

Benefits While Receiving Severance

Frequently Asked Questions

General Information

1. What is meant by my “Termination Date” or “Separation Date”?

Your Termination Date or Separation Date is your last day of employment at Johnson & Johnson.

2. What is meant by my “Benefit End Date”?

Your Benefit End Date is the last day on which you are eligible for subsidized health care and insurance coverage. Your Benefit End Date is the earlier of:

- 1) The date your severance payments end; or
- 2) One year from your Termination Date.

3. Will I still have access to the Benefit Service Center and For Your Benefit website (FYB)?

You will continue to have access to the Benefit Service Center (BSC) and the *FYB website* beyond your Separation Date and Benefit End Date. *However, the hyperlink to the FYB website is different if you log in while outside of the Johnson & Johnson network. We encourage you to test the link from a personal device prior to your Termination Date to verify your login credentials at <http://digital.alight.com/jnjbcs>.* To reach BSC representatives, you may call **1-800-565-0122**, Monday through Friday from 9am to 5pm ET.

4. How do I change my address after the Separation Date?

Report changes of address on the *FYB website* (digital.alight.com/jnjbcs) or by calling the Benefit Service Center at **1-800-565-0122**. The Benefit Service Center will notify Johnson & Johnson of your address change.

Health & Insurance Coverages

5. How are my benefit contributions managed if I am impacted by a New Jersey Warn event and I elect enhanced severance?

Benefit deductions for only one payroll period will be collected from your lump sum Statutory Severance Pay. No additional payments will be deducted for the weeks when you will continue to have benefits coverage until your Enhanced Severance payments begin. At that point, any benefit deductions in arrears (i.e., benefit payments that were not deducted from your Statutory Severance Pay for the period

when you had benefits coverage) will be deducted from your Enhanced Severance payment(s). After the benefit deduction arrears have been paid, your normal benefit deductions will begin and run through the end of the benefit continuation period.

6. When will my medical, dental and/or vision coverage end?

You are eligible to continue your health care coverage (Medical, Dental and Vision) until your Benefit End Date (not to exceed one year from your Termination Date). This coverage will run concurrent with COBRA but at the same active employee (subsidized) premium cost.

For most employees, after your Benefit End Date, you may elect to continue your Medical, Dental and/or Vision coverage under COBRA by paying the full unsubsidized premium for coverage, plus a 2% administrative fee, for the balance of the 18-month COBRA period.

**If you are eligible for Retiree Medical, please review the Retiree Benefits section on page 6 for important information.

***Note:** If you are eligible to continue COBRA coverage into a new calendar year, you will receive information about Annual Enrollment before the Annual Enrollment period begins.*

7. When will I receive information about COBRA?

You will receive information in the mail regarding COBRA within 30 days after your Separation Date. If you do not receive this information, please call the Benefit Service Center at **1-800-565-0122**. The COBRA enrollment worksheet will reflect premiums at 102%, however during your severance period you will only be charged for the active employee (subsidized) premium cost.

8. What health plan is available if I am (or my covered dependent is) eligible for Medicare?

Different rules apply if you continue coverage and you or a covered dependent is eligible for Medicare coverage as of your Separation Date or becomes eligible for Medicare before the Benefit End Date. As of the later of the day after your Separation Date (if you or a covered dependent is already eligible for Medicare) or the day you or your covered dependent becomes eligible for Medicare, you and your covered dependents will be placed in a transitional plan that coordinates with Medicare. For the Medicare-eligible individual (i.e., you or your dependent), Medicare Parts A and B will be the primary coverage, your J&J coverage will pay secondary*.

Medicare enrollment is not automatic – you must contact your local Social Security office as soon as possible regarding eligibility, enrollment, and details about enrollment deadlines.

To allow you and/or your covered dependent to complete Medicare enrollment, we are providing a 90-day grace period through a transitional Medical Plan. During this 90-day transition period:

- You and/or your covered dependent should enroll in Medicare Parts A & B.

- The transitional Johnson & Johnson Medical Plan will be the primary payor of health care claims.

*If the Medicare-eligible individual is not enrolled in Medicare Parts A & B after this 90-day period:

- The plan will only pay the portion of health care claims that would have been paid should the participant have been enrolled in Medicare (J&J coverage will pay secondary to Medicare).
- There is a possibility of Medicare fines and out-of-pocket costs for Medicare premiums, and any claims for health care services incurred.

If you or your covered dependent is currently Medicare eligible, please contact the Benefit Service Center to obtain the required Medicare CMS-L564 form prior to your Separation Date.

Your cost for the Plan will be the same as that of a similarly situated enrollee in that Plan and will be deducted from your severance pay on a pre-tax basis. Until the date you or a covered dependent becomes entitled to Medicare, you may continue coverage through COBRA as described above.

Note: COBRA coverage may be extended or shortened for certain reasons. For example, if you or an eligible dependent become entitled to Medicare after electing COBRA coverage, COBRA coverage will end for that individual.

9. Can I discontinue my health care (medical, dental and vision) benefits?

You can discontinue your health care elections within 60 days of your Termination Date. Coverage will be retroactively discontinued to the date of termination. In addition, if you find another job (and become eligible for benefits under the new employer), you will have 60 days from the date you become eligible under the new employer's plan to discontinue your J&J health coverage. Coverage will be retroactively discontinued to the date you gain other coverage. To discontinue coverage, call the Benefit Service Center at **1-800-565-0122** and speak with a representative.

10. Will my Term Life Insurance continue during severance?

Yes, you are eligible to continue your life insurance coverage until your Benefit End Date. The cost of coverage, including the cost of your Basic (1x pay) Term Life Insurance coverage, which was previously Company-paid, will be deducted from your regular severance payments.

11. Can I discontinue my Term Life Insurance?

Yes, you can discontinue your Term Life Insurance at any time. To do so, visit the *FYB website* at digital.alight.com/jnjbsc or call the Benefit Service Center at **1-800-565-0122** and speak with a representative.

12. Can I continue my Term Life Insurance after my Benefit End Date?

After your Benefit End Date, you may convert all or part of your and/or your dependent coverage to an individual, personal policy if you elect conversion within

31 days after the coverage ends.

13. Will my Universal Life Insurance continue during severance?

If enrolled, your Group Universal Life coverage will continue until your Benefit End Date. MetLife will contact you directly regarding your available options after your coverage ends. You will be able to:

- Purchase a paid-up policy
- Cancel your coverage and take any accumulated cash value as cash, or
- Continue Universal Life Insurance coverage and pay premiums directly to MetLife

Until you make an election, the accumulated cash value will be used to pay for the cost of insurance. If you have any questions about your Group Universal Life coverage, you may contact MetLife directly at [1-800-523-2894](tel:1-800-523-2894).

14. When does my Accident Insurance coverage end?

Any Business Travel Accident Insurance coverage (including any Additional International Business Travel Accident Insurance coverage) and any 24-Hour Accident Insurance coverage will end on your Separation Date. Provided you meet the eligibility requirements, you may elect to transfer any 24-Hour Accident Insurance coverage at your own expense to a private direct-pay policy within 31 days after your Separation Date. To transfer coverage, contact The Hartford at [1-877-320-0484](tel:1-877-320-0484).

15. When does my Long-Term Disability coverage end?

If enrolled, Long Term Disability ends on your Separation Date. There is no conversion option.

16. When does my Group Legal Insurance Plan coverage end?

If enrolled, Group Legal Insurance Plan coverage will continue until your Benefit End Date, unless you elect otherwise. You may convert your coverage to an individual policy by contacting ARAG directly at [1-800-901-7906](tel:1-800-901-7906) within 31 days of the termination of your coverage.

17. Can I utilize the Employee Assistance Program (EAP) during severance?

You will have access to the EAP up to 90 days following separation.

18. I am not enrolled in medical coverage and receiving Additional Dollars (Benefit Dollars). Will I continue to receive Additional Dollars during severance?

No, payment of Additional Dollars will not continue during severance.

19. What happens to the money in my Health Savings Account (HSA) with Bank of America?

If you are enrolled in the Health Savings Account (HSA) as of your Separation Date, the Company will continue to deduct your regular HSA contribution from your severance pay on a pre-tax basis until the earlier of your Benefit End Date or December 31st of the year of your Separation Date as long as you remain enrolled in the Premier HSA Plan. If your severance payments continue from one calendar year to the next, you may elect to contribute to the HSA for the next Plan Year if you elect the Premier HSA Plan. HSA contributions will continue to be deducted from your severance pay until your Benefit End Date. You can elect to start, stop, increase, or decrease contributions to your HSA at any time during your severance period.

You will no longer be eligible for Company contributions to your HSA after your Separation Date.

The HSA is portable, and the entire account balance is yours to keep when you leave the Company. You can use the funds for current or future qualified medical expenses. **You can maintain your HSA directly with Bank of America and you will be responsible for any fees associated with the account after your Separation Date.**

Please contact Bank of America at [1-800-615-0317](tel:1-800-615-0317) if you have any questions about your HSA.

20. Will contributions to my Health Care FSA continue to be deducted from my severance?

Unless you choose otherwise, if you are enrolled in the Health Care FSA as of your Separation Date, the Company will continue to deduct your regular Health Care FSA contribution from your severance pay on a pre-tax basis until the earlier of your Benefit End Date or December 31st of the year of your Separation Date. If your severance payments continue from one calendar year to the next, during Annual Enrollment you may elect Health Care FSA for the next Plan Year and amounts will continue to be taken from your severance pay until your Benefit End Date. After your Benefit End Date, you may elect to continue your Health Care FSA coverage on a post-tax basis under COBRA through the end of the calendar year in which your Benefit End Date falls or the last day during which you have Continuation Coverage, whichever comes first. The Benefit Service Center will send you COBRA information directly.

If you have any questions about Continuation Coverage or you do not receive your COBRA information within one month after your Separation Date, please contact the Benefit Service Center at [1-800-565-0122](tel:1-800-565-0122).

You may submit claims for expenses incurred during any period that you continued to contribute to your Health Care FSA. To be considered for reimbursement, Inspira (formerly Payflex), the Health Care FSA administrator, must receive all claims, including signed forms and required documentation, by June 30th of the calendar year following the calendar year in which the expense occurred.

If you have any questions about the Health Care FSA, you may contact Inspira

(formerly PayFlex) at **1-866-201-0627**.

21. Can I change my Health Care FSA election?

You may decrease or stop your Health Care FSA election within 60 days of your date of termination. If you decrease your Health Care FSA election, you may not decrease below the amount already contributed to or reimbursed by the Plan. If you stop your Health Care FSA election, only claims incurred on or prior to the date of your termination will be considered for reimbursement.

22. Will contributions to my Dependent Care FSA continue to be deducted from my severance?

You may not contribute to the Dependent Care FSA after your Separation Date. You may continue to submit claims to the Dependent Care FSA for eligible expenses incurred through the end of the calendar year in which your separation occurs. Reimbursement will be processed for up to the total amount you had deposited in your Dependent Care FSA as of your Separation Date. To be considered for reimbursement, PayFlex, the Dependent Care FSA administrator, must receive all claims, including signed forms and required documentation, by June 30th of the calendar year following your Separation Date. If you have any questions about the Dependent Care FSA, you may contact Inspira (formerly PayFlex) at **1-866-201-0627**.

Retiree Benefits

23. Am I eligible for Retiree Medical, Dental and Vision coverage?

To be eligible, you must be at least age 55 on your date of termination and must have completed at least 10 years of Johnson & Johnson Pension Plan Credited Service (either full-time or part-time).

24. When can I enroll in Retiree Medical coverage?

As a retiree on Severance, you will automatically continue your current active Health Care Plan coverage (Medical, Dental and/or Vision) at the active employee group rate for you and any eligible enrolled dependents until your Benefit End Date. At your Benefit End Date, you may choose to enroll in the Salaried Retiree Medical Plan. You may also elect to defer enrolling in the Salaried Retiree Medical Plan and can elect coverage the first of any month up to age 65.

Alternatively, you may elect to enroll in Retiree Medical coverage at the start of your severance period, although the costs for this coverage may be significantly higher than that of active Medical coverage.

25. When can I enroll in Retiree Dental and Vision coverage?

As a retiree on Severance, you will automatically continue your current active Dental and/or Vision coverage and defer enrolling for coverage under the Salaried

Retiree Dental and/or Vision Program. At your Benefit End Date (or termination of COBRA, if elected), you may choose to enroll in the Salaried Retiree Dental and/or Vision Program. You may also elect to defer enrolling in the Retiree Dental and/or Vision Program until a future Annual Enrollment period.

Alternatively, you may elect to enroll in Retiree Dental and/or Vision coverage at the start of your severance period, although the costs for this coverage may be higher than that of active Dental and Vision coverage.

26. Can I enroll in Retiree Benefits but defer my Pension?

Yes. If you are leaving the Company as a retiree eligible for Retiree Medical, Dental, and Vision coverage, you can elect to take your Retiree Medical, Dental, and/or Vision coverage immediately while deferring Pension payments.

Pension

27. When am I eligible to begin my Pension?

Employees who are age 55 or older when they leave the company are considered “retired” and have the choice of receiving payments immediately or deferring commencement of payments. If you were hired or rehired with Johnson & Johnson on or after January 1, 2015 (with certain limited exceptions) and if you are vested, you may commence receiving benefits from the Retirement Value Pension (RVP) Plan as early as age 55 or at separation, if earlier. Alternatively, you may choose to defer commencement of payments until a later date.

28. Can I start my Pension while I am receiving Severance?

Yes. You can commence pension payments while you are on Severance – you do not need to wait for severance payments to end.

29. Does the severance period count toward Pension Vesting Service and Credited Service?

No. Accumulation of Pension Vesting Service and Credited Service ends upon your employment termination.

30. What if I am rehired by Johnson & Johnson?

If you are rehired by Johnson & Johnson, all of your previous Credited Service and Vesting Service will be restored to you. If you were a Pension Plan member, your membership will resume automatically, and you will resume earning Credited Service. If you were not a Plan member, you will become a member when you satisfy the eligibility requirements.

If you were previously eligible and vested for the Final Average Pay (FAP) formula, upon rehire, your prior benefit will remain what you earned under the FAP formula, however all future pension accruals will be earned under the Retirement Value Plan (RVP) formula.

If you are rehired by Johnson & Johnson within 12 months following a break in

service, you will earn Vesting Service (but not Credited Service) for the period of your break in service.

Savings Plan

31. Can I still contribute to the Savings Plan during severance?

No. Contributions to the Savings Plan end effective your date of termination. Deductions will end with your last regular paycheck. Severance payments are not eligible for Savings Plan deductions or loan repayments.

32. What happens to my Savings Plan account after I leave Johnson & Johnson?

If your vested Savings Plan balance is less than \$1,000, your vested account balance will automatically be paid to you 60 days following termination if no other distribution election is made.

If your vested account balance is between \$1,000 and \$5,000, your vested account balance will automatically be rolled over to an individual retirement account (i.e., an IRA) 60 days following termination if no other distribution election is made.

If your vested account balance is more than \$5,000, you can receive your entire vested account balance in a lump sum payment, directly rollover to another qualified plan or IRA, receive installments (annual, quarterly, or monthly), take partial distributions or you can defer payment to age 70½.

33. I currently have an outstanding loan in the Savings Plan. How long do I have to pay it back?

If you currently have an outstanding Savings Plan loan, you will have 60 days following termination to pay the loan in full. However, if you do not repay the loan within 60 days following your termination, any unpaid loan balance plus accrued interest, will be deducted from your account balance and reported to the IRS as a distribution subject to applicable Federal and State Income Taxes.

34. I would like to move my account balance out of the Johnson & Johnson Savings Plan. How can I avoid paying taxes if I do this? Are there any fees associated with this transfer?

You can avoid paying current taxes on your Savings Plan distribution by a direct rollover to another qualified plan or an IRA. If you request a direct rollover, your payment will be made payable to another qualified retirement plan or an IRA for your benefit. This will protect the tax-deferred status of untaxed monies and will also avoid 20% Federal Income Tax Withholding, which is mandatory, if the payment is made solely in your name. You may also roll over your post-tax contributions if you so choose. There is no charge or fees for processing a rollover from the J&J Savings Plan.

35. Will I be taxed if I take a distribution (payable to me) from the Savings Plan?

If you receive the distribution (a check payable to you only), the taxable portion of your check will be reduced by 20% for Federal Income Tax Withholding as required

by law. If you do not elect to roll over the taxable portion within 60 days of receiving the money from Johnson & Johnson, the distribution becomes taxable and is subject to ordinary income taxes, plus 10% additional tax if you are under age 59½ at the time of your distribution.

36. Is there an age I must begin taking distributions from the Savings Plan?

Yes. If you have not requested payment of your account prior to the April 1 following the end of the calendar year in which you reach age 70½, you will begin receiving legally required minimum distributions from the Plan.

Time Off

37. What happens to my time off?

Vacation: Accrued, unused vacation days will be paid out within 4 weeks of the Separation Date. Exceptions include those residing in states with specific vacation payout requirements. Payments will be as a lump sum and subject to applicable Federal, State and Local taxes and withholdings.

Floating Holidays: Unused Floating Holidays are forfeited*

*Exceptions include those residing in states with specific floating holiday payout requirements.

Sick Time: Unused Sick Time is forfeited.

Work, Personal and Family: Unused Work, Personal and Family time is forfeited

Inspire Awards

38. What happens if you have accumulated awards and leave Johnson & Johnson?

You are advised to redeem all awards before your departure from the Company and may be reminded of this during the exit process. However, an award is considered your property once received and is redeemable even after termination by directly contacting the Workhuman Customer Service Center at 844-732-5501 or 844-721-5505.

This document provides specific information about your benefits. Complete descriptions of each Plan are contained in the Plan documents or insurance contracts. If there is any discrepancy in wording between the Plan documents or insurance contracts and this document, the wording in the Plan documents or insurance contracts will govern. The Company reserves the right to amend, modify, revoke, or terminate these Plans at any time.