

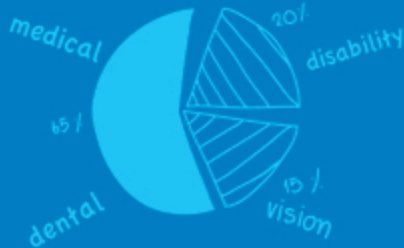


awareness

BE HEALTHY

2014 Annual Enrollment

October 14 - November 1, 2013



retirement



insurance plans



ideas



manager

teamwork

solution



motivation



Why BE HEALTHY?

Health care continues to become more expensive because of rising costs and new Health Care Reform requirements. The best way each of us can help manage our individual cost is to Be Healthy.

4

What's changing?

7

Get the facts on Health Care Reform

10

Prescription Drug benefits — understand the plan and save

13

Be Healthy with *Wellness 360* — the new wellness program

20

Review your choices and enroll!

Your Baker Hughes benefits are all about helping you and your family Be Healthy. And not just with our health care plans and wellness programs. Our insurance and disability plans help you remain financially sound during challenging times, while our retirement plans help you build a secure future.

Did you know that Baker Hughes pays over 80% of the Medical total plan costs? The company spent \$223 million on medical costs in 2011; those costs increased to \$260 million in 2012. Now you can see why it's so important for all of us to Be Healthy.

You play a role in managing these costs.

It's up to you to:

- Understand and take advantage of the plans, programs and tools Baker Hughes provides;
- Make smart choices about your health and your lifestyle; and
- Be a savvy health care consumer.

Good choices come from good information, so use the online tools that are available to you.

On my**Rewards**:

- Use the **Medical Expense Estimator** to see if you are enrolled in the right Medical plan.
- The **FSA and HSA Estimators** will help you plan your contributions to the Flexible Spending Account and the Health Savings Account.

On www.myuhc.com:

- **NEW!** The new UHC **myHealthcare Cost Estimator** helps you compare treatment options, find a quality provider and know in advance what your cost will be.



3 simple steps to enrollment

1

Learn about the changes for 2014.

Take a moment to read this guide and understand the changes for next year — they may affect your decisions. This is also a good time to review your retirement benefits.

2

Make informed choices.

my**Rewards** should be your first stop. It has your premium rates for next year, as well as plan information and online tools to help with decision-making.

3

Enroll online by November 1.

Review and update your dependents and beneficiaries and make your elections on my**Rewards**.

This guide contains the information you need to enroll in your 2014 benefits. Visit my**Rewards** to review all of your Baker Hughes benefits.





learn more

About Health Care Reform and you. See page 7.



What's changing

Some of the changes for next year reflect Baker Hughes' goal of continuing to and managing the costs of Health Care Reform. Other changes are designed to

Benefit	Change
Medical plans	
Choice	This plan will no longer be offered.
Personal Choice Plus	Per IRS regulations, the maximum total HSA contribution amount (company's + yours) will increase to \$3,300 (individual) and \$6,550 (family).
All Medical plans	\$100 emergency room surcharge
Other benefit plans	
 Wellness	New wellness program name: Wellness 360 (replaces WellWorks) New wellness vendor: RedBrick Health
 Critical illness insurance	New voluntary benefit for 2014 (employee pays the full cost)
 Employee Assistance Program	Autism Assist advocacy program
 Employee Stock Purchase Plan	Fidelity will become the new administrator of the ESPP.

for 2014?

provide valuable health care benefits while meeting the requirements
give you more choices and help you be a smarter health care consumer.

What you need to know about it

As was previously announced, this plan will be eliminated as a result of Health Care Reform. If you're currently enrolled in the Choice plan and do not make a 2014 election, you will automatically be enrolled in the Choice Plus plan.
Baker Hughes will again contribute \$500 to your HSA (\$1,000 if you enroll your family). For 2014, the company will continue to contribute this money as a lump sum with the first paycheck in January.
This surcharge is in addition to deductible and coinsurance (if applicable). Surcharge does not apply if member is hospitalized. See page 6 for more information.
If you earn 250 points in 2014 as part of the new points-based system, you will receive a \$250 discount on your Medical plan premium in 2015. See page 14 for more information.
Additional financial protection for you and enrolled dependents in the event of specified critical illnesses such as heart attack, stroke, cancer, etc. Employee can choose between two benefit levels: \$15,000 or \$30,000 and guaranteed issue (if elected). See page 17 for more information.
Offers you and your family personalized support with an Autism Advocate specialist, who will assist you in developing a customized plan. See page 12 for more information.
No change in how the plan works. First enrollment for 2014 is October 14 – November 30, 2013. See page 19 for more details on a smart way to buy BHI stock.

Summary of Benefits and Coverage

Health Care Reform disclosure available online

Health Care Reform requires all group health plans to provide information on health plan design and coverage information. You can find the Summary of Benefits and Coverage (SBC) documents in my**Rewards** or you may request a copy by calling the Benefits Center. The SBC will contain information on the Medical and Prescription Drug plans and the Employee Assistance Program (EAP).



2014 Medical premium rates (per pay period)*

	Choice Plus	Personal Choice Plus
You	\$45.00	\$24.50
You + Spouse	\$102.50	\$44.50
You + Children	\$79.50	\$33.00
You + Family	\$140.00	\$57.50

*24 pay periods with health benefit deductions

Avoid the *new* ER surcharge.

Get the right care at the right place.

The new **\$100 Emergency Room surcharge** is designed to encourage Baker Hughes employees to make smart choices about where they get medical care. The surcharge does not apply if the patient is hospitalized, and is in addition to any deductible or coinsurance you may owe under your Medical plan.

Find the right facility close to you!

To find alternative network facilities and doctors nearby:



Go online

to **myuhc.com** and enter your zip code.



Download

UnitedHealthcare's Health4Me App to your mobile device.



Call

the NurseLine at **1-866-635-9530** for help and peace of mind. It's available 24 hours a day.

Find out where you'll be going BEFORE you need to go there.

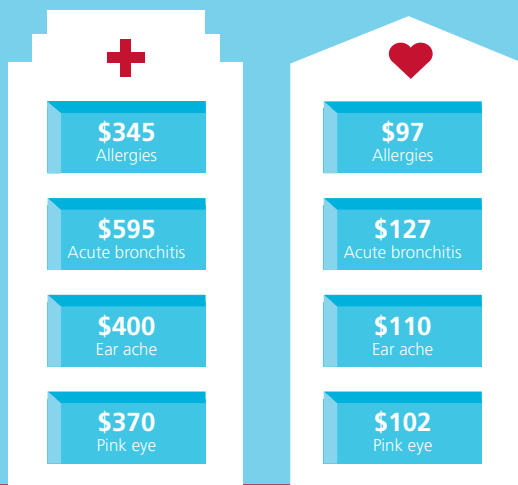
Here's how the costs compare:

Avg. cost at
Emergency Room

Avg. cost at
Urgent care facility

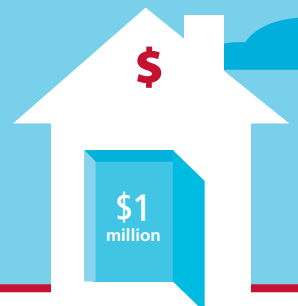
Potential employee
savings

Always go to the ER immediately in the event of a life-threatening illness or injury.



TIP: The ER is very expensive for routine health care, however, urgent care facilities are often a great alternative.

Last year, Baker Hughes employees could have saved **more than \$1 million** by only using the ER for true emergencies.



Q & A

Health Care Reform

With all the talk about the upcoming changes associated with Health Care Reform, you may be concerned that you need to be doing something different this year. **We've covered the answers you need here**, but for more detailed information, please visit www.bakerhughesHCR.com or www.healthcare.gov.

Q: Should I be worried about the individual mandate?

A: Beginning in 2014, all Americans will be required to have a minimum level of health insurance or pay a tax penalty. This is called the "individual mandate." If you will be covered by a Baker Hughes Medical plan in 2014 — or if you will be covered by another plan that meets the minimum requirements (such as coverage with your spouse's employer or under a group health plan) — you won't be affected by the mandate or penalty.



Short answer: If you'll be covered by a Baker Hughes Medical plan (or another plan that meets the minimum requirements), **you don't need to worry about the individual mandate.**

Q: Do I need to shop for coverage on the public health exchanges?

A: Public health exchanges are online "marketplaces" where people can shop and buy medical coverage. The exchanges are designed for people who don't have coverage from an employer. You can shop the exchanges for medical coverage if you like. Be sure to compare premium costs, deductibles, copays and coinsurance, benefit levels and other features, such as wellness programs. Learn what's covered and more importantly, what's not covered.



Short answer: If you'll be covered by a Baker Hughes Medical plan (or another plan that meets the minimum requirements), **you don't have to shop for coverage on the exchanges.**



Get the details about Health Care Reform at www.healthcare.gov.



Get the facts fast

For more information, visit www.bakerhughesHCR.com to:

- Watch a 2 minute video
- Review what you need to know
- Learn about important dates
- Access FAQs and a glossary of terms

Q: Will Baker Hughes help me pay for coverage I buy on the exchanges?

A: Baker Hughes pays the majority of the cost for coverage under our Medical plans. Baker Hughes does not pay any portion of the premium if you decide to purchase coverage from the exchanges.



Short answer: No.

Q: Do Baker Hughes' Medical plans meet Health Care Reform requirements?

A: Baker Hughes will continue to offer valuable, affordable health care benefits that meet all Health Care Reform requirements. Some employers will no longer offer medical benefits because of Health Care Reform requirements.



Short answer: Yes.

Personal Choice

As Health Care Reform and rising medical costs compel us to seek lower premiums and tax advantages of the Personal Choice Plan, an HSA is more attractive for

Advantages

An HSA can be a great way to help pay for current medical expenses and/or save for future expenses, even into retirement.



Multiple tax savings.

You don't pay Federal income tax on the money you contribute. Your HSA grows tax-free. The money you spend from your HSA is tax-free when you use it to pay eligible health care expenses.



You don't lose what you don't use.

Unlike a Flexible Spending Account (FSA), you don't forfeit the unspent money in your account at the end of the year. It stays in your account and keeps growing until you need it.



It's your money.

The HSA is in your name; you manage it. If you leave Baker Hughes, your account balance — and the tax advantages — are yours to take with you, even into retirement.

Retirement

Find out if you're saving enough to Be Healthy in retirement

For many, health care expenses are the #1 retirement financial worry. Here's a quick way to get a personalized, objective overview of how ready you'll be to cover your retirement health care expenses.

Use the free **Health Savings Checkup tool** from Optum Health. **Visit www.myuhc.com to get started!**

Plus with HSA

to become better health care consumers, the flexibility, Plus with a Health Savings Account (HSA) are becoming many employees.

Contributions

FREE money for your HSA

If you enroll in the Personal Choice Plus Medical plan, Baker Hughes will again make an annual, lump-sum contribution to your HSA with your first paycheck in January.



Individual

Baker Hughes contributes	You can contribute	2014 maximum total contribution
\$500	\$2,800	\$3,300*



Family

Baker Hughes contributes	You can contribute	2014 maximum total contribution
\$1,000	\$5,550	\$6,550*

*Please note: The IRS has increased the maximum total contribution amount for 2014.

Prescription Drug benefits

Baker Hughes' Prescription Drug coverage is designed to ensure that employees have access to the medications they need at the lowest possible cost.

Unsure about mandatory Home Delivery?

Don't be — receiving medications through Express Scripts Home Delivery is safe, convenient and cost-effective.

Retail pharmacy - 3 fills



If your doctor prescribes a maintenance medication (a drug you take on an ongoing basis for a chronic condition), you may obtain up to 3 fills at a retail pharmacy.

Mandatory Home Delivery



To enroll in Home Delivery:

- Go to www.StartHomeDelivery.com
- Call 1-877-432-8979 to speak with a customer service representative

Please ask your physician for two separate prescriptions. The first prescription will be a 30-day prescription with two refills that you can fill at a retail pharmacy. Your second prescription should be for a 90-day supply (with appropriate refills) that you will fill through Home Delivery.

If you need assistance in obtaining the 90-day prescription, Express Scripts is happy to coordinate with your doctor.

1/2 million prescriptions we fill a year

In 2012, Baker Hughes active employees filled 540,926 total prescriptions for a total plan cost of \$54 million.

You'll always save by asking for generic drugs.



Did you know

If all the prescriptions with generic equivalents had been filled with generics, the average out-of-pocket savings per employee would have been \$85.

Look how much prescription costs can vary

Generics and home delivery are a powerful combination for saving you — and Baker Hughes — money on prescription drugs. Take a look at this example for cholesterol medications if you're in the Choice Plus plan.

OPEN
RETAIL

HOME
SWEET
HOME
DELIVERY

Cholesterol medication	Retail cost (30-day supply)	Using BHI plan (30-day supply)	Using BHI plan (90-day supply)
Lipitor Non-formulary brand, generic available	\$240	\$100*	\$83* – 30-day supply (\$250 for 90-day supply)
Crestor Formulary brand, no generic available	\$205	\$60	\$50 – 30-day supply (\$150 for 90-day supply)
Atorvastatin Generic	\$120	\$7	\$5 – 30-day supply (\$15 for 90-day supply)

*If doctor specifies no generic substitution.


saving you money

HELPFUL TIPS

to control your prescription drug costs:

- * Use an in-network retail pharmacy (log on to www.express-scripts.com to find network pharmacies)
- * Use home delivery for maintenance medications
- * Make sure your doctor prescribes generic or formulary brand drugs whenever possible
- * Take your medications as prescribed
- * Know your plan and understand the benefits
- * Use your FSA or HSA to pay for out-of-pocket costs and save tax dollars

EAP:

Trusted Solutions to Life's Challenges

The Employee Assistance Program (EAP) provides a wealth of practical, solution-focused resources to help you reduce stress, strengthen relationships, increase productivity and improve the overall quality of your life. There is no cost to you or your eligible household members to use this program. The program provides information online or via phone, and confidential consultations via phone or face-to-face with a behavioral health professional.

Visit www.MagellanHealth.com/member or call 1-800-424-5915 today to get a referral or information on topics such as:

Health and wellness

Family and relationships

Grief and loss

Depression and anxiety

Living healthier

Stress

Work-life balance

Alcohol or drug concerns



New resource: Autism Assist advocacy program — Provides coaching, educational resources and online treatment tools, and helps families coordinate with providers, community resources, school systems and state agencies for assistance with care coordination and support.

For more information on this program, please contact Magellan Health at 1-800-424-5915.

BE HEALTHY

with

Wellness 360

Beginning in 2014, Baker Hughes' wellness program will now be called **Wellness 360**; this program replaces WellWorks.

Baker Hughes knows that to Be Healthy, we have to think about more than just our physical well-being. Our family, our relationships, how we deal with stress, our finances, and legal issues are all important. **Wellness 360** is about helping you make sure everything in your life — all 360 degrees of you — is as healthy as possible.



Wellness 360°

Getting and staying healthy is what **Wellness 360** is all about. Better health is better for you, your family, your career, and your finances. And a healthier workforce is better for Baker Hughes.

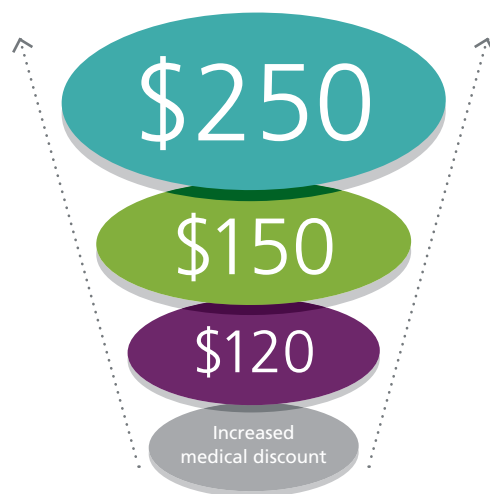
Starting in 2014: Pile up the points

In 2014, you can begin earning the points you'll need to earn the Medical plan premium discount for 2015. You can earn points by completing required activities like the Health Assessment and Biometric Screening, and by participating in a wide variety of health-related activities. For each activity completed, you'll earn points toward your Medical plan premium discount. During the year, you can monitor your progress with a new incentive tracking tool.

We're increasing the medical discount — *again!*

For the third year in a row, we've increased the medical premium discount to help encourage healthy behavior. If you earn 250 points in 2014 as part of the points-based system, you will receive a \$250 discount on your Medical plan premium in 2015.

Employee only



Your medical premium discount has increased over the last three years.

life

activities

screening

savings

family

“ I had been all fired up to do the Health Assessment this year so I could compare my numbers to last year. Some people don't participate because they don't want to know their weight, etc. But no matter where you are when you start, anybody can get in shape. ”

— Matt B., AMO Technician II, Broussard, La., who won the WellWorks grand prize of \$2,000 cash for completing his Health Assessment and Biometric Screening by March 31, 2013.

“ I was amazed by how well-rounded the campaign was. It made me think of exercise in a whole new way. I feel much better overall, and I would encourage others to participate as well. ”

— Dannielle P., Department Administrator, Dickinson, N.D., who won the \$1,000 grand prize that was offered as part of the Q2 Wellness campaign “Time Out for Health,” which encouraged small lifestyle changes and goal setting for exercise, stress and nutrition.

health

exercise

lifestyle

wellness

nutrition



New wellness vendor

RedBrick Health is the new vendor who administers our lifestyle management programs, such as weight management, tobacco cessation, and stress reduction. In the months ahead, you'll continue to hear more about how RedBrick Health and Baker Hughes are teaming up to help all our employees Be Healthy.

The Medical plans cover in-network preventive care at

100%

There's no reason not to get that physical!

Did you know that only 37% of employees had a physical last year?

One of the best ways to Be Healthy is to catch small problems before they become big ones.



We heard you loud and clear!

Employees told us how much they appreciated the health fairs, and how much they missed them in 2013. So, we're doing them again in 2014. Baker Hughes is committed to partnering with you on your health.

“ The best part about the program is that you log details such as your workout time and what you eat. I am so grateful Baker Hughes offers this tool; it was really helpful to me in losing 40 pounds. I feel so much better than I did before, and I have much more energy. You just really need to make a commitment to yourself and others so you can be around for the long term. ”

— Cindy S., Global Pricing Systems Manager, Houston, Texas, who participated in the Q2 Wellness campaign, “Time Out for Health,” which encouraged small lifestyle changes and goal setting for exercise, stress and nutrition.



New! Critical Illness plan

**If you experienced a critical illness,
could your nest egg withstand the
financial impact?**

When a critical illness strikes, the cost can be substantial. Even with medical coverage, a critical illness often results in financial hardships from lost work, deductibles and coinsurance costs, and expenses not covered by other benefits. The new Critical Illness insurance from MetLife is designed to help offset some of those expenses.

How it works

You can enroll in the new Critical Illness plan during Annual Enrollment.

- This is a voluntary plan, and the employee pays the full cost.
- You choose from two Initial Benefit levels: \$15,000 and \$30,000.
- Once you're enrolled, if you or a covered family member is diagnosed with a covered illness, the plan pays you the Initial Benefit in a lump sum.
- If you remain covered and suffer repeat illness, the plan pays a Recurrence Benefit of 50% of the Initial Benefit.
- If you remain covered and suffer a different covered illness, the plan pays another Initial Benefit.
- The **maximum total benefit amount is 300%** of the elected Initial Benefit amount.

The coverage is guaranteed provided you are actively at work on the effective date.

Critical Illness example:

Say you enroll in the \$15,000 coverage and you or a covered dependent has a heart attack. If you are enrolled in the Personal Choice Plus plan:

- Your estimated out-of-pocket costs (deductible, coinsurance): \$6,500
- The Critical Illness plan would pay: \$15,000
- If the same person had another heart attack, the Recurrence Benefit would be: \$7,500.

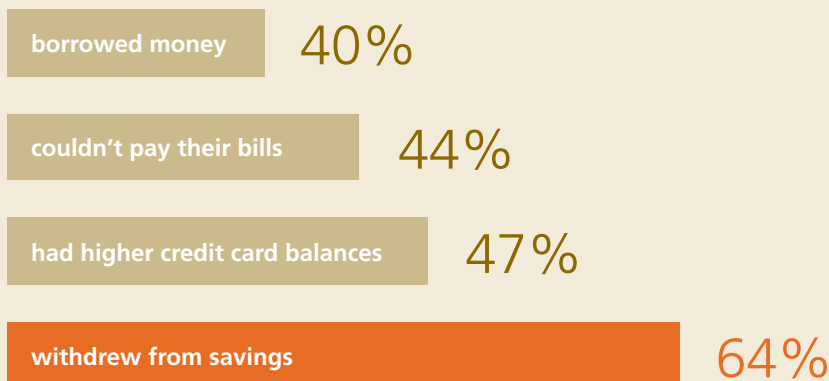
Premium rates per pay period

Coverage	Age band	Employee only	Employee + Spouse	Employee + Children	Employee + Family
\$15,000	45-49	\$12.90	\$22.95	\$17.48	\$27.53
\$30,000	45-49	\$25.80	\$45.90	\$34.95	\$55.05

Note: Premiums are based on age, and this table illustrates coverage costs for a selection of age bands only (based on 24 pay periods). You can view your applicable rate when you enroll online.

Critical illness can mean serious financial impact

Recovery and treatment can take weeks, months or years. Of people who dealt with critical illnesses:



Source: MetLife survey

Covered illnesses include:

- Cancer
- Heart attack
- Stroke
- Coronary artery bypass
- Kidney failure
- Major organ transplant
- Plus 22 other conditions

Note: After you enroll in the Critical Illness plan, MetLife will mail a Certificate of Coverage to you.

Critical Illness insurance pays a benefit in addition to any other medical and disability coverage you may have.

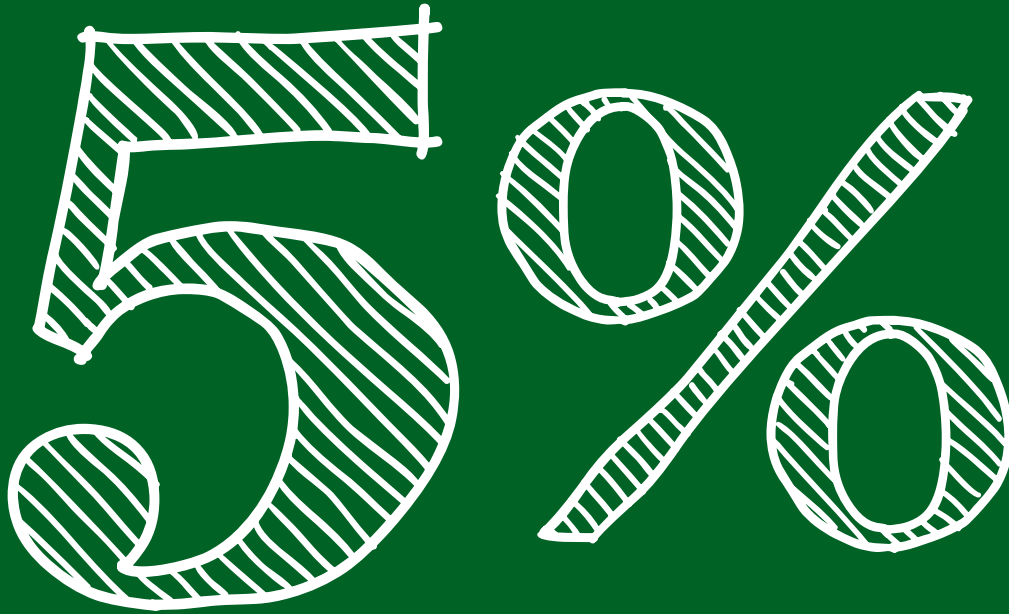
Plan pays you

\$100

The Critical Illness plan will actually pay you \$100 for taking one of the eligible screening/prevention measures. Remember, your preventive care is already covered at 100% — and now you can actually EARN money for getting a FREE checkup!

Watch for more information soon about the Critical Illness insurance program.

It's really very simple.



That's the minimum contribution you should be making to the Baker Hughes Thrift Plan.

Why?

If you contribute 5%, Baker Hughes will add contributions that, depending on your age, will bring the total annual contribution to as much as 19% of your eligible pay.

Get it started by saving 5%!

Your contribution	Thrift match contribution	Thrift base contribution (depends on your age)	Pension contribution (depends on your age)	Total contribution
5%	5%	2%–5%	2%–4%	14%–19%



Go to my**Rewards** or call the Benefits Center now to increase your contribution rate.

A smart plan...

for buying BHI stock

When you enroll in the Employee Stock Purchase Plan (ESPP), you're able to buy Baker Hughes stock at a discounted price, **which is at least 15% less than the market value of the stock.** (The discount could be much higher if the stock price goes up during the six-month offering period.) Taking advantage of that discount is like buying shares of stock at market rate and getting extra shares for free.

How it works

Step 1

Elect to participate

Step 2

Set aside funds...

through convenient payroll deductions. Your shares are purchased at the end of the six-month period at EITHER the price at the beginning OR the end of the period (whichever is lower, discounted by 15%).

Step 3

Hold shares for the future or sell at the market rate

The next enrollment period is coming up!

Enroll for the January – June 2014 offering period between October 14 and November 30, 2013.

Visit www.netbenefits.fidelity.com, or call 1-800-544-9354 (within the U.S.).

Representatives are available from 5 p.m. Sunday through 12 a.m. Friday Eastern Time.

New ESPP administrator

Beginning October 1, 2013, Fidelity will be the new administrator for the ESPP. The plan will continue to work the same way.

Learn more
about the ESPP
at go/ESPP.



Make informed benefit choices.

- Visit **myRewards** for details, rates, and online tools to help with decision-making.
- **Review and update** your dependents and beneficiaries.
- **Verify** your life insurance coverage and beneficiaries. Be sure to consider your Supplemental Life and Voluntary AD&D insurance benefits.

Enroll online by November 1.

Access **myRewards** at go.bakerhughes.com/myrewards. If you connect from the Human Resources homepage on the Baker Hughes Intranet, you won't need your User ID and Password. You can also enroll on your mobile device.

If you don't have Internet access, enroll by calling the Benefits Center at 1-866-244-3539 (within the U.S.) or 1-847-883-0945 (worldwide). Representatives are available Monday through Friday from 6 a.m. to 8 p.m. Central Time during Annual Enrollment. You'll need your User ID and Password.

Be Healthy on the go!

Use our mobile site to get benefits information and even enroll through your smart phone or tablet. Just connect the browser of your Android device, Blackberry or iPhone to go.bakerhughes.com/myRewards and use your User ID and Password to log on.

After you enroll

Confirmation. After you enroll online, you'll receive a confirmation email. At the end of Annual Enrollment, you'll receive a printed confirmation in the mail. Review the information and contact the Benefits Center with any corrections.

ID cards. If you don't make any changes to your coverage, you won't receive new ID cards.

Dependent verification. You'll receive written notice after Annual Enrollment if you're required to submit documentation.

Making changes during the year. Your Annual Enrollment elections remain in effect for all of 2014 unless you have a qualified change in family or employment status (marriage, divorce, birth, change in spouse's employment, etc.). Visit **myRewards** for details.

If you don't enroll...

As long as you remain eligible, you'll have the same benefits and coverage in 2014 that you have now **except:**

- You must re-enroll in the Dependent Day Care FSA; and
- If you're enrolled in Personal Choice Plus and want to continue contributing to your HSA, you must re-enroll. Otherwise, your HSA contribution will be reset to \$0.



Remember: If you're currently enrolled in the Choice Medical plan, you will automatically be enrolled in Choice Plus for 2014, covering the same dependents.



So what's the value of all this stuff?

You've seen how Baker Hughes benefits help you **Be Healthy** in many different ways. You know how much you pay for your benefits, and how they can protect you from financial loss.

The value of your Total Rewards

On your my**Rewards** homepage, you can view a pie chart that shows how your base pay, benefits, and other compensation add up to your Total Rewards from Baker Hughes.

We want to hold the line on our costs — and yours!

That's why we focus on prevention and awareness through programs like **Wellness 360**. We want to help you make smart health care and lifestyle choices.



How much does Baker Hughes spend for all employees?

Baker Hughes believes it's important to be transparent with our Medical plan costs, which continue to rise. In 2011, we spent \$223 million, and costs are projected to be as high as \$295 million in 2014. Health Care Reform could add additional costs. You play a role in managing these costs, and that's why we're encouraging you to **Be Healthy**.



go enroll

go.bakerhughes.com/myrewards

This document is an Annual Enrollment guide made available by Baker Hughes to assist you with your 2014 Health & Welfare Annual Enrollment elections. If you have questions about any part of this document, contact the Benefits Center at 1-866-244-3539 (within the U.S.) or 1-847-883-0945 (worldwide). During Annual Enrollment, representatives are available Monday through Friday from 6 a.m. to 8 p.m. Central Time. If there are any discrepancies between this document and the official plan document(s), the plan document(s) will govern.

