

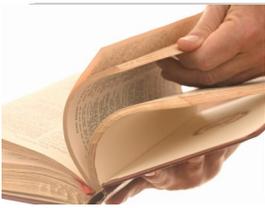
Garden City Public Schools

2018

Benefits Enrollment Guide



GCISS



Open Enrollment Process

Open Enrollment for making insurance benefit changes will be from November 7th to November 28th.

GCPS will now offer eligible GCISS employees the options between five medical plans. Employee contributions will be adjusted January 1st. Employees should review the employee contributions and estimate their expected utilization to determine which plan is best for their family.

Remember that the choices you make now will be effective January 1, 2018 and will remain in effect until December 31, 2018 unless you experience a qualified special enrollment event.

In order to allow us to maintain accurate records, please complete the Garden City Public Schools Enrollment and Change form for 2018, whether you are maintaining your current coverage, making a change to your elections, or waiving coverage. All forms should be sent securely through inner office mail in a sealed envelope.

The Enrollment Form is due to the Benefits Department no later than Tuesday, November 28th.

If you are interested in Supplemental Life coverage, contact Corri Siwik for additional details.

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Medical & RX Overview



The chart below offers a high level side by side comparison of the In-Network benefits for these five options. Benefits at a Glance and Summary Benefit and Coverage (SBC's) are available on the district's website for further comparison including the Out-of-Network benefits. Additional limitations and exclusions may apply. For an official description of benefits, please refer to each carrier's official certificate/benefit guide. For more information, please contact the Benefits Department.

	BCBS COMMUNITY BLUE			BLUE CARE NETWORK	
	PPO 3	PPO 3	PPO 5	HDHP 1	HDHP 2
Calendar Year Deductible					
Single	\$250	\$1,000	\$2,500	\$1,350	\$1,350
Family	\$500	\$2,000	\$5,000	\$2,700	\$2,700
Co-Insurance	20%	n/a	20%	50% for select services	20% for general services, 50% for select services
Calendar Year Co-Insurance Maximum (Deductibles not included)					
Single	\$1,000	n/a	\$2,500	n/a	\$1,000
Family	\$2,000	n/a	\$5,000	n/a	\$2,000
Total Out-of-Pocket Maximum (Including Deductibles, Co-Insurance, Copays and Rx Copays)					
Single	\$6,350	\$6,350	\$6,350	\$2,350	\$2,350
Family	\$12,700	\$12,700	\$12,700	\$4,700	\$4,700
Physician Office Services					
Office Visit & Chiropractor	\$10 Copay	\$10 Copay	\$30 Copay	100% after deductible	80% after deductible
Emergency Medical Care					
Emergency Room	\$50 Copay	\$50 Copay	\$50 Copay	100% after deductible	80% after deductible
Urgent Care Visits	\$10 Copay	\$10 Copay	\$30 Copay	100% after deductible	80% after deductible
Prescription Drugs (RX)					
Generic/Brand/Non-Preferred Brand	\$10/\$40/\$40 Mail Order 2X the Copay	\$10/\$40/\$80 Mail Order 2X the Copay	\$10/\$40/\$80 Mail Order 2X the Copay	\$10/\$30/\$60/\$80/20% (max \$200)/20% (max \$300) After Deductible Mail Order 3X the Copay after the deductible	\$4/\$15/\$40/\$80/20% (max \$200)/20% (max \$300) After Deductible Mail Order 3X the Copay after the deductible
Flexible Spending Account or Health Savings Account					
Flexible Spending Account (FSA)/ Health Saving Account (HSA)	FSA Eligible	FSA Eligible	FSA Eligible	HSA Eligible	HSA Eligible

Medical & RX Continued



Items to Note for the Blue Care Network (BCN) HDHP HSA Plans

- All services, except for preventive care, are subject to the deductible.
- If you are enrolling as a two person or family contract you must satisfy the family deductible and co-insurance maximum, if applicable, before the plan pays 100%
- After the deductible has been satisfied, employees will pay a flat dollar copay for prescription drugs (up to the out of pocket maximum).
- Employees and eligible dependents must designate a primary care physician (PCP).
 - Verify your current providers are in network:
 - Go to www.bcbsm.com
 - Click on **Find a Doctor**
 - Click on **Search without Logging In**
 - Enter the location (city) where you want to search
 - Click on **Your Plan**, then **Employer Group Plans**, then **Blue Care Network (HMO)**
- You will need a referral from your PCP in order to see a specialist

Employee Contributions



Below is the employee contribution or pre-tax deduction for the coverage. Employee contributions will be adjusted each year effective January 1st.

EMPLOYEE CONTRIBUTIONS (Cost to have the Coverage)

Please note that the amount of the deduction may vary depending on the number of pays you receive and your employment status (i.e. part time).

Election	Community Blue PPO 3	Community Blue PPO 4	Community Blue PPO 5	BCN HDHP HSA 1	BCN HDHP HSA 2
Single	\$364.27 Per Month \$4,371.24 Annually	\$298.94 Per Month \$3,587.28 Annually	\$119.11 Per Month \$1,429.32 Annually	\$0.00 Per Month \$0.00 Annually	\$0.00 Per Month \$0.00 Annually
Two Person	\$1,043.00 Per month \$12,516.00 Annually	\$886.21 Per month \$10,634.52 Annually	\$454.63 Per Month \$5,455.56 Annually	\$0.00 Per Month \$0.00 Annually	\$0.00 Per Month \$0.00 Annually
Family	\$1,241.89 Per Month \$14,902.68 Annually	\$1,045.90 Per Month \$12,550.80 Annually	\$506.43 Per Month \$6,077.16 Annually	\$0.00 Per Month \$0.00 Annually	\$0.00 Per Month \$0.00 Annually



Health Savings Account Overview

Health Savings Accounts (HSA)

In this guide, we have included information about Health Savings Accounts (HSA), which is available to BCN HMO HDHP participants. The next few pages provide an overview of the important requirements as well as some commonly asked questions. We encourage you to contact your tax adviser with specific HSA questions as the impact of these accounts changes based on circumstances.

There are several advantages to enrolling in an HSA.

- ◇ Contributions made to the HSA are pre-tax so your money goes further.
- ◇ Money in the HSA can also be used for dental and vision; the HSA allows you to pay for these services with pre-tax dollars. Any money spent on dental or vision does NOT count toward meeting your medical deductible
- ◇ Your HSA can be used as a tax sheltered investment.
- ◇ The prescription drug plan offered with the BCN HDHP provides free maintenance drugs such as medicines for high blood pressure and cholesterol.
- ◇ After you meet your deductible and coinsurance maximum, if applicable, services are covered at 100%. The only copays are for some prescription medications.

What is an HSA?

A Health Savings Account (HSA) is a cross between a flexible spending account (FSA), an IRA, and a 401(k)/403(b). Only those who enroll in one of the BCN HMO HDHP have the option to participate in the HSA, if eligible. You can access your HSA to pay for eligible expenses. In addition, your account has the ability to grow, year-to-year, tax deferred. The HSA account is your property and responsibility. Like a 401(k)/403(b), it is your money and stays with you.

Eligibility

You must meet certain requirements in order to participate in the HSA Contribution feature. To be eligible, you must:

- (a) Be covered by one of the BCN HMO High Deductible Health Plans;
- (b) Not be claimed as another person's tax dependent;
- (c) Not be covered by Medicare; and
- (d) Not have any health coverage other than coverage under a High Deductible Health Plan. Other coverage that will disqualify you from being eligible for the HSA Contribution Feature includes, but not limited to, coverage under your spouse's health plan if his/her plan is not considered a HDHP plan under IRS guidelines. Coverage under your spouse's medical expense reimbursement plan or flexible spending account, and coverage under a health reimbursement arrangement, including your spouse's health reimbursement arrangement.



Health Savings Account Continued

Consideration

An HSA is an employee's property and HSA account holders are responsible for ensuring they meet the eligibility requirements for the pre-tax benefit as well as ensuring the funds are used to pay for qualified medical expenses. The HSA is separate from the medical high deductible plan and is a bank account used to help pay for those expenses not covered by the plan with pre-tax dollars.

Using Your HSA

Money in your HSA can be used to pay for a variety of healthcare-related expenses for you and your IRS eligible dependents (any out of pocket medical, dental and vision coverage after the insurance plan pays or processes the claim) ranging from routine exams to prescription drugs. A full listing of eligible expenses can be found at: <http://www.irs.gov/pub/irs-pdf/p969.pdf>. To pay for expenses, you simply present your HSA debit card to your provider, and money will be deducted directly from your HSA.

Please note that you are not required to submit receipts for the purchases that you make. It is your responsibility to keep the supporting records to show the Internal Revenue Service whether you used the funds to pay qualified medical expenses.

HSA Employee Funding

You will have the option to fund your account with pre-tax dollars. The Statutory Maximum HSA Contribution for **2018** calendar year is \$3,450 for a single and \$6,900 for a family. If you are age 55 or older, you can make an additional catch-up contribution amount of \$1,000 for 2018. The HSA cannot receive contributions after you have enrolled in Medicare. **You have the ability to adjust your HSA pre-tax election monthly.**

Your HSA money is tax-free as long as it is used to pay for qualified medical, dental and vision expenses. If you use the money for any other reason, you will be required to pay income tax and a 20% tax penalty on that amount (you will not pay a penalty if you are disabled or age 65 or older).

The total contributions made by you and/or made on your behalf (i.e., contributions by your Employer) into HSAs owned by you are subject to a maximum contribution limit.

If you are eligible for contributions for only a portion of the year, your maximum contribution (including catch-up contributions) is determined in accordance with the following "rules":

(a) Not Eligible on December 1st. If you cease to be eligible for contributions prior to December 1st of a particular year, the contribution limit for that year will be a fraction of the maximum contribution for the full year based upon the number of months in which you were eligible.

For Example, if you have single coverage under a qualifying High Deductible Health Plan, you are not eligible for catch up contributions, but are eligible only during January through June (i.e., six months of the year), your maximum contribution would be limited.

(b) Eligible on December 1st. If you become eligible for HSA contributions during a particular year and you are eligible as of December 1st of that year, your maximum contribution for that year is the full indexed amount.

However, if you become ineligible for HSA contributions during the twelve (12) month period beginning with December of that year, you will not be entitled to the full maximum contribution. Instead, your maximum contribution will be a fraction of the maximum contribution for the full year based upon the number of months in which you were eligible during that year. The excess contributions will be included in your gross income and an additional tax will be imposed on those contributions.

Health Savings Account Continued

Rollover contributions may also be made to an HSA from another health savings account or from an Archer MSA. Rollover contributions are not subject to the contribution limit described above, however, exclusions do apply.

What happens if my contributions exceed the contribution limit?

If the contributions to your HSA exceed the applicable maximum contribution limit for a year, generally the excess contributions will be included in your income and an excise tax will be imposed upon them. However, you can avoid the excess tax if you take a distribution of the excess contributions (and the net income attributable to the excess contribution) before the last day (including extensions) for filing your federal income tax return. This distribution must be included as a taxable income when you file your taxes.

What are the tax consequences of the HSA Contribution Feature?

The contributions made under this HSA Contribution Feature will not be included in your gross income, unless they exceed the applicable maximum contribution limit as discussed above.

What are the rules regarding distributions from my HSA?

Your Employer has no control over or involvement with distributions made from your HSA. Your Employer does not substantiate expenses for which such distributions are made. Information regarding the procedure for obtaining distributions and the consequences of taking distributions is available from the trustee/custodian of your HSA.

When does my participation end?

Participation in the HSA Contribution Feature ends upon the earlier of the date your participation in the Plan ceases or the date you no longer satisfy the eligibility requirements of the plan. You need not be a participant in the HSA Contribution Feature (or be employed by the Employer) in order to obtain distributions from your HSA. In addition, you may make contributions to your HSA outside this Plan, provided you are eligible to do so under IRS rules, after you have left employment with the Employer or have ceased to be a participant in the Plan.

NOTE: This HSA Contribution Feature is **not** a group health plan for purposes of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA), the Family and Medical Leave Act (FMLA), and the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). COBRA, FMLA, and USERRA do not apply to this HSA Contribution Feature. However, COBRA, FMLA, and USERRA may apply to the Qualifying High Deductible Health Plan.

Can the contributions made to my HSA be forfeited?

No, once the contributions have been deposited in you HSA, you will have a nonforfeitable interest in the funds. You will be free to request a distribution of the funds or to move them to another provider of HSAs, to the extent allowed by law.

What are the reporting requirements?

Your Employer is responsible for reporting contributions made to your HSA through this HSA Contribution Feature on your Form W-2. You are also responsible for reporting contributions to your HSA, and for reporting distributions from your HSA, on appropriate forms available from IRS.

Items to Note

Your life insurance policy pays death benefits to your survivors if you should die while participating in the program. Your will or trust document often is not enough to control how your death benefits are paid. **You must file a Beneficiary Designation with the program provider to determine who receives the benefit.** It's important to keep a record of your beneficiary designations and to update them whenever your circumstances change.



Healthcare Premiums

Employee contributions are outlined on page 3. Please note these amounts will be adjusted each January 1st.

Premium Conversion

To help minimize your employee contribution for your medical plan, Garden City Public Schools will continue to offer an IRC (Internal Revenue Code) Section 125 Premium Conversion Plan. This allows you to pay for your coverage on a pre-tax (before tax) basis. As a result, your net take home pay will be higher than if contributions were deducted on a post-tax (after tax) basis.

Contributions taken on a pre-tax basis are not subject to federal or state income taxes or FICA taxes. The amount of savings depends on your individual contribution and tax bracket. Your 2018 Enrollment Election will be locked in for the entire benefit year (January 1st to December 31st). Election changes are only allowed if you experience a mid-year qualifying event.

Flexible Spending Account (FSA)

The Health Care FSA is replaced by the Health Savings Account (HSA) for all eligible employees enrolling in either of the Blue Care Network HMO High Deductible Health Plans (HDHP). Employees enrolling in the Blue Cross Blue Shield Community Blue plans or enrolling in the BCN High Deductible Health Plan (HDHP), but not eligible to contribute to the HSA, can still continue to participate in the Health Care FSA.

Benefit eligible employees are still eligible to enroll in the Dependent Care FSA or Daycare Account.

Please contact Corri Siwik in the Benefits Department for the enrollment packet.

Required Action Step:

**Forms must be completed and turned into the Benefits Dept. no later than
Tuesday, November 28th.**



Your Rights Under Federal Law

Change in Status or Special Enrollment

You may qualify for a special enrollment if certain events occur in your life:

- If you decline coverage for yourself and/or your dependents (including your spouse) because you are covered under another health plan, you may be able to enroll yourself and/or your dependents in the plan if you experience an involuntary loss of that coverage (e.g., spouse loses his/her job, divorce).
- 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 plan.

In either situation, you must request enrollment through the Employee Benefits Department within 30 days after the special enrollment event as described above. If you enroll as the result of a special enrollment event, coverage will be made effective on the date of the event.

Newborn and Mother's Health Protection Act

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).

Women's Health & Cancer Rights Act

Federal law requires a group health plan to provide coverage for the following services to an individual receiving plan benefits in connection with a mastectomy:

These services include:

- Reconstruction of the breast upon which the mastectomy has been performed;
- Surgery/reconstruction of the other breast to produce a symmetrical appearance;
- Prosthesis;
- Physical complication during all stages of mastectomy, including lymph edemas.

The plan may not:

- Interfere with a woman's right under the plan to avoid these requirements;
- Offer inducements to the health provider, or assess penalties against the health provider, in an attempt to interfere with the requirements of the law.

However, the plan may apply deductibles and co-insurance requirements consistent with other coverage provided under the plan.



