

# Benefits Guide



# Welcome

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Your benefits are an important part of your overall compensation. We are pleased to offer a comprehensive array of valuable benefits to protect your health, your family and your way of life. This guide answers some of the basic questions you may have about your benefits. Please read it carefully, along with any supplemental materials you receive.

## Eligibility

You are eligible for benefits as a full-time employee. You may also enroll your eligible family members under certain plans you choose for yourself. Eligible family members include:

- Your legally married spouse
- Your children who are your biological children, stepchildren, adopted children or children for whom you have legal custody (age restrictions may apply: Age 26). Disabled children age 26 or older who meet certain criteria may continue on your health coverage.

## When Coverage Begins

- **New Hires:** You must complete the enrollment process within 30 days of your date of hire. If you enroll on time, coverage is effective on the first of the month following your 30 day waiting period.

If you fail to enroll on time, you will **NOT** have benefits coverage (except for company-paid benefits).

- **Open Enrollment:** Changes made during Open Enrollment are effective October 1, 2023 - September 30, 2024.

## Choose Carefully

Due to IRS regulations, you cannot change your elections until the next annual Open Enrollment period, unless you have a qualified life event during the year. Following are examples of the most common qualified life events:

- Marriage or divorce
- Birth or adoption of a child
- Child reaching the maximum age limit
- Death of a spouse or child
- You lose/gain coverage under your spouse's plan
- You gain access to state coverage under Medicaid or CHIP

## Making Changes

**To make changes to your benefit elections, you must contact Human Resources within 30 days of the qualified life event (including newborns).** Be prepared to show documentation of the event such as a marriage license, birth certificate or a divorce decree. If changes are not submitted on time, you must wait until the next Open Enrollment period to make your election changes.

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**Required Information**—When you enroll, you will be required to enter a Social Security number (SSN) for all covered dependents. The Affordable Care Act (ACA), otherwise known as health care reform, requires the company to report this information to the IRS each year to show that you and your dependents have coverage. This information will be securely submitted to the IRS and will remain confidential.

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We are proud to offer you a choice of medical plans that provide comprehensive medical and prescription drug coverage. The plans also offer many resources and tools to help you maintain a healthy lifestyle. Following is a brief description of each plan.

## United Healthcare HMO

With this plan, you select a primary care physician (PCP) from the participating network of providers who will coordinate your health care needs, refer you to specialists (if needed) and approve further medical treatment. Services received outside of the HMO's network are not covered, except in the case of emergency medical care.

## United Healthcare PPO

This plan gives you the freedom to seek care from the provider of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a provider who participates in the network.

- The plan pays the full cost of qualified in-network preventive health care services.
- You pay the full cost of non-preventive health care services until you meet the annual deductible. You may also have to pay a fixed dollar amount (copay) for certain services.
- Once you meet the deductible, you pay a percentage of certain health care expenses (coinsurance) and the plan pays the rest.
- Once your deductible, copays and coinsurance add up to the out-of-pocket maximum, the plan pays the full cost of all qualified health care services for the rest of the plan year.

## United Healthcare HDHP with HSA

The HMO/High-Deductible Health Plan (HDHP) works similarly to a traditional HMO:

- You may see any health care provider and still receive coverage, but will maximize your benefits and lower your out-of-pocket costs if you see an in-network provider.
- The plan pays the full cost of qualified in-network preventive health care services.
- You pay the full cost of non-preventive health care services at time of service until you meet the annual deductible. Once you meet the deductible, you pay a percentage of your health care expenses (coinsurance) and the plan pays the rest.
- Once your deductible and coinsurance add up to the out-of-pocket maximum, the plan pays the full cost of all qualified health care services for the rest of the plan year.

## The HSA

The HDHP comes with a type of savings account called a health savings account, or HSA. The HSA lets you set aside pre-tax dollars to help offset your annual deductible and pay for qualified health care expenses.



### Here's how the HSA works:

- You contribute pre-tax funds to the HSA through automatic payroll deductions.
- The City will contribute \$1,178.64 annually to your HSA if you enroll in the HMO HDHP Plan- (\$589 in October and \$589 in April 2024). Employees hired after October 1, 2023 but before April 1, 2024 will receive the second installment only. Those hired after April 1, 2024 will receive a monthly city contribution of \$98.
- Your contributions, in addition to the company's contributions, may not exceed the annual IRS limits listed below.

HSA Contribution Limit	2023 IRS Limits	City Contribution	Employee Max Contribution
Employee Only	\$3,850	\$1,178	\$2,672
Family (employee + 1 more)	\$7,750	\$1,178	\$6,572
Catch-up (age 55+)	\$1,000	-	-

- You can withdraw HSA funds tax-free to pay for current qualified health care expenses, or save them for the future, also tax-free. Unused funds roll over from year to year and are yours to keep, even if you change medical plans or leave your employer.

### Important Notes:

- You must meet certain eligibility requirements to have an HSA: You must a) be at least 18 years old, b) be covered under a qualified HDHP, c) must not be enrolled in Medicare and d) cannot be claimed as a dependent on another person's tax return. For more information, please refer to IRS Publication 969.
- For a complete list of qualified health care expenses, refer to IRS Publication 502.
- Adult children must be claimed as dependents on your tax return for their medical expenses to qualify for payment or reimbursement from your HSA.

Following is a high-level overview of the coverage available. For complete coverage details, please refer to the Summary Plan Description (SPD).

Key Medical Benefits	UHC HMO CZWI		UHC HMO/HDHP DD1H		UHC PPO BCYH	
	In-Network Only	Out-of-Network <sup>1</sup>	In-Network Only	Out-of-Network <sup>1</sup>	In-Network Only	Out-of-Network <sup>1</sup>
<b>Deductible (per plan year)</b>						
Individual / Family	\$3,000 / \$6,000	-	\$3,000 / \$6,000	-	\$3,000 / \$6,000	\$5,000 / \$10,000
<b>Out-of-Pocket Maximum (per plan year)</b>						
Individual / Family	\$6,000 / \$12,000	-	\$6,350 / \$12,700	-	\$6,000 / \$12,000	\$10,000 / \$20,000
<b>Company Contribution to Your Health Savings Account (HSA) (per plan/calendar year; prorated for new hires/newly eligible)</b>						
Individual / Family	-	-	\$1,178.64	-	-	-
<b>Covered Services</b>						
Office Visits (physician/specialist)	\$10 / \$60 copay \$0 copay for children under 19	-	20%*	-	\$30 / \$60 copay \$0 copay for children under 19	50%*
Virtual Visits	\$0 copay	-	\$0 copay	-	\$0 copay	-
Routine Preventive Care	No charge	-	No charge	--	No charge	50%*
Outpatient Diagnostic (lab/X-ray)	\$40 copay	-	20%*	-	\$0 copay	50%*
Complex Imaging	\$500 copay	-	20%*	-	20%*	50%*
Emergency Room	\$500 copay + Ded. + 20%	-	20%*	-	\$250 copay + 20%	\$250 copay + 20%
Urgent Care Facility	\$25 copay	-	20%*	-	\$75 copay	50%*
Inpatient Hospital Stay	20%*	-	20%*	-	20%*	50%*
Outpatient Surgery	20%*	-	20%*	-	20%*	50%*
<b>Prescription Drugs (Tiers) Tier 1-Generic, Tier 2-Brand, Tier 3-Non-preferred</b>						
Retail Pharmacy (30-day supply)	\$10 / \$40 / \$80	-	Medical Ded then \$10 / \$35 / \$60	-	\$10 / \$40 / \$80	-
Mail Order (90-day supply)	2.5X	-	2.5X	-	2.5X	-
Network	Navigate HMO	-	Navigate HMO	-	Choice Plus	-

Coinsurance percentages and copay amounts shown in the above chart represent what the member is responsible for paying.

\*Benefits with an asterisk ( \* ) require that the deductible be met before the Plan begins to pay.

To be eligible for the HSA, you cannot be covered through Medicare Part A or Part B or TRICARE programs. See the plan documents for full details.

1. If you use an out-of-network provider, you will be responsible for any charges above the maximum allowed amount.

**HSA City Contribution:** The City will contribute \$1,178.64 annually to your HSA if you enroll in the HMO HDHP Plan- (\$589 in October and \$589 in April 2024). Employees hired after October 1, 2023 but before April 1, 2024 will receive the second installment only. Those hired after April 1, 2024 will receive a monthly city contribution of \$98.

We are proud to offer you a choice between two different dental plans from Equitable:

**Low Plan:** This plan offers you the freedom and flexibility to use the dentist of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a dentist who participates in the Equitable network. This plan does not have Orthodontia.

**High Plan:** This plan offers you the freedom and flexibility to use the dentist of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a dentist who participates in the Equitable network. Orthodontia for Adults + Children is available on this plan.

Key Dental Benefits	Equitable Low Plan		Equitable High Plan	
	In-Network Only	Out-of-Network <sup>1</sup>	In-Network Only	Out-of-Network <sup>1</sup>
<b>Deductible</b> (per calendar year)				
Individual / Family	\$50 / \$150	\$50 / \$150	\$50 / \$150	\$50 / \$150
<b>Benefit Maximum</b> (per calendar year; Preventive, Basic, and Major Services combined)				
Per Individual	\$1,000	\$1,000	\$1,500	\$1,500
Covered Services				
<b>Preventive Services</b>	No charge	Maximum allowable Charge	No charge	UCR
<b>Basic Services</b>	20%	Maximum allowable Charge	20%	UCR
<b>Major Services</b>	50%	Maximum allowable Charge	50%	UCR
<b>Orthodontia</b> (Adult + Children)	N/A	Maximum allowable Charge	50%; \$1,500 Lifetime Max. Benefit	50%; \$1,500 Lifetime Max. Benefit
<b>Network</b>	Equitable	-	Equitable	-

Coinsurance percentages shown in the above chart represent what the member is responsible for paying.

1. If you use an out-of-network provider, you will be responsible for any charges above the maximum allowed amount.

# Vision



We are proud to offer you a vision plan through Avesis.

The **Avesis** vision plan gives you the freedom to seek care from the provider of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a provider who participates in the **Avesis** network.

Following is a high-level overview of the coverage available.

Key Vision Benefits	In-Network	Out-of-Network Reimbursement
<b>Exam</b> (once every 12 months)	\$10	Up to \$35
<b>Materials Copay</b>	\$0	N/A
<b>Lenses</b> (once every 12 months)		
Single Vision	No charge after materials copay	Up to \$25
Bifocal		Up to \$40
Trifocal		Up to \$50
<b>Frames</b> (once every 12 months)	Covered up to \$130	Up to \$45
<b>Contact Lenses</b> (once every 12 months; in lieu of glasses)	Covered up to \$130	Up to \$110
<b>Network</b>	Avesis	-

# Flexible Spending Accounts



We provide you with an opportunity to participate in up to two different flexible spending accounts (FSAs) administered through Surency. FSAs allow you to set aside a portion of your income, before taxes, to pay for qualified health care and/or dependent care expenses. Because that portion of your income is not taxed, you pay less in federal income, Social Security and Medicare taxes.

## Health Care FSA

For 2023, you may contribute up to \$3,050 to cover qualified health care expenses incurred by you, your spouse and your children up to age 26. \$610 can rollover to the next plan year; otherwise funds are forfeited if not spent. FSA qualified expenses include:

- Coinsurance
- Copayments
- Deductibles
- Prescriptions
- Dental treatment
- Orthodontia
- Eye exams/eyeglasses
- Lasik eye surgery

For a complete list of eligible expenses, visit [www.irs.gov/pub/irs-pdf/p502.pdf](http://www.irs.gov/pub/irs-pdf/p502.pdf).

## Dependent Care FSA

For 2023, you may contribute up to \$5,000 (per family) to cover eligible dependent care expenses (\$2,500 if you and your spouse file separate tax returns). Some qualified expenses include:

- Care of a dependent child under the age of 13 by babysitters, nursery schools, pre-school or daycare centers
- Care of a household member who is physically or mentally incapable of caring for him/herself and qualifies as your federal tax dependent

For a complete list of eligible expenses, visit [www.irs.gov/pub/irs-pdf/p503.pdf](http://www.irs.gov/pub/irs-pdf/p503.pdf).

# FSA Rules

## YOU MUST ENROLL EACH YEAR TO PARTICIPATE

Because FSAs can give you a significant tax advantage, they must be administered according to specific IRS rules:

Health care FSA: Unused funds up to \$610 from one year can carry over to the following year. Carryover funds will not count against or offset the amount that you can contribute annually. Unused funds over \$610 will NOT be returned to you or carried over to the following year.

Dependent care FSA: Unused funds will NOT be returned to you or carried over to the following year.

# Life and AD&D



## Life/AD&D Insurance

**Life Insurance** provides your named beneficiary(ies) with a benefit in the event of your death.

**Accidental Death and Dismemberment (AD&D) Insurance** provides specified benefits to you in the event of a covered accidental bodily injury that directly causes dismemberment (i.e., the loss of a hand, foot, or eye). In the event that your death occurs due to a covered accident, both the Life and the AD&D benefit would be payable.

## Basic Life/AD&D (Company-paid)

This benefit is provided at **NO COST** to you through Equitable.



<b>Benefit Amount</b>	2x Base Annual Earnings, up to a maximum \$400,000
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Disability insurance provides benefits that replace part of your lost income when you become unable to work due to a covered injury or illness.

## Long-Term Disability

Provided at **NO Cost** to you through Equitable

<b>Benefit Percentage</b>	66%
<b>Monthly Benefit Maximum</b>	\$7,500
<b>When Benefits Begin</b>	After 90th day of disability
<b>Maximum Benefit Duration</b>	Social Security Retirement Age

Equitable offers a complimentary Employee Assistance Program. Contact your Employee Assistance Program for 24/7 support, resources and information. You can access the services in a number of ways:

**Call:** (833) 256-5115      **Online:** [guidanceresources.com](http://guidanceresources.com)  
**App:** GuidanceNows      **Web ID:** EQUITABLE3

Employee Assistance Program Features:

- Confidential Emotional Support
- Work-Life Solutions
- Financial Resources
- Identity Theft Services
- Legal Guidance
- Online Will Preparation

## Employee Assistance Program (EAP)



Life is full of challenges, and sometimes balancing it is difficult. We are proud to provide a confidential program dedicated to supporting the emotional health and well-being of our employees and their families. The employee assistance program (EAP) is provided at **NO COST** to you through Alliance Work Partners.

The EAP can help with the following issues, among others:

- Mental health
- Relationships or marital conflicts
- Child and eldercare
- Substance abuse
- Grief and loss
- Legal or financial issues

### EAP Benefits

- Assistance for you and your household members
- Up to six in-person sessions with a counselor per issue, per year, per individual
- Unlimited toll-free phone access and online resources

Our benefit plans are here to help you and your family live well—and stay well. But did you know that you can strengthen your coverage even further? It's true! Our voluntary benefits through Colonial Life are designed to complement your health care coverage and allow you to customize our benefits to you and your family's needs. The best part? Benefits from these plans are paid directly to you! Coverage is also available for your spouse and dependents.

They're completely voluntary, which means you are responsible for paying for coverage at affordable group rates.

### Accident Insurance

Accident insurance can soften the financial impact of an accidental injury by paying a benefit to you to help cover the unexpected out-of-pocket costs related to treating your injuries.

### Critical Illness

Did you know that the average total out-of-pocket cost related to treating a critical illness is over \$7,000<sup>1</sup>? With critical illness insurance, you'll receive a lump-sum benefit if you are diagnosed with a covered condition that you can use however you would like, including to help pay for: treatment (e.g. experimental), prescriptions, travel, increased living expenses, and more.

### Hospital Indemnity Insurance

The average cost of a hospital stay is \$10,000<sup>2</sup>—and the average length of a stay is 4.8 days<sup>3</sup>. Hospital indemnity insurance can help reduce costs by paying you or a covered dependent a benefit to help cover your deductible, coinsurance and other out-of-pocket costs due to a covered sickness or injury related hospitalization.

### Cancer Indemnity

The Cancer Indemnity Plan pays a flat dollar amount to you when a covered person is diagnosed with internal cancer. Other benefits include payments, directly to you, for hospital confinement, medical imaging, radiation and chemotherapy, immunotherapy, transportation and lodging. The plan also includes a cancer screening wellness benefit.

1. MetLife Accident and Critical Illness Impact Study, October 2013  
2. Costs for Hospital Stays in the United States, 2011. HCUP Statistical Brief #168. December 2013. Agency for Healthcare Research and Quality, Rockville, MD.  
3. National Hospital Discharge Survey: 2010

# Cost of Benefits

Your contributions toward the cost of benefits are automatically deducted from your pay check before taxes. The amount will depend upon the plan you select and if you choose to cover eligible family members.

Coverage Tier (per pay period)	UHC HMO	UHC HMO/HDHP	UHC PPO	Low Dental	High Dental	Vision
Employee Only	\$0.00	\$0.00	\$50.07	\$10.27	\$14.14	\$2.66
Employee + Spouse	\$81.03	\$30.45	\$182.66	\$20.74	\$28.77	\$4.65 Emp + 1 (child and/or sp)
Employee + Child(ren)	\$59.85	\$22.49	\$148.00	\$24.49	\$36.37	\$6.91 Emp + 2 or more (child and/or sp)
Family	\$153.20	\$57.57	\$300.75	\$34.82	\$51.03	\$6.91 Emp + 2 or more (child and/or sp)

# Contact Information

Coverage	Carrier	Phone #	Website/Email
Medical	United Healthcare	(866) 414-1959	<a href="http://www.uhc.com">www.uhc.com</a>
Dental	Equitable	(866) 274-9887	<a href="http://www.equitable.com">www.equitable.com</a>
Vision	Avesis	(855) 214-6777	<a href="http://www.avesis.com">www.avesis.com</a>
Flexible Spending Accounts (FSAs)	Surency	(866) 818-8805	<a href="http://www.surency.com">www.surency.com</a>
Health Savings Accounts (HSAs)	Surency	(866) 818-8805	<a href="http://www.surency.com">www.surency.com</a>
Life/AD&D	Equitable	(866) 274-9887	<a href="http://www.equitable.com">www.equitable.com</a>
Long-Term Disability	Equitable	(800) 721-7987	<a href="http://www.equitable.com">www.equitable.com</a>
Employee Assistance Program (EAP)	Alliance Work Partners	(800) 343-3822	<a href="http://www.awpnow.com">www.awpnow.com</a>
Voluntary Benefits	Colonial Life	(800) 325-4368	<a href="http://www.coloniallife.com">www.coloniallife.com</a>
Human Resources	Susan Nienstedt	(979) 337-7512	<a href="mailto:snienstedt@cityofbrenham.org">snienstedt@cityofbrenham.org</a>
Human Resources	Tina Rivas	(979) 337-7514	<a href="mailto:trivas@cityofbrenham.org">trivas@cityofbrenham.org</a>

**DISCLAIMER:** The material in this benefits brochure is for informational purposes only and is neither an offer of coverage or medical or legal advice. It contains only a partial description of plan or program benefits and does not constitute a contract. Please refer to the Summary Plan Description (SPD) for complete plan details. In case of a conflict between your plan documents and this information, the plan documents will always govern. **Annual Notices:** ERISA and various other state and federal laws require that employers provide disclosure and annual notices to their plan participants. The company will distribute all required notices annually.

