

## 2016—2017 BENEFITS CHANGES

### Open Enrollment Dates: August 11, 2016 – August 26, 2016

Please note that new elections and additions may not be made after August 26, 2016 unless a qualifying life event occurs (e.g., change in marriage status, birth, death, or gain/loss of coverage). If you experience a qualifying life event, you must notify your benefits representative within 30 days to be eligible to make changes.

The information in this document details the changes to HCS benefits for the upcoming plan year, which begins October 1, 2016. Premiums are taken out 10 months per year, from September to June. The monthly premium will be divided over our two semimonthly paychecks. An updated benefits guide and supplemental material will be available on the HCS website by August 1<sup>st</sup>.

### ***Benefits Eligibility:***

The following chart shows the benefits that HCS employees are eligible for based on their employment status.

BENEFIT	Full-Time Employees	Job Share	Part-Time Teacher	Full-Time Bus Attendants	Part-Time Employees
403(b) Plan	X	X	X	X	X
Auto & Home Insurance	X	X	X	X	X
Dental Insurance	X	X		X	
Disability Insurance	X	X		X	
Employee Assistance Program	X	X	X	X	X
Employee Health & Wellness Ctr	X	X		X	
Employee Pharmacy*	X	X		X	
Flexible Spending Accounts**	X	X	X	X	X
Health Insurance	X	X		X	
Legal Plan	X	X	X	X	X
Optional Life Insurance	X				
Unum Accident	X	X	X	X	X
Unum Critical Illness	X	X	X	X	X
Unum Group Hospital Indemnity	X	X	X	X	X
Unum Whole Life	X	X	X	X	X
Vision Insurance	X	X		X	

*\*Only those employees covered by an HCS Anthem policy.*

*\*\*Part-time employees are not eligible for medical flexible spending accounts.*

## ***Dependent Verification:***

Employees must verify any spouse or child that is covered under an HCS medical, dental, or vision plan. Employees who have already verified their dependent(s) will not need to do so again during the next enrollment period. However, those employees who will be adding a spouse or child as of October 1, 2016, will need to provide documentation for each of their eligible dependents. We have listed the most commonly required supporting documentation for different types of dependent coverage. This list may not be all-inclusive. The proof must substantiate the relationship. Contact us for unusual circumstances. You must supply original documents to the on-site enroller during the open enrollment period. Verification status will be kept on file in Human Resources. Once you've shown the applicable documents for a dependent, you will not need to show that same documentation in the future. In addition, SSNs are required for all covered spouses and dependents.

We are encouraging employees to gather these documents now, as original documents are required. Please be sure to schedule an appointment with an enrollment counselor. The counselor will verify your documentation even if you have no other changes to make. We can't guarantee that walk-ins will be seen on the same day.

Covered Dependent	Verification Documents
Spouse	2015 IRS 1040 <b>OR</b> Marriage Certificate Spouse Eligibility Affidavit required annually when spouse is covered under the Anthem policy.
Birth Child Birth to age 26	2015 IRS 1040 <b>OR</b> Original Birth Certificate
Step Child Birth to age 26	2015 IRS 1040 <b>OR</b> Original Birth Certificate <b>AND</b> Marriage Certificate
Adopted Child Birth to age 26	2015 IRS 1040 <b>OR</b> Court Documents naming employee as guardian
Disabled Adult Child Over age 26	2015 IRS 1040 <b>OR</b> Original Birth Certificate Providers also ask for verification of disability. This is handled outside of our dependent verification.
Legal Guardianship / Custody Birth to age 26	2015 IRS 1040 <b>AND</b> Court Document naming employee as legal guardian/custodian

Sometimes the documentation required can get complicated. For example, usually a birth certificate would be the only documentation needed for a natural born child of an employee, if the employee is the mother and her maiden name was Mary Jones (same as on the birth certificate). Now, her name is Mary Jackson because she changed her name when she married Sam Jackson. Thus, we would need to see the child's birth certificate to establish the relationship and the employee's marriage license to prove she is Mary Jones, the same person listed on the birth certificate.

**IMPORTANT:** Please be prepared to show **original documents** for verification purposes. For your information, official documents of birth, marriage and/or death certificates, from anywhere in the United States may be obtained through [www.vitalchek.com](http://www.vitalchek.com) or by calling (800) 252414, 8 AM – 8 PM EST. State document fees and courier fees will apply.

## ***HCS Wellness Program:***

Based on results from our 2015 wellness survey, we will continue to offer wellness and fitness challenges at our Employee Health & Wellness Center. Challenges will be based on those topics employees said they were most interested in.

In addition, employees who are enrolled in one of our Anthem medical plans, have the opportunity to earn a credit for a lower premium on their medical insurance or a higher health savings account contribution. Our wellness program is changing slightly for the new benefits plan year. Spouses who are enrolled in an HCS Anthem medical plan are now required to earn five wellness points in order for the employee to earn the wellness premium incentive. There is also a new requirement for activities in order to earn the incentive. The HCS Wellness Program document in this packet details information on the incentive program for the 16/17 school year. Employees must earn and log the minimum required points between July 1, 2016 and June 30, 2017 in order to earn the incentive for the next school year.

Employees who earned and logged five points through the Marathon Health portal by June 30, 2016, are eligible for the following premiums for the 16/17 benefits plan year. CDHP participants will receive an additional \$500 employer contribution to their health savings account.

<b>Anthem Wellness Incentive Premiums</b>	<b>HMO/POS Premium Per Paycheck</b>	<b>PPO Premium Per Paycheck</b>
Employee	\$12.72	\$76.07
Employee + Child	\$54.49	\$161.20
Employee + Children	\$107.87	\$240.30
Employee + Spouse	\$124.39	\$287.15
Family	\$206.93	\$424.12

## ***Health Insurance:***

Anthem will continue to be our medical insurance carrier. Premiums are increasing slightly for those employees who have opted not to participate in the HCS wellness program. A ‘summary of benefits and coverage’ for each plan is included in this packet. The 2016/2017 premiums are as follows:

<b>Healthkeepers HMO/POS</b>	<b>Total Premium Per Month</b>	<b>Employee Portion Per Month</b>	<b>Employee Portion Per Paycheck</b>
Employee	\$752.18	\$75.44	\$37.72
Employee + Child	\$1,075.68	\$158.98	\$79.49
Employee + Children	\$1,489.30	\$265.74	\$132.87
Employee + Spouse	\$1,617.18	\$298.78	\$149.39
Family	\$2,256.52	\$463.86	\$231.93

<b>KeyCare PPO</b>	<b>Total Premium Per Month</b>	<b>Employee Portion Per Month</b>	<b>Employee Portion Per Paycheck</b>
Employee	\$806.08	\$202.14	\$101.07
Employee + Child	\$1,152.70	\$372.40	\$186.20
Employee + Children	\$1,596.02	\$530.60	\$265.30
Employee + Spouse	\$1,733.02	\$624.30	\$312.15
Family	\$2,418.12	\$898.24	\$449.12

<b>CDHP</b>	<b>Total Premium Per Month</b>	<b>Employee Portion Per Month</b>	<b>Employee Portion Per Paycheck</b>	<b>HSA Employer Contribution Per Paycheck</b>
Employee	\$669.04	\$0	\$0	\$25
Employee + Child	\$956.74	\$36.26	\$18.13	\$37.50
Employee + Children	\$1,324.70	\$95.86	\$47.93	\$50
Employee + Spouse	\$1,438.40	\$114.28	\$57.14	\$37.50
Family	\$2,007.04	\$206.40	\$103.20	\$50

## **CDHP**

The CDHP has an annual deductible of \$2,600 for an individual and \$5,200 for family coverage. Once any family member reaches the individual level deductible (within the annual deductible), that family member's future expenses will be eligible for traditional health coverage (coinsurance or copay). The remaining family members must satisfy the remainder of the annual deductible before traditional health coverage begins. Your annual out-of-pocket maximum consists of your annual deductible and your copay/coinsurance amounts. The out-of-pocket maximum that an employee would pay in a calendar year for in-network providers would be \$3,500 for an individual or \$7,000 for family coverage. Once an employee reaches the in-network out-of-pocket annual maximum, there are no costs associated for covered services for the remainder of the year. Out-of-network services accumulate towards a separate out-of-pocket maximum.

A health savings account (HSA) is available as a component of the CDHP. An HSA allows an employee to contribute pre-tax dollars to the account. Employers can also contribute. See the previous chart above for the HCS lump sum contribution amount that will be higher for this upcoming benefits plan year only. An HSA is an employee's account, so an employee takes it with them if they were to end employment with HCS. Employees can change their own contribution amount throughout the year, but should monitor their annual contributions so they do not exceed the annual U.S. Treasury and IRS limits (see the Lumenos with HSA Plan Summary). Employees cannot have both a medical flexible spending account and an HSA. Therefore, employees who enroll in the CDHP effective October 1, 2016 cannot also enroll in a medical flexible spending account (FSA) during the open enrollment period. In addition, for those employees who currently have a medical flexible spending account and who will enroll in the CDHP, all funds from the medical flexible spending account will need to be used and reported to P&A Group, our new FSA vendor, no later than September 30, 2016.

## CHANGES TO ALL PLANS

- We will hold an information session prior to our benefits fair regarding our Anthem plans as well as the premium incentive that is part of our HCS wellness program. The session will take place on Thursday, August 11<sup>th</sup> at 11:00 in the second floor conference room at the School Administration Center at 1 Franklin Street.
- If you will be adding a spouse or child to your medical plan as of October 1, 2016, and had not previously verified your dependent, then you must show proof of relationship during the open enrollment period. Please see the dependent verification section of this document for accepted forms of identification. Failure to provide the appropriate documentation will result in a loss of coverage for your dependent.
- Any spouse who is actively employed and eligible for coverage through their employer will continue to be ineligible for coverage under our HCS health insurance. Any employee who continues to cover a spouse or adds new coverage for a spouse will be required to sign another affidavit for the new benefits plan year during open enrollment, certifying that the spouse is not eligible for coverage. The revised affidavit will be available online by August 1<sup>st</sup>. Please note that this does not include a spouse who is also an HCS employee, spouses who are eligible through a retiree plan only or who are self-employed. Failure to complete and return an affidavit to Human Resources for the 16/17 plan year by August 26, 2016 will result in a spouse's loss of coverage.

### ***Dental Insurance:***

MetLife will continue to be our dental insurance carrier. Current dental elections will roll over to the next plan year. MetLife will begin issuing dental cards to enrolled employees. Cards will be issued in September based on October 1, 2016 enrollments. Based on our claims experience, dental premiums are increasing for the 2016/2017 benefits plan year. Premiums are as follows:

<b>MetLife Basic Plan</b>	<b>Total Premium Per Month</b>	<b>Total Premium Per Paycheck</b>
Employee Only	\$26.40	\$13.20
Employee + Child	\$49.22	\$24.61
Employee + Spouse	\$49.22	\$24.61
Family	\$76.16	\$38.08

<b>MetLife High Plan</b>	<b>Total Premium Per Month</b>	<b>Total Premium Per Paycheck</b>
Employee Only	\$30.44	\$15.22
Employee + Child	\$57.48	\$28.74
Employee + Spouse	\$57.48	\$28.74
Family	\$88.94	\$44.47

If you will be adding a spouse or child to your dental plan as of October 1, 2016, and had not previously verified your dependent, then you must show proof of relationship during the open enrollment period. Please see the dependent verification section of this document for accepted forms of identification. Failure to provide the appropriate documentation will result in a loss of coverage for your dependent.

### ***Disability Insurance:***

We will continue to offer the following disability plans through Aetna. All of our options include an LTD benefit. Please note that we had to break up short-term and long-term disability elections in our new human resources information system (HRIS). Therefore, if you are enrolled in an STD option, you will see a second LTD election. LTD continues to be a required election for options 1-3.

- Option 1 – 14 Day Elimination Period
- Option 2 – 28 Day Elimination Period
- Option 3 – 42 Day Elimination Period
- Option 4 – 90 Day Elimination Period (55 days of sick leave required)

- Employees who want to elect disability coverage, but did not do so during their initial enrollment period will need to apply for coverage. Employees should select their requested plan in our HRIS by meeting with an enrollment counselor or selecting a plan through the HRIS self-service no later than August 26, 2016. Once an option is selected, Aetna will automatically send the required paperwork directly to the employee. The forms should be returned directly to Aetna by the stated deadline. Forms can also be completed online through Aetna’s website. Employees will be notified of the status of their application once a final decision has been made.
- Employees who have elected option 4 and want to increase their coverage to option 1, 2 or 3 will need to apply for the higher level of coverage. See the previous bullet for information regarding the submission of the required forms.
- Employees covered under the VRS hybrid plan are only eligible to enroll in an Aetna plan during their first year of full-time employment with HCS. Aetna coverage will be terminated automatically once an employee becomes eligible for disability benefits under the employer-paid disability plan.

## ***Flexible Spending Accounts:***

Effective July 1, 2016, P&A Group will be our new vendor for HCS medical, dependent care and private insurance flexible spending accounts. A representative from P&A Group will be on site at our benefits fair on Thursday, August 11<sup>th</sup> from 1:00 until 4:00 if you have questions. Flexible spending account elections must be made each year, regardless of a previous election, as actual elections do not roll over from year-to-year. Please make sure to save your detailed receipts as substantiation may be requested per IRS regulations. Failure to provide valid receipts may result in your card being deactivated.

- Employees who elect a flexible spending account during open enrollment will be automatically issued a debit card to be used for eligible purchases.
- Employees can carryover up to \$500 of their remaining medical spending account balance into the next benefits plan year. This will be processed automatically for those employees eligible for the carryover. Carryover funds will be available after the previous plan year run-out period has ended.
- Dependent care accounts do not roll over and any funds left at the end of the plan year had previously been forfeited. An additional 30-day grace period is allowed for dependent care spending account elections. This means that participants will have an additional 30 days beyond the end of the plan year (September 30, 2016) to spend any remaining balance on eligible purchases.
- Private insurance accounts do not roll over and any funds left at the end of the plan year are forfeited.
- Participants will continue to have 90 days beyond the end of the plan year (September 30, 2016) to submit incurred claims for reimbursement.
- Employees enrolled in the new Anthem CDHP are not eligible to enroll in a medical spending account. In addition, employees enrolling in the CDHP for the first time during this open enrollment period should spend their entire medical flexible spending account funds by September 30, 2016. Please see the CDHP section of this document for additional information.

## ***Voluntary Benefits:***

Enrollment counselors can assist employees in getting quotes for our Unum products: Accident, Critical Illness, Group Hospital Indemnity, and Whole Life. While employees can cancel these benefits at any time by contacting the vendor directly, this is your only opportunity to add or increase coverage for these additional benefits. New employees hired September 1, 2015 or later will want to schedule their appointment with an enrollment counselor, as this will be their only opportunity to take advantage of the guaranteed issue offer.

## ***Vision Insurance:***

Hampton City Schools will continue offering a stand-alone vision plan through UniView. If you are enrolled in a medical plan through Anthem, then you still have access to the basic vision plan associated with that coverage. The UniView plan is a stand-alone, separate plan and can be elected whether or not you choose to be covered under our medical plan. Premiums are increasing slightly for the next benefits plan year.

<b>UniView Vision</b>	<b>Total Premium Per Month</b>	<b>Total Premium Per Paycheck</b>
Employee	\$5.12	\$2.56
Employee + Child	\$8.96	\$4.48
Employee + Spouse	\$8.96	\$4.48
Employee + Children	\$10.26	\$5.13
Family	\$14.92	\$7.46

If you will be adding a spouse or child to your vision plan as of October 1, 2016, and had not previously verified your dependent, then you must show proof of relationship during the open enrollment period. Please see the dependent verification section of this document for accepted forms of identification. Failure to provide the appropriate documentation will result in a loss of coverage for your dependent.

## ***Benefits Fair and Information Session:***

Our HCS Benefits Fair will take place on Thursday, August 11<sup>th</sup> from 1-4 at the School Administration Center at 1 Franklin Street. All of our vendors will be represented at this event. Enrollment counselors have appointments available for one-on-one benefit meetings. Giveaways and door prize opportunities will be available for all attendees. Staff from our Employee Health & Wellness Center will also be there providing blood pressure checks and showing employees how to use the Marathon Health portal, which will be used to track points for our wellness program.

We will also hold an information session prior to our benefits fair on Thursday, August 11<sup>th</sup> at 11:00 in the second floor conference room at the School Administration Center at 1 Franklin Street. This session will cover our Anthem plans and the premium incentive which is available as part of our wellness program.

## ***Additional Questions:***

We understand that many of our employees will have questions about how the information in this document will affect them and their benefit elections. We are encouraging all employees to meet one-on-one with an enrollment counselor during open enrollment to discuss their election options. We've included some frequently asked questions (FAQs) in this packet. However, if you have immediate questions about your benefits eligibility or the open enrollment process, please call your Benefits Representative at the number below. Your contact is determined by the first letter of your last name.

A – G 727-2106, Sharmaine Alexander-Riggins

H – Q 727-2107, Sally Seidnitzer

R – Z 727-2326, Nicole Samuelson