



2017

Employee Benefit Guide

City of Arlington, Texas

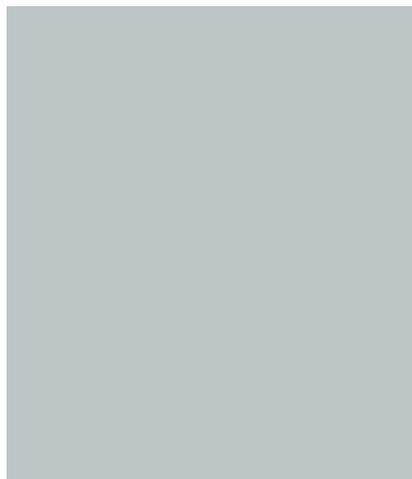


Table of Contents

Waiving Coverage

If you have medical coverage under another plan, you may choose to decline (waive) the City’s medical plans. When an employee makes this choice, a “Declination of Coverage” form must be completed and returned to HR.

Some examples of other coverage could be:

- Your spouse’s or parents’ plan
- A government insurance program
- An individual policy or other group coverage

See back cover for vendor contact information

As a full-time employee with the City of Arlington, there are a number of important benefit decisions that need to be made within the first 30 days of employment and annually thereafter. This guide provides a summary of the benefits offered by the City. Additional benefit documents, links and forms are included on the Human Resources portal, and we strongly encourage employees to review these materials before making benefit plan decisions.

Benefit Overview / Employee Eligibility	2
Dependent Eligibility	3
Family Status Change – Life Events	4
Online Enrollment “Getting Started”	5
Plan Updates	6
Important Programs to Help Save Money – Compass	7
Nurse Line, Virtual Visits, Preventive Care Coverage, EAP	8
Medical, Dental and Vision Plan Rates	9
Medical and Pharmacy Summary	10
Prescription Drug Coverage	11
Individual Health Savings Account (HSA)	12
Flexible Spending Accounts (FSA)	13
Dental Plan Summary	14
Vision Plan Summary	15
Life Insurance Plan Summary	16
Long Term Disability and Short Term Disability	17
Other Benefit Plans (Allstate)	18
Retirement Plans	19
Important Required General Notices	
Continuation Coverage Rights under COBRA	20
Children’s Health Insurance Program (CHIP) Notice	20
Medicare Part D and Other Required Notices	21
Vendor Contact Information	Back Cover

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 employment, personal liability for benefits received and/or criminal prosecution. Additional consequences may apply.

Benefit Overview

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

Employee Eligibility

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

- 1) New Hire or Rehire
- 2) Annual Enrollment
- 3) Family Status Changes
- 4) Promotions to Full-Time Status

Benefit selections are required within 30 days of full-time eligibility. Employees are automatically enrolled in the High Deductible Health Plan with employee only coverage unless you decline (waive) this coverage by completing a "Declination of Coverage" form and return to HR within the first 30 days of eligibility.

Full-time employees are automatically enrolled in the following City plans and the required payroll deduction for TMRS:

- 1) Long Term Disability
- 2) Employee Assistance Plan
- 3) Basic & TMRS Life Insurance
- 4) Texas Municipal Retirement System (TMRS)

Social Security Card Name & Number

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

Event	Deadline to Enroll	How to Change	Effective Date of Change
New Hire	30 days from hire	Lawson Self Service	Date of Hire for (M/D/V/FSA/ Life/Disability)
Family Status Change	30 days from event	Contact Human Resources	First of Month Following
Loss of Dependent Eligibility	30 days to cancel	Contact Human Resources	First of Month Following
*Annual Enrollment	As communicated	Lawson Self Service	January 1 Annually

*Employees are required to make plan choices annually even when the enrollment choice is "No Change"

For life events other than birth and adoption, the effective date of coverage is the first of the month following receipt of your enrollment form and required documentation as outlined on page 4. For example, if you are married on July 6 and your enrollment form and marriage license is received on July 17, the effective date will be August 1. If received on August 5, the effective date will be September 1.

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 an employee or a covered family member become eligible for Medicare based on Federal regulations.

It is the employee'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 NOTE: Spouses offered coverage through their own employer (other than the City) are not eligible for coverage on either City medical plan.	<ul style="list-style-type: none"> • Marriage License, • Most Recent Joint Tax Return, or • Informal Marriage Form (recognized by court) 	30 days
*Child / Stepchild	<ul style="list-style-type: none"> • Birth Certificate 	30 days
*Other Dependent Child	<ul style="list-style-type: none"> • Court order for Guardianship or Conservatorship signed by a Judge 	30 days
*Adopted Child	<ul style="list-style-type: none"> • Adoption Documents & Birth Certificate 	30 days
*Child Placed for Adoption	<ul style="list-style-type: none"> • Placement Documents & Birth Certificate 	30 days
*Qualified Medical Support Order	<ul style="list-style-type: none"> • Notification from State Attorney General 	As directed by AG's Order
*Other Medical Support Order directed to the City of Arlington	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • Attending Physician Statement 	30 days
*Dependent must be less than 26 years old		

Annual Audit of Selected Employees

Annually, we may conduct an audit requiring selected employees to provide documentation proving eligibility of covered dependents. This process is intended to confirm employees have only enrolled eligible family members. 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 employment, personal liability for benefits received and/or criminal prosecution. Additional consequences may apply.

Family Status Change - Life Events

What is a Family Status Change?

A family status change is a life event that may allow an employee 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, employees 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. (A child is terminated from medical, dental, and/or vision coverage the last day of the month he/she attains age 26.)

Notification and Documentation Requirements

<u>ADDING COVERAGE:</u>	<u>LIFE EVENT DESCRIPTION CODES</u>
Marriage-A ¹ Layoff-A ³ Loss of Coverage-A ³ Court Ordered Guardianship or Custody-A ² Birth-A1 Daycare Added-A ⁴ Adoption-A ^{1/2} Placement for Adoption-A ^{1/2} Medicaid or CHIP loss of eligibility-B ³	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.
<u>DROPPING COVERAGE:</u>	
Divorce-B ^{2/5} Other Coverage-A ⁴ Dependent Child Maximum Age-B ⁵ Death-A ¹ Daycare Discontinued-A ³ Medicaid or CHIP eligibility-B ⁴	

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.**

All payroll deductions/refunds due resulting from plan changes will be taken on the next paycheck. Deductions and refunds are effective as of the effective date of the change when enrollment and documentation are timely provided to HR.



Online Enrollment

Using a city computer, go to the City Portal "Home" page and select "Lawson CityNet Portal."

Employee user ID is:

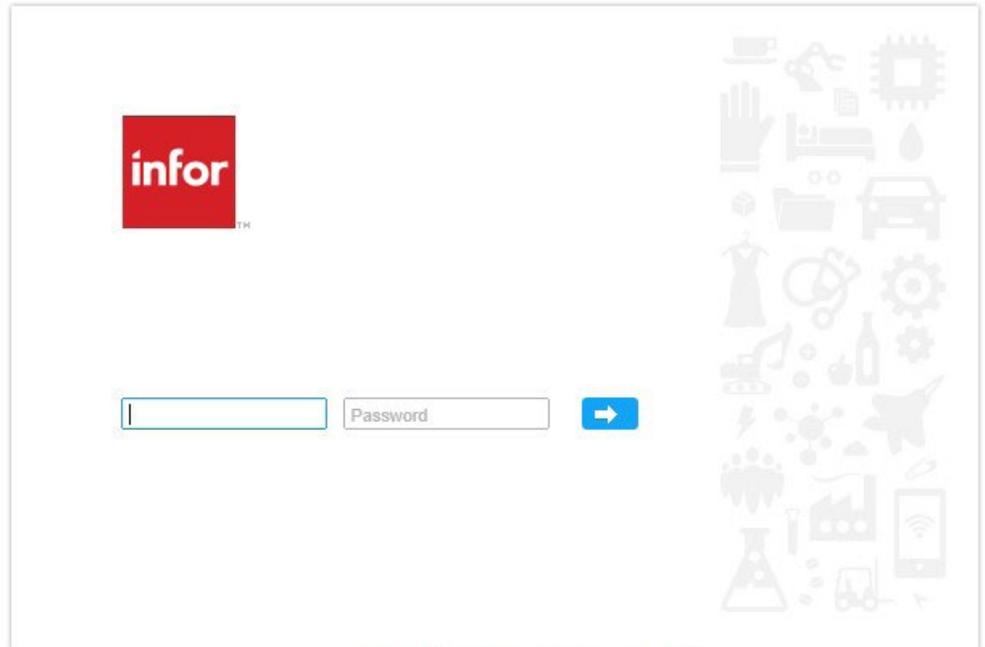
Last name and first initial:
John Smith = SmithJ

Password:

Same password as employee City computer / e-mail log in.

Access Issues:

Visit the IT Customer Support Center and submit a REMEDYFORCE SELF-SERVICE SYSTEM request for assistance.

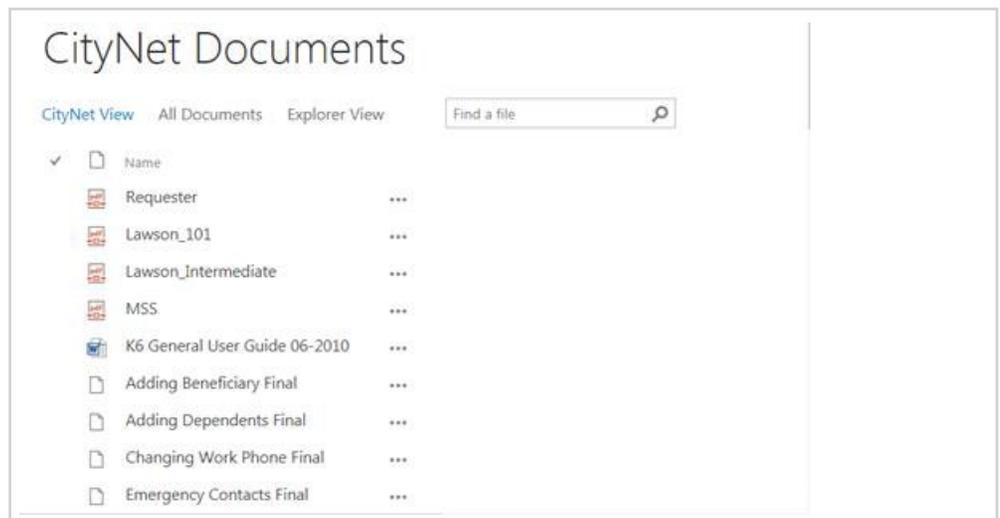


Copyright © 2014 Infor. All rights reserved. www.infor.com
Technology 10.0.5.0.600

The City Portal includes a CITYNET section with "LAWSON HOW-TO'S":

Online Dependent Verification

When employees complete the Lawson online enrollment, you affirm an understanding of the eligibility definitions for spouse and dependents and only eligible family members have been enrolled in City benefit plans.



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.

Medical and Pharmacy Plan

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 plan employee rates increased 5.6% over 2016 rates.

Prescription Medication UHC Formulary Update: UnitedHealthcare updates their formulary medication list 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: Requires physicians to provide additional prescribing information to verify pharmacy benefit coverage. This ensures the doctor is prescribing medications for the condition 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.

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 PDL. Current members taking medications included on the PDL will be grandfathered. Example: medication approved for cancer with a prescription for another diagnosis.

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

Please visit UnitedHealthcare's UHCtv site for videos related to a variety of healthcare topics

www.uhc.tv/term?topic=health-insurance&arw_page=1&uhc_page=view_all



Dental Plan

DHMO plan rates will not change in 2017. The PPO dental rates for both the high and low plans will increase 6% over 2016 rates. **Rate Changes:** Refer to the rate charts included in the Employee Benefit Guide.

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. Your employer 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

Employees will complete a member profile online: <https://member.compassphs.com> or Contact a Health Pro consultant at 1.800-513-1667 or answers@compassphs.com.



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

Employees 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 members a new 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 all employees 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 counselors help families identify and address life and work-related concerns.

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

2017 Rates



NOTE:
Payroll deductions may differ slightly due to rounding.

MEDICAL	*Employee Rate		City Rate	
	Biweekly	Annual	Biweekly	Annual
HDHP (High Deductible Plan) Medical Plan - MED4				
EE Only	\$12.81	\$333.06	\$261.53	\$6,799.68
EE + Spouse	\$54.18	\$1,408.68	\$515.06	\$13,391.64
EE + Child(ren)	\$21.35	\$555.10	\$427.32	\$11,110.32
EE + Family	\$76.10	\$1,978.60	\$723.25	\$18,804.48
EPO (Exclusive Provider Plan) Medical Plan - MED1				
EE Only	\$28.50	\$741.00	\$275.17	\$7,154.40
EE + Spouse	\$120.57	\$3,134.82	\$512.72	\$13,330.68
EE + Child(ren)	\$71.28	\$1,853.28	\$427.88	\$11,124.84
EE + Family	\$169.31	\$4,402.06	\$719.99	\$18,719.76

*Medical Plan Non-Wellness Rate: Add \$15.00 Biweekly



DENTAL	Employee Rate					
	Dental Health Maintenance Organization (DHMO) Plan		Low Participating Provider Organization (PPO) Plan		High Participating Provider Organization (PPO) Plan	
	Coverage Level	Biweekly	Annual	Biweekly	Annual	Biweekly
EE Only	\$5.04	\$131.04	\$6.78	\$176.40	\$16.38	\$425.76
EE + 1	\$10.17	\$264.42	\$13.45	\$349.68	\$32.42	\$842.88
EE + Family	\$15.26	\$396.76	\$23.67	\$615.48	\$57.05	\$1,483.32



VISION	Employee Rate	
	Biweekly	Annual
EE Only	\$1.99	\$51.74
EE + 1	\$4.14	\$107.64
EE + Family	\$6.32	\$164.32

Medical and Pharmacy Summary



This comparison of benefits is a basic summary for the medical and pharmacy plans see the Summary Plan Description for the complete schedule of benefits located on the Human Resources portal – Documents and Forms - Medical and Pharmacy.

Medical coverage terminates the last day of the month in which you 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 employee-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 21 for more details or the HR portal – Documents and Forms – Required Notices.

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 HR portal under the Medical and Pharmacy 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 medications' 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 Account (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). The City provides the option for employees to make pre-tax contributions through payroll deductions.

The City of Arlington has partnered with Optum Bank to provide this option for payroll direct deposits to an employee's individual bank account. **A bank account must be opened prior to beginning any payroll deductions.** Optum will provide employees with the necessary tax forms to include with personal tax return. **All medical expense receipts need to be retained by employees to document eligible distributions per IRS regulations.** See the Optum Bank enrollment link on the HR portal under [Documents and Forms - HSA](#).

HSA direct deposits become effective the first pay period after employees have established an individual bank account and provided a Payroll Direct Deposit enrollment form to Human Resources.

What are the benefits of an HSA?

- 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 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 when utilized to pay for qualified health expenses (IRS Publication 969).

How much may I contribute to the HSA?

Contributions to the HSA are limited by the amount established by IRS guidelines and typically change each calendar year. For individuals age 55 and over or who will become age 55 any time in 2017, you have the option to contribute an additional \$1,000 under the catch-up provision established by the IRS. The amount of contributions to the HSA bank account may be changed at any time throughout the year by providing a completed Health Savings Account Payroll Direct Deposit form to Human Resources.

Optum Bank HSA Maximum Annual Contributions 2017	
HDHP - Employee Only Coverage	\$3,400
HDHP - Employee Plus 1 or More	\$6,750
Age 55 Catch-Up (Age 55 by 12/31/17)	\$1,000

May I contribute to an HSA and FSA account in the same year?

ONLY the limited purpose FSA is available when making contributions to an HSA bank account. The limited purpose FSA account may be used to pay or reimburse specific items as outlined in Publication 969 to include dental care and vision care expenses. Medical expenses cannot be paid from a limited purpose FSA account.

Employees are responsible for monitoring annual contribution limits and determining eligibility for a Health Savings Account.



Important HSA Enrollment Information: Employees do not qualify to contribute to a Health Savings Account in 2017 if eligible to make a claim from any FSA health reimbursement account balance. The City of Arlington has the 2½ month extension provision. When there is a balance remaining as of December 31, 2016 in the health FSA account, and an employee enrolls in the HDHP in 2017 and wants to open an individual HSA bank account, April 1, 2017 would be the first day any payroll direct deposits should begin.



Watch video

Flexible Spending Accounts (FSA)

IMPORTANT

Each FSA account is maintained as a separate account. IRS regulations do not allow transfers from one account to another.



Flexible Spending Accounts – Lower Taxes

Flexible Spending Accounts (FSA) allow the option to spend pre-tax dollars for out-of-pocket healthcare or dependent care expenses. Employees decide how much money will be taken out of each paycheck before paying taxes. Each dollar deposited into an FSA account is worth more than the taxed paycheck dollars. After paying for an eligible expense, submit a claim and be reimbursed with the pre-tax dollars from an FSA. You cannot change or stop payroll deductions during the year unless experiencing a qualified family status change. Annual enrollment is required to continue contributing to any FSA accounts.

The Health Expense FSA is used to pay for eligible out-of-pocket expenses, such as:

- Deductible, co-insurance and co-pays for **medical, dental or vision coverage**
- Retail and mail-order prescription co-insurance,
- Any IRS deductible expense not covered by a health plan. Example: Lasik eye surgery

The Limited Purpose FSA is paired with the HDP when you also make contributions to an individual Optum Bank Health Savings Account (HSA). This FSA is used to pay for eligible out-of-pocket expenses for deductibles and co-pays for **dental or vision coverage ONLY**.

The Dependent Care FSA is used for reimbursement of eligible day care expenses for a dependent who lives with you and who is under age 13 (or disabled at any age). For a dependent's care to be eligible you must claim the person as a dependent on your income tax return. You may be reimbursed only for care that enables you to work, go to school full-time, or look for work on a full-time basis. You can't be reimbursed for care provided by your spouse, your child under age 19, or someone you claim as a dependent.

FSA Claim Filing Extension: There is a 2½ month extension to utilize FSA contributions remaining as of December 31st each plan year. Eligible claims incurred by March 15 may be submitted for reimbursement from the prior year's plan balance. Active employee claims must be filed with UHC FSA division no later than May 31st. Employees that leave City employment must file claims within 30 days of separation from City employment.

Example: You have an FSA account balance of \$200 on December 31, 2017. On January 15, 2018, you have to pay out-of-pocket for eligible dental expenses totaling \$150. You would be eligible to file an FSA reimbursement claim for the \$150 from your 2017 balance.

What may I spend my FSA account funds on?

- Healthcare Expenses = www.irs.gov/publications/p502
- Dependent Care Expenses = www.irs.gov/publications/p503

How Much May I Contribute in 2017 to My FSA?		
Health Expense	Limited Scope	Dependent Day Care
Minimum Contribution = \$260	Minimum Contribution = \$260	Minimum Contribution = \$260
Maximum Contribution = \$2,600	Maximum Contribution = \$2,600	Maximum Contribution = \$5,000

This comparison of benefits is a basic summary only. Refer to the Human Resources portal 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 TX15BDHMO*	Delta Dental PPO SM Low Option PPO**	Delta Dental PPO SM 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.

Vision Plan Summary

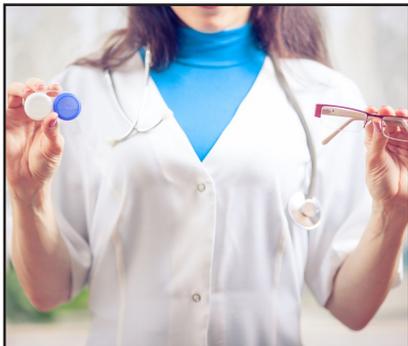
SUPERIOR VISION

See yourself healthy.

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

Refer to the Human Resources portal 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* <u>Single Vision</u> covered in full <u>Bifocal</u> covered in full <u>Trifocal</u> covered in full <u>Progressives</u> (see benefits schedule for details) <u>Polycarbonate</u> for dependents to age 18 covered in full	<u>Single Vision Lenses</u> up to \$32 retail <u>Bifocals</u> up to \$46 retail <u>Trifocals</u> up to \$61 retail <u>Progressives</u> up to \$61 retail <u>Polycarbonate</u> 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 HR Portal.

NEW HIRES

Basic Term Life Insurance

As an eligible employee, the City of Arlington provides Basic Term Life insurance in the amount of twice an employee's annual salary up to \$300,000. There is no cost to employees for the Basic Term Life coverage.

Optional Term Life with Accidental Death & Dismemberment

The City of Arlington understands the importance of protecting your family's future. New employees, through first 30 days of employment, may elect coverage in \$10,000 increments, up to 8 times an employee's base annual salary (minimum enrollment of \$20,000) but not more than \$200,000. Employees may elect up to a maximum of \$500,000, but the coverage is subject to medical questions (referred to as Medical Evidence of Insurability – MEOI). Cigna must approve coverage above the new hire guaranteed issue amount (shown below) before payroll deductions begin.

Optional Dependent Term Life Insurance

Dependent coverage is contingent upon the dependent not being home/hospital confined for medical care or treatment. This plan pays life insurance proceeds to the employee in the event your spouse/child dies.

- **Spouse Coverage:** As a new employee, you may elect coverage for a spouse in \$5,000 increments (minimum \$10,000) up to 50% of your employee election to a maximum of \$50,000. Amounts up to \$150,000 may be elected, but coverage is subject to medical questions and approval by Cigna (MEOI).
- **Child Coverage:** Employees may elect coverage of \$10,000 for each child under the age of 26.

Note: Employee must first be enrolled in Supplemental Term Life Insurance/Accidental Death & Dismemberment to enroll in the spouse/child life insurance plan.

Guaranteed Issue for New Hires - Full-Time Employees	
Employee Basic Life	\$300,000 Maximum Coverage
Employee Optional Life/Accidental Death & Dismemberment	\$200,000 (MEOI required for a greater amount of coverage)
Spouse Optional Life	\$50,000 (MEOI required for a greater amount of coverage)
Child Optional Life	\$10,000 Maximum Coverage

Annual Enrollment

Adding or Increasing Life Insurance

Life insurance additions or coverage increases for employee optional life or spouse life during annual enrollment requires completion of a Medical Evidence of Insurability form (MEOI - also known as proof of good health). Requests typically require you have lab work completed which will be scheduled by the carrier. Cigna will notify you if any additional information is needed to consider your coverage request.

Coverage is not effective until approved by Cigna. All coverage approvals will be entered for payroll deductions to begin the first full pay period after receipt of the Cigna approval documentation.

If you would like to make a change during annual enrollment, the MEOI forms may be requested from Human Resources.

Life Insurance



Rates and additional information on life insurance plans, including the group policy, are located on the Human Resources portal under Documents and Forms – Life Insurance.



Disability Coverage (CIGNA)



Long-Term Disability

The City of Arlington provides a Long-Term Disability (LTD) benefit equal to 60% of your base monthly pay at no cost to you. The following summarizes this coverage, which is administered by Cigna:

- Benefits begin after a 120 day elimination period for a qualifying disability.
- LTD benefits replace 60% of your base pay to a maximum monthly benefit of \$6,000. The benefit is payable for 24 months in which you are unable to perform the essential duties of your own occupation. After 24 months, you must be unable to perform the essential duties of any occupation for which you are reasonably qualified by education, training or experience.
- LTD covers occupational and non-occupational injuries or illness.
- The LTD minimum monthly benefit is \$50 per month, with a maximum of \$6,000 per month.

NOTE: LTD benefits are reduced by other sources of income during disability such as Workers' Compensation, Social Security, Texas Municipal Retirement System and other benefits. Refer to plan documents included on the Human Resources portal, Documents and Forms, Long Term Disability.

Short Term Disability

In addition to LTD, employees have the option to elect Short Term Disability (STD) coverage for the period of time prior to LTD going into effect. If you were out of work due to a sickness or injury, how would you pay the bills? The STD insurance plan, also administered by Cigna, is designed to replace a portion of lost income when a sickness or injury limits your ability to work and earn a full paycheck. When you are disabled for 14 days from a non-work-related accident or sickness, benefits begin on the 15th day of the qualifying disability and may be paid up to 16 weeks or until you no longer qualify, whichever occurs first.

Employees may elect from one of three options available:

OPTION 1: 40% – This plan pays a benefit of up to 40% of your weekly covered earnings*

OPTION 2: 50% – This plan pays a benefit of up to 50% of your weekly covered earnings*

OPTION 3: 60% – This plan pays a benefit of up to 60% of your weekly covered earnings*

* Covered earnings includes your base wages or salary and does not include bonuses or any other extra compensation. Short Term Disability benefits are reduced by other sources of income during disability including Workers' Compensation. All options include a minimum benefit of \$25 and a maximum benefit of \$1,250 per week.

If you elect coverage within 30 days of your date of hire, your coverage will not contain a pre-existing condition limitation. If you do not elect coverage as a new hire, you will be given the opportunity to enroll during the Annual Enrollment period as a late entrant. Late entrants are subject to the pre-existing condition limitation clause excluding coverage for medical conditions treated or diagnosed in the three months prior to the effective date of your STD coverage. Coverage increase amounts are also subject to this pre-existing condition limitation.

Rates and additional information on this plan including the group policy which details the Exclusions and Effects of other Income Benefits is located on the Human Resources portal under Documents and Forms – Short Term Disability.

Accident Insurance

Accident insurance from Allstate Benefits provides cash benefits for out-of-pocket expenses associated with an accidental injury. Coverage is guaranteed issue at initial enrollment and the policy is portable. A Benefit Enhancement Rider has been added to expand your coverage, providing benefits if you have medical procedures often associated with accidents.

This includes benefits for hospital admission, CT scan and MRI, general anesthesia, medical supplies, physical therapy and more.

You may elect coverage for your eligible dependents. Covered spouses receive 50% of the benefit amount and children receive 25%.



Critical Illness Insurance

Critical illness coverage can help protect your finances in case you are faced with a life changing illness.

This plan provides financial reassurance to help cover the out-of-pocket expenses associated with a heart attack, stroke, coronary bypass surgery, major organ transplant and end stage renal failure. A Wellness Benefit is included to help keep you healthy, and our Cancer Coverage and Cancer Recurrence Benefit are also included, giving you even greater protection. Employees may elect from two guaranteed issue coverage amounts: \$10,000 or \$20,000.

You may elect to cover your eligible dependents. Covered dependents receive 50% of employee's basic-benefit amount. This coverage supplements any existing medical benefits and premiums are affordable.



Annual Enrollment Information

Allstate has agreed to a true open enrollment for the 2017 plan year, so employee enrollments will not require any Medical Evidence of Insurability forms be completed.

Rates and additional information on the plans available from Allstate including the policy are located on the Human Resources portal under Documents and Forms – Allstate.

Other Benefit Plans (ALLSTATE)



Allstate[®]
You're in good hands.

\$50 Outpatient Physician Visit Benefit (2 per Individual, 4 per Family) when enrolled in [Accident Plan](#).

\$50 Wellness Benefit per year per insured when enrolled in [Critical Illness Plan](#).



Retirement Benefits



MyTMRS

- See balance of your TMRS account (does not include City contribution).
- View your beneficiaries.
- See the date you are eligible to retire and get estimates for other dates.
- See your total months of service.
- View Annual Statements
- Update your home address & phone number

Beneficiary and name changes must be made on TMRS forms available through the website www.TMRS.com.



Texas Municipal Retirement System

The City of Arlington does not pay into Social Security. In lieu of those benefits, the City provides retirement benefits for employees working in positions budgeted for at least 1,000 hours and above through TMRS. The City matches the employee's 7% contribution (required pre-tax automatic deduction) at a two-to-one match.

The City of Arlington has also chosen to provide Supplemental Death Benefits for members and retirees. Survivors of active employees receive an additional benefit approximately equal to the employee's annual salary. The Supplemental Death Benefits paid to a retiree's beneficiary is \$7,500

401(k) Thrift Savings Plan



The City of Arlington is one of the few cities in the state that offers a 401(k) plan as part of your retirement package. This is a voluntary retirement program, and you may contribute up to \$18,000 a year if you're younger than 50 and up to \$24,000 a year if you're 50 or older. The City matches 50% of your contribution up to 6% of your base salary, equivalent to a maximum match of 3%. You are 100% vested in your contributions, and the vesting schedule for the City's contribution is as follows:

401(k) Vesting Schedule	
Year 1.....0%	Year 4.....60%
Year 2.....20%	Year 5.....80%
Year 3.....40%	Year 6.....100%

457 Deferred Compensation Plan

The City of Arlington offers a voluntary 457 deferred compensation that can provide additional savings for retirement. This plan allows employees who retire before age 55 to avoid the 10% penalty, and the pre-tax option within this plan lowers taxable income at the end of the year.

The post-tax Roth option allows contributions on an after-tax basis. Contributions and earnings can be withdrawn tax-free if requirements for a qualified distribution are met. You are always 100% vested in your contributions.

NOTE: For both the 401(k) and 457 plans, enrollment kits are available from Human Resources and ICMA-RC representatives are available to assist you with enrollment and investment fund details. You may sign up to make a contribution to these accounts at any time AND make changes to your contribution amount at any time during the year. Enrollment and contributions changes may be completed at www.icmarc.org/arlington-tx.

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 your active employee benefits, but the cost is much higher because you pay the full cost for the coverage, plus a 2% administration fee.

*An initial notice is provided to you upon hire or rehire that notifies you of your COBRA rights. The complete notice is located on the Human Resources portal - Documents and Forms – COBRA.

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.

*The complete CHIP notice that includes contact phone numbers and websites is included on the Human Resources portal under Documents and Forms – Required Notices.



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 to all employees:

- 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 Human Resources portal - Documents and Forms - Required Notices. You may also obtain a copy by contacting Human Resources 817-459-6869.

Benefit Plan Contact Information

UnitedHealthcare Medical Plans Group #702632	High Deductible Health Plan (HDHP) Exclusive Provider Organization (EPO)	HDHP: 1.866.314.0335 EPO: 1.866.633.2446	www.myuhc.com Advocate4Me@uhc.com
Optum Rx Specialty Pharmacy	HDHP and EPO Plans	1.888.739.5820	www.optumrx.com
Compass	Professional Health Service Concierge	1.800.513.1667	https://member.compassphs.com
UnitedHealthcare Flexible Spending Accounts #707191	Health Expense Limited Scope Dependent Day Care	1.800.331.0480 Claims Fax: 1.886.262.6354	www.myuhc.com
Optum EAP	Employee Assistance Plan	1.866.248.4094	www.liveandworkwell.com
Delta Dental	DHMO – TX15B DeltaCareUSA PPO High & Low Plans – TX16442	1.800.422.4234 1.800.521.2651	www.deltadentalins.com
Superior Vision	Vision-Superior Vision Network	1.800.507.3800	www.superiorvision.com
Optum Bank	Individual HSA Account	1.800.791.9361	www.myuhc.com
Allstate Group V4687	Critical Illness Policy Accident Policy	1.800.521.3535 Claims: 1.800.348.4489 Fax: 1.866.424.8482	https://www.allstateatwork.com/mybenefits
Cigna	Short Term Disability Long Term Disability	1.888.842.4462 Fax: 1.866.517.9874	www.mycigna.com

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	Enrollment Assistance Retirement Planning	1.800.290.7160	mmendenhall@icmarc.org
Nicholl Aldridge ICMA-RC Consultant	Enrollment Assistance	1.866.886.8023	naldridge@icmarc.org
Rick Stern ICMA - RC	Certified Financial Planner	1.866.265.5504	rstern@icmarc.org

Family Medical Leave

Cigna	FML Administrator	1.888.842.4462 Fax: 1.866.931.5095	www.mycigna.com
-------	-------------------	---------------------------------------	-----------------

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.