Frequently Asked Questions

1. Why is the company changing the benefits lineup / options?
To strengthen our organization and improve the employee experience, we launched an initiative to standardize benefit plans across all U.S. locations.

As Lincoln Electric has grown through acquisitions, different sites ended up with different benefits. This change helps to unify our offerings and build a more consistent experience for all employees.

2. Will the new medical plans use the same networks and drug formulary?
Yes. All plans will continue using Anthem's Blue Card network and Caremark's Advance Control Formulary.

3. Will employees enrolling in the new health plans still be able to use Marathon?
Yes. Marathon Health will continue to offer primary care services in Northeast Ohio when enrolled in any of the three medical plans. Marathon includes near-site community clinics and an onsite clinic at the Euclid facility.

4. Is the Company using its size to negotiate better pricing with the insurance company?
Lincoln has always used its size to negotiate insurance renewals. However, only about 12% of total healthcare costs are negotiable (fixed fees).

In 2024, Lincoln's U.S. healthcare costs totaled approximately $39.3 million:

- $4.9 million in fixed fees paid to the insurance company
- $34.3 million in claims paid to providers (doctors, hospitals, labs, pharmacies, and medical equipment companies)

Employees and their dependents control almost 90% of costs through their healthcare choices and usage.

5. How was the Company able to lower medical premiums so significantly and provide the choice?
Lincoln Electric is committed to offering competitive healthcare options by absorbing more of the cost of premiums to make them more affordable for you.

Premiums will still be influenced by member usage, medical trends, and administrative costs, which may vary from year to year.

6. Will Medical premiums be deducted from my annual bonus or regular paychecks?
Premiums will be deducted on a pre-tax basis based on your compensation program:

- Profit-sharing employees will have premiums deducted from annual bonus.
- Employees on other compensation programs will have premiums deducted from base pay.

7. What happens to my existing HSA if I switch my medical plan to a traditional PPO?
Your HSA remains yours. You can continue using the funds for eligible expenses or invest them. If you switch to a traditional PPO plan, you can no longer make new contributions or receive employer contributions.

8. Is it possible to decline the employer-sponsored health plan through Lincoln Electric and seek coverage elsewhere?
Yes, employees may decline employer-sponsored coverage. Proof of other coverage is no longer required.

9. Why was the Delta Dental Plan chosen as the standard?
Delta Dental offers a high-quality plan and has the largest network nationwide, ensuring access for all U.S. employees. Humana members will find that many Humana providers are also in the Delta network.

Starting in 2026, Lincoln Electric will provide a market-based subsidy to make dental coverage more affordable.