Team Chandler

RED, WHITE, BLUE & YOU

2016

## INSIDE

Read on for details about the benefits available to you as a member of the City of Chandler team. This guide is sponsored by Blue Cross Blue Shield of Arizona.

# TRAVELING DOWN THE *benefit highway*

The City of Chandler cares about you and your family. That's why we offer benefits that provide for your needs today and in the future. Our benefit program includes medical, dental, life, retirement plans and more. It's our hope that they help you enrich your life while protecting your future. This guide explains your route to choosing the benefit plans that work best for you.

As you travel with us down the benefit highway, you will need to consider which course makes the best sense to you. Carefully review this guide, attend Open Enrollment meetings and then enroll in the plan that is right for you and your family. There's a lot to think about and this guide is designed to help you understand your options.

This guide is designed to be your roadmap. You will need it whether you are enrolling for the first time, making annual elections or changing your benefits due to a qualifying life event. Remember, once you make your annual elections, you will not be allowed to make a change unless you experience a qualifying life event. Also, if you want to continue participating in the Health Care or Dependent Care FSA, you must re-enroll every year. Remember, you may not participate in the Health Care FSA if you enroll in the White Plan. You must make a new HSA election if you are enrolled in the White Plan.

**The Red, White and Blue health plans are the property of the City of Chandler's self-funded health program.**

### TAKE ACTION

Open Enrollment for 2016 is a passive enrollment. This means your benefit elections, and any family members you cover, will remain unchanged from 2015 if you don't take action. If you don't want to make any changes, you don't have to do anything with two exceptions: You will need to enroll or re-enroll in the Health Care and Dependent Care FSA. You cannot enroll in a Health Care FSA if you enroll in the White Plan. You will need to elect your HSA contribution if you enroll in the White Plan.

### ROADSIDE ATTRACTION

Your benefits contributions are made on a pre-tax basis. If you would like to have these contributions made on a post-tax basis, contact Human Resources at x2350 for the appropriate paperwork (the election cannot be made through Oracle Employee Self Service). The deadline for making this change is November 16, 2015, and it will apply to the period of January 1 through December 31, 2016. If you have questions about the tax implications of this option, please consult with your tax advisor.

*This guide provides a general overview and summary of the City's benefit program. It is not intended to be an authoritative or exhaustive description of these benefits nor does it create any contract for, or entitlement or right to, any of the benefits described herein. In the event of a conflict, the terms of the City of Chandler's agreements with the benefit providers and the provider-supplied materials describing the coverage offered have precedence over the benefit descriptions contained in this guide.*

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**MEDICARE PART D**

If you (and/or your dependents) are eligible for Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. Please refer to the insert in your enrollment packet. It verifies prescription drug coverage under all of the City of Chandler medical options are considered "creditable coverage" for your eligibility for Medicare Part D coverage.

## TOUR GUIDES

When you have questions, there are several folks ready to point you in the right direction. First, you can call your carriers directly. You can find a list of their website addresses and phone numbers on the back cover of this guide. If your issue isn't resolved, then contact Human Resources for further assistance. Below is a list of your Human Resources staff so you know who to contact for help with your questions.

| CALL | FOR |
|---|---|
| **Human Resources** (ext. 2350) | General information about enrollment. |
| **Ruby Womack-Chappell** (ext. 2346)<br>**Additional Contacts:**<br>**Denisse Ruiz** (ext. 2355)<br>**Stacey Finkelstein** (ext. 2356) | Insurance plan enrollment and eligibility. General information about medical, dental, vision, voluntary life, FSA, EAP, home/auto insurance, prepaid legal, short-term disability and family and medical leave. |
| **Chris Jarosik** (ext. 2372)<br>**Lynna Soller** (ext. 2359) | Deferred compensation, City-paid life insurance, retirement plans, RHSP, retirement system questions. |
| **Carol Osterhaus** (ext. 2371)<br>**Lynna Soller** (ext. 2359) | Benefit issues that have not received a satisfactory resolution, comments about benefit providers' performance and/or benefit plan design and appeals to benefit providers. Information on or questions about the Health Savings Account (HSA) and Wellness programs. |
| **Rae Lynn Nielsen** (ext. 2353) | Comments or feedback regarding benefit administration. |
| **Stacey Finkelstein** (ext. 2356) | Comments or feedback regarding plan enrollment or eligibility. |

# GET MOVING Chandler

The City of Chandler is committed to helping you get all the information you need to know about your health status now and how you can improve it moving forward. You're in the driver's seat, traveling toward a healthy future when you take advantage of these programs.

Once a year, you will have an opportunity to complete a Biometric Screening and Health Assessment. If you completed the Health Assessment through the HealthyBlue website, you qualify for a $250 Wellness incentive to be deposited in your HSA (White Plan) or Health Care FSA (Red and Blue plans).

## ROAD SIGNS

The City of Chandler also offers a variety of tools and resources to keep you moving forward on the road to wellness. Through our Wellness programs, you and your family have access to:

- Flu shot clinics
- Health/financial seminars
- Biometric Screenings
- Health Assessment
- An interactive website
- Nutrition programs
- Wellness resources
- Mobile on-site mammography
- Mobile prostate screenings
- Other screenings
- An employee discount at the Tumbleweed Recreation Center

For more information about the Wellness initiatives, visit the Wellness page on **Chanweb**. The site provides details on the Wellness programs being offered and a glimpse of upcoming programs.

There is also a list of many other Wellness resources. Check out what's available and take action toward building a better you and achieving your goal to live healthy. If you have any questions about the program, call ext. **2350**.

## HEALTHYBLUE PROGRAMS

In addition to the City's Wellness Program, the following HealthyBlue programs are available at your fingertips through Blue Cross Blue Shield of Arizona (BCBSAZ):

- **Web access 24 hours a day**
- **Online health information, resources and seminars**
- **Walking Works physical activity program**
- **Health discounts**
- **Interactive games/quizzes**
- **Nurse on Call**
  - Telephone consultations with nurses 24/7
  - Wide variety of services online
- **Hospital comparison tool**
  - Compare hospitals based on:
    - Specific procedures performed
    - Distance from your home
    - Number of relevant procedures performed
    - Rate of complication and average length of stay
    - Health coaching
  - Access to a health coach that will help you set goals and track your progress
  - Learn how to maintain your health and stay on a positive path by working with a professional who will guide you every step of the way
- **Care management**
  - Resources and advocacy for members with complex or chronic health needs
- **Disease Management Program**
  - As a participant in the Disease Management Program, you will get the support you need to manage a chronic health condition through one-on-one telephone calls with a nurse or a medical counselor
  - You can also receive assistance for in-home device monitoring if you qualify
- **Blue 365 Discount Program**

For more information on the HealthyBlue programs, visit the BCBSAZ website at **www.azblue.com** or call **877-694-2583**.

## BABY ON BOARD

***Get a good head start***

Are you planning to have a baby, or haven't reached the 16th week of your pregnancy? If so, consider enrolling in the HealthyBlue Beginnings program offered under BCBSAZ. Call **855-466-2229** to enroll and receive:

- A preconception program with education, counseling and a free pregnancy kit
- A maternity nurse toll-free telephone support line, 24/7
- A comprehensive book to guide you through pregnancy
- A dedicated maternity nurse to assist with high-risk maternity care
- A support line available until your baby is six weeks old
- A $100 GIFT CARD to Babies "R" Us if you enroll by the 16th week of your pregnancy and you complete the program by taking the final outcomes assessment

Access HealthyBlue Beginnings at **www.azblue.com**

## WELLNESS EVENTS ARE ONLINE

Make sure your spouse and kids know they can get the latest information about Wellness events and resources at: **www.chandleraz.gov/wellness**. The Wellness Committee wants to make it as easy as possible for your family to stay informed about how the City is supporting your efforts to live healthier. As an employee, you can continue to find information — including employee-only activities — on Chanweb.

# DRIVING *directions*

## ELIGIBILITY

**Eligibility for medical plan benefits include:**

- A full-time budgeted employee averaging at least 30 hours of service per week
- A part-time budgeted employee averaging at least 20 hours of service per week
- A non-budgeted employee averaging at least 30 hours of service per week
- A City Council member

**Eligibility for dental plan, vision plan and other employee benefits include:**

- A regular employee or initial probationary employee who works in a budgeted position averaging at least 20 hours of service per week
- A City Council member

Note: All other employees are not eligible for these benefits.

## IF BOTH YOU AND YOUR SPOUSE WORK FOR THE CITY

**For medical, dental and vision plan benefits:**

Eligible employees who are legally married to each other may both enroll as individuals, or one may enroll as an eligible dependent, but not both. Any eligible dependents may enroll as dependents of one employee or the other, but not both.

**For life insurance benefits:**

Each employee may have spouse and child life insurance coverage on the other employee/dependents. Each employee may have life insurance coverage on the same child.

## ELIGIBLE DEPENDENTS

**Your eligible dependents[1] can also sign up for benefit coverage if they are:**

- Your legally married spouse
- A child of an employee or retiree, who is married or unmarried, and is less than 26 years old[2], including your:
  - Biological child
  - Legally adopted children (or a child placed for adoption)
  - Stepchild (when parent living in same residence as employee/retiree)
  - Foster child
  - Child under legal custody or legal guardianship

Child also means an adult disabled child as defined by the plan.

In addition, the term child shall include any child who is the subject of a valid Qualified Medical Child Support Order (QMCSO), as determined by the Plan Administrator.

[1] *Proof of eligibility is required to add dependents. If you are legally separated or divorced you must contact HR to drop the ineligible dependents.*

[2] *An adult child is eligible through the end of the month of their 26th birthday.*

## HIPAA NOTICE OF PRIVACY PRACTICES

The HIPAA Notice of Privacy Practices addresses how medical information about you may be used and disclosed and how you may access this information. The Notice will be provided to each person when initially enrolling for benefits in the Plan. You may request a copy of the notice at any time from the Human Resources Department. The Notice is also available on **Chanweb** under the Human Resources Division, Benefits Section.

# Members of the Club

### YOU AND YOUR DEPENDENTS

Use your plans wisely and you'll get the most value from your benefits. Take the time to do your research and get your family involved. You can work together as a team to come up with the solution that will meet your needs and keep your family members healthy. Remember, there are certain requirements you must meet to be eligible for coverage under the City of Chandler benefit program. Once you're eligible, you can also enroll your qualifying dependents or adult children (up to age 26) with proof of eligibility. So, sign up today and be a part of our winning team!

### MAKING CHANGES TO YOUR COVERAGE

According to IRS rules, you are allowed to make certain benefit changes during the plan year only if you experience a qualifying life event. To make a change, you must notify Human Resources within 31 calendar days of the event.

Examples of qualifying life events include:

- Marriage, divorce, death of spouse, legal separation and annulment
- Birth, death, adoption and placement for adoption
- Change in employment status for you, your spouse or your dependent
- A significant cost change (up or down) in dependent care expenses
- Change in dependent eligibility due to age

Benefit changes must be consistent with the qualifying life event. For example, if you get married and decide to add your spouse to your medical plan, you cannot change medical plans. You will only be allowed to add your spouse to your plan. If you want to change medical plans, you will have to wait until the next Open Enrollment period.

### SPECIAL ENROLLMENT OPPORTUNITY

The City provides a special enrollment opportunity if you or your eligible dependents either:

- Lose Medicaid or Children's Health Insurance Program Reauthorization Act (CHIPRA) coverage because you are no longer eligible, or
- Become eligible for a state's premium assistance program under Medicaid or CHIPRA.

For these enrollment opportunities, you will have 60 days — instead of 31 — from the date of the Medicaid/CHIPRA eligibility change to request enrollment in the City of Chandler group health plan. Contact Human Resources if you have any questions.

# Toll Booth

Here is what you pay for your coverage.

| MEDICAL | RED PLAN | | | | BLUE PLAN | | | | WHITE PLAN | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Monthly | | | Employee per pay period | Monthly | | | Employee per pay period | Monthly | | | Employee per pay period |
| | Total premium | Employer 80% | Employee 20% | | Total premium | Employer 80% | Employee 20% | | Total premium | Employer 100% | Employee 0% | |
| **Employee only** | $765.74 | $612.58 | $153.16 | $76.58 | $643.54 | $514.84 | $128.70 | $64.35 | $514.84 | $514.84 | $0.00 | $0.00 |
| **Employee + spouse** | $1,278.70 | $1,022.96 | $255.74 | $127.87 | $1,074.66 | $859.72 | $214.94 | $107.47 | $859.74 | $859.74 | $0.00 | $0.00 |
| **Employee + child(ren)** | $1,133.18 | $906.54 | $226.64 | $113.32 | $952.34 | $761.88 | $190.46 | $95.23 | $761.90 | $761.90 | $0.00 | $0.00 |
| **Employee + family** | $1,860.58 | $1,488.46 | $372.12 | $186.06 | $1,563.70 | $1,250.96 | $312.74 | $156.37 | $1,250.98 | $1,250.98 | $0.00 | $0.00 |

| DENTAL | Monthly | | | Employee per pay period |
|---|---|---|---|---|
| | Total premium | Employer | Employee | |
| **Employee only** | $51.00 | $51.00 | $0.00 | $0.00 |
| **Employee + one** | $83.00 | $58.00 | $25.00 | $12.50 |
| **Employee + two or more** | $135.00 | $67.50 | $67.50 | $33.75 |

| VISION | Monthly | | | Employee per pay period |
|---|---|---|---|---|
| | Total premium | Employer | Employee | |
| **Employee only** | $9.80 | $0.00 | $9.80 | $4.90 |
| **Family** | $21.26 | $0.00 | $21.26 | $10.63 |

* *Per Pay Period Premiums are based on 24 pay periods (out of 26) per year. There are two pay periods per year from which no deductions are taken. NOTE: If you are in a non-pay status, you are still responsible for paying your monthly premium.*

For voluntary term life rates, see the table on page 17.

## THE LIGHT IS GREEN

This is your one chance each year to consider your benefit options for the coming plan year such as:

- Adding or deleting dependents
- Electing your HSA contribution
- Increasing or decreasing voluntary term life insurance
- Enrolling in a Health Care or Dependent Care FSA

To enroll or make changes, please complete your enrollment between November 2 and November 16, 2015.

## Have you been on the move?

Have you moved recently or are you planning to move? If so, make sure you update your address using Oracle Employee Self Service. You may also include your personal email address. You could miss out on an opportunity to participate in valuable benefits if we don't know how to reach you. While the City can provide you with a wealth of resources, they are only valuable if you use them. And don't forget, in Oracle Employee Self Service, you can access your current benefit elections and beneficiaries, as well as important documents related to your coverage.

# Freedom to CHOOSE

RED, WHITE, BLUE & YOU

## MEDICAL

When you travel down the health plan highway, you get the freedom to choose what works best for you and your family. Just like every road curves and bends in its own unique way, each health plan offered by the City of Chandler has its unique features. The Red and Blue plans are similar with only minor differences. The White Plan is a high-deductible plan that puts you in control of your health care spending and saving. You should choose a medical plan that fits your needs and budget based on balancing the cost of:

- Payroll contributions
- Deductibles
- Coinsurance
- Copays

Generally, if you choose a plan with a higher deductible and coinsurance, your monthly premium will be smaller or you won't pay a contribution at all. Consider your family's situation in order to choose the plan that's right for you.

**Red Plan**

- Highest premium option
- Lower deductibles
- Lower coinsurance
- Some copays

**Blue Plan**

- Lower premium option
- Higher deductibles
- Highest coinsurance
- Some copays

**White Plan**

- No premiums
- Highest deductibles
- Lower coinsurance
- No copays

## PREVENTIVE CARE

Under the Affordable Care Act, commonly known as the health care reform law, most preventive care services, such as annual physicals, mammograms, and well-child or well-baby visits are covered 100 percent by the Red, White and Blue plans as long as in-network providers are used. This means you pay nothing for that visit. You can find a complete list of preventive care services on the **Healthcare.gov** website.

NOTE: If you discuss another health issue during a preventive services visit, you may have to pay a fee for your visit.

| DEDUCTIBLES | OUT-OF-POCKET MAXIMUMS |
|---|---|
| • The money you pay to your doctor or other health care provider, with the exception of copays and access fees<br>• Amounts applied to the in-network deductible will also apply to meet the out-of-network deductible; the amounts applied to the out-of-network deductible do not apply to meet the in-network deductible<br>• Member deductible is for those who enroll in Employee-only coverage<br>• Family deductible is for any other tier:<br>- Employee + spouse<br>- Employee + child(ren)<br>- Employee + family | • Deductibles<br>• Coinsurance you pay after meeting the deductible<br>• Copays for doctor visits or prescriptions<br>• Emergency room access fee (what you pay in addition to the deductible)<br>• This is the safety net to protect you from catastrophic health care expenses |

# The White Plan: The junction of spending and savings

While the Red and Blue plans are like a common intersection, the White Plan better resembles a round-about. Instead of being directed to travel down a certain path, you can get on and off when it's right for you.

The first thing that sets the White Plan apart is that it's a high deductible health plan (HDHP). When you need medical services, you will pay more before your coinsurance benefits kick in. At the same time, you make **NO CONTRIBUTION** to the plan premium in 2016. This means you only pay for health care when you use it. And, like the Red and Blue plans, preventive services are completely covered if you use in-network providers.

The plan comes with a Health Savings Account (HSA). You and the City can make contributions to this fund to help you pay for health care expenses. The funds in your HSA will continue to grow if you choose not to use your HSA for health care expenses. Because you pay more out-of-pocket before benefits kick in, you'll be more inclined to shop for the best value when you can — and this saves you and the medical plan money.

The best part of this plan is that you're not paying for coverage you don't need. This plan lets you pay for care when you need it — instead of paying a contribution for a plan you may not use that much.

## MAP KEY (THESE APPLY TO ALL PLANS)

It helps you to understand the following health plan terms so you can better understand how the plans work.

| TERM | DEFINITION |
|---|---|
| **Coinsurance** | Your share of the costs of a covered health care service, calculated as a percent of the allowed amount for the service. You have to pay the deductible before you receive the coinsurance benefit. Your coinsurance share is higher for out-of-network claims. |
| **Copay** | A flat amount you pay when you visit a health care provider or fill an in-network prescription. For example, if you enroll in the Red Plan and visit your Primary Care Physician (PCP), you would only pay the $25.00 copay. |
| **Deductible** | A fixed amount you pay before the Red, White or Blue plans begin to pay. Deductibles are higher on out-of-network claims. |
| **Health Savings Account (HSA)** | A medical savings account available to taxpayers who are enrolled in a high-deductible health plan. The funds contributed to the account aren't subject to federal income tax at the time of deposit.<br>Funds must be used to pay for qualified medical expenses. Unlike a Flexible Spending Account (FSA), funds roll over year to year if you don't spend them. You may not be reimbursed for expenses through the HSA unless the funds are in the account. |
| **In-network provider** | A provider who contracts with the City's claims administrator, Blue Cross Blue Shield of Arizona, and provides a discount off their regular fees. |
| **Out-of-pocket maximum** | This is your safety net in the City of Chandler medical plans that protects you from catastrophic medical expenses. Once you pay the individual maximum or family maximum, additional covered medical claims for the year are paid 100 percent by the City and you pay nothing. |
| **Preventive services** | Red, White and Blue plans cover 100 percent of preventive service visits made to in-network providers. Preventive services help you avoid getting sick in the first place. Mammograms, flu shots, prostate exams and well-baby visits are examples of preventive services.<br>NOTE: If you discuss another health issue during a preventive services visit, you may have to pay a fee for your visit. |

# A SPARE *can of fuel*

## HEALTH SAVINGS ACCOUNT (HSA)

When you head out on a long road trip, you might bring an extra gas can so you won't get stranded. An HSA is a savings account for health plan expenses. Like that extra gas can, it's a place where you can keep some money on hand to cover your health care expenses. With the HSA, you can pay for visits to your doctor, braces for your kids, eye glasses or anything else health-care related. And, just like a savings account at your bank, it earns interest on the account funds and is protected by the FDIC.

Once dollars are in your HSA account — they're yours forever. You don't have to use them all up in one year — instead, the funds can continue to build and grow for use in the future, including after you retire or no longer work for the City. This is why we say the WHITE Plan can help you think about and plan for covering future health care needs.

NOTE: It is the member's responsibility to ensure that funds are used for qualified health care expenses. The City will take no liability or responsibility for monitoring, documenting or in any way substantiating the use of HSA funds.

## HSA TAX ADVANTAGES

You also enjoy triple tax advantages with an HSA. You pay no taxes when you make pre-tax payroll contributions to the HSA or on interest you earn on the account. And, you pay no taxes when you use HSA funds to cover qualified medical expenses. You should know there are limits on how much you can contribute to an HSA each year.

The federal government sets the contribution limits and usually adjusts them each year. For 2016, the limit is $3,350 for individual and $6,750 for all other tiers. If you're 55 years old or older, you can contribute an additional $1,000/year over the individual and family limits.

CAUTION: You can take money out of your HSA any time, but you will pay penalties and taxes if those funds aren't used for qualified health care expenses.

**The City recommends you talk with your tax advisor about joining an HDHP with HSA. Remember, it is your responsibility to assure that you are an "HSA eligible" individual while contributions are made to your HSA account. You are also responsible for monitoring your contributions to ensure they remain within the annual contribution limits.**

The plan administrator does not provide tax advice and no inference may be made that the information contained here constitutes tax advice. The information contained in this document is for general guidance only and is subject to change due to changes in IRS rules and regulations. You should consult a qualified tax advisor with regard to any questions you may have about the tax effects of an HSA on your individual circumstances. The plan administrator assumes no responsibility for the accuracy of tax statements expressed in this document in relation to an individual's tax situation.

To learn more about the Health Savings Account visit **www.healthequity.com/hsalearn**.

### WHO IS ELIGIBLE FOR AN HSA?

To be eligible for an HSA, you must only be covered by an HSA-compatible health insurance plan, not enrolled in Medicare and not claimed as a dependent on another person's tax return. Your eligibility to contribute to an HSA is determined on the first of each month. The White Plan is a qualifying plan!

### WHAT KINDS OF COVERAGE WOULD MAKE ME HSA INELIGIBLE?

Any health plan that is not an HSA-compatible plan would make you ineligible for an HSA. This includes coverage under a spouse's plan which is not an HSA-compatible plan and enrollment in a General Medical Flexible Spending Account or Heath Reimbursement Account.

**BE AWARE: Consult your tax advisor if you have questions prior to enrolling.**

### IMPORTANT NOTE REGARDING FSAs AND THE WHITE PLAN

If you enroll in the White Plan for the first time in 2016, you must have a $0 balance in your Health Care FSA. Pending claims and claims not yet submitted cannot be considered in determining whether the account balance is zero. The IRS doesn't allow you to have a Health Care FSA and Health Savings Account at the same time.

# Medical plan comparison chart

## PLAN QUALITIES

| | RED PLAN | BLUE PLAN | WHITE PLAN |
|---|---|---|---|
| **Cost** | Highest monthly premium, but lower deductible (see chart below) | Lower monthly premium, but higher deductible than the Red Plan (see chart below) | No monthly premium in 2016, but highest deductible (see chart below) |
| **Flexibility to choose doctors** | Same level of flexibility to choose doctors using the BCBS of Arizona network — generally, out-of-pocket costs are lower when you use an in-network provider. | | |
| **Prescription drugs** | You pay a copay when you fill a prescription with an in-network pharmacy. Refer to out-of-network pharmacy description below. | | You pay the full cost of prescription drugs until you satisfy the deductible, then you pay a copay when you fill a prescription with an in-network pharmacy. Refer to out-of-network pharmacy description below. |
| **In-network provider advantage** | You save money when you choose in-network providers because you receive negotiated discounts for services. | | |
| **Prevention** | Preventive service visits to in-network providers are covered at 100 percent. | | |
| **Protection** | Same level of protection (all three plans feature an out-of-pocket maximum to protect you in case you and your family have unusually large health care expenses in a single plan year — if you reach the out-of-pocket maximum, the plan will pay the rest of your covered charges for the remainder of the year). | | |

## MEDICAL PLAN COMPARISON[1]

| BENEFITS | RED PLAN | | BLUE PLAN | | WHITE PLAN | |
|---|---|---|---|---|---|---|
| | IN-NETWORK | OUT-OF-NETWORK | IN-NETWORK | OUT-OF-NETWORK | IN-NETWORK | OUT-OF-NETWORK |
| **Deductible** | | | | | | |
| **Member** | $250 | $500 | $500 | $1,500 | $1,500 | $4,500 |
| **Family** | $500 | $1,000 | $1,000 | $3,000 | $3,000 | $9,000 |
| **Lifetime maximum** | Unlimited | | Unlimited | | Unlimited | |
| **Pre-existing condition exclusion** | Eliminated 1/1/14 | | Eliminated 1/1/14 | | Eliminated 1/1/14 | |
| **Out-of-Pocket Maximum** | | | | | | |
| **Member** | $2,250 | $4,500 | $2,500 | $6,000 | $3,000 | $8,000 |
| **Family** | $4,500 | $9,000 | $5,000 | $12,000 | $6,000 | $16,000 |
| **Physician Services** | | | | | | |
| **Primary care office visit** | $25 copay | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Adult physical exams** | No charge | Not covered | No charge | Not covered | No charge | Not covered |
| **Well-child care** | No charge | Not covered | No charge | Not covered | No charge | Not covered |
| **GYN (preventive care)** | No charge | Not covered | No charge | Not covered | No charge | Not covered |
| **Specialist office visit** | $40 copay | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Diagnostic Services** | | | | | | |
| **X-ray** | 100%[2] | 30% after deductible | 100%[2] | 40% after deductible | 10% after deductible | 30% after deductible |
| **Complex radiology (MRI, MRA, CT Scan, PET Scan)** | 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Lab** | 100%[2] | 30% after deductible | 100%[2] | 40% after deductible | 10% after deductible | 30% after deductible |
| **Allergy tests and treatment** | Applicable office visit copay applies | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Pap test (preventive)** | No charge | Not covered | No charge | Not covered | No charge | Not covered |
| **Mammography (preventive)** | No charge | 30% (deductible waived) | No charge | 40% (deductible waived) | No charge | 30% (deductible waived) |

## MEDICAL PLAN COMPARISON[1] CONTINUED

| BENEFITS | RED PLAN | | BLUE PLAN | | WHITE PLAN | |
|---|---|---|---|---|---|---|
| | IN-NETWORK | OUT-OF-NETWORK | IN-NETWORK | OUT-OF-NETWORK | IN-NETWORK | OUT-OF-NETWORK |
| **Hospital Services** | | | | | | |
| **Inpatient (including semi-private room and board and physician and surgeon charges)** | 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Outpatient surgery** | 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Emergency Services** | | | | | | |
| **Hospital emergency room** | $100 access fee plus 10% after deductible | | $100 access fee plus 15% after deductible | | 10% after deductible | |
| **Ambulance** | No charge | | No charge | | 10% after deductible | 10% after deductible |
| **Urgent care facilities** | $50 copay | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Other Facilities** | | | | | | |
| **Skilled nursing facility** | 10% after deductible[3] | 30% after deductible[3] | 15% after deductible[3] | 40% after deductible[3] | 10% after deductible[3] | 30% after deductible[3] |
| **Home health care** | 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Mental Health Treatment** | | | | | | |
| **Inpatient** | 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Outpatient (individual or group counseling)** | Applicable copay or 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Substance Abuse Treatment** | | | | | | |
| **Inpatient** | 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Outpatient** | Applicable copay or 10% after deductible | 30% after deductible | 15% after deductible | 40% after deductible | 10% after deductible | 30% after deductible |
| **Other Services** | | | | | | |
| **Durable medical equipment** | No charge | 30% after deductible | No charge | 40% after deductible | 10% after deductible | 30% after deductible |
| **Prosthetics** | No charge | 30% after deductible | No charge | 40% after deductible | 10% after deductible | 30% after deductible |
| **Outpatient short-term rehabilitation (physical therapy)** | $40 copay[4] | 30% after deductible[4] | 15% after deductible[4] | 40% after deductible[4] | 10% after deductible[4] | 30% after deductible[4] |
| **Chiropractic care** | $35 copay[5] | 30% after deducitble[5] | 15% after deducitble[5] | 40% after deductible[5] | 10% after deductible[5] | 30% after deductible[5] |
| **Prescription Drugs** | | | | | | |
| **Retail – Up to 30-day supply** | | | | | | |
| **Level one** | $10 copay | Applicable copay, plus difference between pharmacy price and allowed amount | $10 copay | Applicable copay, plus difference between pharmacy price and allowed amount | $10 copay, after deductible | 30% after deductible, plus difference between pharmacy price and allowed amount |
| **Level two** | $20 copay | | $20 copay | | $20 copay, after deductible | |
| **Level three** | $40 copay | | $40 copay | | $40 copay, after deductible | |
| **Mail order – Up to 90-day supply** | 2x retail copay | Not covered | 2x retail copay | Not covered | 2x retail copay, after deductible | Not covered |

1 All services must be medically necessary.
2 100% Freestanding Independent Lab or if only service performed in physician's office; physician office visit cost share applies if x-ray received in a physician's office and an office visit is billed.
3 Annual limit of 240 days applies.
4 Annual 60 visit limitation (PT, OT, ST) applies.
5 Annual 20 visit limitation applies.

# DENTAL Something to SMILE ABOUT

### Chew on this

Remember, if you want to receive the deepest discounts, use a Delta Dental of Arizona PPO network dentist. (Note: PPO dentists are also members of the premier network but offer an additional discounted rate.)

Good dental health not only keeps your smile in shape, it also helps ward off other conditions. If your dentist notices signs of gum disease, it can be a red flag that an underlying condition like hypertension or anemia could be affecting your overall health. To help you stay on top of your dental health, the City offers you and your eligible dependents comprehensive dental coverage through Delta Dental of Arizona. Here are some important points to remember about how the plan works:

1. **Freedom to visit any licensed dentist of your choice** — While you have this freedom, use it wisely. You may pay more out of your pocket if you visit a dentist that is not part of the Delta Dental of Arizona PPO or Premier networks.

   What the plan does pay is based on what it considers "reasonable, usual and customary." This means, what it covers is determined by what a service typically costs in your geographic area.

2. **Savings when you visit a network provider** — The Delta Dental of Arizona plan allows you to see any licensed dental provider you choose. But, by visiting a contracted in-network PPO or Premier dental provider (your network is the *PPO Plus Premier Network*…the largest available network!), you will save money. Remember, those listed as PPO providers offer the deepest discounts and will save you the most money, followed by those listed as Premier providers. Stay in-network and save!

3. **You won't get a bill later** — With the exception of your deductible and shared responsibility, participating providers accept Delta Dental of Arizona's payment as "paid in full" so you won't receive a bill later.

### ARMED TO THE TEETH

Be sure to get any service over $250 predetermined by Delta Dental of Arizona before you proceed. You may risk the chance of not being covered.

- Don't get stuck paying more than you should. You may be billed for the balance of what the plan does not cover. This is called "balance billing." Consider the following before obtaining a service:
  - Make sure the provider and facility are a part of the Premier network. If you're not sure, call the provider or Delta Dental of Arizona directly.
  - Find out the cost for a service and how much the plan will cover. This will help you determine whether or not you will be billed later.
  - If you will have to pay out-of-pocket for a service, consider searching for a participating provider so you can receive the maximum benefit.

### ROADSIDE ATTRACTION

To locate a participating provider:

- Visit **www.deltadentalaz.com** and select "Dentist Search" from the "Looking for a Dentist" section of the home page
- Call **800-352-6132**, select Option 5 and follow the automated instructions
- Be sure to select the " Delta Dental of Arizona Premier Network" or ask your dentist

Here's a snapshot of your coverage under the dental plan.

| | |
|---|---|
| Deductible | $25 per person/$75 per family (applies to both in- and out-of-network) |
| Annual maximum | $2,000 per person for basic and major services<br>• All Preventive services do not contribute to the calendar year maximum<br>• All basic and major services contribute to the calendar year maximum<br>• Orthodontia has a separate lifetime maximum benefit of $2,000 per individual |

| ROUTINE SERVICES | BASIC SERVICES | MAJOR SERVICES | ORTHODONTIC SERVICES |
|---|---|---|---|
| Covered at 100% | Covered at 80% | Covered at 70% | Covered at 50% |
| **Diagnostic**<br>• Exams, evaluations or consultations (twice in a benefit year)<br>• X-rays<br>- Full mouth/Panorex or vertical bitewings (once in a three-year period)<br>- Bitewing (twice in a benefit year)<br>- Periapical<br>**Preventive**<br>• Routine cleanings (limited to twice[1] in a benefit year, or one difficult cleaning may be exchanged for one routine cleaning. However, the difficult cleaning is limited to once in a five-year period)<br>• Topical application of fluoride (children through age 17, twice a benefit year)<br>• Space maintainers (for missing posterior primary 'baby' teeth up to age 14)<br>• Third cleaning benefit[1] | **Restorative**<br>• Fillings<br>- Silver amalgam, synthetic white fillings (once per surface every two years)<br>- Stainless steel crowns (for primary 'baby' teeth only)<br>- Sealants for children (once per three-year period for permanent molars and bicuspids through age 18)<br>**Oral surgery:** Extractions, general anesthesia (for surgical extractions or other surgical procedures performed in a dental office)<br>**Endodontics**<br>• Root canal treatment (permanent teeth)<br>• Pulpotomy (primary 'baby' teeth)<br>**Periodontics**<br>• Treatment of gum disease (non-surgical, once every two years; surgical, once every three years)<br>**Emergency**<br>• Treatment for the relief of pain and limited prescriptions | **Prosthodontics**<br>• Bridges<br>• Partial dentures<br>• Complete dentures<br>**Restorative**<br>• Crowns<br>• Onlays<br>**Bridge and denture repair**<br>• Repair of such appliances to their original condition including relining of dentures<br>**Replacement**<br>• Replacements are covered once every five years for all major services from date last performed. Does not provide for lost, misplaced or stolen bridges or dentures<br>**Implants**<br>• Limitations apply | **Benefits for adults and children**<br>Lifetime orthodontia benefit limited to a maximum of **$2,000** per patient — payable in two payments — on initial banding and twelve months after (includes Invisalign).<br>This maximum is separate from the calendar year maximum for your other dental benefits. |

[1] *An additional third dental cleaning per benefit year is available to covered persons with a diagnosis of diabetes, pregnancy, renal dialysis, suppressed immune system (due to chemotherapy, HIV positive, organ transplant, or stem cell/bone marrow transplant), head and neck radiation or high risk cardiac conditions.*

# VISION AND HEARING

You can spot any vision problems early by practicing good eye health. To help you with this, the City of Chandler offers a vision benefit through Vision Service Plan (VSP) that covers eye exams, frames, lenses and contact lenses. Here's how it works:

1. Locate a provider in the VSP Signature Doctor network by calling **800-877-7195** or visiting VSP's website at **www.vsp.com**.

   **NOTE:** You have the option of visiting a non-VSP provider, but it will typically cost you more and you'll have to pay the provider in full at the time you receive services. You must submit your itemized receipts to VSP for reimbursement within 12 months.

2. Contact the vision provider and identify yourself as a VSP member who is a City of Chandler employee.

3. The doctor will contact VSP to verify your coverage and obtain authorization for services.

4. VSP will pay the doctor directly for covered services and materials and you pay the difference. It's that easy! Keep in mind, if you visit a non-VSP provider, you will pay more AND you'll have to pay up front and submit a claim to VSP for reimbursement.

*Remember:*

- You can get new frames every two plan years
- You can get exams, new lenses and contacts every plan year
- Review the table below carefully

Here's a snapshot of your coverage under the plan.

| | |
|---|---|
| Deductible | None |
| Maximum benefit | Set by VSP |

| BENEFITS | VSP PROVIDER | NON-VSP PROVIDER |
|---|---|---|
| Exam — one per plan year[1] | $10 copay | Plan pays up to $50 after copay |
| Frames[2] — every two plan years[1] | $15 copay in addition to the exam; covered up to $160 allowance | Plan pays up to $70 after copay |
| Lenses[2] — every plan year[1] | $15 copay | Reimbursement ranges from $50 to $125 per pair depending on the type of lenses |
| Contact lenses vs. glasses — every plan year[1] | $10 copay for the contact lens exam. Lenses covered up to $160 allowance; 15% off contact lens fitting and evaluation | Reimbursement ranges up to $105 per pair depending on the type of contact lenses |

[1] *Plan year begins January 1 and ends December 31.*

[2] *Only one $15 copay is required when lenses and frames are purchased at the same time.*

## DISCOUNT ON HEARING AIDS

VSP Vision Care offers discounts on hearing aids through its partners, TruHearing®. At no cost, you can sign up for the TruHearing MemberPlus program to receive discounts such as:

- Savings of up to 50 percent on hearing aids, based on model
- Yearly comprehensive hearing exams for $75
- Up to three follow-up visits to get the fitting just right
- Protection from loss or damage
- Forty-eight batteries per purchased hearing aid

You can learn more online at **vsp.truhearing.com** or by calling **877-396-7194**.

## VSP DIABETIC EYECARE PLUS PROGRAMS

If you have diabetes, staying on top of your eye health is critically important. When you enroll in the vision plan, you can visit a VSP doctor as often as needed and only pay a copay for the diabetes-related services.

**ROADSIDE ATTRACTION**

When you receive vision services, you will need to use COC + your employee number: COC####.

# THE *driving* FORCE

The City of Chandler understands your family is the driving force behind your overall well-being. With that in mind, the City provides you with basic life and accidental death and dismemberment (AD&D) coverage at no cost to you to provide financial protection for your loved ones.

## BASIC LIFE AND AD&D INSURANCE

As a City of Chandler employee, you automatically receive basic life and AD&D coverage for yourself in the amount of one times your annual salary. The minimum insurance amount is $50,000 (if you make less than that per year) and the maximum amount is $200,000. If your death is due to a motor vehicle accident and you were wearing your seatbelt, your beneficiary(ies) receives an additional 10 percent in coverage (up to a maximum of $25,000). AD&D insurance covers you in the event you lose a limb, your sight, hearing or speech in an accident. Your coverage terminates at retirement unless retiree coverage is elected.

## COMMUTER INSURANCE (GROUP TRAVEL ACCIDENT)

The commuter insurance plan offers you coverage in the event you lose your life in an accident while traveling to and from work, or traveling on City business. Your beneficiary(ies) receives $200,000 and an additional $20,000 if you were wearing your seat belt.

### ROADSIDE ATTRACTION

Always make sure your beneficiary information for your life insurance and retirement plans is up-to-date. It's an important step in making sure your wishes are met.

You can update your beneficiaries in Employee Self Service.

# VOLUNTARY TERM life insurance

When you need to go the extra mile, the voluntary term life plan through VOYA Financial, Inc. allows you to purchase additional life insurance coverage for yourself, your spouse and your children.

### Coverage for you

- Available in increments of $10,000
- Minimum insurance amount: $10,000
- Maximum insurance amount: $500,000 or five times your salary, whichever is less

### Coverage for your spouse

- Available in increments of $5,000
- Minimum insurance amount: $5,000
- Maximum insurance amount: 50 percent of your employee amount

### Coverage for your children

- $10,000/child

**Benefit amounts reduce to 65 percent of the original coverage amount when the insured reaches age 70, and to 50 percent when the insured reaches age 75.** Your voluntary term life coverage is portable. This means if you change jobs or retire, you can apply for coverage until you reach age 70.

## HELP WHEN YOU NEED IT

Other benefits from VOYA

1. **Funeral Planning and Concierge Services:** Everest, an independent consumer advocate, will be available to aid you in funeral planning for yourself and eligible family members. Funeral Planning and Concierge Services provided by Everest Funeral Package, LLC, Houston, TX 77056. Services are not available to residents of all states.
2. **VOYA Travel Assistance:** You and your dependents will have access to pre-trip information and emergency personal and medical services when traveling more than 100 miles from home. VOYA Travel Assistance services provided by Europ Assistance USA, Bethesda, MD 20814. Services are not available to residents of all states.

**If you are currently enrolled and you want to increase your own or a family member's insurance, or if you are enrolling for the first time**, you may need to complete the insurer's evidence of insurability (EOI) application. A separate EOI application must be completed for each person that requires underwriting. Contact Human Resources if you require an EOI.

Exceptions (only available during Open Enrollment):

- **If you are increasing your life insurance by no more than $10,000** and the increase will keep your total amount at $120,000 (or less), you do not need to complete an EOI application.
- **If you are increasing coverage for your spouse**, an EOI application is not required if the increase is no more than $5,000 and the increase will keep your total amount at $60,000 (or less) or 50 percent of your employee amount, whichever is less.

**This is a summary of benefits only. Please refer to your certificate for a complete description of benefits, limitations and exclusions. Underwritten by ReliaStar Life Insurance Company, policy form LP00GP.**

**ROADSIDE ATTRACTION**

If you are a new hire:

- **Employee:** When you are initially eligible for coverage, you can elect up to the maximum guaranteed issue amount of $120,000 without having to answer questions relating to your health
- **Spouse:** When you are initially eligible for coverage, you can elect up to the maximum guaranteed issue amount of $60,000 (50 percent of the employee election) without having to answer questions relating to your spouse's health
- **Children:** When you are initially eligible for coverage, you can elect up to the maximum guaranteed issue amount of $10,000 per child without providing proof of good health on your children

## WHAT YOU PAY FOR PROTECTION

How much you pay toward the cost of your coverage depends on the amount of insurance you elect and whether or not you or your spouse use tobacco products. You only pay one premium for child coverage regardless of the number of children you cover.

**VOLUNTARY TERM LIFE INSURANCE MONTHLY RATES**

To calculate the monthly premium, select the appropriate table and find the correct age bracket. Age should be determined as of January 1, 2016. Multiply the "Rate per $1,000" by the number of $1,000 increments being purchased.

For example, you are a 35-year-old non-tobacco user electing $25,000. Your cost is 25 x $0.09 = $2.25 per month.

| Employee (Non-tobacco user) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Age** | <20 | 20-24 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60-64 | 65+ |
| **Rate per $1,000** | 0.034 | 0.048 | 0.058 | 0.07 | 0.09 | 0.14 | 0.218 | 0.402 | 0.80 | 1.32 | 1.964 |
| Spouse (Non-tobacco user) | | | | | | | | | | | |
| **Rate per $1,000** | 0.024 | 0.034 | 0.042 | 0.054 | 0.07 | 0.126 | 0.168 | 0.36 | 0.64 | 0.972 | 1.546 |
| Employee (Tobacco user) | | | | | | | | | | | |
| **Rate per $1,000** | 0.048 | 0.07 | 0.082 | 0.106 | 0.144 | 0.234 | 0.374 | 0.676 | 1.03 | 1.55 | 2.22 |
| Spouse (Tobacco user) | | | | | | | | | | | |
| **Rate per $1,000** | 0.034 | 0.05 | 0.06 | 0.082 | 0.114 | 0.187 | 0.29 | 0.492 | 0.707 | 1.152 | 1.629 |
| Child[1] rate is 0.123 per month per $1,000 of coverage regardless of the number of eligible children covered. | | | | | | | | | | | |

*The rates shown are guaranteed through 12/31/2016.*

[1] *Children may be covered up to age 26.*

## SHORT-TERM AND LONG-TERM DISABILITY

Even if you're just planning a trip around the block, it helps to be protected from the unexpected. That's what you do when you protect yourself from the unforeseen with disability insurance. If you find yourself in a situation where you can't work, the short-term disability (STD) and long-term disability (LTD) plans replace a portion of your lost income if you qualify and are a regular-status employee. For additional details on the plans, please refer to the policy under Benefits on Chanweb.

### *Short-term disability (STD) plan:*

If you are approved for short-term disability, this benefit will replace 66 2/3 percent of your pay. Benefits begin on the 60th day of disability or when all of your sick time is exhausted, whichever is later. Benefits end on the 180th day of your disability. Matrix Absence Management can help you with your STD claim. Call **866-533-3438**.

### *Long-term disability (LTD) plan:*

If you are approved for this benefit and your disability continues beyond 180 days, you receive 66 2/3 percent of your pay until you are no longer disabled or you become eligible for retirement, whichever occurs first.

## FAMILY AND MEDICAL LEAVE

The Family and Medical Leave Act (FMLA) is a federal law that provides employees the right to take a leave of absence for their own or an eligible family member's medical condition while maintaining job protection. It is the City of Chandler's policy to grant up to 12 weeks of family and medical leave for basic leave and military qualifying exigency leave and up to 26 weeks of family and medical leave for military caregiver leave during a rolling 12-month period to eligible employees in accordance with FMLA. Employees should contact Matrix Absence Management to file for FMLA at **866-533-3438** or online at **www.matrixeservices.com**.

# NEW VENDOR: FLEXIBLE BENEFITS ADMINISTRATORS, INC. (FBA)

the inside TRACK

### FLEXIBLE SPENDING ACCOUNTS (FSA)

You can get on the inside track for paying fewer taxes when you sign up for a Flexible Spending Account (FSA). FSAs allow you to set aside some of your pay on a pre-tax basis and then you can use that money to pay for health care or dependent care-related expenses you would pay for anyway.

If you **not** are enrolled in the White Plan, you can use the Health Care FSA (HCFSA) to budget for and pay qualified health expenses. **You cannot enroll in an HCFSA if you enroll in the White Plan**.

Any employee can enroll in a Dependent Care Flexible Spending Account (DCFSA), which allows you to pay for qualified dependent care expenses.

### HEALTH CARE FLEXIBLE SPENDING ACCOUNT (HCFSA)

The HCFSA is used to pay for eligible health care expenses that are not already covered by your medical, dental or vision plans for you and your qualified dependents. When you enroll, you determine how much you want to contribute per paycheck to your FSA. The amount is then deducted from your pay before federal, state and Social Security (FICA) taxes are deducted, thereby reducing your taxable income.

You are allowed to contribute up to $2,500 a year to your HCFSA, subject to the following limitations:

- If you and your spouse file taxes separately, your maximum contribution is $2,500
- If your spouse also has a HCFSA through his or her job, your combined contributions cannot exceed $2,500

When you have an eligible expense, you can use your debit card or file a claim to be reimbursed from your FSA. And here's the great part — you're not required to have the full amount in your account to cover an expense. As soon as you begin contributing to your FSA, you can draw on your full yearly election even if you have not yet contributed enough to cover your expenses!

### DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT (DCFSA)

The DCFSA is used to pay expenses related to dependent day care services for your child(ren) under the age of 13 as well as older children or adults who are mentally or physically incapable of caring for themselves. Typical eligible expenses include payments to a person providing care in a day care center, nursery school, or your home.

You may contribute up to $5,000 a year to your DCFSA, subject to the following limitations:

- If you and your spouse file taxes separately, your maximum contribution is $2,500
- If your spouse also has a DCFSA through his or her job, your combined contributions cannot exceed $5,000
- If your spouse is disabled or a full-time student, your contributions cannot exceed $200 per month if you have one child or $400 per month if you have two or more children

NOTE: Under the DCFSA, you must have the funds available in your account before you can submit a request for reimbursement.

**ROADSIDE ATTRACTION**

For your Flexible Spending Accounts (FSAs), you will need to use the ID number COC+your employee number: COC####.

## PAYING FOR YOUR PURCHASES

When you enroll in the Health Care FSA, you will receive a special FBA credit card to pay your eligible expenses, including deductibles, copayments, coinsurance, prescription drug costs and your dental and vision expenses. At the time of service, simply use your FBA credit card to pay. The money is then automatically deducted from your HCFSA account so you don't have to file a claim form and wait to be reimbursed. It's that easy!

### *Keep your receipts*

You may be asked by FBA to validate a purchase, so it's important you keep your receipts. Under IRS rules, all payments must be validated to ensure they are for eligible health care expenses. If you cannot prove it was for a health care related expense, you may be asked to reimburse FBA for the expense.

### ROADSIDE ATTRACTION

FBA offers a comprehensive website for participants. Simply log in to **www.mywealthcareonline.com/fba** to get information about the plan, set up your account, obtain forms, request direct deposit of your FSA reimbursements, track your claims and balances, and find plan information about eligible expenses.

You can also visit the IRS website at **www.irs.gov** for a complete list of eligible expenses and any limitations that apply. If you still need help, feel free to contact FBA directly at **800-437-3539**.

## RULES OF THE ROAD

Here is some important information you need to have before you decide to enroll in a flexible spending account:

- The minimum annual contribution is $250 and the maximum is $2,500 for a Health Care Flexible Spending Account (HCFSA) and $5,000 for a Dependent Care Flexible Spending Account (DCFSA)
- You must re-enroll every year
- For the 2016 plan year, you can incur eligible expenses from January 1, 2016 until March 15, 2017. This allows you 14 ½ months to use your 12-month election
- Visit **www.mywealthcareonline.com/fba** for a comprehensive list of drugs that are reimbursable
- Most over-the-counter medications are not eligible for reimbursement unless you have a prescription from your doctor
- Review IRS Publication 502 for eligible/non-eligible expenses
- If you pay for an expense and do not use your FBA card, submit your claims to FBA no later than March 31, 2017
- **You cannot enroll in the Health Care Flexible Spending Account (HCFSA) if you enroll in the White Plan**

## AN FSA IS A SMART WAY TO SAVE!

An FSA can help reduce your taxes and increase your take-home pay — giving you extra dollars for the things you really want. You cannot enroll in a Health Care FSA if enrolled in the White Plan. Here are some examples of how your savings can increase your take-home pay.

### *Example #1*

Salary: $25,000
Health Care FSA contribution: $1,500
Take-home pay increase: $341[1]

### *Example #1*

Salary: $40,000
Health Care FSA contribution: $1,750
Dependent Care FSA contribution: $4,000
Take-home pay increase: $1,303[2]

### *Example #1*

Salary: $60,000
Health Care FSA contribution: $2,000
Dependent Care FSA contribution: $4,500
Take-home pay increase: $1,473[2]

Examples are based on federal and Social Security tax for 2015. This may vary depending on your state and local taxes.

[1] *Based on single filing status.*

[2] *Based on married filing jointly with two dependents (including spouse).*

*Please be advised that these projections are only estimates of tax information and should not be assumed to be tax advice; they are intended for illustrative purposes. Be sure to consult a tax advisor to determine the appropriate tax advice for your situation.*

# FSA Worksheet

## ESTIMATE YOUR EXPENSES—AN EFFECTIVE STRATEGY

Use the handy worksheets below to help you estimate your expenses for the year. This will help you determine how much you should contribute to each account given your personal needs.

## All employees not enrolled in the White Plan

Red Plan | Blue Plan

| HEALTH CARE FLEXIBLE SPENDING ACCOUNT WORKSHEET | |
|---|---|
| Expense | Amount |
| **Estimate your out-of-pocket medical expenses for you and your family** | |
| Deductibles | $ |
| Co-pay or coinsurance for office visits and other services | $ |
| Prescription drug deductible and co-pay | $ |
| Your cost for care not covered by the plan | $ |
| **Estimate your out-of-pocket dental expenses for you and your family** | |
| Deductible | $ |
| Your share of upcoming costs for: | $ |
| • Basic services | $ |
| • Major services | $ |
| • Orthodontia | $ |
| Your cost for extra dental cleanings or care not covered | $ |
| **Estimate your out-of-pocket vision expenses for you and your family** | |
| Vision exams and/or the cost of glasses, prescription sun glasses or contacts not covered by the plan | $ |
| **Total expenses** | **$** |
| **Divide total expenses by 26 to determine how much to contribute each pay period** | **$** |

## All employees

Red Plan | Blue Plan | White Plan

| DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT WORKSHEET | | |
|---|---|---|
| Expense | | Amount |
| **Estimate your out-of-pocket medical expenses for you and your family** | | |
| Your estimated weekly cost of care | 1 | $ |
| Number of weeks of care | 2 | $ |
| **Total estimated dependent care expenses (multiply line 1 by line 2)** | | |
| Your maximum annual contribution amount ($5,000 or $2,500 if married filing separately) | | $ |
| Your annual contribution amount | | $ |
| **Divide annual contribution amount by 26 to determine how much to contribute each pay period** | | **$** |

# MAP YOUR *journey*

Saving early can help you reach your retirement goals so you can maintain your current lifestyle and live your dreams. The City offers you three ways to save for your retirement.

### THE DEFERRED COMPENSATION PLAN [457(B)]

The ICMA Retirement Corporation administers the plan. Not only does the plan offer you an additional way to set aside part of your salary tax free, but now you may also set aside dollars that have already been taxed into a Roth 457 option. You may want to speak with a financial advisor about the pros and cons of pre-tax and after-tax retirement savings to decide which option is right for you. You can select funds for your account investments from a robust line up of options and you have an option to open a brokerage account. The City, in partnership with ICMA, is committed to providing transparency about fees charged to your account to help pay for maintaining it. So you can count on fee disclosure notices to help you understand what is being charged and what it's being used for. Remember, there are some IRS limits on how much you can contribute to the plan.

In 2015, the IRS contribution limits are $18,000 for those under age 50 and $24,000 for those age 50 and older as of December 31, 2015. Please note: The IRS has not confirmed the contribution limits for 2016; therefore, the limits may change.

### ARIZONA STATE RETIREMENT SYSTEM AND PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

The City makes sizable contributions on your behalf to your retirement system. These are combined with your contributions to provide a valuable source of future income.

### RETIREMENT HEALTH SAVINGS PLAN (RHSP)

Offered through ICMA Retirement Corporation, the RHSP was established by the City to assist team members in saving money for medical expenses during retirement. While you are employed, the City will contribute $15 per pay period ($390 per year), which will be deposited into your RHSP account on a tax-free basis. In addition, if you have excess vacation that is subject to forfeiture, you may have vacation hours[1] converted to cash and deposited in your account. (Note: The deposited amount is not retirement eligible for ASRS or PSPRS.)

If you retire from the City or are approved for long-term disability benefits within 180 days of separation, and are eligible to retire at separation:

- 50 percent of any remaining sick leave will be deposited into your account tax-free
- With five or more years of City service, $800 for every year of service will be deposited into your RHSP account.

It's a win-win!

[1] *Up to 60 hours per year or equivalent as computed under the rule addressing fire personnel working more than a 40-hour workweek.*

## MAP IT OUT

ICMA Retirement Corporation offers a comprehensive website that allows you to:

- View your account balance
- Manage your allocation of funds
- Look at the loan provision to borrow funds from your Deferred Compensation Account
- View information concerning the performance of various funds
- Update your personal information, such as your address and telephone number and beneficiaries. Remember, you must update your information with ICMA Retirement Corporation in addition to updating your benefits in Oracle Self Service. To get access, simply log on to **www.icmarc.org** and register.

## RULES OF THE ROAD

The money in your RHSP cannot be used until after you leave the City.

- A "qualified beneficiary" as defined by the IRS is a surviving spouse or eligible dependent. In the event of your death, the RHSP funds can only be transferred to a qualified beneficiary. The funds cannot be left to an ex-spouse, an ineligible child (e.g., your child age 26 or older), a parent, brother, sister, aunt, uncle, etc.
- Always make sure the beneficiary information for your life insurance and retirement plans is up-to-date.

## MAXIMIZE YOUR CITY-PAID DEFERRED COMPENSATION CONTRIBUTIONS

If you are in an employee group that is eligible for a City contribution toward your 457 plan, that amount, plus your own deferrals, will count toward the overall annual maximum for the tax calendar year. In 2015, the IRS contribution limits are $18,000 for those under age 50 and $24,000 for those age 50 and older. Please note: The IRS has not confirmed the contribution limits for 2016; therefore, the limits may change. If you want to have the maximum annual amount deferred into your 457 account while enjoying the full benefit of the City's contributions, we encourage you to closely manage your account regularly. This may help you avoid reaching the maximum IRS contribution before the end of the year. If that happens, you won't be able to take full advantage of the remaining City contributions, so consider adjusting your deferrals throughout the year to avoid reaching the annual maximum before the last pay period of the tax year.

PLEASE NOTE: The City of Chandler, the ICMA Retirement Corporation and its affiliates to include TD Ameritrade, are NOT responsible for your investment choices and/or any investment action you may take.

## ROADSIDE ATTRACTION

You may be eligible to purchase prior public sector service through ASRS or PSPRS if you worked for a public sector employer or served in the military before joining the City of Chandler. If so, and you purchase that service, you may be able to retire earlier than you planned and/or receive a higher monthly pension when you retire. Please call your retirement plan to inquire or go to their website for more information on this valuable option.

## RHSP ELIGIBILITY

A participant must meet a minimum age of 50 for benefit reimbursement eligibility, which will apply to those employees or elected officials who are vested in the Plan (five or more years of service) and separate from City service without retiring.

A participant may start receiving reimbursement prior to age 50 if they retire from one of the state retirement systems (ASRS or PSPRS).

# HAVE A *good trip*

The following extra benefits are available to you anytime during the year or as you need them, making your road trip extra special.

## EMPLOYEE NETWORK DISCOUNTS

All City employees are members of the Employee Network, which entitles you to great savings and discounts at many merchants and entertainment venues. Go to **www.employeenetwork.com** for additional details and discounts.

## AUTO AND HOME INSURANCE

The City offers group coverage through Liberty Mutual's Group Savings Plus® program, which features auto, home and other personal insurance. Because it is offered on a group basis, your coverage may cost you less than if you were to purchase it on your own.

- Valuable Possessions Coverage

Additional protection for your possessions, such as jewelry, fine arts, silver and musical instruments

- Personal Liability Protection

An additional layer of coverage that picks up where your home and auto policies leave off

- Other Personal Insurance

Includes coverage for motorcycles, recreational vehicles, motorboats and seasonal dwellings.

You also receive discounts that save you money on your insurance, around-the-clock claims service, guaranteed rates for 12 months and much more! You can enroll for this benefit any time during the year. To obtain a free quote, call Liberty Mutual at **480-857-8662 ext. 55955**. Don't forget to ask Liberty Mutual to have your premiums deducted from your paycheck!

## PET INSURANCE

Taking care of a family pet can get costly. The City of Chandler is pleased to offer you the option of enrolling in pet insurance through VPI®. VPI Pet Insurance is the nation's oldest, largest and number one veterinarian-recommended pet health insurance provider. With comprehensive plans designed to protect you financially when the unexpected occurs, affordable coverage from VPI Pet Insurance allows you to focus on providing health care for your pet rather than worrying about the cost of treatment. You can be reimbursed for veterinary expenses such as surgeries, diagnostic tests, hospitalization, prescriptions, vaccinations and more.

Now, thanks to the exclusive 5 percent group discount, you can save hundreds of dollars in VPI Pet Insurance premiums over the life of your pet. For a no-obligation quote or to learn more, call **877-PETS-VPI** (**877-738-7874**) and mention you are an employee of City of Chandler or visit **www.petsvpi.com** and enter your employer: "City of Chandler" and you will be directed to your dedicated discount page.

## NEW EAP VENDOR: E4 HEALTH INC

Everyday life can be overwhelming as you juggle work and personal responsibilities — not to mention the unexpected issues that occasionally pop up. The Employee Assistance Plan (EAP) is offered through E4 Health Inc at no cost to you and is a confidential counseling and referral service that is available 24 hours a day, 365 days a year. The EAP offers a wealth of resources and can help you deal with a wide range of challenges, including:

- Managing stress and anxiety
- Handling relationship issues
- Balancing work and life
- Caring for children or aging parents.

In addition to getting support over the phone, you and your family members get access to 10 face-to-face counseling visits per year per separate condition. To speak to an EAP counselor, call **800-227-2195**. For more details, you can also visit **www.e4-online.com**.

### TUITION REIMBURSEMENT

Available to all regular employees of the City, this plan offers reimbursement for courses taken at a fully accredited school or other City-approved education programs.

NOTE: The courses or training must be in an area related to a City career field and meet the City's eligibility requirements.

For more details, refer to the Tuition Reimbursement Policy on Chanweb or call Human Resources at **ext. 2350**.

### SHORT-TERM DISABILITY "GAP" PROGRAM

The STD "Gap" Program, through Colonial Life, is a voluntary benefit that gives you additional protection in the event you don't have enough leave hours to carry you through the City-sponsored STD waiting period (60 days) and/or you want another source of income during your period of disability. The STD "Gap" Program does not replace the City's STD plan. Here are some highlights of the coverage you can purchase:

- Coverage is for off-the-job illnesses or injuries
- The benefit period is three months and can begin on the first day of disability or the 14th day, depending on the waiting period you choose
- There are four waiting periods to pick from (first number is for accidents and the second number is for illnesses): 0/7days, 7/7 days, 0/14 days, 14/14 days
- The program pays regardless of any other insurance or source of income
- You may customize your coverage to better suit your needs
- If you're between the ages of 17 and 69, you can apply for this benefit
- A payment of $400 up to $3,000 per month, tax-free, may be chosen (not to exceed 60 percent of your income)

The most common reasons to enroll in the STD "Gap" Program include:

- Cancer
- Childbirth
- Heart attacks
- Muscle or bone disorders
- Nervous system disorders
- Strokes

Your coverage begins on the date your application is approved and your premiums must be paid via your personal banking account, not through payroll deduction. You may keep the coverage until you reach age 70 without an increase in what you pay for it. Also, if you leave the City, you can keep your coverage.

NOTE: Claims are handled directly by Colonial Life and not through the City.

To obtain a free quote, call the City's Colonial Life representative at **602-433-8144**.

### LEGAL SHIELD AND IDENTITY THEFT SHIELD

This voluntary benefit is offered through Legal Shield. As a plan member, you and your family will have access to a nationwide network of law firms to assist you with your day-to-day legal needs for a special group discounted rate. Also available to you at a discounted rate is the Identity Theft Shield. Included with your plan benefits are:

- Unlimited telephone consultations
- Legal contract and document review
- Letters written on your behalf
- Preparation of a will and living will
- Help with moving traffic violations
- Assistance with debt collection/ credit issues
- Help with mortgage, refinance or short sales
- Trial defense services
- Continuous credit monitoring and identity theft restoration
- And much more

You can enroll in these plans any time throughout the year. To enroll, simply contact the City's Legal Shield representative at **602-617-3209** or enroll online at **www.legalshield.com/info/chandleraz**. Your payments for these plans are made directly to Legal Shield.

# Ask the experts

| BENEFIT | PROVIDER NAME | POLICY NO. | PHONE | WEBSITE |
|---|---|---|---|---|
| City of Chandler Human Resources | | N/A | Ext. 2350 | Chanweb<br>Click on Divisions » Human Resources » Benefits |
| Medical | Blue Cross Blue Shield of Arizona (BCBSAZ) | 28399 | 866-595-5993 | www.azblue.com |
| Care Management | BCBSAZ | 28399 | 877-694-2583 | www.azblue.com |
| ESolutions (password help) | BCBSAZ | 28399 | 602-864-4844 | www.azblue.com |
| Nurse On Call | BCBSAZ | 28399 | 866-422-2729 | www.azblue.com |
| Disease Management | BCBSAZ | 28399 | 866-422-2729 | www.azblue.com |
| Health Coaching | BCBSAZ | 28399 | 866-422-2729 | www.azblue.com |
| HealthyBlue Beginnings | BCBSAZ | 28399 | 855-466-2229 | www.azblue.com |
| Mail Order Pharmacy Service | Walgreens Mail Service | 28399 | 800-345-1985 | www.walgreenshealth.com |
| Health Savings Account (HSA) | HealthEquity (24/7) | | 866-960-8026 | www.healthequity.com |
| Dental | Delta Dental of Arizona | 1193 | 602-938-3131 or 800-352-6132 | www.deltadentalaz.com |
| Vision | Vision Service Plan (VSP) | 12-138410 | 800-877-7195 | www.vsp.com |
| Life Insurance | VOYA, Financial, Inc. | 67475-3 | Customer Service: 800-537-5024<br>Life Claims: 888-238-4840 | www.voya.com |
| Deferred Compensation | ICMA Retirement Corporation | 301601 | 800-669-7400 (if you don't know your PIN, press 0)<br>Local representatives: 888-883-8578 | www.icmarc.org |
| Retirement Health Savings Plan (RHSP) | ICMA Retirement Corporation | 801217 | | |
| Flexible Spending Accounts (FSAs) | Flexible Benefits Administrators, Inc. (FBA) | N/A | 800-437-3539 | Effective January 1, 2016:<br>www.mywealthcareonline.com/fba |
| Family and Medical Leave Act (FMLA) | Matrix Absence Management | N/A | 866-533-3438 | www.matrixeservices.com |
| Pension Plan | Arizona State Retirement System | Account #: 420120 | 602-240-2000 | www.azasrs.gov |
| Pension Plan | Public Safety Personnel Retirement System | Account #:<br>For Fire: 004<br>For Police: 005 | 602-255-5575 | www.psprs.com |
| Employee Assistance Plan (EAP) | E4 Health Inc | N/A | 800-227-2195 | Effective January 1, 2016<br>www.e4-online.com |
| Employee Discount Program | The Employee Network | N/A | N/A | www.employeenetwork.com |
| Auto and Homeowners Insurance | Liberty Mutual | N/A | 480-483-8467 Ext. 55955 | www.libertymutual.com/tinakawar |
| Legal Shield | Legal Shield | N/A | 602-617-3209 | www.legalshield.com/info/chandleraz |
| Short-Term Disability | Matrix Absence Management | N/A | 866-533-3438 | N/A |
| STD "Gap" Program | Colonial Life | N/A | 602-433-8144 | www.coloniallife.com |
| Pet Insurance | VPI Pet Insurance | N/A | 877-738-7874 | www.petsvpi.com |
| Workers' Compensation | Corvel 24/7<br>To report injury/ accident | N/A | 877-764-3574 | N/A |