ARLINGTON℠
THE AMERICAN DREAM CITY

2017
Retiree Benefit Guide
City of Arlington, Texas

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As a retiree with the City of Arlington, you will need to make a number of important benefit decisions in the 30 days prior to your retirement and annually thereafter. This booklet provides a summary of the retiree benefits offered by the City. Additional resources are available on the City website www.arlingtontx.gov. Select **Human Resources** from the **Departments** tab, scroll to the **Retirees** section, and then click on **City Benefits**.

Waiving Coverage

Retirees must waive the City's medical insurance coverage if eligible for an employer-based medical plan due to full-time employment with that employer. The Retiree (and eligible dependents) may re-elect coverage with the City upon loss of coverage. Required forms and documentation must be received in Human Resources within 30 days of the loss of coverage.

Note: Waiver of coverage for any reason other than enrollment in an employer-based plan is a permanent waiver. Re-enrollment will not be permitted in the City's Retiree insurance plans.

See back cover for vendor contact information

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Warning: Any information that is false and/or inaccurate or enrolling dependents that do not meet eligibility guidelines is a material misrepresentation. This conduct may result in discipline up to and including termination of coverage, personal liability for benefits received and/or criminal prosecution.

Benefit Overview

Welcome to the City of Arlington. This document is intended to provide basic information about benefit plan options available to retirees. The City reserves the exclusive right to terminate, amend or modify plans, coverage and cost of retiree benefits. This guide is only a summary of benefits. Where disparities exist between this guide and the insurance contracts, the insurance contracts will dictate.

Retiree Eligibility for Insurance

The following conditions must be met to be considered a Retiree of the City of Arlington and be eligible to elect insurance benefits:

1) TMRS eligible for retirement and
2) Elect your TMRS pension benefits within 45 days of separation from the City of Arlington

The City offers you the opportunity to enroll or change benefits for the following reasons:

1) Loss of Coverage
2) Annual Enrollment (change of plan or coverage level only)
3) Family Status Change (change of plan or coverage level only)

RETIREE INSURANCE ELIGIBILITY INFORMATION:

- To be a qualified Retiree eligible for insurance benefits, the retiring employee must elect to retire from the Texas Municipal Retirement System (TMRS) within 45 days of their official date of retirement from the City of Arlington.
- A qualified City of Arlington Retiree is eligible for medical, dental, and vision benefits with the City regardless of number of years worked for the City.
- Years of service with the City of Arlington (consecutive or combined) determines the Retiree's level of City-paid subsidy toward medical insurance.
- Employees hired/re-hired OR transferred to a full-time status on or after January 1, 2006, are not eligible for the City subsidy.
- Employees with less than 10 years of full-time service with the City are not eligible for the City subsidy.
- Employees who retire prior to age 50 are not eligible for a City subsidy until the first of the month after they reach age 50 (or the age required to meet the rule of 70). The Retiree is responsible for contacting the City at that time.
- A retiring employee has until the end of the month in which they terminate employment to elect retiree insurance benefits.
- Retiree insurance benefits become effective the first of the month following retirement date.
- Retirees must waive medical insurance coverage with the City if eligible for an employer-based medical plan due to full-time employment with that employer. The Retiree (and eligible dependents) may re-elect coverage with the City upon loss of coverage (required forms & documentation must be received in Human Resources within 30 days of loss of coverage).

Social Security Card Name & Number

The City will provide tax forms that include the retiree and their covered family members enrolled in any City medical plan. Retirees must provide their family members' Name and Social Security Number as it appears on their Social Security Card.

How do I qualify for City Contribution?

- Hired/re-hired OR transferred to a full-time status prior to January 1, 2006.
- TMRS Eligible & Elect Pension within 45 days of separation.
- Age (min age 50) plus years of service with the City of Arlington must equal at least 70.

Medicare Card Requirement

The Centers for Medicare and Medicaid have established coverage rules to determine which plan is considered primary and secondary when an individual becomes eligible for Medicare. Benefits under the City's plans may be reduced when a retiree or a covered family member become eligible for Medicare based on Federal regulations.

It is the retiree's responsibility to notify Human Resources of any covered family member's eligibility for Medicare and to provide a copy of the individual's Medicare card.

Dependent Eligibility

Eligible Dependents	Documentation Required for Enrollment	Due Dates
Spouse	• Marriage License, • Most Recent Joint Tax Return, or • Informal Marriage Form (recognized by court)	30 days
*Child / Stepchild	• Birth Certificate	30 days
*Other Dependent Child	• Court order for Guardianship or Conservatorship signed by a Judge	30 days
*Adopted Child	• Adoption Documents & Birth Certificate	30 days
*Child Placed for Adoption	• Placement Documents & Birth Certificate	30 days
*Qualified Medical Support Order	• Notification from State Attorney General	As directed by AG's Order
*Other Medical Support Order directed to the City of Arlington	• Copy of Court Order to City of Arlington	30 days
Child incapable of self-sustaining employment due to a mental or physical disability when the child is enrolled in the City medical plan the day before age 26.	• Attending Physician Statement	30 days
*Dependent child must be less than 26 years old. A child is terminated from medical, dental and/or vision coverage the last day of the month he/she attains age 26.		

Annual Audit of Selected Retirees

Annually, we may conduct an audit requiring selected retirees to provide documentation proving eligibility of covered dependents. Those contacted will receive a list of acceptable documentation based upon the type of dependent enrolled. If sufficient documentation is not provided within a 30-day period, coverage will be dropped and/or denied. Providing dependent information that is false and inaccurate may result in termination of coverage. This process is intended to confirm that you have enrolled only qualifying family members under the terms of the benefit plans.

Family Status Change - Life Events

What is a Family Status Change?

A family status change is a life event that may allow a retiree to make benefit changes consistent with the event within 30 days. Family status changes, other than birth and adoption, are effective the first of a month following receipt of required documentation. When a child gains or loses Children's Health Insurance Program also known as CHIP, retirees have 60 days to make the change.

Eligible family status changes are: marriage, divorce, birth, adoption, death, child reaching age 26, child's loss of eligibility on another plan, spouse's gain or loss of other coverage.

NOTE: A family status change allows a plan change – i.e., Exclusive Provider Plan (EPO) to High Deductible Health Plan (HDHP). **However, any deductible and/or out-of-pocket limits start over under the new plan.**

Notification and Documentation Requirements

ADDING COVERAGE:

Marriage-A[1]
Layoff-A[3]
Loss of Coverage-A[3]
Court Ordered Guardianship or Custody-A[2]
Birth-A[1]
Adoption-A[1/2]
Placement for Adoption-A[1/2]
Medicaid or CHIP loss of eligibility-B[3]

DROPPING COVERAGE:

Divorce-B[2/5]
Other Coverage-A[4]
Dependent Child Maximum Age-B[5]
Death-A[1]
Medicaid or CHIP eligibility-B[4]

LIFE EVENT DESCRIPTION CODES

A. Add/Drop required within 30 days of event.

B. Add/Drop required within 60 days of event.

[1] Provide marriage / birth / death certificate within 30 days of event as applicable.

[2] Provide Court document signed by judge.

[3] Provide proof of loss of coverage or disenrollment.

[4] Provide proof of coverage or enrollment.

[5] Provide address when dropping former spouse, or provide address for dependent child reaching maximum age of 26.

2017 Plan Updates

This Benefit Guide includes the plan designs and rates for the 2017 plan year. The following plan updates are provided as a Summary of Material Modifications for 2017. The City will incorporate these plan changes effective January 1, 2017.

Under Age 65 Retiree Medical and Pharmacy Plans

The High Deductible Health (HDHP) and Exclusive Provider Organization (EPO) Plans: There are no changes to deductible, co-insurance, co-pay or the out-of-pocket limit in 2017. Both medical plans rates increased. Refer to pages 8 & 9 for 2017 rate charts.

Prescription Medication UHC Formulary Update: UnitedHealthcare updates their formulary medication listing twice a year. This includes movement of medications into different tiers, the addition of new medications as well as removal of medications. These adjustments are based on research and studies of patient outcomes as well as the approval and introduction of new medication availability.

Prescription Medication 90-Days Retail: Provides members with an alternative to mail order. Available at Walgreens pharmacies, physician must write prescription for a 90-day fill, and the member would be responsible for three retail co-insurance payments.

Value Pharmacy Network: Provides members with an alternative to mail order. Removes CVS and Target retail pharmacies, removes some smaller retail pharmacies and provides better financial value to the City and Value Network composed of approximately 35,000 pharmacies nationally.

Prescription Medication Strategic Exclusions: Effective January 1, 2017, the City will adopt medication recommendations based on the review of UnitedHealthcare's Pharmacy and Therapeutics (P&T) Committee. As new drugs are introduced to the market and medications become more cost effective due to negotiated discounts and patent expirations, certain medications will be excluded from UnitedHealthcare's prescription drug list. Members impacted by PDL changes are notified by mail of the effective date of coverage change and will include lower cost alternatives to discuss with your physician.

Prescription Medication Medical Necessity: Requires physicians to provide additional prescribing information to verify pharmacy benefit coverage. This ensures the doctor is prescribing medications for the condition they are approved for by the FDA. This also promotes safety and may help reduce costs. Medications requiring medical necessity review are indicated in the 2017 Prescription Drug List (PDL). Current members taking medications included on the PDL will be grandfathered. Example: medication approved for cancer with a prescription for another diagnosis.

Retirees are encouraged to utilize www.myuhc.com and the Health4Me mobile phone application to verify prescription cost and coverage prior to filling a medication.

Dental Plan

Rate Changes: The PPO dental rates for both the high and low plans will increase 6% over 2016 rates. The DHMO plan rates will not change in 2017. Refer to the rate charts on page 11.

Important Programs to Help Save Money

YOUR LIFE JUST GOT SIMPLER.

Navigating healthcare these days seems impossible—unless you have Compass on your side. From finding doctors to getting cost estimates to solving billing problems, we're here to help. The City of Arlington has partnered with us to serve as your personal healthcare advisor. So rely on your Compass Health Pro® consultant to make you an empowered healthcare consumer who takes control of healthcare costs. Our service is simple to use and available to you and your family.

GET CONNECTED TODAY

Contact a Health Pro consultant at 1.800-513-1667 or send an email to answers@compassphs.com.

COMPASS
Healthcare Redefined.

UNDERSTAND YOUR BENEFITS

Receive guidance in understanding your benefits throughout the year.

FIND A GREAT DOCTOR

Find highly-rated doctors, dentists and eye-care professionals in your area and network that meet your personal preferences and healthcare needs.

SAVE MONEY ON MEDICAL CARE

Get price comparisons before receiving care. Depending on doctor, hospital or facility, costs can vary by hundreds or thousands of dollars—even in-network.

PAY LESS FOR PRESCRIPTIONS

Let Compass compare medication prices and explore lower cost options for you.

GET HELP WITH MEDICAL BILLS

Have your medical bills reviewed to make sure you are not overcharged.

Important Programs to Help Save Money

Nurse Line (UnitedHealthcare - Care24)

Retirees or family members may have health concerns and are not sure what type of medical service to seek. Do you need services from an Urgent Care facility or should you go directly to the nearest Emergency Room? The Nurse Line service is provided 24 hours a day 7 days a week. The nurses will take the time to listen and provide information about a wide range of health conditions, medications, treatment options and more. By calling the Nurse Line, you can save yourself the time and stress of making a decision of where to seek treatment and the level of treatment you may need.

Take advantage by calling 1-888-887-4114

See below for additional benefits about the Optum Employee Assistance Program.

UnitedHealthcare Virtual Visits

Virtual Visits offer a way to see and talk to a doctor from the comfort of your home 24 hours a day 7 days a week. Access to care is available online at any time.

Access Virtual Visits

- Login to www.myuhc.com
- Choose from provider sites where you can register and receive care
- Download the UnitedHealthcare Health4Me mobile phone application to learn more
- Lower cost for the patient and the City

The Affordable Healthcare Act

Preventive Services at 100%

The Affordable Care Act provides for "preventive care services" without cost sharing (such as co-insurance, deductibles or co-payments), when the member uses a network provider. Services may include screenings, immunizations and other types of care, as recommended by the federal government.

Optum Employee Assistance Program

The City of Arlington provides retirees that are enrolled in the UnitedHealthcare Under Age 65 Medical Plans with an employee assistance program. Life is full of ups and downs but with Optum, you have a great source of health information and support. You may have health concerns, personal or family issues, or work-related challenges. Optum provides access to a wide range of health and well-being information through one toll-free telephone number. When you call, you may speak with a master's level counselor who will help with almost any problem ranging from family matters to personal legal, financial and emotional needs. Remember, they are available 24 hours a day 7 days a week.

Key components of the program include:

- 24/7 phone access to master's-level counselors for behavioral health concerns and community resources
- Five face-to-face counseling visits at no cost
- Legal, mediation and financial services
- Same mental health, alcohol, and other drug abuse provider network as medical plan

OPTUM

Good for the system.™

Optum counselors help families identify and address life and work-related concerns.

Take advantage by calling 1-866-248-4094.

UNDER AGE 65 Medical Rates Pre 2008

The following rate tables show the monthly retiree premium rate based on date of hire, date of retirement, plan selection, years of service with the City of Arlington, and coverage level.

- Employees hired/re-hired or transferred to a full-time status after 2006 will not receive a City contribution.
- Employees with less than 10 years of Full-time service with the City will not receive a City contribution.
- Benefits, rates, available plans, and the City of Arlington contribution are subject to change annually.

Retired BEFORE January 1, 2008

PLAN NAME	HDHP (High Deductible Health Plan)					
Total Monthly Premium	$565.85	$925.43	$1,174.11	$1,648.73	$608.27	$1,082.89
Coverage Level = Years of Service	RET Only	RET + Child(ren)	RET + Spouse	RET + Family	Spouse Only	Spouse + Child(ren)
30+	$0.00	$25.43	$274.11	$748.73	$308.27	$782.89
25-29	$15.85	$100.43	$349.11	$823.73	$333.27	$807.89
20-24	$65.85	$175.43	$424.11	$898.73	$358.27	$832.89
15-19	$115.85	$250.43	$499.11	$973.73	$383.27	$857.89
10-14	$165.85	$325.43	$574.11	$1,048.73	$408.27	$782.89
0-9	$565.85	$925.43	$1,174.11	$1,648.73	$608.27	$1,082.89
PLAN NAME	EPO (Exclusive Provider Organization)					
Total Monthly Premium	$626.35	$1,029.56	$1,306.22	$1,834.27	$679.87	$1,207.93
Coverage Level = Years of Service	RET Only	RET + Child(ren)	RET + Spouse	RET + Family	Spouse Only	Spouse + Child(ren)
30+	$26.35	$129.56	$406.22	$934.27	$379.87	$907.93
25-29	$76.35	$204.56	$481.22	$1,009.27	$404.87	$932.93
20-24	$126.35	$279.56	$556.22	$1,084.27	$429.87	$957.93
15-19	$176.35	$354.56	$631.22	$1,159.27	$454.87	$982.93
10-14	$226.35	$429.56	$706.22	$1,234.27	$479.87	$1,007.93
0-9	$626.35	$1,029.56	$1,306.22	$1,834.27	$679.87	$1,207.93

UNDER AGE 65 Medical Rates Post 2008

The following rate tables show the monthly retiree premium based on date of hire, date of retirement, plan selection, years of service with the City of Arlington, and coverage level.

- Employees hired/re-hired or transferred to a full-time status after 2006 will not receive a City contribution.
- Employees with less than 10 years of full-time service with the City will not receive a City contribution.
- Age (min age 50) plus years of service with the City must equal at least 70 to receive a City contribution.
- Benefits, rates, available plans, and the City of Arlington contribution are subject to change annually.

Retired AFTER January 1, 2008
(no Dependent Contribution)

PLAN NAME	HDHP (High Deductible Health Plan)					
Total Monthly Premium	$565.85	$925.43	$1,174.11	$1,648.73	$608.27	$1,082.89
Coverage Level = Years of Service	RET Only	RET + Child(ren)	RET + Spouse	RET + Family	Spouse Only	Spouse + Child(ren)
30+	$0.00	$325.43	$574.11	$1,048.73	$608.27	$1,082.89
25-29	$15.85	$375.43	$624.11	$1,098.73	$608.27	$1,082.89
20-24	$65.85	$425.43	$674.11	$1,148.73	$608.27	$1,082.89
15-19	$115.85	$475.43	$724.11	$1,198.73	$608.27	$1,082.89
10-14	$165.85	$525.43	$774.11	$1,248.73	$608.27	$1,082.89
0-9 Hired or re-hired after 2006	$565.85	$925.43	$1,174.11	$1,648.73	$608.27	$1,082.89
PLAN NAME	EPO (Exclusive Provider Organization)					
Total Monthly Premium	$626.35	$1,029.56	$1,306.22	$1,834.27	$679.87	$1,207.93
Coverage Level = Years of Service	RET Only	RET + Child(ren)	RET + Spouse	RET + Family	Spouse Only	Spouse + Child(ren)
30+	$26.35	$429.56	$706.22	$1,234.27	$679.87	$1,207.93
25-29	$76.35	$479.56	$756.22	$1,284.27	$679.87	$1,207.93
20-24	$126.35	$529.56	$806.22	$1,334.27	$679.87	$1,207.93
15-19	$176.35	$579.56	$856.22	$1,384.27	$679.87	$1,207.93
10-14	$226.35	$629.56	$906.22	$1,434.27	$679.87	$1,207.93
0-9 Hired or re-hired after 2006	$626.35	$1,029.56	$1,306.22	$1,834.27	$679.87	$1,207.93

Medical Plan - City Contribution

The following tables show the maximum amount of City contribution that will be applied toward the medical insurance for retirees of the City of Arlington. The City contribution will apply only towards a City of Arlington medical plan and is based on date of retirement, date of employment, years of service with the City of Arlington, and age. Upon turning age 65, Medicare becomes primary.

- Employees hired/re-hired or transferred to a full-time status after 2006 will not receive a City contribution.
- Employees with less than 10 years of full-time service with the City will not receive a City contribution.
- Age (min age 50) plus years of service with the City must equal at least 70 to receive a City contribution.
- Benefits, rates, available plans, and the City of Arlington contribution are subject to change annually.

Retired BEFORE January 1, 2008				
YEARS OF SERVICE	Maximum Monthly City Contribution - Retiree		Maximum Monthly City Contribution - Dependent	
	Under Age 65	Age 65 Plus*	Under Age 65	Age 65 Plus*
30+	$600	$300	$300	$150
25 - 29	$550	$275	$275	$137.50
20 - 24	$500	$250	$250	$125
15 - 19	$450	$225	$225	$112.50
10 - 14	$400	$200	$200	$100
0 - 09	$0	$0	$0	$0

Retired AFTER January 1, 2008 2008 (No Dependent Contribution)		
YEARS OF SERVICE	Maximum Monthly City Contribution Retiree	
	Under Age 65	Age 65 Plus*
30+	$600	$300
25 - 29	$550	$275
20 - 24	$500	$250
15 - 19	$450	$225
10 - 14	$400	$200
0 - 09	$0	$0

*Age 65+ Subsidy will be split - $50.00 of the total subsidy will be applied toward the Medicare Prescription Drug Plan elected by Retiree.

2017 Dental and Vision Rates

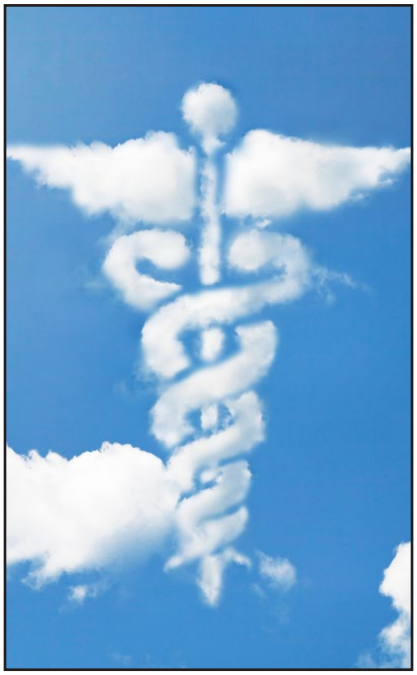
2017 Retiree Monthly Rates - Delta Dental Plans			
COVERAGE LEVEL	DHMO	Low PPO	High PPO
Retiree Only	$10.92	$14.70	$35.48
Retiree + 1 Dependent	$22.03	$29.14	$70.24
Retiree + 2 or more Dependents	$33.06	$51.29	$123.61

2017 Retiree Monthly Rates - Superior Vision Plan	
COVERAGE LEVEL	Vision
Retiree Only	$4.32
Retiree + 1 Dependent	$8.98
Retiree + 2 or more Dependents	$13.70

UNDER AGE 65 Medical Plan Summary

This comparison of benefits is a basic summary for the medical/pharmacy plans. Refer to the Summary Plan Description for the complete schedule of benefits located at www.arlingtontx.gov.

Medical Coverage terminates the last day of the month in which you or your dependents are no longer eligible for benefits.



BENEFITS *In-Network Only	HIGH DEDUCTIBLE PLAN (HDHP)	EXCLUSIVE PROVIDER PLAN (EPO)
Calendar Year Deductible (CYD)	$2,000 Individual $4,000 Family (Individual deductible applies to retiree-only coverage. For all other levels of coverage, full deductible must be met.)	$1,500 Individual $3,000 Family
Calendar Year Total Out-of-Pocket Limit (OOP) (deductible, co-insurance and co-pays combined)	$6,000 Individual $12,000 Family – Maximum individual OOP $6,850	$6,000 Individual $12,000 Family
Co-insurance	Member pays 10%	Member pays 20%
Office or Virtual Visit Primary & Specialist	After deductible met, member pays 10%	After deductible met, member pays 20%
Preventive Care	Covered at 100%; member pays $0	Covered at 100%; member pays $0
Lab Services	After deductible met, member pays 10%	After deductible met, member pays 20%
Urgent Care Center	After deductible met, $50 co-pay	$50 co-pay
Emergency Room	After deductible met, $250 co-pay (waived if admitted)	$250 co-pay (waived if admitted)
Inpatient Hospital	After deductible met, member pays 10%	After deductible met, member pays 20%
Outpatient Services	After deductible met, member pays 10%	After deductible met, member pays 20%
Mental Health	After deductible met, member pays 10%	After deductible met, member pays 20%
Pharmacy (local and mail order) NOTE: Specialty Medications must be filled through Optum Rx Specialty Pharmacy	After deductible met, member pays 10%	Revised Pharmacy for 2017 is a 3 tier with Specialty Pharmacy = 50% as follows: Tier 1 = 15%, Tier 2 = 25%, Tier 3 = 40% Specialty Pharmacy = 50%
Pharmacy (preventive)	Covered 100%; member pays $0 (based on UHC Preventive Medication Listing)	
Lifetime Maximum	Unlimited	Unlimited

*The City's medical plans do not offer out-of-network coverage so all out-of-network charges are the full responsibility of the member.

Members can perform in-network provider or facility SEARCH at www.myuhc.com.

Prescription Drug Coverage

Required Notice

If you have Medicare or will become eligible for Medicare in 2017, federal law gives you choices about prescription drug coverage. Please see page 22 for more details.

Understanding Pharmacy Options

Local Pharmacy Benefits: Use this benefit to purchase short-term or 30-day prescriptions at a network pharmacy. To see if a particular pharmacy is in the network, check www.myuhc.com/prescriptions.

Mail-Order Benefits: Use this benefit for maintenance medications that will continue for at least three months at a time. Medications are delivered directly to your home in three-month quantities; so, it may save time and money at the pharmacy.

90-Days Retail: Provides members with an alternative to mail order. Available at Walgreens pharmacies, physician must write prescription for a 90-day fill and the member would be responsible for three retail co-insurance payments.

Value Pharmacy Network: Provides members with an alternative to mail order. Removes CVS and Target retail pharmacies, removes some smaller retail pharmacies and provides better financial value to the City and Value Network composed of approximately 35,000 pharmacies nationally.

Medical Necessity: Requires physicians to provide additional prescribing information to verify pharmacy benefit coverage. This ensures they are prescribing medications for the condition they are approved for by the FDA. Promotes safety and may help reduce costs. Medications requiring medical necessity review are indicated in the 2017 Prescription Drug List (PDL).

Maintenance Medications: If you use a local pharmacy or the mail-order program, prescriptions on the UHC list of preventive medications will have zero ($0) dollar co-pay for that medication. A list of the covered medications is located on the City's Website in the Retirees section or to price a medication visit www.myuhc.com/prescriptions.

Specialty Medications: Participants are required to fill all specialty prescriptions with UnitedHealthcare's in-network specialty pharmacy – Optum Rx. To order specialty medications call 1.888.739.5820.

Getting the Most From Your Pharmacy Benefit

Did you know that you may have a choice between a brand name medication and saving money with a generic equivalent medication? Generic medications have the same active ingredients (the chemicals that make the medications work) as their brand equivalents, and both brand names and generic medications must meet identical strict standards for quality of the United States Food and Drug Administration (FDA). Sometimes generic medication manufacturers use different inactive ingredients, such as fillers and dyes, which provide the medication's shape, color and taste. However, those ingredients do not change the effectiveness of the medication. As long as the doctor does not tell the pharmacy to dispense as written, if there is a generic equivalent to the medications, the pharmacy can and will fill the generic when requested.

Individual Health Savings Account (HSA)

Understanding Health Savings Accounts (HSA)

Current regulations allow individuals enrolled in a high deductible health plan and that meet IRS eligibility criteria to contribute to an individual Health Savings Account (HSA). Optum Bank is the exclusive HSA administrator for the City of Arlington. To enroll in an Optum Bank Health Savings Account, go to www.myuhc.com and complete the online application. You may call 1-866-234-8913, 8:00 AM – 8:00 PM ET for help with the application.

What are the benefits of an HSA?

- You can claim a tax deduction for contributions you, or someone other than the City, make to your HSA bank account even if you do not itemize your deductions on Form 1040.
- The contributions remain in your bank account from year to year until you use them.
- The interest or other earnings on the assets in your bank account are tax free.
- Distributions may be tax free if you pay qualified medical expenses (IRS Publication 969).

Do I Qualify for an HSA Account?

It is very important that you verify your eligibility prior to making contributions to an HSA bank account. IRS Publication 969 is available at www.irs.gov for your review of their eligibility criteria.

How much may I contribute to the HSA?

Contribution levels change each year. The Internal Revenue Code also allows a catch-up provision for participants who attain age 55 any time in 2017.

Optum Bank HSA Maximum Annual Contributions	
HDHP - Retiree Only Coverage	$3,400
HDHP - Retiree Plus 1 or More	$6,750
Age 55 Catch-Up (Age 55 by 12/31/15)	$1,000

For questions regarding HSA plan eligibility, review IRS Publication 969 or contact your tax advisor.

Vision Plan Summary

SUPERIOR VISION
See yourself healthy.

This comparison of benefits is a basic summary for the vision plan.

Refer to www.arlingtontx.gov for the full description of benefits.

Vision coverage terminates the last day of the month in which you are no longer eligible for benefits.

You may elect vision coverage through Superior Vision. The plan pays benefits for annual exams and corrective lenses. There are co-pays for exams and materials, and the plan pays for frames and lenses up to certain limits. Under this plan, you may use in-network or out-of-network vision care providers, but you receive greater benefits when you use in-network providers. The plan will pay for contacts or eyeglass lenses once every 12 consecutive months and frames once every 24 consecutive months based on the schedule of benefits. Superior Vision offers you the flexibility of choice to keep your out-of-pocket costs low—you may opt to get your exam and materials at one location or get your exam at one location and your materials at another.

Vision Care Services	In-Network	Out-of-Network
Comprehensive Vision Exam (every 12 months)	Covered in full after a $10 co-pay	Ophthalmologist up to $42 retail Optometrist up to $37 retail
Standard Lenses (every 12 months)	$10 materials co-payment* Single Vision covered in full Bifocal covered in full Trifocal covered in full Progressives (see benefits schedule for details) Polycarbonate for dependents to age 18 covered in full	Single Vision Lenses up to $32 retail Bifocals up to $46 retail Trifocals up to $61 retail Progressives up to $61 retail Polycarbonate no benefit
Standard Frame (every 24 months)	$130 allowance, plus 20% discount off amount over allowance	Up to $68 retail
Contact Lens Fitting (CLF) (once every 12 months)	Standard CLF - covered in full Specialty CLF up to $50 allowance	Not Covered
Contact Lenses (in lieu of eyeglasses once every 12 months)	*Elective $120 allowance Medically necessary is covered in full	Elective up to $100 retail Medically Necessary up to $210 retail
Refractive Eye Surgery for Lasik	Discount at participating providers. Find provider listing at www.superiorvision.com	Not Covered
*The above comparison is a summary only. Refer to the Superior Vision schedule of benefits on the City's website.		

This comparison of benefits is a basic summary only. Refer to www.arlingtontx.gov for the plan document. **Dental coverage terminates the last day of the month in which you are no longer eligible for benefits.**

Dental Plan Summary

Benefit Description	DeltaCare® USA TX15B DHMO*	Delta Dental PPO℠ Low Option PPO**	Delta Dental PPO℠ High Option PPO**
	Co-payment	Delta Dental Pays***	Delta Dental Pays***
Office Visit Co-pay	$5	N/A	N/A
DIAGNOSTIC - oral examinations, x-rays	$0	80%	80%
PREVENTIVE - routine cleanings, fluoride treatment, space maintainers, sealants	Fixed co-pay according to fee schedule	80%	80%
BASIC BENEFITS - fillings	Fixed co-pay according to fee schedule	60%	80%
Endodontics (root canals)	Fixed co-pay according to fee schedule	50%	80%
Periodontics (gum treatment & periodontal cleanings)	Fixed co-pay according to fee schedule	50%	80%
Simple Oral Surgery (simple extractions)	Fixed co-pay according to fee schedule	50%	80%
Complex Oral Surgery (complex extractions and other oral surgery)	Fixed co-pay according to fee schedule	50%	50%
MAJOR BENEFITS - crowns, inlays, onlays, cast restorations, bridges, dentures	Fixed co-pay according to fee schedule	50%	50%
IMPLANTS	Not a covered benefit	50%	50%
ORTHODONTIC BENEFITS	Fixed co-pay according to fee schedule (adults & eligible dependent children)	Not Covered	50% (eligible dependent children)
DEDUCTIBLE (waived on Diagnostic & Preventive Services)	N/A	$50 per person $150 per family	$50 per person $150 per family
PLAN YEAR MAXIMUM	N/A	$750 per person	$1,500 per person
LIFETIME MAXIMUM FOR ORTHODONTIC	N/A	Not Covered	$1,000 per person

*If you choose a DeltaCare USA plan, you must use a DeltaCare USA dentist for treatment. Your selected contract dentist will take care of your dental care needs. If you require treatment from a specialist, your contract dentist will handle the referral for you. DeltaCare USA DHMO providers are located exclusively in Texas.

**Delta Dental PPO products offer freedom of choice of any dentist, and you can maximize savings by utilizing PPO (in-network) dentists.

*** Low Plan – Reimbursement is based on PPO contracted fees for PPO dentists, PPO contracted fees for Premier dentists and PPO contracted fees for non-Delta Dental dentists; High Plan – Reimbursement is based on PPO contracted fees for PPO dentists, Premier contracted fees for Premier dentists and 90th percentile for non-Delta Dental dentists.

Retirees Age 65+

MEDICARE OPEN ENROLLMENT PERIOD IS OCTOBER 15 – DECEMBER 7

UnitedHealthcare Medicare Solutions will continue to offer our Medicare-eligible retirees health plans through the Connector Model. If you are currently enrolled in a Medicare Plan with the City of Arlington through the Connector Model, you are the owner of the plan, and the plan will continue for the 2017 plan year unless you call during the Medicare Open Enrollment period and make a change. You will receive an "Annual Notice of Change" from UnitedHealthcare notifying you of benefit or rate changes to your plan. You may call UnitedHealthcare at 1-877-791-9964 if you wish to make a change in your coverage during the Medicare Open Enrollment Period.

If you will be turning age 65 in 2017, UnitedHealthcare will mail a personalized Enrollment Kit to your home address approximately 90 days prior to reaching age 65. You will then be able to call the phone number provided to get information about the plans available to you as well as information on how to enroll. If you do not receive an Enrollment Kit, please call Human Resources.

For eligible retirees and spouses, the City of Arlington will continue to contribute toward the cost of your healthcare coverage. This is done through a subsidy that will help pay the monthly plan premium(s) for the coverage you choose. The City contribution is based on the year of retirement and the total years of eligible service with the City of Arlington. Please see the subsidy chart on Page 10.

1. Why does the City of Arlington offer individually owned Medicare insurance plans?

As a way to provide greater flexibility and coverage choices for our retirees, we have chosen to work with UnitedHealthcare Connector Model. UnitedHealthcare's AARP Medicare Supplement, Medicare Part D, and Medicare Advantage Plans have millions of insured members and a large number of plan options. Providing you with additional choices at competitive rates is the key reason for this change.

2. What options will I have to choose from?

In nearly every state, there are up to seven AARP Medicare Supplement Insurance Plans to choose from. Plans vary in MA, MN, and WI. Additionally, UnitedHealthcare offers Medicare Advantage Plans and Medicare Part D prescription drug plans.

3. What will be the benefits of choosing a Medicare Advantage Plan?

Because Medicare Advantage plans vary based on the area in which you live, the below may be available to you:

- $0 or low monthly premium
- Prescription drug coverage included
- SilverSneakers

4. What are the standard Medicare supplement insurance plans?

All Medicare supplement insurance plans offer the same basic benefits, no matter which insurance company sells it. They're designed to help pay some or all of your out-of-pocket costs that Medicare Parts A and B don't pay. Benefit levels vary by plan, so you can choose the coverage to best meet your healthcare needs.

5. Is this a policy that I will own? To whom will I pay premiums?

Once you select the plan that best suits your needs, you will be the owner of the policy and you will remit plan premiums directly to UnitedHealthcare. Plan premiums will no longer be collected by the City of Arlington. If you are a retired Public Safety Officer and currently have your insurance premiums deducted from your

TMRS check, you will need to complete a new TMRS-HLPS form with the payment information and return it to TMRS by mail or fax. This form can be found at www.TMRS.com.

6. Can my policy ever be cancelled by UnitedHealthcare?
No – as long as you pay the required plan premiums on time.

7. What if I don't want to purchase coverage through UnitedHealthcare?
You may choose your own coverage from another carrier. PLEASE NOTE: If eligible for a City contribution, your City contribution cannot be transferred to another carrier.

8. When will I need to make my decision on coverage for 2017?
The Medicare Open Enrollment period is October 15 – December 7, 2016.

9. My spouse and/or dependent is under age 65. What coverage will he/she receive?
Only Medicare-eligible individuals are allowed to enroll in UnitedHealthcare Medicare Plans. Your "under age 65 spouse" and/or dependents will continue to be covered through his/her City of Arlington coverage. Once your spouse reaches age 65 and becomes Medicare eligible, he/she will be sent information to enroll in coverage through UnitedHealthcare Connector Model.

10. How is the amount of my City contribution/subsidy determined?
The City contribution is based on the date of employment, date of retirement and the total years of eligible service with the City of Arlington. Note: You will not receive premium refunds. If your premium is more than the subsidy amount, you will be billed for the remaining balance. If your premium is less, you will not receive the difference, and it cannot be applied to any other coverage (i.e., Rx, spouse).

11. How does your subsidy arrangement work?
There is nothing you need to do. Once you have called UnitedHealthcare and enrolled in a plan, if you are eligible for a contribution, the City will pay the subsidy directly to UnitedHealthcare. UnitedHealthcare will apply the subsidy to your monthly plan premium. Then, UnitedHealthcare will bill you for any premium amount that is left over.

12. Can I continue my Dental and/or Vision coverage with the City of Arlington?
Retirees, Surviving Spouses, and their eligible dependents may continue their enrollment in the City's dental and vision plans.

13. To whom should I speak if I have questions?
You may call a toll-free phone number staffed by trained UnitedHealthcare professionals to review your coverage options, premiums and answer any questions. The phone representatives can help you select the plan that best suits your needs and will help you enroll. They are available Monday through Friday from 8:00 a.m. to 8:00 p.m. local time by calling 1-877-791-9964 TTY 711. Please stay on the line to speak with a representative.

IMPORTANT: All medical and pharmacy coverage in the Under Age 65 plans will end on the last day of the month prior to the month you become 65. You must enroll in Medicare Part A and B in order to enroll in the Medicare plans

Important Retiree Program Information

Retiree Payments

As a result of a growing retiree population and escalating healthcare costs, the City finds it necessary to establish guidelines regarding non-payment of premiums to the City for benefit payments. Retirees are notified of the monthly payment when they retire and each year prior to January 1. Benefit payments are due on the 1st of each month and must be paid in full on or before the due date. Payments may be made monthly, quarterly or annually. If payments are not received in the Finance Department by the 5th of the month, a 5% late fee will be imposed on each payment that is past due. A month's contribution and associated late fee must be paid in full no later than 60 days past the due date to avoid cancellation. If there are two payments past due, both months' premiums and associated late fees must be paid in full no later than 60 days past the first month's premium due date to avoid cancellation. Benefit payments also become past due when a check that was sent in is returned by the bank. Returned checks will incur the City's returned check fee of $25. Payment must be made in full each month on the due date. Retirees with past due premiums and associated late fees due to non-payment or returned checks will be subject to cancellation of their health, dental and vision benefits if payments and associated late fees remain unpaid for 60 days.

Past Due 30 days – First Notice will be sent to retiree.
Past Due 45 days – Second Notice will be sent to retiree by certified mail.
Past Due 60 days – Cancellation Notice will be sent to retiree by certified mail.

If all payments and/or late fees are not received in full within the 60-day time frame, notice will be given to Human Resources to process a cancellation of the retiree's benefit coverage. Retirees who have had their coverage cancelled for late payment or non-payment will NOT be eligible to reinstate their benefits. If you have questions, please contact the Retiree/Payroll Clerk at 817-459-6300.

Automated Payment of Premium

To make the payment of premium as seamless as possible, the City can now set retirees up for automated payment of their monthly premiums through ANY financial institution. The necessary forms are located at www.arlingtontx.gov and can be filed with the City at any time of the year.

Retirees currently paying premiums by automatic bank draft do not need to do anything; the City will update the 2017 premiums accordingly.

Retired Public Safety officers, currently paying premiums through TMRS deduction, need to update their information if applicable. An updated TMRS-HLPS form must be completed and submitted to TMRS prior to the first of the year, if you experience a change in your monthly premium. The form can be found at www.TMRS.com.

Retiree Personal Information Update!

It is the responsibility of all participants to notify the City of any changes in address, e-mail address, and phone number. Please mail to:

City of Arlington
Human Resources
PO Box 90231, MS 63-0790
Arlington, TX 76004-3231

Declining Coverage or Cancellation of Coverage

Retirees may decline medical, dental, and vision coverage by completing the Waiver section on the Retiree Enrollment/Change form. If you are declining enrollment for yourself or your dependents (including your spouse) because of other employer-based health insurance coverage, you may in the future be able to enroll yourself and your dependents in the City's plan, provided that you request enrollment within 30 days after your other coverage ends. Waiver of coverage for any reason other than enrollment in an employer-based insurance plan is a permanent waiver and retirees will not be permitted to re-enroll in the City's retiree insurance plans.

The City will offer you the opportunity to enroll and/or make changes to your coverage for the following reasons:

- At the time of Retirement (must enroll by the last day of the month of retirement)
- Loss of employer-based coverage (must enroll within 30 days of loss of coverage)
- If you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days of the marriage, birth, adoption, or placement for adoption (as outlined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- During the annual enrollment period (change of plan or coverage level only).

The retiree will be eligible for the City contribution in place at the time of re-enrollment for themselves and their dependents based on their applicable years of service with the City. Retirees must be enrolled in the same coverage as their spouse and/or child.

Surviving Spouses

Surviving spouses may continue the medical coverage enrolled in at the time of a retiree's death. The surviving spouse must contact Human Resources at the time of the retiree's death to request the necessary paperwork to continue coverage. Coverage terminates when a surviving spouse remarries. A surviving spouse who drops or declines coverage for any reason will not have the option to enroll at a later date.

General Notices

Continuation Coverage Rights under COBRA

(Consolidated Omnibus Budget Reconciliation Act)

The City offers continuation of coverage (COBRA) to employees or dependents that experience a COBRA qualifying event resulting in a loss of City-provided benefits. These may include medical, dental, vision, EAP and health flexible spending accounts (FSA). COBRA benefits are the same as active employee benefits, but the cost is much higher because you pay the full cost for the coverage, plus a 2% administration fee.

Upon experiencing a COBRA event, you and/or your affected dependents will receive a notification letter to advise you of your options, guidelines and costs at that time. You have 60 days from the date of notification to make plan selections and 45 days from the election date to pay. Coverage will not be effective until the first payment is made, but, will be retroactive once the coverage is in effect. Costs for coverage will vary annually and are provided at the time of the event in the letter.

There may be other options for you and your family, if the need for coverage arises. Eligibility for COBRA coverage does not limit your eligibility to purchase coverage through the Health Insurance Marketplace nor does it limit your potential for a subsidy if you qualify. Additionally a loss of coverage with the City of Arlington would be a qualifying event, if your spouse has access to medical coverage notify their employer within 30 days of your loss of coverage to request the enrollment process and requirements.

If you have any additional questions about your rights to COBRA continuation coverage, please contact Human Resources at 817-459-6869.

Premium Assistance under Medicaid

and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your State may have a premium assistance program that can help pay for coverage, using funds from Medicaid or CHIP programs. If you or your dependents are already enrolled in Medicaid or CHIP, you can contact your State Medicaid or CHIP office to find out if premium assistance is available. For more information, visit www.HealthCare.gov.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and you must request coverage within 60 days of being determined eligible for premium assistance. If you have questions about enrolling in your employer plan, contact the Department of Labor call 1-866-444-EBSA (3272) or www.askebsa.dol.gov.

Medicare Part D

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.

2. The City of Arlington has determined that the prescription drug coverage offered by the UnitedHealthcare Optum Pharmacy Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because this coverage is Creditable Coverage, you can keep the City's prescription drug coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

If you are an active employee or a dependent of an active employee eligible to join a Medicare drug plan and you enroll in a Medicare drug plan, your Optum Pharmacy Plan coverage will end.

Required Notices)

The City is required to provide the following annual notices:

- Children's Health Insurance Program (CHIP) Notice
- COBRA General Notice
- Glossary of Health Coverage and Medical Terms
- HIPAA Privacy Notice
- Marketplace Full-time and Variable Hours Notices
- Medicare Part D Creditable Coverage Notice
- Newborns' Act Disclosure Notice
- No Annual Dollar Limits on Essential Health Benefits
- Provider Choice Notice – The Patient Protection and Affordable Care Act
- UnitedHealthcare Annual Rights and Resource Disclosure Notice
- Women's Health and Cancer Rights Act of 1998 (WHCRA) Notices

Each of these notices is located on the City of Arlington's website at www.arlingtontx.gov. You may also obtain a copy by contacting Human Resources 817-459-6869.

Vendor Contacts

Benefit Plans			
UnitedHealthcare Medical Plans Group #702632	Under Age 65 Medical HDHP EPO	1.866.633.2446	www.myuhc.com
UnitedHealthcare Medicare Solutions Connector Model	Age 65 Plus Medicare Plans	1.877.791.9964	www.myuhcplans.com
Optum EAP	Retiree Assistance Plan	1.866.248.4094	www.liveandworkwell.com
Optum RX Specialty Pharmacy	HDPE and EPO	1.888.739.5820	www.optumrx.com
Delta Dental	DHMO – TX15B PPO High & Low Plans – TX16442	1.800.422.4234 1.800.521.2651	www.deltadentalins.com
Superior Vision	Vision (Superior National network)	1.800.507.3800	www.superiorvision.com
Optum Bank	Individual HSA Account	1.800.791.9361	www.myuhc.com
Compass	Professional Health Service	1.800.513.1667	https://member.compassphs.com
Medicare		1.800.633.4227	www.medicare.gov
Social Security Administration		1.800.772.1213	www.socialsecurity.gov
Retirement Plans			
TMRS – City #00052	Texas Municipal Retirement System	1.800.924.8677	www.tmrs.com
ICMA – RC Plan# 106061 Plan# 301966	401(k) Thrift Plan 457 Savings Plan	1.800.669.7400	www.icmarc.org/arlington-tx
Mike Mendenhall ICMA-RC Consultant	Retirement Planning	1.800.290.7160	mmendenhall@icmarc.org
Nicholl Aldridge ICMA-RC Consultant	Retirement Planning	1.866.886.8023	naldridge@icmarc.org
Rick Stern ICMA - RC	Certified Financial Planner	1.866.265.5504	rstern@icmarc.org

The information contained in this guide should in no way be construed as a promise or guarantee of employment or benefits. The company reserves the right to modify, suspend or terminate any plan at any time for any reason. If there is a conflict between the information in this guide and the actual plan document or policies, the documents or policies will always govern. Complete details about the benefits can be obtained by reviewing current plan descriptions, contracts, certificates, policies, and plan documents available from Human Resources.