25–\$50	\$50–\$100
Non-Emergency Care	\$25	\$50

GROUP LEGAL

Legal matters, both planned and unplanned, are part of life. Enrolling in a MetLaw plan gives you the financial and emotional peace of mind to know that you will be covered for expected and unexpected legal events.

Examples of coverage include:

Court Appearances <ul style="list-style-type: none"> ▶ Civil Litigation Defense ▶ Consumer Protection Matters ▶ Personal Property Protection ▶ Traffic Tickets (not DUI) ▶ Juvenile Court Defense 	Estate Planning <ul style="list-style-type: none"> ▶ Wills ▶ Living Wills and Power of Attorney ▶ Trusts
Document Review & Preparation <ul style="list-style-type: none"> ▶ Mortgages ▶ Deeds and Promissory notes ▶ Demand Letters and Affidavits ▶ Small Claims Assistance ▶ Elder Law Matters 	Family Law <ul style="list-style-type: none"> ▶ Adoption and Legitimization ▶ Protection from Domestic Violence ▶ Prenuptial Agreements ▶ Guardianship or Conservatorship ▶ Name Change
Money Matters <ul style="list-style-type: none"> ▶ Identity Theft ▶ Tax Audit ▶ Bankruptcy ▶ Negotiation with Creditors ▶ Foreclosure Defense 	Real Estate Matters <ul style="list-style-type: none"> ▶ Sale, Purchase, or Refinance of your primary or second/vacation residence ▶ Eviction and Tenant Problems (where you are the tenant) ▶ Zoning Applications ▶ Boundary or Title Disputes ▶ Property Tax Assessment

AUTO AND HOME INSURANCE

This voluntary benefit program provides employees with access to special savings on Auto and Home Insurance. Employees can request free personalized premium quotes from MetLife Auto & Home, Travelers Insurance and/or Liberty Mutual. The program offers money-saving features including:

- ▶ Payroll deduction
- ▶ Multi-vehicle savings
- ▶ Safe driving discounts
- ▶ Good student discounts

PET INSURANCE

Pet Insurance is administered by Veterinary Pet Insurance (VPI) and provides healthcare coverage for dogs, cats, birds, hamsters, or other exotic pets.

With coverage from VPI, pets are protected if they get injured or become ill. VPI policies are easy to use and provide reimbursement for eligible veterinary expenses related to surgeries, hospitalization, X-rays, prescription medications, and more.

To enroll in the voluntary benefits or view the discounts available in the Leidos Discount Program, visit www.beneplace.com/leidos.



EMPLOYEE ASSISTANCE PROGRAM (EAP)

The Employee Assistance Program (EAP) — known as LifeMatters — is available to all employees and their dependent family members 24 hours a day, 365 days a year, at no cost. When you call, a professional counselor will speak with you about your concerns and offer a variety of services, including:

- ▶ **Counseling (on the phone and in-person)** for stress, family difficulties, depression and anxiety, chemical dependency, crisis situations, or any other personal or family problem. The LifeMatters program provides up to five face-to-face counseling sessions at no cost. If additional sessions are recommended, the LifeMatters counselor will assist with a referral into insurance covered services.
- ▶ **Work/life assistance** for child and elder care resources and guidance, adoption assistance, reviewing schools and colleges, finding home improvement, pet sitting, and a wide range of other resources.
- ▶ **Consultation with a certified financial counselor** for debt management and consolidation, budgeting, identity theft, credit report review or correction, information on mortgages, loans or other financial arrangements, and college or retirement planning.
- ▶ **Legal consultation (over the phone or in-person)** for consumer law, traffic citations, family law, estate planning, and other personal law issues.

Go to **mylifematters.com** (password: Leidos1) on the Internet or your mobile device and enter your company password to access resources, educational information, and self-service options.

Services provided directly by LifeMatters are free. If you are referred to outside resources, you will be advised about your costs, if any. LifeMatters is provided by Empathia, Inc., an independent consultation firm. Your use of the program and any information you share is confidential, except when your safety or the safety of another individual may be at risk.

To learn more, visit the Benefits Summary Plan Description website at <http://benefits.leidos.com>.





OTHER BENEFITS

NEW COMMUTER BENEFITS PROGRAM

The Commuter Benefits Program administered by WageWorks allows you to pay for qualified parking and public transit with pre-tax and post-tax dollars. This includes train, subway, bus, ferry and eligible vanpool rides that are part of your daily commute to work. The monthly maximum order amount is **\$500 for transit** and **\$500 for parking** (total of \$1,000). For more information on this NEW benefit, refer to Commuter Benefits Program on Prism.

Your 2019 Benefits Program Checklist

TAKE ACTION!

	Visit Prism for information about the 2019 Benefits Program and Open Enrollment. Check out the Open Enrollment pages on Prism.
	Log in to Workday and certify whether your spouse has access to other medical coverage.
	Elect 2019 benefits and make or change beneficiary designations in Workday
	Within Workday once you submit your elections, you will get a screen that shows that your elections have been submitted successfully. You can "Select Print" to launch a printable version of this summary for your records.

At the conclusion of Open Enrollment, you'll receive communication at your home from Budco, the administrator of our Dependent Eligibility Verification program. You will be asked to verify any dependents that you added to your benefits for the 2019 plan year. Provide any required documents, such as a marriage certificate, birth certificate or residency document, to ensure benefit coverage for your dependents in 2019.



The Leidos Health and Welfare Benefits Plan (the "Plan") has been amended as described in this document, effective January 1, 2019.

This document serves as a Summary of Material Modifications ("SMM") and provides an overview of the changes and how they may affect you. This SMM supplements the Plan's Summary Plan Description, benefits booklets (for self-funded benefits), and insurance certificates (for insured benefits) (together, the "SPD") previously provided to you. Please read this SMM carefully and keep this SMM with your copy of the Plan's SPD. Please note, in the event of a conflict between the terms of the Plan document (as amended) and this SMM and/or the Plan's SPD, the Plan document will control.

2019 Contacts

Plan or Program	Website	Phone Number
All Leidos benefits	Benefits Summary Plan Description website http://benefits.leidos.com	N/A
Aetna Healthy Focus Advantage and Essential Plans	www.aetna.com	800-843-9126
Anthem Healthy Focus Advantage and Essential Plans	www.anthem.com/leidos	866-403-6183
Cigna Global	www.CIGNAenvoy.com	800-441-2668 or 001-302-797-3100 outside U.S.
Kaiser	www.kp.org	800-777-7902 (Kaiser DC) 808-432-5955 (Kaiser Hawaii, Oahu) 800-966-5955 (Kaiser Hawaii, Neighbor Islands) 800-464-4000 (Kaiser California)
Beneplace	www.beneplace.com/leidos	800-683-2886
HealthEquity — Health Savings Account (HSA), Flexible Spending Account (FSA) and Health Reimbursement Account (HRA) Administrator	www.healthequity.com/leidos	844-373-6981
Prescription Drugs (Healthy Focus Plans)	www.express-scripts.com/leidos	877-223-4721
Teladoc	www.teladoc.com/doctornow	800-835-2362
Limeade – Wellness Program Administrator	www.leidos.limeade.com	855-238-6955
Dental	Leidos Dental PPO (Delta Dental) www.deltadentalva.com Aetna DMO www.aetna.com Cigna DHMO www.cigna.com	800-237-6060 877-238-6200 800-244-6224
Vision	www.vsp.com	800-877-7195
Life Insurance	www.prudential.com	888-257-0412 Medical Underwriting (EOI)
Group Universal Life (GUL) & Cash Accumulation Fund (CAF) - Administered by Mercer	N/A	855-735-4873
AD&D Insurance	www.cigna.com	800-367-1037
Voluntary Short-Term Disability Insurance (VSDI)	www.sedgwickcms.com	To file a claim: 877-399-6443 General questions: 800-939-4911
Voluntary Long-Term Disability (LTD)	www.cigna.com	800-367-1037

Continued

2019 Contacts

Plan or Program	Website	Phone Number
401(k) Plan	www.vanguard.com Non-Bargained Employees: Plan 090518 Bargained Employees: Plan 094548	800-523-1188
Employee Assistance Program (EAP)	Empathia mylifematters.com (password Leidos1) Global EAP	800-634-6433 +44 33 00 241 021
Commuter Benefits Program	www.wageworks.com	877-924-3967
Back-Up Childcare	Bright Horizons www.careadvantage.com/Leidos	877-242-2737
NEW Clickotine	support@clicktherapeutics.com (available January 1, 2019)	toll-free at 877-352-5425 (Monday - Friday: 9am - 6pm ET) (available January 1, 2019)
NEW Livongo	Online Registration: https://welcome.livongo.com/LEIDOS (available January 1, 2019)	Member support Call Center: (800) 945-4355 (available January 1, 2019)
NEW Grand Rounds	www.grandrounds.com/leidos (available January 1, 2019)	
Purchasing Power	www.purchasingpower.com/leidos (available November 1, 2018)	1-866-670-3477
Prudential Financial Wellness Center	www.prudential.com/leidos (available January 1, 2019)	N/A

Leidos has made every attempt to ensure the accuracy of this information. If there is any discrepancy between this guide and the insurance contracts or other legal documents, the legal documents will always govern. As with all of its benefits, Leidos reserves the right to amend or discontinue the benefits described in this document in the future, as well as change how eligible employees and the company share cost at any time. This guide does not create any employment agreement of any kind or a guarantee of continued employment with Leidos.