City of Somerville

Special Fall 2015

November 2nd – November 20th

Welcome to the City of Somerville Special Fall 2015 Open Enrollment! The benefits described in this booklet are some of the benefits offered by the City of Somerville. The following three benefits will be offered during the Open Enrollment period of **November 2nd through November 20th** for a benefit effective date **of January 1, 2016**.

Flexible Spending through Benefit Strategies

Long Term Disability through UNUM

Vision Plan through VSP

The City will be offering **Flexible Spending Account Plans for the tax year 2016** through Benefits Strategies. This benefit is offered to all active benefit eligible employees.

NOTE: ***As a reminder for those of you who currently participate in the Flexible Spending plan during the 2015 tax year and would like to continue to participate in 2016 you will need to re-enroll by logging onto your account with Benefit Strategies or by completing the attached 2016 Enrollment Form by the deadlines noted above.***

Flexible Spending Account Information

The plans allow you to have money withheld from your paycheck on a pre-tax basis, which you can use for your out of pocket health care and/or dependent care expenses.

Please note that the unused balance in your Health Care Flexible Spending account at the end of the plan year (December 31st) may be used for expenses that you incur during the grace period. The grace period is the 2 ½ month period (January 1st – March 15th) after the end of the plan year. You must submit claims incurred during the grace period for reimbursement within 90 days after the end of the plan year (March 31st). All claims for the entire plan year i.e. 1/1/2016-3/15/2017 must be received or postmarked as of March 31, 2017.

These plans are governed by the Internal Revenue Service (IRS). Any money allocated to your account(s) that is not used during the plan year, or any applicable grace period are forfeited. Therefore, you should be very conservative in determining how much to put in the plan.

The FSA has two plans:

- Health Care Flexible Spending Account ($2,550 annual maximum)
- Dependent Care Assistance Account ($5,000 annual maximum)

You can sign up for one account or both based upon your needs. Elections are governed by IRS rules and are irrevocable for the calendar year, unless the employee experiences a qualifying event.

Eligible health care expenses include, but are not limited to:

- Deductibles, coinsurance and co-payments
- Prescription drugs and vaccinations including co-payments
- Vision Care
- Dental Expenses

Eligible dependent care expenses include, but not limited to:

- Before and After-school program
- Au Pair (procurement or fees for finding an Au Pair are not)
- Day Camps
- Day Care Center
- Nursery School
- Relative or dependent that care for your children
  1. Must be over 19
  2. Cannot be claimed on a federal tax return

Education Meetings

The Benefits team will hold education meetings during the month of November. Please find the schedule below:

Date	Time	Location
Monday, November 9th	10:00 am	City Hall, 93 Highland Avenue 2nd Fl Chambers
Monday, November 9th	1:00 pm	City Hall, 93 Highland Avenue 2nd Fl Chambers
Friday, November 13th	10:00 am	City Hall, 93 Highland Avenue 2nd Fl Chambers

How do I enroll in the Flexible Spending Plan?

All eligible employees will be able to enroll on-line through the Benefit Strategies website at www.benstrat.com. Please find attached the On-Line Enrollment Instruction Guide that will assist you on enrolling in your benefit. If you do not have access to a computer, you can complete the attached Flexible Benefit Plan Enrollment Form and return it to the Personnel at City Hall, 93 Highland Avenue, Somerville, MA 024143 no later than ***Friday, November 20th*.**

All deductions for the 2016 tax year will be changed on the 1st payroll in January 2016. Please note that these deductions are **not taken** out one month in advance and are current deductions.

For additional information on the Flex Spending plans and applicable forms, please visit the City's website at http://www.ci.somerville.ma.us/departments/personnel/benefits/flex .

If you have any questions regarding the Flexible Spending Plan, please feel free to contact the benefits line at X 3324. Mary Alice Lally or myself will be able to assist you with any questions that you may have.

Long Term Disability

The City will be offering a Long Term Disability policy through UNUM Life Insurance. This policy will allow employees to purchase voluntary Long Term Disability coverage. Please refer to the full summary document for additional information on the LTD Plan.

Your Plan Eligibility

You are eligible for disability coverage if you are an active employee in the United States working a minimum of 20 hours per week. The date you are eligible for coverage is the later of: the plan effective date; or the day after you complete the waiting period.

Guaranteed Issue for Current Employees

If you enroll on or before the enrollment deadline of 11/20/2015, coverage is available to you without answering any medical questions or providing evidence of insurability. After the initial enrollment period, you can apply at any time during the year, however, your coverage will be medically underwritten, and your coverage will not begin until Unum determines that you qualify based on information you provide regarding your health history.

Benefit Amount

You may purchase a monthly benefit of either 40% or 60% of your monthly earnings, but not to exceed a monthly maximum benefit of $7,500. The definition of earnings is your current salary.

The total benefit payable to you on a monthly basis (including all benefits provided under this plan) will not exceed 100% of your monthly earnings unless the excess amount is payable as a Cost of Living Adjustment. However, if you are participating in Unum's Rehabilitation and Return to Work Assistance program, the total benefit payable to you on a monthly basis (including all benefits provided under this plan) will not exceed 110% of your monthly earnings (unless the excess amount is payable as a Cost of Living Adjustment).

Elimination Period

The Elimination Period is the length of time of continuous disability, due to sickness or injury, which must be satisfied before you are eligible to receive benefits. Your Elimination Period is 90 days.

Benefit Duration is based on your age when the disability occurs.

Plan: ADEA I: Your duration of benefits is based on the following table:

Age at Disability Less than age 60	Maximum Duration of Benefits To age 65, but not less than 5 years
Age 60	60 months
Age 61	48 months
Age 62	42 months
Age 63	36 months
Age 64	30 months
Age 65	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

Federal Income Taxation You may wonder if your disability benefit amount will be taxed. It depends on how your premium-the price of your coverage-is paid.

Your premium is paid with:

Post-Tax Dollars -- your benefit amount will not be taxed.**

The disability benefit amounts you receive will be reported annually on a W-2. It will show any taxable and non-taxable portions separately.

**Post-Tax Dollars are dollars paid through payroll deductions after taxes and withholdings have been subtracted from your earnings. They are also dollars paid by your employer toward premium that are reported as earnings on your annual W-2 and taxed accordingly.

Enrollment

If you wish to enroll in the voluntary LTD benefit through UNUM, please complete the UNUM enrollment form that was sent to your home or get a new packet from the Personnel Office and return it the Personnel at City Hall, 93 Highland Avenue, Somerville, MA 02143 no later than **Friday, November 20th**. You may also contact UNUM for further information at Group Customer Contact Center for employees to call with policy questions is 1-800-421-0344.

Vision Service Plan (VSP)

You will be eligible to join the Vision Service Plan during this year's Open Enrollment if you meet the eligibility requirements. This is an additional Voluntary benefit that allows you to purchase voluntary vision coverage at a relatively low cost and 100% employee contribution.

Note: Currently, for those employees who are enrolled in the GIC Health Insurance plans, you are offered one (1) eye exam every twenty-four (24) months and access to discounts on frames and lenses.

Enrolled members can choose to see any doctor of their choice. However benefits are maximized when received through a VSP participating doctor. Members can choose from one of 30,000 participating doctors nationwide. VSP Doctors are located in retail, neighborhood, medical and professional settings.

Copays (apply in and out of network)	
WellVision Exam:	$10 copay
Materials:	$25 copay

Plan Frequencies	
Exam	Once every plan year*
Lenses	Once every plan year*
Frame	Once every other plan year*

**Plan year begins July 1*

Services	**Benefits with VSP Doctor**	**Out of Network Reimbursement**
WellVision Exam:	Covered in full after copay	Reimbursed up to $45
Frame:	-Covered up to $150 retail allowance -20% off any amount above the retail allowance	Reimbursed up to $70

Lenses: Single Vision Lined Bifocal Lined Trifocal Lenticular	 Covered in full after copay Covered in full after copay Covered in full after copay Covered in full after copay	 Reimbursed up to $30 Reimbursed up to $50 Reimbursed up to $65 Reimbursed up to $100
Contact Lenses *(instead of glasses)*	-$150 allowance for contacts, copay does not apply -Contact lens exam (fitting & eval) covered after $60 max copay	Reimbursed up to $105

Additional Savings:

- Lens enhancements are covered after a copay, saving members an average of 20-25%.
- 20% savings on additional glasses or sunglasses, including lens enhancements, from any VSP provider within 12 months of your last eye exam
- Average 15% off the regular price, or 5% off the promotional price of laser vision correction services through VSP contracted laser centers

Member Exclusive Offers:

- Exclusive special offers from VSP and leading industry brands for VSP **members only.** Visit **vsp.com/special offers**

Cost of Individual plan per month: $5.18
Cost of Family plan per month: $14.32

Using your benefit is easy…

- Register at vsp.com.
  - Once your plan is effective, review your benefit information.
- Find an eyecare provider who's right for you.
  - To find a VSP provider, visit vsp.com or call 800.877.7195.
- At your appointment, tell them you have VSP.
  - There's no ID card necessary. If you'd like a card as a reference, you can print one on vsp.com.

Enrollment

If you wish to enroll in the voluntary Vision benefit please complete an enrollment form accessible on the Benefit's page of the City's website or Personnel office and return it to Personnel at City Hall, 93 Highland Avenue, Somerville, MA 024143 no later than **Friday, November 20th.**

Benefit Contacts

If you have any questions regarding your benefit information, please feel free to contact one of the members of the Benefits Team below or contact the Benefits line at 617-625-6600 x 3324

Mary Alice Lally: mlally@somervillema.gov
Barbara Brown: bbrown@somervillema.gov