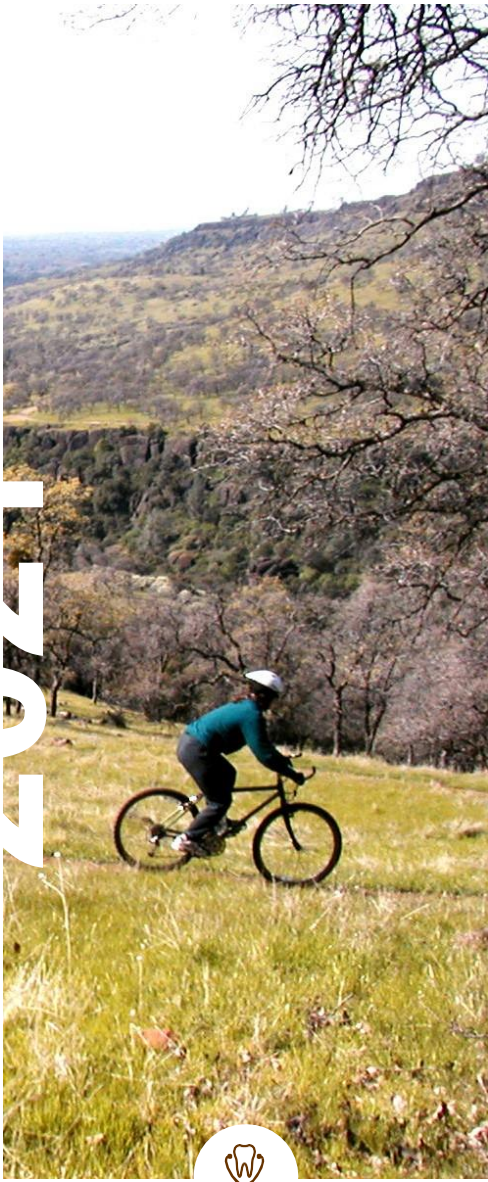


2021



# EMPLOYEE BENEFITS GUIDE

Effective January 1, 2021 - December 31, 2021

*Active*



## Welcome to Your Benefits Guide

Your benefits are a valuable addition to your overall compensation. Make sure you get the most from them by taking the time to understand your options and by selecting the best coverage for you and your family.

Your elections will remain in effect throughout the plan year (January 1 – December 31, 2021) unless you experience a change in status, as explained on page 10. Otherwise, your next opportunity to change your elections will be during the next Open Enrollment period.

For information about the specific plans available to you, contact the Human Resources and Risk Management Office at (530) 879-7900 or visit the City’s website at:

<https://chico.ca.us/post/employee-benefits>.

## Notice of Creditable Coverage

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a Federal law gives you more choices about your prescription drug coverage. Please see page 28 for more details.

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**Annual Open Enrollment runs October 1 through October 30, 2020 for a January 1, 2021 effective date.**

## Important Notice: Read Carefully

City of Chico has made every attempt to ensure the accuracy of the information described in this enrollment Guide. Any discrepancy between this Guide and the insurance contracts or other legal documents that govern the plans of benefits described in this enrollment Guide will be resolved according to the insurance contracts and legal documents. Nothing in this enrollment Guide will amend, modify, increase, expand, enhance or in any other way alter the terms of the underlying benefit plans as set forth in the insurance contracts and other legal documents that govern them. City of Chico reserves the right to amend or discontinue the benefits described in this enrollment Guide in the future, as well as change how eligible employees and the City of Chico share plan costs at any time for any reason. This enrollment Guide creates neither an employment agreement of any kind nor a guarantee of continued employment with the City.

## Open Enrollment

Your benefits should complement your life. During Open Enrollment, reflect upon how your life has changed over the past year and consider how it may be different next year. Then, participate in Open Enrollment and choose benefits that will best serve you in 2021. Open Enrollment for the 2021 benefits begins October 1st and will remain open until October 30th. The benefits you choose will become effective January 1, 2021.

Remember, Open Enrollment is generally your one time of the year to make changes to your benefits, and you'll need to participate if you want to:

- Make changes to your medical, dental, vision, voluntary life, and Aflac coverage for next year.
- Contribute to a Health Care and/or Dependent Care Flexible Spending Account (FSAs). **Remember, you must re-enroll each year.**

Please be sure to submit your enrollment forms/changes to the City no later than **Friday, October 30, 2020**. If you do not wish to make any changes to your benefits, including re-enrollment in the FSA(s), no action is required.

## 2021 Plan Changes

### Medical—Anthem

- None reported by Anthem

### Prescriptions—Express Scripts (ESI)

- Annual formulary and list of preventive and excluded medications updated (See page 26 for link to ESI)

### Dental—Delta Dental PPO & Vision (VSP)

- There are no benefit changes reported by the carriers.

## Open Enrollment

This year's Open Enrollment is different due to COVID-19. The City will not be holding a Health Fair, and employees will be able to make most of their open enrollment elections online using the Workterra's Employee Self Service portal. You can access Workterra's secure site from any computer with an internet connection.

With the Workterra portal you can:

- Review and update your demographic information if needed
- Add/delete dependents
- Change/make benefit elections

## What You Need to Do

You will need to make choices about which benefits you'd like to participate in during "enrollment windows." Enrollment windows are specific times that will require you to take action and select your benefits:

- When you are initially eligible to participate in benefits. Elections you make generally become effective on the first of the month following your date of hire. See page 9 for what happens if you don't enroll in coverage at date of hire.
- During the annual Open Enrollment period (October 1 – October 30). Any changes you make during the Open Enrollment period become effective January 1, 2021.
- When you experience a qualified change-in-status event, such as marriage or the birth of a child, or HIPAA special enrollment event. You must report these events within 30 days in order to make any allowable changes to your benefits. See page 10 for more details about reporting qualified change-in-status events and HIPAA special enrollment rights.

Each time an enrollment window occurs, use this Guide to familiarize yourself with the most current information on the City's benefit programs and what coverage options are available to you. You can also use this information to:

- Get ready to enroll
- Understand how to enroll
- Know what to expect after you enroll
- Learn what happens if you don't enroll

## Get Ready to Enroll

1. Review your options, ask questions and talk with your family. If you're thinking of changing medical plans or you are choosing for the first time:
  - a. Check with your doctors to find out which plans they participate in
  - b. If you take any prescription medications regularly, contact the new plan to find out how these drugs are covered (for example, formulary or non-formulary drugs)
  - c. Call the medical plan's Member Services number or visit its website (contact details are on page 26 of this Guide).
2. Consider not only your current circumstances but also what may be happening in your life in the future. Outside of Open Enrollment, you will not be able to make changes to your benefits unless:
  - a. You have a qualified change-in-status event or HIPAA special enrollment event (for example, you get married or have a child). HIPAA special enrollment events are explained in more detail on page 10 of this Guide.
  - b. You move out of the EPO service area
3. Consider the following when choosing a medical plan:
  - a. What the plans cover. The Medical Plans section of this Guide explain what each plan covers.
  - b. Your estimated usage. Does your plan choice adequately cover the services you use most or will need in the future?
  - c. Flexibility in choice of doctors, hospitals and how you receive care. Each plan may include a different set of doctors or hospitals or have different rules for how to receive care.
  - d. Verify service areas and provider availability since all medical plans make ongoing changes during the year.
4. Have the right information handy. When you start the enrollment process, you'll need:
  - a. Your Social Security number
  - b. The names, birth dates, and Social Security numbers of any dependents you wish to enroll, or of any beneficiaries you wish to designate. Social Security numbers are required for all dependents over the age of 6 months.
  - c. Proof of dependent eligibility (marriage license, domestic partner certification, birth certificate)

## How to Enroll/Make Changes Enroll/Make Changes Online

Workterra login

1. Launch an Internet browser such as Internet Explorer.
2. Navigate to <https://workterra.net/Platform>
3. Enter the information below and click Login

User name: [First 4 of Last name, First Letter of First name, last 4 of SSN]

(Example: [John Smith – 5454 – SmiJ5454])

Password: [Employee ID]

(Example: [123456])

Company: City of Chico

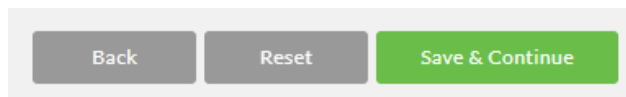
After you login, you must read and accept the Employee Usage Agreement and Legal Agreement

Read the Welcome Page information and select Continue

Please provide your security questions and answers as well as update your password. When finished select Save & Continue.

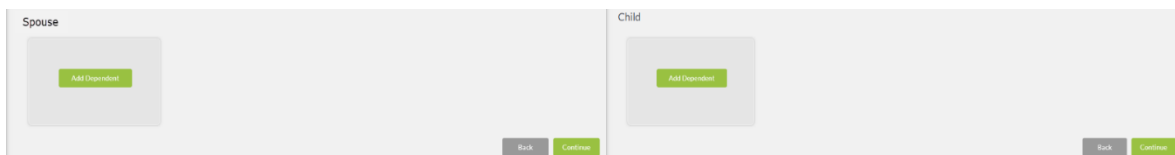
Please note your password must be:

- Password must be a minimum of 8 characters.
- Password must contain at least one numeric digit.
- Password must contain at least one special character.
- Password must contain at least one UPPERCASE letter.



You will then have an opportunity to review, add or update your spouse, domestic partner or child information as well as your emergency contact information on the next few pages.

To add a spouse or child, click Add. The Add Spouse/ Add Child screen will open for you to enter their demographic information (required data is marked with a red indicator).



Click Save & Continue. If you have multiple children, select “Add Another Child” adding them one at a time and click “Save & Continue” once all are added.

[If you do not have a spouse, domestic partner or child, click Continue to proceed to the next page.](#)

For **Disabled Children**, please ensure that you classify the child as a “Disabled Child” in the Child relationship box as well as enter a “yes” in the Disabled child field.

A screenshot of a form section. The first field is 'Child Relationship' with a dropdown menu showing 'Natural child'. Below it is a section titled 'Health Details' with a field 'Disabled Child' and a dropdown menu showing 'Yes'.

## How to Enroll/Make Changes

### Enroll/Make Changes Online

Follow the steps below to enroll in your benefit plans.

If you do not wish to enroll and would prefer to decline the benefit, select “Waive this benefit”.

Please note that the following are available for additional information to assist you in choosing your benefits.

- Compare Plan – Click the Compare Plan box under each plan to open up a side by side comparison of the plans offered to you
- Additional Tools
  - Learn about your Health benefits – This houses links to the plan summaries
  - Paycheck Modeling – Allows you to calculate how much your benefits will cost
  - Forms Library – This houses links to additional benefit information
- Brochure – This link contains plan information

Step 1: Go to the plan you would like to enroll in.

Step 2: Select your covered members that you would like to enroll in the plan

Step 3: Click on the “Enroll Now” button to save the enrollment.

Medical

Medical benefits are designed to support the cost of medical services for the employees and the elected dependents. These benefits provide protection to the employees against the medical care costs. Dental and Vision health issues can also be taken care of.

Click to waive Medical benefit [Waive](#) [Compare Plans](#) [Additional Tools](#)

**Blue Shield HMO**  
Effective Date: 12/01/2017

Eligible Members

<input checked="" type="checkbox"/> Test Test	Employee
<input type="checkbox"/> S test	Spouse
<input type="checkbox"/> test test	Natural child

Total Cost

Employer Cost	\$50.00/ Semi-monthly
Employee Cost	<b>\$249.72/ Semi-monthly</b>

[Brochure](#) [Watch Video](#) [Enroll Now](#)

Please be sure to use only the navigational buttons provided within the tool. **Do not use your browser’s back button.**

You can navigate into previous pages using these three options:

1. The slide out menu bar will allow you to move back to any page that you have previously visited
2. To revisit a plan you may click on the benefit plan listed in the election summary
3. Use the back button provided by the tool

1

2

3

From Your Pocket: \$559.15/Semi-monthly

Eligible Members

<input checked="" type="checkbox"/> Test Test	Employee
<input type="checkbox"/> S test	Spouse
<input type="checkbox"/> test test	Natural child

Total Cost

Employer Cost	\$17.68/ Semi-monthly
Employee Cost	<b>\$8.45/ Semi-monthly</b>

[Brochure](#) [Enroll Now](#)

Dental PPO  
Effective Date: 12/01/2017

Eligible Members

<input checked="" type="checkbox"/> Test Test	Employee
<input type="checkbox"/> S test	Spouse
<input type="checkbox"/> test test	Natural child

Total Cost



Employer Cost	\$9.68/ Semi-monthly
Employee Cost	<b>\$6.45/ Semi-monthly</b>


[Brochure](#) [Enroll Now](#) [Back](#)

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After completing all of your plan elections you will come to the Confirmation Page. Please review all of your elections for accuracy.

Confirmation Statement



## Test Test





Date of Birth  
January 1, 1985 (32 years)


Gender  
Male

Social Security Number  
XXXXX3123

Address  
test  
---  
DC ---  
USA

Employee Review	EMPLOYEE REVIEW		
Underwriting	Employment Status Full Time	Employment Full Time	Location B CA
Payroll	New Field 3	Reason for Status Change ---	
Demographics	Current Job Title ---	Job Description ---	Supervisor False
Dependent Information	Officer Status No	Company Stock Holdings % 0	

PLAN NAME	COVERAGE	EMPLOYER COST	EMPLOYEE COST
 <b>Blue Shield PPO</b> (Pre-tax) Effective 12/01/2017	Test Test (Employee) S test (Spouse)	\$261.06	\$609.15
 <b>Flexible Spending Account</b> (Post-tax) Effective 12/01/2017	Annual Employee Coverage - \$0.00 Annual Employer Coverage - \$0.00	\$0.00	\$0.00
 <b>Basic Life</b> (Post-tax) Effective 12/01/2017	Test Test (Employee)	\$0.00	\$0.00
Primary Beneficiary S test (Spouse)		100%	
 <b>Supp Life</b> (Post-tax) Effective 12/01/2017		Test Test (Employee) Current Coverage \$200,000.00 Elected Coverage \$200,000.00 (EE cost \$19.00)	\$0.30
Primary Beneficiary S test (Spouse)		100%	



To go directly to a specific section, click on an option you want to review using this panel.

Please note "Elected Coverage" is the coverage that is pending for EOL.  
 Current Coverage \$20,000.00  
 Elected Coverage \$200,000.00  
 (EE cost \$19.00)

Once you have completed reviewing your elections, you can click "Finish" to complete the Enrollment process.

Please be sure to keep a copy of the confirmation statement for your records by clicking on the PDF button to download save & print

After you have clicked on finish, you will be taken to your Employee Home Page. Your enrollment process is now complete.

## What Happens After Enrollment

### ID Cards

After you enroll, you will receive an ID card(s) from the medical plan you select if you enroll in coverage for the first time or change your coverage. No ID cards will be issued for the Delta Dental and VSP vision plans.

When you receive your ID card(s), confirm that all information is accurate. If not, contact the City's Human Resources Department right away.

## Cash In Lieu of Medical Coverage

Employees who have alternative group health coverage may "opt-out" of the City's medical plans. If you desire to "opt-out" of medical insurance, you must submit:

1. "Designation of Medical Opt-Out Payment Choice" form;
2. "Certification of Other Medical Coverage" form;
3. Proof of other group coverage

All items must be submitted to Human Resources by the end of the Open Enrollment period. Payment of the medical "opt-out" varies by bargaining unit and can be found in your Memorandum of Understanding or Pay and Benefits Resolution.

**Note:** *Employees enrolled in Medicare or Medi-Cal are not eligible for Cash In Lieu benefits*

## What Happens if You Don't Enroll

If you are an active employee and you don't take action during the Open Enrollment period, you will continue to receive your current year's medical, dental, and vision coverage for yourself and your covered dependents, as listed on your Enrollment Worksheet. You will not participate in any Flexible Spending Accounts (FSA) since you must re-enroll each year to participate in these plans.

**New employees who don't enroll in a City-sponsored medical plan within the 30-day period will not have coverage, but you will need to enroll in the city's dental and vision plans.**

You will not be able to make changes until the next annual Open Enrollment period or until you experience a qualified change-in-status event or HIPAA special enrollment event.



## Eligibility & Changes

### Eligibility

If you are a permanent employee and work 20 or more hours per week, you can participate in the benefits described in this Guide. Coverage for permanent employees begins first day of the month following date of hire or the first day of the month following a qualifying event. Hourly employees may be eligible to participate in the benefits described in this Guide; please read below for additional information.

### Your Dependents

#### Your eligible dependents include:

- Your spouse (as defined by applicable state law)
- Your State-Registered domestic partner (Certificate of Registration is required);
- Your children up to age 26. Children include:
  - Biological and adopted children, (including those placed in your home for adoption);
  - Stepchildren and domestic partner's children;
  - Children for whom you are responsible to provide health coverage under a qualified medical child support order.
  - Your child of any age if chiefly dependent upon you for support and maintenance because of physical or mental disability.

**Under no circumstances are you allowed to keep dependents (spouses and/or child(ren)) on your benefits if they are no longer eligible.** Failure to notify the City of ineligibility within 60 days will result in the forfeiture of COBRA rights.

If it is discovered that a dependent was kept on the benefits while no longer eligible, they will be terminated retroactively to the date of ineligibility and any claims incurred by them after that date will be the responsibility of the employee. The employee will also not be reimbursed for any premium contribution made on behalf of the ineligible dependents.

**Hourly Employees:** If you have worked an average of 30 hours or more per week during the City's last measurement period, you are eligible to enroll in medical benefits effective January 1, 2021. For more information or to check your eligibility, please contact Human Resources.

### Domestic Partner Eligibility Criteria

If you are enrolling a domestic partner, you must have a valid Declaration of Domestic Partnership on file with the State of California. To be eligible for a California Domestic Partnership, both persons are members of the same sex OR opposite sex who are not related by blood, age 18 or older and capable of consenting to the domestic partnership.

**Note:** The value of health care coverage provided for a domestic partner or any enrolled dependent children of your domestic partner is treated as income to you for federal tax purposes (and in most cases, state tax purposes). City of Chico will report the value of the coverage as income to you on your Form W-2 and will withhold applicable taxes. The amounts taxable to you can be substantial. It is recommended you consult with your tax advisor for more information on how this affects you.

### Making Changes

When you elect coverage under the medical, dental and vision plans, elections will generally remain in effect throughout the plan year (January 1 – December 31). You cannot change your coverage, start or stop coverage, or add or drop any family members to or from your coverage, during the plan year unless you have a qualified change-in-status event or a HIPAA special enrollment event.

### Qualified Change-in-Status Events

Examples of qualified change-in-status events include:

- Change in marital status (marriage, divorce or legal separation, registered domestic partnership)
- Change in number of dependents (birth, adoption or placement for adoption of a child; death of spouse or child)
- Change in dependent eligibility (dependent child loses eligibility due to age)
- Change in other coverage (spouse or child gains or loses eligibility for coverage under another plan, such as through spouse's employment)
- Change in residence resulting in loss of eligibility (such as moving out of the EPO service area)

If you experience a qualified change-in-status event, you have **30 days** to report the event and request an enrollment change that is consistent with the type of event. For instance, if the event is marriage, you may request an enrollment change to add your new spouse to your coverage. Enrollment changes due to qualified change-in-status events generally are effective the first of the month following the event, provided that you requested the enrollment change by the **30 day** deadline. Coverage for a new child due to birth, adoption or placement of adoption generally is effective on the date of the event.

The plan's official documents govern how and when you can make enrollment changes during the plan year and may allow qualified change-in-status events in addition to those listed above. Human Resources can provide complete details.

When you experience any type of family change, you should also consider updating your life insurance and beneficiaries at the same time. In addition, you may need to update your address or update your tax status by completing a new Form W-4. For questions about tax forms or to update your address, contact Human Resources.

## HIPAA Special Enrollment Rights

Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), if you decline City-sponsored medical, dental or vision coverage for yourself or your dependents because you have other group health insurance coverage (for example, through your spouse's employment), you may be able to enroll yourself and your dependents in the City's health care plan during the plan year if:

- You or your dependents lose eligibility for the other coverage
- The other employer stops contributing toward the other coverage
- You or your dependents lose eligibility for Medi-Cal or Children's Health Insurance Program (CHIP) coverage
- You or your dependents become eligible for a state's premium assistance program under Medi-Cal or CHIP

In addition, 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 in the City's health care plan during the plan year.

For any HIPAA special enrollment event, you must request enrollment within **30 days** after you or your dependent's other coverage ends (or after the other employer stops making a contribution toward the other coverage) or you acquire the new dependent. If the event is gaining or losing eligibility for coverage or premium assistance under Medicaid or CHIP, you have up to **60 days** to request a change.

For more information or to request special enrollment, contact Human Resources.

## If You Leave Your Job

Benefits end on the last day of the month following your last day of employment with the City of Chico. You and the dependents you have covered under your medical, dental and vision coverage have the right to continue participation in group health coverage as allowed under the Consolidated Omnibus Budget Reconciliation Act (commonly referred to as "COBRA"). COBRA generally allows you to continue coverage for up to 18 months by paying the monthly premiums yourself. In some cases, longer extensions and/or premium assistance may apply. Detailed information about COBRA rights is given to you when you become eligible for health coverage. You may request another copy of your COBRA rights notice at any time. For more information, contact HR at: **(530) 879-7900**

## Life Insurance

You can convert life insurance coverage to an individual policy or port (take with you) your current voluntary life insurance coverage within **31 days** of your termination date. Contact Human Resources for more information.

# Medical Plans and Prescription Drugs

## Medical Plans

You have the choice of several medical plans. For your specific plan options and costs, please refer to pages 13 through 17.

- Anthem EPO
- Anthem PPO90
- Anthem PPO80
- Anthem Lumenos HDHP/HSA

### How to Choose the Best Plan for You and Your Family

When choosing a medical plan, it is important to look at your budget, your preferences and the age and health of you and your covered dependents. You should consider the key differences between plan types and choose the one that best suits you and your family. The plans differ in the following areas:

- Cost of coverage, including payroll contributions and how you and the plan pay for services throughout the year
- Convenience, covered services, access to providers

## Prescription Drugs

Your prescription drug coverage is included as part of the medical plan option you select. You should always use a participating pharmacy (one that is contracted by your medical plan) to get the best price.

The medical plans have “tiered” copayments for prescription drugs, meaning you pay a different amount for different classes or groups of drugs. Generic drugs generally have the lowest copays, and non-formulary brand name drugs generally have the highest copays.

A **formulary** is a list of drugs (both generic and brand name) that are preferred by the health plans. You can learn more about your plan’s prescription drug coverage, including what drugs are on the formulary, by contacting:

#### EPO, PPO 90, PPO 80 Plans

Express Scripts

#### HDHP/HSA Plan

Anthem / IngenioRx

See page 26 for contact information.

**Note:** *Formularies are updated regularly. Please refer to your plan for updates. Contact information can be found on page 26 of this Guide. It’s good to keep checking back to determine if your prescriptions continue to be part of the formulary.*

### You Must Enroll

If you want medical coverage, you must enroll during Open Enrollment or as a new hire. If you are not currently enrolled in a City-sponsored medical plan, and do not elect a medical plan during Open Enrollment, you will not be eligible to enroll until the next Open enrollment window. If you do not elect a medical plan as a new hire, you will not have medical coverage.

### Health Savings Account

If you enroll in the High-Deductible Health Plan, you will be eligible to open a Health Savings Account (HSA) – a tax-advantaged way to pay for current medical expenses and save for future needs. To learn more, see page 15.

### Important Benefit Terms

For a list of benefit terms, please see page 27.

**A note about the High-Deductible Health Plans:** If you enroll in a High-Deductible Health Plan, you will pay the full cost of your prescription drugs until you meet your deductible. However, if you use a participating pharmacy, you will receive a discounted price for prescription drugs. After you meet the deductible, prescriptions are provided at no cost to you.

### **2021 Prescription Formulary**

(EPO, PPO 90, PPO 80)

Please review the NEW Express Scripts Preferred Drug Exclusions which can be found at: [www.express-scripts.com/cityofchico](http://www.express-scripts.com/cityofchico). If you are affected by any of the changes to the formulary, Express Scripts will be directly contacting you prior to January 1, 2021 with additional information and what you need to do.

## Carrum Health

Employees and their dependents enrolled in one of the City’s Medical plans has access to an enhanced surgery benefit program with top-quality hospitals and surgeons.

Under the Carrum Health surgery benefit program:

- A personally assigned Carrum “Care Concierge” will: Help complete forms; Gather and transfer medical records; Assist in the selection of a surgeon; Schedule the surgery; Make travel arrangements (if necessary); and Coordinate post-discharge recovery care.
- There are no medical bills! Co-insurance and deductibles will be waived\*  
\*Due to IRS regulations, on HDHP/HSA plans the deductible applies but the co-insurance is waived.
- Travel expenses (if applicable) will be covered for the patient and an adult companion.

See page 25 for contact information.

# Medical Benefit Summaries

	EPO	PPO 90/10	
	(Express Scripts Pharmacy)	In Network	Out of Network
Annual Deductible (individual/family)	\$250 / \$500	None	\$500 / \$1,500
Annual Maximum Medical (individual/family)	\$1,250 / \$2,500 includes deductible	\$2,000 / \$6,000	\$5,000 / \$15,000
Annual Maximum Pharmacy (individual/family)	\$5,350 / \$10,700	\$4,600 / \$7,200	No Limit
Physician / Specialist Office Visits	\$20 copay (deductible waived)	\$10 copay	30%
LiveHealth Online	\$20 copay (deductible waived)	\$10 copay	30%
Preventive Care	No charge (deductible waived)	No charge	Not covered
Labs & X-rays	No charge; Preventive care: No charge (deductible waived for preventive)	\$10 copay; Preventive care: No charge	30%; (benefit limited to \$350 max per day at a Hospital); Preventive care: Not covered
Advanced Imaging	No charge	10%	30% up to \$800 max per test
Room & Board Hospital Inpatient (semi-private)	No charge	10%	30% (benefit limited to \$600 max per day)
Outpatient Surgery	No charge	10%	30% <sup>1</sup>
Urgent Care	\$20 copay (deductible waived)	\$10 copay	30%
Emergency Room Services (copay waived if admitted)	\$250 copay	10%	
Ambulance Services	No charge	10%	
Skilled Nursing Facility	No charge up to 100 preauthorized days per calendar year	10%	Freestanding SNF: 10% with prior authorization; Hospital SNF Unit: 30%
		up to 100 preauthorized days per calendar year	
Durable Medical Equipment	No charge	10%	30%
Prescription Drug Copay (Retail Pharmacy - 30 Day Supply)	\$5 G / \$10 B / \$25 NF (deductible waived)	\$5 G / \$10 B / \$25 NF	Not covered
Prescription Drug Copay (Mail Order - 90 Day Supply)	\$10 G / \$20 B / \$50 NF (deductible waived)	\$10 G / \$20 B / \$50 NF	Not covered
Specialty Drugs (Formerly Self-Administered Injectables)	20% up to \$100 copayment maximum per prescription (deductible waived)	30% up to \$150 copayment maximum per prescription	Not covered
Chiropractic Care	\$20 copay (deductible waived) up to 30 visits per calendar year	\$25 copay	30%
		up to 12 visits per calendar year	
Acupuncture	\$20 copay (deductible waived)  up to 12 visits per calendar year	\$25 copay	\$25 copay
		up to 20 visits per calendar year	

The information presented in the chart is a summary only. The information does not include all of the detailed explanation of benefits, exclusions and limitations. Plan participants should refer to the Evidence of Coverage (EOC) document for coverage details. In the event information in this summary differs from the EOC, the EOC will prevail. \*\* All benefits subject to the deductible unless otherwise noted.

<sup>1</sup>The maximum allowed charges for non-emergency surgery and services performed in a non-participating Ambulatory Surgery Center or outpatient unit of a non-preferred hospital is \$350 per day. Members are responsible for the applicable coinsurance plus all charges in excess of \$350.

# Medical Benefit Summaries

	PPO 80/20 (Express Scripts Pharmacy)		HDHP (Anthem Pharmacy)	
	In Network	Out of Network	In Network	Out of Network
<b>Annual Deductible (individual/family)</b>	\$250 / \$500		\$3,000 / \$6,000 Deductible applies to all services including prescriptions	
<b>Annual Maximum Medical (individual/family)</b>	\$3,250 / \$6,500 includes deductible	\$10,000 / \$20,000	\$3,000 / \$6,000 includes deductible	\$5,000 / \$10,000 includes deductible
<b>Annual Maximum Pharmacy (individual/family)</b>	\$3,350 / \$6,700	No Limit	Combined with Medical	N/A
<b>Physician / Specialist Office Visits</b>	\$25 copay (deductible waived)	40%	No charge	50%
<b>LiveHealth Online</b>	\$25 copay (deductible waived)	40%	No charge	50%
<b>Preventive Care</b>	No charge (deductible waived)	Not covered	No charge (deductible waived)	Not covered
<b>Labs &amp; X-rays</b>	\$25 copay; Preventive care: No charge (deductible waived for preventive)	40%; (benefit limited to \$350 max at a hospital) Preventive care: Not covered	No charge; Preventive care: No charge (deductible waived for preventive)	50% (benefit limited to a \$350 max per day at a hospital); Preventive care: Not covered
<b>Advanced Imaging</b>	20%	40% up to \$800 max per test	No charge	50% up to \$800 max per test
<b>Room &amp; Board Hospital Inpatient (semi-private)</b>	\$100 copay then 20%	40% (benefit limited to \$600 per day)	No charge	50% (benefit limited to \$600 per day)
<b>Outpatient Surgery</b>	Hospital: \$50 + 20%; Ambulatory Center: 20%	40% <sup>1</sup>	No charge	50% <sup>1</sup>
<b>Urgent Care</b>	\$25 copay (deductible waived)	40%	No charge	50%
<b>Emergency Room Services (copay waived if admitted)</b>	20%		No charge	
<b>Ambulance Services</b>	20%		No charge	
<b>Skilled Nursing Facility (up to 100 preauthorized days per calendar year)</b>	Freestanding SNF: \$100+ 20%; Hospital SNF Unit: \$100 + 20%	Freestanding SNF: 20% with prior authorization; Hospital SNF Unit: 40%	No charge	Freestanding SNF: 0% after deductible with prior authorization; Hospital SNF Unit: 50% after deductible
<b>Durable Medical Equipment</b>	20%	40%	No charge	50%
<b>Prescription Drug Copay (Retail Pharmacy- 30 Day Supply)</b>	\$5G / \$10B / \$25 NF (deductible waived)	Not covered	No charge	Not Covered
<b>Prescription Drug Copay (Mail Order - 90 Day Supply)</b>	\$10 G / \$20 B / \$50NF (deductible waived)	Not covered	No charge	Not covered
<b>Specialty Drugs (Formerly Self-Administered Injectables)</b>	30% up to \$150 copayment maximum per Prescription (deductible waived)	Not covered	No charge	Not covered
<b>Chiropractic Care</b>	\$25 copay	40%	No charge	50%
	up to 12 visits per calendar year		up to 20 visits per calendar year	
<b>Acupuncture</b>	\$25 copay	\$25 copay	Not covered	
	up to 20 visits per calendar year			

The information presented in the chart is a summary only. The information does not include all of the detailed explanation of benefits, exclusions and limitations. Plan participants should refer to the Evidence of Coverage (EOC) document for coverage details. In the event information in this summary differs from the EOC, the EOC will prevail. \*\* All Benefits subject to the deductible unless otherwise noted.

<sup>1</sup>The maximum allowed charges for non-emergency surgery and services performed in a non-participating Ambulatory Surgery Center or outpatient unit of a non-preferred hospital is \$350 per day. Members are responsible for the applicable coinsurance plus all charges in excess of \$350.

# High Deductible Health Plan (HDHP) & Health Savings Account (HSA)

If you enroll in the Lumenos High-Deductible Health Plan (HDHP), you are eligible to open your own Health Savings Account (HSA). Health savings accounts were created by the federal government to give people a new way to pay for medical expenses and save for future needs. An HSA is considered “tax-advantaged” because you are not taxed at the federal level on contributions, earnings or withdrawals—and your balance rolls over year to year. You own and manage the account.

You can use your HSA to:

- Pay for current expenses, such as deductibles, prescription drugs, coinsurance or other health care expenses
- Pay for future health care expenses, even if you are no longer enrolled in a High-Deductible Health Plan
- Pay for things other than health care (but you will be taxed on those payments and subject to penalties)
- **You can contribute to an HSA only if you are enrolled in a qualified High-Deductible Health Plan.** You cannot be covered under any other non-qualified medical plan, including your spouse’s plan.
- **If you have an HSA, you cannot be enrolled in the Health Care Flexible Spending Account** (including coverage under your spouse’s flexible spending account). You can only have a “limited use” spending account. Eligible expenses with a limited use spending account include most unreimbursed dental, vision and/or hearing care expenses (including expenses for your dependents) and out-of-pocket medical expenses you paid after you met your plan deductible.
- **The City of Chico’s monthly contribution to the HSA will be split between the first two pay checks of each month.** This means that you will not have access to the full annual contribution at the beginning of the year – it will accrue over the course of the year.
- **The City of Chico’s HSA is through Sterling Health.** The City does not have a way to contribute to HSA accounts at other institutions.

## The High-Deductible Health Plan and your HSA work together

High-Deductible Health Plan	Health Savings Account (HSA)
<ul style="list-style-type: none"> <li>• Comprehensive medical coverage after you pay the deductible</li> <li>• Preventive care (before you meet the deductible)</li> <li>• Out-of-network benefits so you can see any doctor</li> <li>• Plan pays a percentage of covered services</li> <li>• Out-of-pocket maximum protects you from high cost claims</li> </ul>	<ul style="list-style-type: none"> <li>• You can contribute up to the annual limit each year; the City contributes as well</li> <li>• Helps pay your deductible and other expenses</li> <li>• Tax-free contributions, earnings and payments (for qualified expenses)</li> </ul>

## Health Savings Account Limits

	For 2020	For 2021
<b>HSA Contribution Limit</b> (employer + employee)	Individual: \$3,550 Family: \$7,100	Individual: \$3,600 Family: \$7,200
<b>HSA catch-up contributions</b> (age 55 or older)*	\$1,000	\$1,000

\* Catch-up contributions can be made any time during the year in which the HSA participant turns 55.

# Health Premiums

<b>CNF, DIR, Local 39, MGT, PSM*, SEIU, UPEC</b>													
<b>Medical Insurance Rates (CSAC/Anthem Blue Cross)</b>													
	TOTAL MONTHLY PREMIUM				CITY CONTRIBUTION					EMPLOYEE CONTRIBUTION			
	EPO	PPO 90/10	PPO 80/20	HDHP	EPO	PPO 90/10	PPO 80/20	HDHP	HSA	EPO	PPO 90/10	PPO 80/20	HDHP
Employee Only	620.00	620.00	573.00	402.00	535.56	349.87	397.55	402.00	78.14	84.44	270.13	175.45	0.00
Employee +1	1,321.00	1,320.00	1,217.00	859.00	1,156.14	741.05	843.38	859.00	125.02	164.86	578.95	373.62	0.00
Employee +2 or more	1,700.00	1,699.00	1,567.00	1,108.00	1,481.89	964.01	1,093.61	1,108.00	156.27	218.11	734.99	473.39	0.00
<b>Dental Insurance Rates (Delta Dental)*</b>													
Employee Only	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
Employee +1	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
Employee +2 or more	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
<b>Vision Insurance Rates (VSP)</b>													
Employee Only	5.47	5.47	5.47	5.47	5.47	5.47	5.47	5.47	-	0.00	0.00	0.00	0.00
Employee +1	10.13	10.13	10.13	10.13	5.47	5.47	5.47	5.47	-	4.66	4.66	4.66	4.66
Employee +2 or more	15.71	15.71	15.71	15.71	5.47	5.47	5.47	5.47	-	10.24	10.24	10.24	10.24
<b>Total Contributions</b>													
Employee Only	700.47	700.47	653.47	482.47	597.28	411.59	459.27	463.72	78.14	103.19	288.88	194.20	18.75
Employee +1	1,406.13	1,405.13	1,302.13	944.13	1,217.86	802.77	905.10	920.72	125.02	188.27	602.36	397.03	23.41
Employee +2 or more	1,790.71	1,789.71	1,657.71	1,198.71	1,543.61	1,025.73	1,155.33	1,169.72	156.27	247.10	763.98	502.38	28.99

\*Police PSM pay the full dental & vision insurance premium.

<b>CPOA &amp; CPSA</b>													
<b>Medical Insurance Rates (CSAC/Anthem Blue Cross)</b>													
	TOTAL MONTHLY PREMIUM				CITY CONTRIBUTION					EMPLOYEE CONTRIBUTION			
	EPO	PPO 90/10	PPO 80/20	HDHP	EPO	PPO 90/10	PPO 80/20	HDHP	HSA	EPO	PPO 90/10	PPO 80/20	HDHP
Employee Only	620.00	620.00	573.00	402.00	535.56	349.87	397.55	402.00	78.14	84.44	270.13	175.45	0.00
Employee +1	1,321.00	1,320.00	1,217.00	859.00	1,156.14	741.05	843.38	859.00	125.02	164.86	578.95	373.62	0.00
Employee +2 or more	1,700.00	1,699.00	1,567.00	1,108.00	1,481.89	964.01	1,093.61	1,108.00	156.27	218.11	734.99	473.39	0.00
<b>Dental Insurance Rates (Delta Dental)</b>													
Employee Only	75.00	75.00	75.00	75.00	0.91	0.91	0.91	0.91	-	74.09	74.09	74.09	74.09
Employee +1	75.00	75.00	75.00	75.00	0.91	0.91	0.91	0.91	-	74.09	74.09	74.09	74.09
Employee +2 or more	75.00	75.00	75.00	75.00	0.91	0.91	0.91	0.91	-	74.09	74.09	74.09	74.09
<b>Vision Insurance Rates (VSP)</b>													
Employee Only	5.47	5.47	5.47	5.47	5.47	5.47	5.47	5.47	-	0.00	0.00	0.00	0.00
Employee +1	10.13	10.13	10.13	10.13	5.47	5.47	5.47	5.47	-	4.66	4.66	4.66	4.66
Employee +2 or more	15.71	15.71	15.71	15.71	5.47	5.47	5.47	5.47	-	10.24	10.24	10.24	10.24
<b>Total Contributions</b>													
Employee Only	700.47	700.47	653.47	482.47	541.94	356.25	403.93	408.38	78.14	158.53	344.22	249.54	74.09
Employee +1	1,406.13	1,405.13	1,302.13	944.13	1,162.52	747.43	849.76	865.38	125.02	243.61	657.70	452.37	78.75
Employee +2 or more	1,790.71	1,789.71	1,657.71	1,198.71	1,488.27	970.39	1,099.99	1,114.38	156.27	302.44	819.32	557.72	84.33

<b>IAFF, CBC</b>													
<b>Medical Insurance Rates (CSAC/Anthem Blue Cross)</b>													
	TOTAL MONTHLY PREMIUM				CITY CONTRIBUTION					EMPLOYEE CONTRIBUTION			
	EPO	PPO 90/10	PPO 80/20	HDHP	EPO	PPO 90/10	PPO 80/20	HDHP	HSA	EPO	PPO 90/10	PPO 80/20	HDHP
Employee Only	620.00	620.00	573.00	402.00	535.56	349.87	397.55	402.00	100.00	84.44	270.13	175.45	0.00
Employee +1	1,321.00	1,320.00	1,217.00	859.00	1,156.14	741.05	843.38	859.00	160.00	164.86	578.95	373.62	0.00
Employee +2 or more	1,700.00	1,699.00	1,567.00	1,108.00	1,481.89	964.01	1,093.61	1,108.00	200.00	218.11	734.99	473.39	0.00
<b>Dental Insurance Rates (Delta Dental)</b>													
Employee Only	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
Employee +1	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
Employee +2 or more	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
<b>Vision Insurance Rates (VSP)</b>													
Employee Only	5.47	5.47	5.47	5.47	5.47	5.47	5.47	5.47	-	0.00	0.00	0.00	0.00
Employee +1	10.13	10.13	10.13	10.13	5.47	5.47	5.47	5.47	-	4.66	4.66	4.66	4.66
Employee +2 or more	15.71	15.71	15.71	15.71	5.47	5.47	5.47	5.47	-	10.24	10.24	10.24	10.24
<b>Total Contributions</b>													
Employee Only	700.47	700.47	653.47	482.47	597.28	411.59	459.27	463.72	100.00	103.19	288.88	194.20	18.75
Employee +1	1,406.13	1,405.13	1,302.13	944.13	1,217.86	802.77	905.10	920.72	160.00	188.27	602.36	397.03	23.41
Employee +2 or more	1,790.71	1,789.71	1,657.71	1,198.71	1,543.61	1,025.73	1,155.33	1,169.72	200.00	247.10	763.98	502.38	28.99

# Health Premiums

## UNREPRESENTED (Contractual Services/Hourly)

### Medical Insurance Rates (CSAC/Anthem Blue Cross)

	TOTAL MONTHLY PREMIUM				CITY CONTRIBUTION					EMPLOYEE CONTRIBUTION			
	EPO	PPO 90/10	PPO 80/20	HDHP	EPO	PPO 90/10	PPO 80/20	HDHP	HSA	EPO	PPO 90/10	PPO 80/20	HDHP
Employee Only	620.00	620.00	573.00	402.00	535.56	349.87	397.55	402.00	78.14	84.44	270.13	175.45	0.00
Employee +1	1,321.00	1,320.00	1,217.00	859.00	535.56	349.87	397.55	402.00	78.14	785.44	970.13	819.45	457.00
Employee +2 or more	1,700.00	1,699.00	1,567.00	1,108.00	535.56	349.87	397.55	402.00	78.14	1,164.44	1,349.13	1,169.45	706.00
<b>Dental Insurance Rates (Delta Dental)</b>													
Employee Only	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
Employee +1	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
Employee +2 or more	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	-	18.75	18.75	18.75	18.75
<b>Vision Insurance Rates (VSP)</b>													
Employee Only	5.47	5.47	5.47	5.47	5.47	5.47	5.47	5.47	-	0.00	0.00	0.00	0.00
Employee +1	10.13	10.13	10.13	10.13	5.47	5.47	5.47	5.47	-	4.66	4.66	4.66	4.66
Employee +2 or more	15.71	15.71	15.71	15.71	5.47	5.47	5.47	5.47	-	10.24	10.24	10.24	10.24
<b>Total Contributions</b>													
Employee Only	700.47	700.47	653.47	482.47	597.28	411.59	459.27	463.72	78.14	103.19	288.88	194.20	18.75
Employee +1	1,406.13	1,405.13	1,302.13	944.13	597.28	411.59	459.27	463.72	78.14	808.85	993.54	842.86	480.41
Employee +2 or more	1,790.71	1,789.71	1,657.71	1,198.71	597.28	411.59	459.27	463.72	78.14	1,193.43	1,378.12	1,198.44	734.99

## MAYOR/COUNCILMEMBERS

### Medical Insurance Rates (CSAC/Anthem Blue Cross)

	TOTAL MONTHLY PREMIUM				CITY CONTRIBUTION				EMPLOYEE CONTRIBUTION			
	EPO	PPO 90/10	PPO 80/20	HDHP	EPO	PPO 90/10	PPO 80/20	HDHP	EPO	PPO 90/10	PPO 80/20	HDHP
Employee Only	620.00	620.00	573.00	402.00	535.56	349.87	397.55	402.00	84.44	270.13	175.45	0.00
Employee +1	1,321.00	1,320.00	1,217.00	859.00	1,156.14	741.05	843.38	859.00	164.86	578.95	373.62	0.00
Employee +2 or more	1,700.00	1,699.00	1,567.00	1,108.00	1,481.89	964.01	1,093.61	1,108.00	218.11	734.99	473.39	0.00
<b>Dental Insurance Rates (Delta Dental)</b>												
Employee Only	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	18.75	18.75	18.75	18.75
Employee +1	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	18.75	18.75	18.75	18.75
Employee +2 or more	75.00	75.00	75.00	75.00	56.25	56.25	56.25	56.25	18.75	18.75	18.75	18.75
<b>Vision Insurance Rates (VSP)</b>												
Employee Only	5.47	5.47	5.47	5.47	5.47	5.47	5.47	5.47	0.00	0.00	0.00	0.00
Employee +1	10.13	10.13	10.13	10.13	5.47	5.47	5.47	5.47	4.66	4.66	4.66	4.66
Employee +2 or more	15.71	15.71	15.71	15.71	5.47	5.47	5.47	5.47	10.24	10.24	10.24	10.24
<b>Total Contributions</b>												
Employee Only	700.47	700.47	653.47	482.47	597.28	411.59	459.27	463.72	103.19	288.88	194.20	18.75
Employee +1	1,406.13	1,405.13	1,302.13	944.13	1,217.86	802.77	905.10	920.72	188.27	602.36	397.03	23.41
Employee +2 or more	1,790.71	1,789.71	1,657.71	1,198.71	1,543.61	1,025.73	1,155.33	1,169.72	247.10	763.98	502.38	28.99



# Dental Plan

City of Chico offers Dental coverage through Delta Dental. The Delta Dental PPO gives you the freedom to choose your own dentist and receive coverage from in-network and out-of-network providers. This is a non-voluntary plan and employees will need to pay some or all of the premium cost. This plan uses a preferred provider organization (PPO) made up of general dentists and specialists who have agreed to provide dental care at discounted fees. If you go to a dentist who participates in the PPO, you qualify for in-network coverage and benefit from discounted rates.

If you go to a dentist who is out of the network, you receive a reduced level of benefits.

Below is a summary of the key features and costs for both in-network and out-of-network services.

Key Features	Delta Dental	
	In-Network Single/Family	Out-of-Network Single/Family
Calendar Year Deductible	\$15 / \$45	\$25 / \$75
Calendar Year Maximum Benefit	\$1,000	
Diagnostic and Preventive (D & P) (Exams, cleanings and x-rays)	100%	80%
Basic (Fillings, simple tooth extractions and sealants)	80%	80%
Endodontics (Root canals)	80%	80%
Periodontics (gum treatment)	80%	80%
Oral Surgery	80%	80%
Major Services (Crowns, inlays, onlays and cast restorations)	80%	80%
Prosthodontics (Bridges, dentures and implants)	50%	50%
Orthodontia—Adults/Child(ren) (deductible waived)	50%	50%
Orthodontia Maximum	\$500 per calendar year	
Waiting Period	None	

The above information is provided for illustrative purposes only. Refer to the applicable carrier material for exact description of plan benefits and conditions.

IN - PPO Network	Out-of-PPO Network
<b>Delta Dental PPO Dentist</b>	<b>Delta Dental Premier Dentists &amp; Non-Delta Dental Dentists</b>
You will usually pay the lowest amount for services when you visit a Delta Dental PPO dentist.	You are responsible for the difference between the amount Delta Dental pays and the amount your non-Delta Dental dentist bills. You will usually have the highest out-of-pocket costs when you visit a non-Delta Dental dentist.
PPO dentists agree to accept a reduced fee for PPO patients.	Delta Premier dentists may not balance bill above Delta Dental's approved amount, so your out-of-pocket costs may be lower than with non-Delta Dental dentists' charges.
You are charged only the patient's share at the time of treatment. Delta Dental pays its portion directly to the dentist.	Non-Delta Dental dentists may require you to pay the entire amount of the bill in advance and wait for reimbursement. Delta Premier dentists charge you only the patient's share at the time of treatment.
PPO dentists will complete claim forms and submit them for you at no charge.	You may have to complete and submit your own claim forms, or pay your non-Delta Dental dentist a service fee to submit them for you. Delta Premier dentists will complete claim forms and submit them for you at no charge.

City of Chico offers vision coverage through VSP with an extensive network of optometrists and vision care specialists. The City pays 100% of the employee only premium. Employees are responsible for dependent premium. Under this plan, you can use a VSP provider or another provider of your choice. However, when you obtain vision care through a non-VSP provider, you will receive a reduced level of benefits.

- **Laser Vision Care Program** - Discounts average 15% off or 5% off a promotional offer for laser surgery, including PRK, LASIK, and Custom LASIK at Preferred Providers
- **Eye Health Management Program** - Exam reminder letters sent to VSP members with diabetes who have not had an eye exam in 14 months
- **TruHearing** - You can save up to \$2,000 on a pair of hearing aids with TruHearing pricing. Your dependents and extended family member are eligible, too. Please call TruHearing at (877) 396-7194 for more information. Don't forget to mention that you are a VSP member.

Services	In-Network (VSP Choice)	Out-of-Network
<b>Co-payments</b>		
Eye Exam		\$10 copay
Primary Eye Care		\$20 copay
Materials		\$25 copay
<b>Frequency</b>		
Exam		Once every 12 months
Lenses		Once every 12 months
Frames		Once every 24 months
Contact Lenses		Once every 12 months
<b>Coverage</b>		
Eye Exam	Covered in full after copay	up to \$45
Single Lens	Covered in full	up to \$30
Bi-Focal Lenses	Covered in full	up to \$50
Tri-Focal Lenses	Covered in full	up to \$65
Lenticular Lenses	Covered in full	up to \$100
Standard Progressive Lenses	Covered in full	up to \$50
Frame Allowance	up to \$125	up to \$70
Costco Frame Allowance*	up to \$70	n/a
<b>Contact Lenses</b>		
Medically Necessary	Covered in full	up to \$210
Elective Up to \$60 copay (fitting & evaluation)	up to \$160	up to \$105

*The above information is provided for illustrative purposes only. Refer to the applicable carrier material for exact description of plan benefits and conditions.*

Below is a summary of covered services and costs:

### Additional VSP Benefits

- **Additional Pairs of Glasses** - 20% off unlimited additional pairs of prescription glasses and/or non-prescription sunglasses
- **Additional \$20 frame allowance** to spend on featured frames
- **★ Primary Eye Care Program** - Supplemental coverage for non-surgical medical eye conditions, such as pink eye and other urgent eye care - \$20 copay per visit at Preferred Providers

★ **Primary Eye Care Program** is designed for the detection, treatment and management of ocular conditions and/or systemic conditions which produce ocular or visual symptoms. A member can seek care from their vision provider versus their medical primary care physician for –

### Symptoms - including but not limited to:

- ocular discomfort
- transient loss of vision
- flashes or floaters
- red eyes
- swollen lids
- pain in or around the eyes
- diplopia
- ocular trauma

### Conditions - including but not limited to:

- ocular hypertension
- glaucoma
- cataracts
- pink-eye
- sty
- corneal abrasion
- corneal dystrophy
- macular degeneration
- retinal nevus blue
- Blepharitis

# Flexible Spending Accounts

Flexible Spending Accounts (FSAs) help you save money on health care and dependent care expenses by paying for eligible expenses with tax-free dollars. **You must re-enroll in the accounts every year.**

## Here's how you save:

- The amount you contribute to either or both FSAs is deducted from your paycheck before federal, state, local, and Social Security taxes are withheld
- When you have an eligible expense, you are reimbursed from your account(s) and the money isn't taxed

## Important!

Estimate your expenses and make your contribution elections wisely. The balances in your Health Care and Dependent Care accounts are "use it or lose it." What you don't use each year must be forfeited.

**FSA Fee:** There will be a monthly administration fee that is deducted from your paycheck on a post-tax basis. The fee is based on the number of accounts you have.

- \$2.60 per month (\$1.20 biweekly paid by EE for One Account)
- \$4.33 per month (\$2.00 biweekly paid by EE for Two Accounts)

## Your FSA Choices

- **Health Care FSA:** You may use the General Health Care FSA to be reimbursed for eligible medical, dental, and vision out-of-pocket expenses, like deductibles, copayments, coinsurance, and prescription drugs as well as other eligible expenses that aren't covered by your health plans. Examples of ineligible expenses include cosmetic procedures, vitamins and insurance premiums.  
**Important note:** While you're enrolled in a Health Care FSA, you can't make or receive Health Savings Account (HSA) contributions.
- **Limited Health Care FSA:** You may use the Limited Health Care FSA to pay for eligible out-of-pocket dental and vision expenses. You can make and receive HSA contributions when you're enrolled in a Limited Health Care FSA.

- **Dependent Care FSA:** You may use the Dependent Care FSA to be reimbursed for eligible expenses incurred by your dependents for child or elder care so you or your spouse may work, or look for work. Generally, reimbursement is provided for expenses of your tax dependents who:
  - live with you most of the time;
  - are claimed as a dependent on your income tax return
  - are under age 13 or physically or mentally unable to care for themselves, regardless of age.

## FSA Election Maximums

The maximum amounts you may contribute to the FSAs in 2021 are as follows:

- Health FSA: \$2,750
- Limited Health FSA: \$2,750
- Dependent Care FSA: \$5,000 if married and filing joint tax return; \$2,500 if married and filing separately

## To Enroll

Contact the HR Department to obtain the enrollment packet.

## For more details and eligible expenses

For a list of eligible and ineligible expenses, claims guidelines, filing deadlines and other important information regarding the FSAs, visit [www.BASICpacific.com](http://www.BASICpacific.com).

The following Internal Revenue Service (IRS) websites provide key information about the tax rules regarding health and dependent care expenses as well as Health FSAs:

- IRS Publication 503, *Child and Dependent Care Expenses*: <https://www.irs.gov/uac/about-publication-503>
- IRS Publication 502, *Medical and Dental Expenses*: <https://www.irs.gov/uac/about-publication-502>
- IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Plans* (<https://www.irs.gov/publications/p969/ar02.html>).

# Flexible Spending Accounts

## How to Pay for Eligible Expenses

### Health Care/Dependent Care Expenses

You'll pay for your eligible out-of-pocket dependent care expenses using your personal credit card, cash or check. Then, submit a claim for reimbursement from your Health Care or Dependent Care Spending Account.

### Deadline to Submit Claims for Reimbursement

For the 2021 plan year, you have until March 31, 2021 to submit claims for reimbursement from your Health Care and Dependent Care Spending Accounts. Reimbursement checks can be mailed to your home or deposited into your bank account if you sign up for direct deposit.

### To submit claims:

1. Online Claim Filing: File your claims online via the participant portal website. If new, login to your account at [www.BASICpacific.com](http://www.BASICpacific.com)
  - After you have logged on, click on **File A Claim** directly from the Home Page and Create Reimbursement form by selecting an account. Click on the Next button after each section.
  - Click on **Upload Valid Documentation** to continue online filing
  - A copy of your receipt must be in PDF, JPG, GIF format and cannot exceed 2 MB. Use **Browse** to locate and attach the receipt and/or other supporting documentation of your claim and **Submit**
  - Add all **Claim Details** (Note: Under "Category" and "Type", if more than one selection from the drop-down list seems right, select the one that best fits the expense)
  - Check the box next to **Claims Terms and Conditions** and be sure to click on the **Submit** button
  - The next screen should show **Accounts/Transaction Confirmation** – Successfully Submitted
  - If you uploaded all your receipts and/or supporting documentation, there is nothing more you need to do
2. Paper Claim Form Filing: You may opt to file claims using a paper claim form available on the website under the **Tools & Support** tab.
  - Complete the claim form in full including your certification (signature)
  - Do not highlight, alter or write on your documentation
  - Consider photocopying colored, carbon or thermal-paper receipts, as they may transmit too light to be legible. They may also fade over time, so photocopying may help to preserve the long-term integrity of the document
  - Retain a complete copy for your records
  - Submit your completed claim form and required documentation via e-mail (PDF only), fax or mail

# Basic Life and AD&D Insurance

## Basic Life and AD&D Insurance

Life insurance and Accidental Death and Dismemberment (AD&D) insurance provide funds for those who have lost someone or for those who are seriously injured. Life insurance pays funds to your designated beneficiaries after your death, while AD&D pays an amount in the event of an accidental death or for certain accidental injuries. As an eligible employee, you are provided with Life and AD&D insurance equal to one times your basic annual earnings rounded to the next higher \$1,000 subject to a maximum of \$300,000. Basic Life and AD&D is provided at no cost for most employees. Police PSM employees are responsible for the full cost of Life and AD&D insurance.

**Note:** The value of any Life insurance coverage in excess of \$50,000 may be subject to imputed income taxes.

## Naming Your Beneficiary

You may name anyone you wish as your beneficiary (ies). They will receive your Life and AD&D benefits in case of your death. Once you have selected your beneficiary(ies), your designation will remain unchanged until you submit a new beneficiary designation form. You may change your beneficiary (ies) as often as you wish.

**Note:** Anyone can be designated as the beneficiary, but if a spouse is not designated as at least 50% beneficiary, the spouse must sign a form acknowledging they will not be receiving at least 50% of the life insurance benefit.

Basic Life/AD&D	Lincoln
<b>Eligible Employees</b>	All permanent employees working at least 20 hours per week including seasonal park rangers. Hourly Exempt and City Council members are excluded.
<b>Eligible Employees Basic Life/AD&amp;D</b>	1x the employee's annual salary up to \$300,000, rounded to the next higher \$1,000
<b>Dependent Life Insurance</b>	
Spouses	\$1,500
Child(ren)	1 day to 6 months: \$150; 6 months to 26 years: \$1,500
<b>Employee AD&amp;D Benefit</b>	Same as Life Benefit
<b>Accelerated Death Benefit</b>	Included - 100% or \$250,000, whichever is less
<b>Benefit Age Reduction</b>	None
<b>Premium Waiver</b>	6 months
<b>Conversion/Portability</b>	Conversion Only

The above information is provided for illustrative purposes only. Refer to the applicable carrier material for exact description of plan benefits and conditions.

# Voluntary Life and AD&D Insurance

## Voluntary Life and AD&D Insurance

In addition to the Basic Life and AD&D insurance plan, you are eligible to purchase additional amounts of individual Term Life and AD&D insurance for yourself, your spouse/domestic partner, and your children. Employees may purchase amounts of Voluntary Life and AD&D insurance coverage up to a maximum of **five times basic annual earnings to a maximum of \$500,000**. Dependent spouse or domestic partner's Life insurance may not exceed the employee's principal sum. Voluntary Life insurance coverage for your children may be purchased in amounts up to \$10,000.

There are three points to consider when deciding how much Life insurance coverage you might need:

- If you have dependents that rely on you, how much will they need to pay off your current debts such as your mortgage, car loans, or credit card balances?
- What will it cost your dependents to maintain their current standard of living?

Voluntary Life/AD&D	Lincoln
Employee	\$10,000 increments, subject to a maximum of 5x the salary not to exceed \$500,000
<b>Dependent Life</b>	
Spouse	\$5,000 increments up to \$500,000 and lesser of 100% of employee voluntary - Terms at age 70
Child(ren)	From day 1 to 6 months \$1,000 / Age 6 months to 26 years: \$2,000 increments to \$10,000
<b>Guarantee Issue Amount</b>	
Employee	\$150,000
Spouse	\$25,000
Child(ren)	All guarantee issue
Benefit Age Reduction Schedule	35% at age 70, and an additional 15% at age 75 (terms at retirement)
Waiver of Premium	180 days
Accelerated Death Benefit	75% up to maximum of \$250,000
Conversion/Portability	Both Included

The above information is provided for illustrative purposes only. Refer to the applicable carrier material for exact description of plan benefits and conditions.

- What kind of future would you like to provide for your spouse/domestic partner or dependent children or others who rely on you for financial support?

### ★ Current Eligible Employee—Open Enrollment ★

You or your spouse/domestic partner may elect or increase insurance coverage during Annual Open Enrollment up to two increments (not to exceed the plan maximum) with out Evidence of Insurability (EOI), provided that you or your spouse/domestic partner have not been previously declined.

- **Employee Benefit**
  - increase \$10,000 or \$20,000
- **Spouse/Domestic Partner Benefit**
  - increase \$5,000 or \$10,000

### To Enroll

Contact the HR Department for an application.

Voluntary Cost Comparison—Lincoln Rate per \$1,000 (spouse rate based on spouse's age)	Employee / Spouse Rate
0 - 24	\$0.05
25 - 29	\$0.06
30 - 34	\$0.08
35 - 39	\$0.09
40 - 44	\$0.11
45 - 49	\$0.17
50 - 54	\$0.27
55 - 59	\$0.51
60 - 64	\$0.75
65 - 69	\$1.50
70 - 74	\$2.06
75 - 79	\$3.29
80 - 99	\$4.50
EE/SPOUSE/CHILD AD&D	\$0.026 per \$1,000

Child(ren) Rate per \$2,000—Lincoln	
All Children	\$0.678 per \$2,000

## Short-Term Disability (STD)

For all permanent employees, except those in CPOA, IAFF, and Fire PSM, the City of Chico provides STD coverage. This coverage replaces a portion of your income if you are injured or ill for more than 14 days but not greater than 50 weeks. When you become eligible, you'll be automatically enrolled in STD coverage. The City of Chico pays you the premium amount for this coverage. You then pay the premium for the coverage through post-tax payroll deductions. Because you pay the premium tax, any benefits received under the plan may be tax-favorable.

Short Term Disability	Lincoln
Eligibility Waiting Period	6 months of continuous active employment
Elimination Period	14 days
Percentage of Benefit	66.67%
Maximum Weekly Benefit	\$3,000
<b>Maximum Covered Salary</b>	<b>\$225,000</b>
Maximum Benefit Period	50 weeks
Definition of Disability	Own Occupation
Earnings Test	99%
Minimum Benefit	\$25
<b>Exclusions/Limitations</b>	
Pre-Existing Definition	None
<b>Return to Work Incentive</b>	
Rehabilitation Benefits	5%

*The above information is provided for illustrative purposes only. Refer to the applicable carrier material for exact description of plan benefits and conditions.*

## Long-Term Disability (LTD)

For all permanent employees, except those in CPOA, IAFF, and Fire PSM, the City of Chico provides LTD coverage. Long-Term Disability (LTD) insurance coverage helps protect you by replacing your income in the event you are unable to work due to a long-term illness or injury. When you become eligible, you'll be automatically enrolled in LTD coverage. The City of Chico pays you the premium amount for this coverage. You then pay the premium for the coverage through post-tax payroll deductions. Because you pay the premium, any benefits received under the plan may be tax-favorable.

Long Term Disability	Lincoln
Eligibility Waiting Period	6 months of continuous active employment
Elimination Period	360 days
Percentage of Benefit	66.67%
Maximum Monthly Benefit	\$12,500
<b>Maximum Covered Salary</b>	<b>\$225,000</b>
Maximum Benefit Period	Later of 65 or SSNRA
Definition of Disability	36 month own occupation, then any occupation
Earnings Test	85%
Minimum Benefit	Greater of \$100 or 10%
Survivor Income Benefit	3 month lump sum
<b>Exclusions/Limitations</b>	
Mental/Nervous	24 months
Alcohol, Drug, Substance Abuse	24 months
Self-Reported Conditions	No limitations
Pre-Existing Definition	3/12
<b>Return to Work Incentive</b>	
Rehabilitation Benefits	Yes
Conversion	Yes

*The above information is provided for illustrative purposes only. Refer to the applicable carrier material for exact description of plan benefits and conditions.*

## How to File a Claim

Employees can submit a claim to Lincoln Financial Group by calling (866) 783-2255, submitting an online claim at [www.Lincoln4Benefits.com](http://www.Lincoln4Benefits.com), or by obtaining a paper claim form from the Human Resources and Risk Management Office.

**Note: For CPOA, IAFF, and Fire PSM employees, your Union provides STD/LTD benefits. The full premium is paid by the City. Please contact your Union Representative for more information.**

## 457 Deferred Compensation

City of Chico's 457 Deferred Compensation plan provides you with a tax-deferred way to save for your future. Once you've enrolled in the plan, you can contribute a portion of your eligible compensation on a pre-taxed basis. The combined total cannot exceed \$19,500 in annual contributions and other plan limits. You can change the amount you contribute at any time. Changes go into effect the 1<sup>st</sup> of the month following the change.

Plan highlights include:

- You are 100% vested in the value of your contributions and the company's matching contributions immediately.
- You can roll over a balance from a previous employer plan or from an individual retirement account (IRA).
- Your balance in the City of Chico plan is portable—you take it with you if you leave the company.

### How to Enroll

You can enroll in the 457 Deferred Compensation plan at any time. Enrollments go into effect the 1<sup>st</sup> of the month following the elections. To get started, forms can be obtained from the Human Resources and Risk Management Office.

## Employee Assistance Program (EAP)

The employee assistance program (EAP) through MHN offers you and your family information, referrals and short-term counseling for personal issues affecting work or personal life. Referrals are available for childcare services, legal consultations, older adult services and career management.

To contact the EAP, call **(800) 227-1060**. EAP representatives are available seven days a week, 24-hours a day.

## Anthem LiveHealth Online

Offers you another choice for those times when you need to see the doctor but just can't get there.

Highlights of this service are:

- Immediate access to board-certified doctors online who can diagnose, treat, and prescribe drugs
- Available anywhere you have an internet connection and web camera or download the app from the *App Store* or *Google play* on your phone or tablet
- Secure, private, easy to use
- Affordable – members pay plan office visit copay/coinsurance
- No appointment is ever needed

**Please note, this service is not meant for emergencies. Please contact Anthem or LiveHealth Online for additional details.**

## TravelConnect

A Travel Assistance Plan (through Lincoln Financial & United Healthcare (UHC))

As a part of your employee benefits package, your life coverage includes the TravelConnect program, through UHC, which focuses on travel, medical and safety-related services you may need while traveling. The TravelConnect program is provided at no additional cost to you and includes a wealth of services when traveling just 100 miles or more from home. Services are provided for both business and leisure travel. Whether you want the weather forecast for your destination or need emergency help halfway around the world, UHC has the staff and resources to provide support 24 hours a day, seven days a week. See the City's website for additional information.

## Aflac—Voluntary Benefits

The City makes the following Aflac insurance policies available to its employees:

### 1. Accident

- Emergency Treatment Benefit
- Specific-Sum Injuries Benefit
- Accidental-Death Benefit
- Initial Hospitalization Benefit
- Hospital Confinement Benefit

### 2. Cancer/Specified – Disease

- Initial Diagnosis Benefit
- Hospital Confinement Benefit
- Radiation and Chemotherapy Benefits
- Surgical/Anesthesia Benefit
- Benefits paid directly to the insured, unless otherwise assigned
- Benefits paid regardless of any other insurance
- Ambulance, Transportation, and Lodging Benefits
- Cancer Wellness Benefit

### 3. Critical Care and Recovery (Specified Health Event)

- Pays a First-Occurrence Benefit, as well as Hospital Confinement and Continuing Care Benefits for heart attack, stroke, sudden cardiac arrest, coronary artery bypass surgery, end-stage renal failure, major human organ transplant, major third-degree burns, coma, paralysis

Aflac is different from major medical insurance, it is insurance for daily living. Aflac pays you cash benefits, unless assigned, to use as you see fit and can help with unexpected expenses. For more information about Aflac benefits please contact Adam Brubaker at: **(530) 949-3767** or [adam\\_brubaker@us.aflac.com](mailto:adam_brubaker@us.aflac.com).



If you have questions you can contact the City of Chico Human Resources and Risk Management Office at **(530) 879-7900** or the plan carriers. Use this chart to help guide you to the right resource on the first try. You may also go to the City's website for additional plan information at <https://chico.ca.us/post/employee-benefits>.

PLAN	GROUP #	TELEPHONE #	WEBSITE
<b>MEDICAL</b>			
<i>Anthem Blue Cross</i>	EPO: 175075M140 90% PPO: 175075M153 80% PPO: 175075M145 HDHP: 175075M161	(800) 967-3015	<a href="http://www.anthem.com/ca/EIAHealth">www.anthem.com/ca/EIAHealth</a>
<i>Carrum Health</i>	n/a	(888) 855-7806	<a href="http://my.carrumhealth.com/eiahealth">my.carrumhealth.com/eiahealth</a>
<i>Anthem LiveHealth Online</i>	n/a	(888) 548-3432	<a href="http://www.livehealthonline.com">www.livehealthonline.com</a>
<b>PRESCRIPTION COVERAGE – NON-HIGH DEDUCTIBLE HEALTH PLANS (HDHP)</b>			
<i>Express Scripts</i>	RX4EIAH 175075M165 HDHP	(800) 711-0917	<a href="http://www.express-scripts.com">www.express-scripts.com</a>
<b>HEALTH SAVINGS ACCOUNT – HIGH DEDUCTIBLE HEALTH PLANS (HDHP) ONLY</b>			
<i>Sterling HSA</i>	GCA004872	(800) 617-4729	<a href="http://www.sterlinghsa.com">www.sterlinghsa.com</a>
<b>DENTAL</b>			
<i>Delta Dental</i>	74-0001	(800) 765-6003	<a href="http://www.deltadentalins.com">www.deltadentalins.com</a>
<b>VISION</b>			
<i>VSP</i>	12137687	(800) 877-7195	<a href="http://www.vsp.com">www.vsp.com</a>
<b>FLEXIBLE SPENDING ACCOUNTS</b>			
<i>BASIC Pacific</i>	N/A	(800) 574-5448	<a href="http://www.basicpacific.com">www.basicpacific.com</a>
<b>EMPLOYEE ASSISTANCE PROGRAM (EAP)</b>			
<i>MHN</i>	cityofchico	(800) 227-1060	<a href="http://www.mhn.com">www.mhn.com</a>
<b>LIFE/AD&amp;D INSURANCE</b>			
<i>Lincoln Financial Group</i>	Basic Life: 10178696 Voluntary Life: 403002573	(800) 423-2765	<a href="http://www.lfg.com">www.lfg.com</a>
<b>SHORT TERM DISABILITY INSURANCE</b>			
<i>Lincoln Financial Group</i>	10178698	(800) 423-2765	<a href="http://www.lfg.com">www.lfg.com</a>
<b>LONG TERM DISABILITY INSURANCE</b>			
<i>Lincoln Financial Group</i>	10178697	(800) 423-2765	<a href="http://www.lfg.com">www.lfg.com</a>
<b>OTHER BENEFITS</b>			
<i>ICMA-RC</i>	307126	(866) 749-5180	<a href="http://www.icmarc.org/">http://www.icmarc.org/</a>
<i>AFLAC</i>	H6F02	(530) 949-3767	<a href="http://www.aflac.com">www.aflac.com</a>

# Glossary of Terms

<b>AD&amp;D (Accidental Death &amp; Dismemberment)</b>	A plan that provides benefits in the event of an accidental death or dismemberment (generally, an accident that results in death, loss of part of the body, or the loss of the use of part of the body).
<b>Beneficiary</b>	A person designated by a participant, or by the terms of an employee benefit plan, which is or may become entitled to a benefit under the plan.
<b>COBRA</b>	Federal law (Consolidated Omnibus Budget Reconciliation Act of 1985) requiring certain employers that offer group health plans to provide continuation coverage to employees and their dependents who incur certain qualifying events.
<b>Co-Insurance or Cost Sharing</b>	The portion of covered health care costs for which you are financially responsible. Coinsurance does not include deductibles or copays.
<b>Co-Payment or Copay</b>	A set amount you pay out of pocket for a particular service. The plan pays the balance.
<b>Deductible</b>	The out-of-pocket amount you must pay each plan year before the plan pays for eligible benefits.
<b>Evidence of Insurability</b>	Many insurance companies require prospective clients/ individuals to prove that they are in good health and are therefore good insurance risks before the company will cover them.
<b>Explanation of Benefits (EOB)</b>	A statement from a plan explaining what portion of a claim was paid.
<b>Generic</b>	Your prescription drug copay depends on the class or group of your prescribed medication. A generic drug generally has the lowest copay level. A generic drug is one that is no longer produced only under a brand name. Once a drug's patent expires, many companies can begin to manufacture "generic" versions of a previously brand-name-only drug. Generic drugs are identical to brand-name drugs in chemical makeup ("active ingredients"), usage, strength and dosage. They are regulated and approved by the FDA just like brand-name drugs; however, they are much less expensive.
<b>HIPAA Authorization</b>	Under HIPAA, a document that authorizes the use or disclosure of an individual's Protected Health Information as determined by the company.
<b>In-Network Provider</b>	A provider who has contracted with a health care plan (a medical, dental or vision plan) and agreed to certain rates. In most cases, you pay less and receive a higher benefit when you use in-network providers. Check with your plan for coverage details.
<b>Negotiated rates</b>	The costs for health care services negotiated between the insurance carrier and in-network health care providers. Negotiated rates are usually less than usual, customary and reasonable (UCR) charges.
<b>Non-preferred brand</b>	Your prescription drug copay depends on the class or group of your prescribed medication. A non-preferred brand-name drug generally has the highest copay level because it is not on the plan's list of preferred drugs. You can find out how different drugs are classified by your plan by visiting the plan's website.
<b>Out-of-Pocket Expenses</b>	Copays, deductibles, and other expenses that are not covered by the health plan.
<b>Out-of-Network Provider</b>	A state-licensed health care provider who has not contracted with a health care plan (medical, dental or vision plan) and has not agreed to certain rates. In most cases, you pay more and receive a lower level of benefits when you use out-of-network providers. See your plan for coverage details.
<b>Qualified Change in Status</b>	Certain events which may allow you to make allowable changes to your benefits. Qualifying events include: marriage, divorce, death, birth, adoption or placement for adoption, and significant change in employment.
<b>Reasonable and Customary (R&amp;C) or Usual, Reasonable &amp; Customary (UCR)</b>	A term used in many health plans, defined as the price at or below which the majority of health-care professionals of similar expertise charge for similar procedures within a specific geographic area.

# Medicare Part D Notice

## Important Notice from City of Chico About Your Prescription Drug Coverage and Medicare

**This Notice applies only if you and/or your dependent(s) are enrolled in a City of Chico medical plan and you are eligible for Medicare. If this does not apply to you, you may ignore this notice.**

Please read this notice carefully and keep it where you can find it. This notice has information about your prescription drug coverage with City of Chico for the upcoming calendar year and your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan for the upcoming calendar year. If you are considering joining, you should compare your employer coverage for the upcoming calendar year, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your employer 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. City of Chico has determined that the prescription drug coverage offered under the City of Chico plan(s) in the next calendar year 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 your coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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### When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th. However, if you lose your creditable prescription drug coverage during the upcoming calendar year through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

### What Happens To Your Employer Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your employer coverage may be affected. Contact your employer to find out whether you can get your employer coverage back later if you or your dependents drop the coverage and join a Medicare drug plan.

### When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your employer coverage and don't join a Medicare drug plan within 63 continuous days after the coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

# Medicare Part D Notice

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

## For More Information About This Notice Or Your Employer Prescription Drug Coverage...

Contact the person listed below for further information. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage changes. You also may request a copy of this notice at any time.

## For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For More Information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

<b>Date:</b>	October 1, 2020
<b>Name of Entity/Sender:</b>	City of Chico
<b>Contact –Position/Office:</b>	Jamie Cannon
<b>Address:</b>	411 Main Street Chico, CA 95928
<b>Phone Number:</b>	(530) 879-7901

**Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

## **Notice of Special Enrollment Rights**

If an eligible employee declines enrollment in a group health plan for the employee or the employee's spouse or dependents because of other health insurance or group health plan coverage, the eligible employee may be able to enroll him/herself and eligible dependents in this plan if eligibility is lost for the other coverage (or because the employer stops contributing toward this other coverage). However, the eligible employee must request enrollment within **30** days after the other coverage ends (or after the employer ceases contributions for the coverage).

In addition, if an eligible employee acquires a new dependent as a result of marriage, birth, adoption or placement for adoption, the eligible employee may be able to enroll him/herself and any eligible dependents, provided that the eligible employee requests enrollment within **30** days after the marriage, birth, adoption, or placement for adoption. If the eligible employee otherwise declines to enroll, he/she may be required to wait until the group's next open enrollment to do so. The eligible employee also may be subject to additional limitations on the coverage available at that time.

Furthermore, eligible employees and their eligible dependents who are eligible for coverage but not enrolled, shall be eligible to enroll for coverage within 60 days after becoming ineligible for coverage under a Medicaid or Children's Health Insurance Plan (CHIP) plan or being determined to be eligible for financial assistance under a Medicaid, CHIP, or state plan with respect to coverage under the plan.

## **Newborns' and Mothers' Health Protection Act Notice**

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours). If you would like more information on maternity benefits, contact your health plan.

## **Women's Health and Cancer Rights Act Notice**

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prosthesis; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan. If you would like more information on WHCRA benefits, contact your health plan.

## **Notice of Availability of HIPAA Privacy Notice**

The federal Health Insurance Portability and Accountability Act (HIPAA) requires that we periodically remind you of your right to receive a copy of the Insurance Carriers' HIPAA Privacy Notices. You can request copies of the Privacy Notices by contacting the Human Resources Department or by contacting the insurance carriers directly.

## **Summary of Benefits and Coverage (SBC)**

As an employee, the health benefits available to you represent a significant component of your compensation package. They also provide important protection for you and your family in the case of illness or injury. The City offers a variety of health coverage options and choosing a health coverage option is an important decision. To help you make an informed choice, a Summary of Benefits and Coverage (SBC) is available for your medical plan which summarizes important information about your health coverage options. The SBCs and a uniform glossary are available on the City's website at:

<https://chico.ca.us/post/employee-benefits>).

A paper copy is also available, free of charge, by contacting HR at 530-879-7900.