



## City of Winona

Open Enrollment for 2015

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KNOW YOUR BENEFITS AND YOUR OPTIONS

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# Enrolling or Changing Coverage for 2015

If you would like to make a change, enroll or decline coverage, all forms are found on the City Intranet site or by contacting the Benefits Coordinator.

All forms are due on November 19, 2014 with a coverage effective date of January 1, 2015

The minimum required form to return for all employees is the Flexible Spending Enrollment form. All other coverage will continue in force unless a notice is received.

## Making Changes Mid-Year

Changes in coverage can be made within 30 days of a life event which includes:

- Marriage;
- Birth or adoption of child;
- Death;
- Divorce; or
- Loss of spouse coverage

If you foresee an upcoming change, contact the Benefits Coordinator for information and to complete paperwork.

For medical coverage, you may only add or drop dependents; you will not be able to change plans.

Enrollment for PERA Life, Short Term Disability, and Long Term Care is limited to open enrollment periods only.

*Year-round employees and spouses are welcome to contact the Benefits Coordinator at 507-457-8291 with any questions or to arrange a meeting to review coverage options.*

# Affordable Care Act

The City Health plans meet all the requirements set forth under the Affordable Care Act.

Employees of the City are not qualified to participate in the MNSure or Federal Exchange (Marketplace) programs because the City coverage is deemed as good as and as cost prohibitive as what can be found on the exchange.

## Special Notes for 2015

- The Affordable Care Act requires employers to report the cost of coverage under an employer-sponsored group health plan. Reporting the cost of health care coverage on the Form W-2 does not mean that the coverage is taxable. The value of the employer's excludable contribution to health coverage continues to be excludable from an employee's income, and it is not taxable. This reporting is for informational purposes only and will provide employees useful and comparable consumer information on the cost of their health care coverage. The amount will be listed in box 12 of your 2014 W2 and include both the employer and employee contribution to coverage.
- The goal of 2015 Affordable Care Act is to pay physicians based on value not volume. A new provision will tie physician payments to the quality of care they provide. Physicians will see their payments modified so that those who provide higher value care will receive higher payments than those who provide lower quality care.

# Medical Coverage and Cost

Listed are monthly rates and high level coverage summary for the three plan options offered in 2015. Specific Summary of Benefit Coverage information can be found on the Intranet or by request from the Benefits Coordinator. There is no requirement to enroll in coverage.

Specific change for 2015 is the increase in deductible for the Green and Red plans. Previous was \$2,500/\$5,000. The change was made to continue HSA eligibility with an embedded deductible for family coverage.

	Yellow Plan \$750/\$1,500 Deductible		Green Plan \$2,600/\$5,200 Deductible		Red Plan \$2,600/\$5,200 Deductible	
	Single	Family	Single	Family	Single	Family
Total Cost	\$644	\$1,806	\$520	\$1,461	\$505	\$1,417
City Contribution	\$461	\$1,210	\$461	\$1,210	\$461	\$1,210
Employee Cost	\$183	\$596	\$59	\$251	\$44	\$207

	Yellow Plan \$750/\$1,500 Deductible		Green Plan \$2,600/\$5,200 Deductible		Red Plan \$2,600/\$5,200 Deductible	
	Network	Non-Network	Network	Non-Network	Network	Non-Network
Deductible	Individual \$750 Family \$1,500		Individual \$2,600 Family \$5,200		Individual \$2,600 Family \$5,200	
Funding Options	<ul style="list-style-type: none"> <li>HRA OR HSA Balance</li> <li>Flexible Spending Account</li> </ul>		<ul style="list-style-type: none"> <li>HSA Qualifying Plan</li> <li>HRA holders <u>must</u> convert 50% of HRA balance to HSA upon enrollment</li> <li>Flexible Spending Account</li> </ul>		<ul style="list-style-type: none"> <li>HSA Qualifying Plan</li> <li>HRA holders <u>may</u> convert 50% of HRA balance to HSA upon enrollment</li> <li>Flexible Spending Account</li> </ul>	
Coinsurance	90% coverage	70% coverage	90% coverage	60% coverage	80% coverage	60% coverage
Office Visit	90% after deductible	70% after deductible	90% after deductible	60% after deductible	80% after deductible	60% after deductible
Preventative Care	100% coverage	70% after deductible	100% coverage	60% after deductible	100% coverage	60% after deductible
Prescription Drugs	80% after deductible For generic, brand and non-formulary		90% after deductible For generic, brand and non-formulary		70% after deductible For generic, brand and non-formulary	
Inpatient Hospital	90% coverage after deductible	70% after deductible	90% after deductible	60% after deductible	80% after deductible	60% after deductible
Out-of-Pocket Maximum Includes Deductible	Individual \$3,000 Family \$6,000		Individual \$3,500 Family \$7,000	Individual \$10,000 Family \$20,000	Individual \$5,000 Family \$10,000	
Emergency Room	90% after deductible		90% after deductible		80% after deductible	
Primary Care Clinic	No		No		No	

There is no requirement to enroll in coverage.

## Dependent Coverage

Children may be enrolled on a parent health and dental coverage plan until the end of the month in which they attain age 26 whether or not they are a student or even if they are married. There are no tax consequences for allowing a child to stay on a medical or dental plan. However, there are rules regarding use of flexible spending and health savings options. See below.

### Flexible Spending Plans

The City has updated the definition of dependent child covered by the plan. You may use FSA dollars to pay for expenses of your child not covered by medical or dental insurance. Eligibility ends on the last day of the month in which the child turns 26.

### Health Savings Accounts

You can only use HSA funds to cover dependent expenses for medical, dental or vision if the child meets the definition of dependent under the IRS guidelines. Generally this means that the child is considered a tax dependent and you claim the child on your tax return. There is specific language for children of divorced parents. Contact your tax preparer or search IRS Publication 501 for clarification.

## Funding Account Options

The City offers various funding options to allow employees to be in control of their health care expenses. Refer to the medical benefit summary to know which option you can use with the health plan you selected.

### Health Savings Account (HSA)

An HSA is a personal bank account established and owned by the employee. The City will deposit money from your paycheck before tax into an account at Winona National Bank. You can pay for eligible expenses with an HSA check or debit card. There are specific requirements set by the IRS to determine if you qualify to put money into an HSA.

## TIPS:

- Keep receipts by year paid and not by date incurred.
- Accidental withdrawals cannot be returned to the account, you must incur qualified expenses to cover the error or consider the withdrawal a cash disbursement subject to tax and penalty.
- Contribution maximum for 2015 is \$3,350 for single and \$6,650 for family; 55+ can contribute an additional \$1,000 to the single or family maximum.
- Proration of contribution maximum may apply if you have a life event or your spouse acquires or loses coverage in a qualifying HSA plan. Contact the Benefits Coordinator for specific information.

## Flexible Spending Account (FSA)

The City offers various FSAs. You can elect the options that work for you. Using an FSA allows you to avoid paying federal, state, social security and Medicare taxes on the amount you put into the account. For reimbursement account options, you must incur expenses between January 1, 2015 and December 31, 2015. Funds must be claimed before March 31, 2016. Unclaimed dollars will be retained by the City to offset plan expenses.

### Pre-Tax Premiums

Elect to have your premiums for medical or dental taken out of your check before tax and you will avoid paying taxes on the value of the premium.

### Limited Reimbursement Account

A limited flex account allows you to set aside up to \$2,500 for dental and vision expenses only. The option can be used in conjunction with an HSA.

### Full Reimbursement Account

This option allows for reimbursement of all medical, dental, vision and prescribed over the counter medications. The

annual maximum is \$2,500 in coordination with a limited reimbursement account.

### Dependent Care Account

Estimate your child care expenses for the year and take the money out of your check bi-weekly up to \$5,000. Adjustments can be made mid-year if you encounter an unexpected rate change or switch providers.

## Life Insurance

The City provides each employee with a basic life and accidental death policy for \$10,000 (amount doubles if accidental death). Employees may purchase additional coverage. Coverage begins the first day of the month following application for enrollment.

### Minnesota Life Insurance (Term Coverage)

Term life insurance with cost based on age and amount of coverage. Employees may apply for up to \$300,000 for self and \$150,000 for spouse. \$10,000 child coverage is also available to age 26.

Employee or Spouse Age	<25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74
Cost per month/\$1000	\$0.07	\$0.08	\$0.10	\$0.11	\$0.14	\$0.23	\$0.39	\$0.63	\$0.77	\$1.33	\$2.08
Child Cost	\$1.30 per month per family										

MN Life also offers the following as part of your basic life coverage. Contact the Benefits Coordinator for a brochure.

- Will Preparation Services
- Travel Assistance
- Legacy Planning

### PERA Life Insurance (Decreasing Term Coverage)

PERA Life is a flat rate coverage that decreases as you age. Cost is \$16 per month regardless of age and coverage level. No

health history required to obtain coverage. Coverage can be carried into retirement at the same cost. Coverage can only be elected at open enrollment.

Member Age	Term Life	AD&D	Total	Spouse	Children to age 21
< 25	\$225,000	\$100,000	\$325,000	\$20,000	\$4,000
25-29	\$170,000	\$100,000	\$270,000	\$20,000	\$4,000
30-39	\$100,000	\$100,000	\$200,000	\$20,000	\$4,000
40-44	\$65,000	\$100,000	\$165,000	\$18,000	\$4,000
45-49	\$40,000	\$100,000	\$140,000	\$15,000	\$4,000
50-54	\$30,000	\$100,000	\$130,000	\$10,000	\$4,000
55-59	\$18,000	\$100,000	\$118,000	\$7,000	\$4,000
60-64	\$12,000	\$100,000	\$112,000	\$5,000	\$4,000
65+	\$7,500	\$7,500	\$15,000	\$4,000	\$4,000

## Disability Benefits

The disability carrier for short and long term coverage is Madison National Life. Disability benefits offer you a percentage of income while you are recovering from an injury or illness. The City provides long term disability benefits after six months of leave.

### Short Term Disability

Employee chooses level of benefit coverage from \$100 to 60% of base pay per week. There is a 30 day waiting period and up to 22 weeks of coverage. Paid vacation can be used in addition to offset benefit to equal 100% of weekly wage. Coverage is through Madison National Life. More information is available on the Intranet site.

Age	< 25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Cost per month per \$10 Benefit	\$0.41	\$0.67	\$0.47	\$0.45	\$0.47	\$0.51	\$0.68	\$0.91	\$1.06	\$1.22	\$1.34

## Long Term Disability

Coverage is provided by the City of Winona at no cost to the employee. There is a 180 day (6 months) waiting period. Payments are 60% of base wage up to \$5,000/month. Should you be off of work longer than 6 months, the Benefits Coordinator will contact you with information and application forms. A complete coverage booklet is available on the Intranet site.

## Long-Term Care Insurance

Long-term care insurance is a supplement to your own personal income and savings to offset the cost of care provided by a nursing home or in home aide when you cannot perform basic activities such as bathing or dressing. Coverage is provided through Continental Casualty Company (CNA) and is based on age and level of coverage. Coverage is available to employees, spouses, parents, parents-in-law, grandparents-in-law of employees, retirees, and their spouses. A more detailed summary flyer is available on the Intranet site. You may request an enrollment packet from the Benefits Coordinator.

## Retirement Savings

City employees have several options to consider when investing for retirement. Contact the Benefits Coordinator for enrollment packets or if you need to change beneficiary designation. Enrollment is open year-round.

### Public Employees Retirement Association (PERA)

Coordinated members will contribute 6.5% and the City 7.5%. The Police and Fire plan members will contribute 10.2% and the City 15.3%.

### 457 Deferred Compensation

A 457 plan is a pre-tax contribution program where you pay tax on investments when they are withdrawn after leaving employment. Contribution limit for 2015 is \$18,000 and age 50+

catch up limit is an additional \$6,000. You may choose to invest with:

- Minnesota State Deferred Compensation Plan
- ICMA-RC (International City/County Management Association Retirement Corporation)

Contact the Benefits Coordinator for an enrollment packet. Contribution change forms are on the Intranet.

## Roth IRA

A Roth IRA allows you to make after-tax contributions but the interest can be taken tax-free after 5 years of participation. You can withdraw funds while you are employed after age 59 ½. This program is available through ICMA-RC and is open to employees and spouses. Contribution limit is \$5,500 and age 50 catch up limit is \$1,000.

## Wellness Benefits

The City of Winona is committed to offering you options to improve or maintain a healthy lifestyle. The following resources are available to employees and dependents.

### Employee Assistance Program

The Sand Creek Group, Ltd. is available 24 hours, seven days per week. Benefit is available to employees, spouses and dependent children. Up to four visits per issue are covered free of charge. You may request a referral to a Blue Cross provider.

Contact the Sand Creek Group, Ltd. at 1-888-243-5744 before scheduling an appointment. Sand Creek will match your needs with a local provider who specializes in the type of concern you have: personal, marriage, family, work, financial, or other.

## Blue Cross Blue Shield (BCBS)

### Fitness Discounts

BCBS offers a \$20 per month reimbursement when you work out at a participating gym 8 times per month. Inform your gym that you are eligible for a BCBS reimbursement and the gym will collect your activity for the month and send the information to BCBS. BCBS will reimburse the gym and the gym will reimburse the employee.

### Health and Wellness

Take a free health risk assessment online and then continue with a weekly health coaching module. Go to [www.bluecrossmn.com](http://www.bluecrossmn.com)

Health Support is a resource for individuals diagnosed with an ongoing illness or disease. BCBS can help answer questions about you condition, types of tests that may be used, ways to help minimize recurrence or lessen onset symptoms. To enroll directly contact BCBS at 800-248-6603.

### SNAP and Anytime Fitness Discounts

City employees and spouses who use the Winona SNAP or Anytime Fitness gyms may receive an additional discount in addition to the Blue Cross reimbursement program. Contact the gym directly find out more about monthly cost of membership. Mention that you are a City of Winona employee or spouse.

### City of Winona Wellness Committee

The City Wellness Committee will continue to promote a culture of wellness through education, example and opportunities. Events are open to all employees, retirees, family members and friends. Wellness information can be found in the newsletters, e-mail notices, postings and on the Intranet.

### Healthy Balance

Beginning in 2015 the City has entered into an agreement with the Winona Health Healthy Balance program. The goal of this program is to provide opportunities for employees to fully realize

and understand their personal health. The program consists of three parts:

1. Personal Health Assessment – consists of a questionnaire about your daily living. The PHA is done through an online portal established by Winona Health through
2. Biometric Screening – consists of a lab draw. A basic lab panel is to screen for potential chronic conditions (fasting glucose, total cholesterol, low density lipoproteins (LDL), high density lipoproteins (HDL) and triglycerides. In addition blood pressure, pulse, height, weight and neck and waist circumference will also be taken. Winona Health will come to City facilities to perform the services. If you already know your numbers through a regular preventive health check done within the past three months, you can use those numbers to complete part 2. Likewise if you intend to have these tests done at your next well check, you can provide results of the screening to your doctor and avoid paying for the tests through your medical coverage.
3. Health Coaching – an adviser will meet with you to personally review your PHA and lab results, identify risks, and set goals for health promotion that follow evidence-based recommendations.

Completion of all three components will qualify the employee to receive a \$25 gift card to a local grocery store.

The program is free and confidential to all benefit eligible employees. It is fully supported by the City Manager and all employees will be given time away from normal work duties to participate in the program when Winona Health is on location at a City building. Specific dates and times for the various components will be shared soon and coordinated through your supervisor.

The City will receive an aggregate summary of results without names. The Benefits Coordinator will receive names of participants to award incentives.

## Contacts

Blue Cross Blue Shield of Minnesota  
800-248-6603  
[www.bluecrossmn.com](http://www.bluecrossmn.com)

Winona National Health Savings Account  
459-9268 Mary Stoltman, Personal Banker

Eide Bailly Employee Benefits – Flexible Spending Accounts  
800-300-1672  
[www.eidebailly.com/services/benefits/](http://www.eidebailly.com/services/benefits/)

Gundersen Lutheran Nurse Advisor Line – available 24/7  
800-858-1050

Mayo Clinic Online  
[www.mayoclinic.com](http://www.mayoclinic.com)

Sand Creek EAP – 24/7 Employee Assistance Program  
888-243-5744  
[www.sandcreekeap.com](http://www.sandcreekeap.com)  
Work Life Wellness Login ID: mncity  
Password: employee

Quit Tobacco Helpline  
888-662-2583

PERA (Public Employees Retirement Association of MN)  
800-652-9026  
[www.mnpera.org](http://www.mnpera.org)

ICMA-RC (International City/County Management Association  
Retirement Corporation)  
800-669-7400 General Customer Service  
[www.icmarc.org](http://www.icmarc.org)  
866-731-1053 Seth Fineman, Retirement Plans Specialist  
sfineman@icmarc.org

MNDPCP (Minnesota State Deferred Compensation Plan)  
800-657-5757  
Ext. 5853 Peter Van Duynhoven, Counselor  
Peter.van.duynhoven@state.mn.us  
[www.mndcplan.com](http://www.mndcplan.com)

# Notes