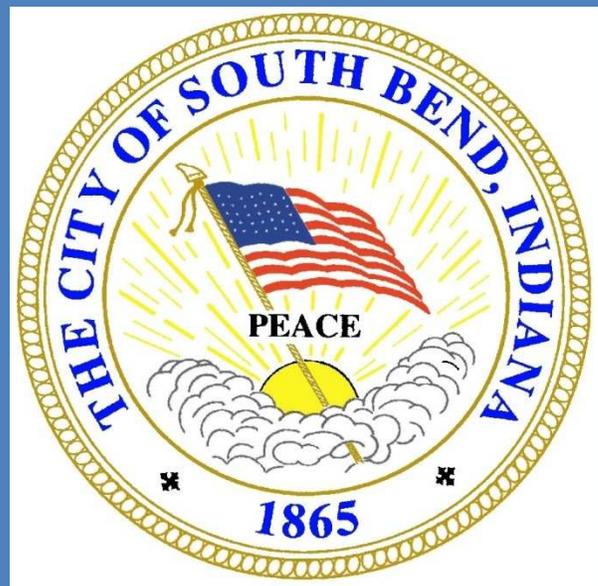




2014

Employee Benefits Booklet

- ▶ Health Insurance
- ▶ Dental & Vision Insurance
- ▶ Life & Disability Insurance
- ▶ Wellness Program
- ▶ Flexible Spending Accounts
- ▶ Other Supplemental Benefits





Enrollment Is As Easy As 1-2-3-4-5

1

Read
this
guide

2

Make
your
Benefit
Decisions
for 2014

3

Gather
social
security
numbers
&
birthdates

4

Go to
www.assethealthportal.com/csb
and log in

5

Make
your
Benefit
Selections

Everyone must log into the online system to verify your current benefit options or to make changes for 2014.

Open Enrollment Is From November 11 – November 29

New for 2014! – Eligibility for Same-Sex Domestic Partners

The City of South Bend's benefit plans will expand the definition of "Eligible Dependent" to include Same-Sex Domestic Partners who meet certain criteria and provide required documentation. Completion of an "*Affidavit of Domestic Partnership*" form is also required.

Additional details, including a list of the requirements and documentation needed, can be found on the enrollment website: www.assethealthportal.com/csb. Coverage will be effective on January 1, 2014, or after receipt and approval of all required documents, whichever occurs later.

Decisions you will need to make:

Choose the benefits, plans and coverage levels that you need:

- ▶ Health Insurance
- ▶ Dental & Vision Insurance
- ▶ Life & Disability Insurance
- ▶ Wellness Program
- ▶ Flexible Spending Accounts
- ▶ Other Supplemental Benefits

Enrollment Steps

Go to

www.assethealthportal.com/csb

Log in

Username: First Initial + Last Name (John Doe = jdoe)
Password: Current Healthy City/Asset Health password
New users use date of Birth (mmddyyyy)

BenXpress

Click on the BenXpress link in the upper left hand corner of the screen.

Verify

Review and verify your personal information.
Contact HR if any of the information is incorrect.

Add Dependents

Click on “Add New Dependents” and enter them.
NOTE: You must add a spouse/domestic partner and/or dependents on this screen even if you are not covering them under your benefits.

Enroll

Review the information.
Click ‘Next’ arrow to review your benefits.

Select who you wish to cover under your medical plan in Section 1.

Select the coverage tier that matches dependents to be covered in Section 2.

Click on ‘Next’ arrow and repeat steps for each benefit offering.

Review

Your 2014 benefit selections.

Confirmation

Print your confirmation statement and any other outstanding documents listed on this page.

Health Insurance Plan

Plan Overview

The City of South Bend offers two health insurance plans from which you may choose. Plan 1 is a traditional PPO plan, while Plan 2 is a high deductible plan with a Health Reimbursement Arrangement (HRA) that allows you to take advantage of savings opportunities. Both plans are administered by Anthem Blue Cross and utilize the Anthem Blue Access PPO network.

Plan 1 has a lower annual deductible and copayments for office visits and prescription drugs, but has a higher premium cost.

Plan 2 is a high deductible plan with a Health Reimbursement Arrangement (HRA) to help pay for claims that are applied to the annual deductible. All eligible medical claims (except Preventive Care) are applied to the annual deductible, and paid for with money from your HRA. Once your HRA funds are used up, you are responsible for the remainder of your claims up to the amount of the annual deductible.

The annual deductible is \$2,500 for single coverage or \$5,000 if you cover one or more dependents. The City of South Bend will fund your HRA annually with \$500 if you have single coverage or \$1,000 if you cover one or more dependents. Any unused HRA funds at the end of 2014 will carry forward into the next year, thereby helping to reduce your out-of-pocket even more in future years.

Both Plans:

- ▶ Utilize the *Anthem Blue Access* PPO network to ensure savings when you use in-network providers and in-network pharmacies
- ▶ Cover Preventive Care at 100% with no deductible
- ▶ Have an unlimited maximum benefit
- ▶ Cover the same types of services, and exclude the same types of services

PPO Providers

Please go to: www.anthem.com to seek participating providers. Although most physicians in this area participate, it is recommended that you verify with your doctor that they participate in the Anthem Blue Access PPO network every time you make an appointment.

Anthem Web-Site

www.anthem.com offers innovative tools to help you get the most out of your medical plan and manage your health.

- ▶ Check your claims & benefits
- ▶ Find a doctor
- ▶ Order an ID card
- ▶ Compare costs at medical facilities
- ▶ Research illnesses and treatments

Enrollment

Coverage is effective on the 61st day of active work following your date of hire, or January 1, whichever occurs later.

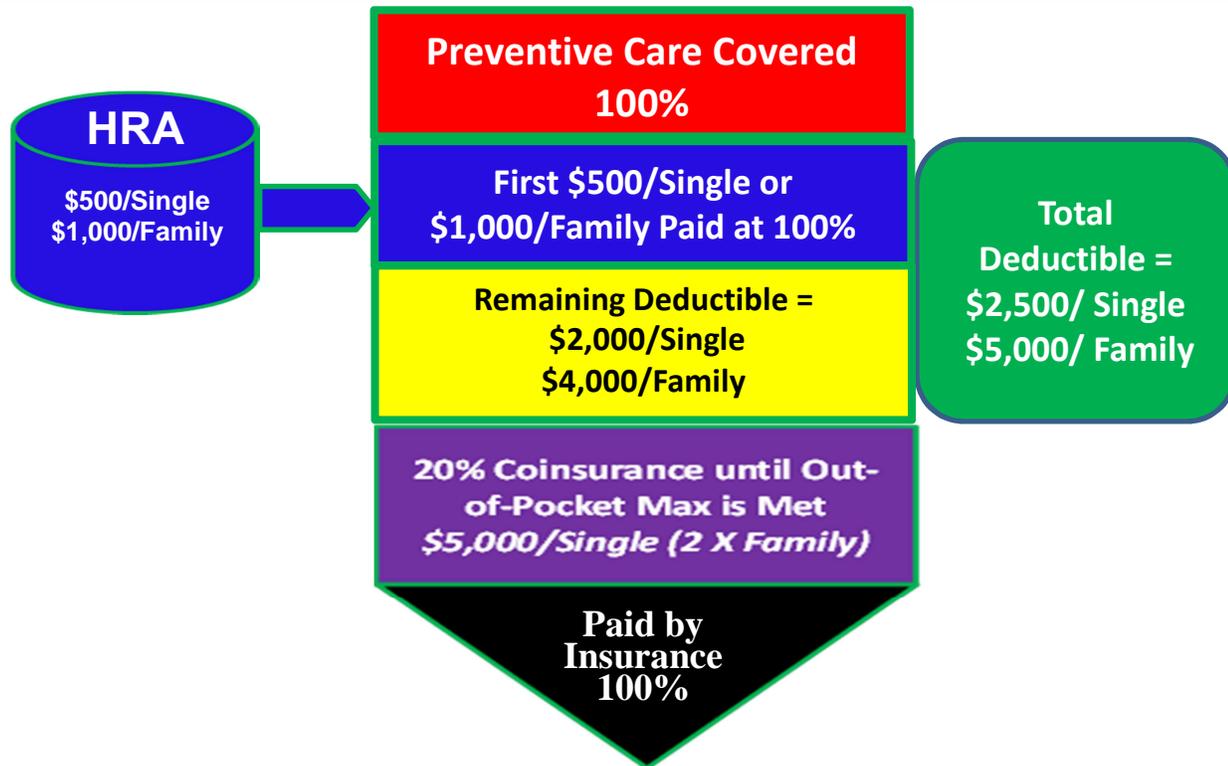
The Open Enrollment period will be from November 11, 2013 – November 29, 2013. No enrollments or changes will be allowed after 5:00 P.M. on November 29, 2013, unless you have a Qualifying Event.

A Qualifying Event may be a loss of other coverage due to a death, divorce, spouse's job change, etc. You must complete an enrollment form within 30 days of the Qualifying Event. Newborns, adopted children, or spouses/domestic partners must be added within 30 days of the birth, adoption, or marriage.

Coverage Termination

Coverage ends on the last day of the month in which employment terminates. Coverage for dependent children ends on the last day of the month in which they turn 26. You are responsible for notifying Human Resources when your dependent child is no longer eligible for coverage.

What is an HRA?



A Health Reimbursement Account (HRA) is coupled with a high deductible health insurance plan, allowing the premiums you pay to be lower compared to a traditional plan with a lower deductible.

The City of South Bend funds your HRA on January 1 with:

- ▶ **\$500 per year if you are enrolled with single coverage or,**
- ▶ **\$1,000 per year if you cover one or more dependents**

As claims are applied to the annual deductible, any available funds in your HRA are automatically used to pay providers.

Once your HRA funds are used up for the year, you are responsible for the remainder of the deductible.

Any unused funds in your HRA will carry forward to the next year and be added to next year's HRA funds, allowing you to build your HRA balance larger to help offset the deductible even more in future years.

How Is the High Deductible Health Insurance Plan Different?

All eligible expenses are covered subject to the annual deductible and coinsurance. The plan has an out-of-pocket maximum to protect you against large expenses. The deductible and your 20% coinsurance share accumulate toward the out-of-pocket maximum. Once the out-of-pocket maximum has been met, eligible expenses are generally covered at 100% for the remainder of the year.

Eligible prescription drugs, office visits, lab tests, urgent care and emergency room visits, etc. are subject to the annual deductible and coinsurance, up to the out-of-pocket maximum.

If you cover one or more dependents, then the family deductible and out-of-pocket maximum will apply to you. The deductible and out-of-pocket maximum are aggregate amounts and can be met by any combination of one or more family members. Your HRA funds are also used on any family member. The single deductible and out-of-pocket amounts do not apply within the family.

HRA Plan FAQ

What is an HRA?

HRA stands for Health Reimbursement Arrangement. An HRA is an employer-funded account that is designed to reimburse you for medical expenses that are applied to your annual deductible.

- If you have single coverage, the amount in your HRA for 2014 will be \$500.
- If you have any level of dependent coverage (spouse/domestic partner only, child only or spouse/domestic partner & children), the amount in your HRA for 2014 will be \$1,000.

How does an HRA work?

Your full HRA funds are all available on January 1st and will automatically be used to pay for the first \$500 or \$1,000 of medical and prescription drug expenses that are applied to your annual deductible.

Anthem will administer your HRA account and will automatically pay your health care providers from your HRA account. You do not need to file any separate claim forms.

Office visits and prescription drugs are generally covered just like any other medical expense, subject to the annual deductible and coinsurance. Your deductible is the amount you are required to pay each calendar year, before the insurance plan begins paying. Your HRA helps offset your deductible, thereby reducing your overall responsibility. Any qualified health care expenses you incur will count toward satisfying your deductible. At the same time, available HRA funds will be used to pay for those expenses.

For example, your first claim for the year is a visit to your doctor for a throat culture. The doctor's office submits the claim to Anthem for \$125. After the PPO discount is applied, the bill is reduced to \$100. \$100 will be used from your HRA account to pay the doctor. This will leave you with an HRA balance of \$400 ($\$500 - \$100 = \400). \$100 was also applied toward your annual \$2,500 deductible, which means that your remaining deductible to satisfy for the year is \$2,400. Your out-of-pocket for this claim was \$0.

What happens if I don't spend all of my HRA money?

At the end of the year, unused HRA funds are not lost, but are rolled over to the next year. Your HRA account grows each year that funds roll over, thereby helping to offset a larger portion of your deductible in future years. You may accumulate funds in your HRA account up to the amount of the insurance plan's annual deductible.

Can I spend my HRA funds on dental or vision expenses?

No, your HRA funds can only be used to pay for expenses that are covered by your medical insurance plan and applied to the annual deductible.

What happens to my remaining HRA money if I leave the City of South Bend?

Your unused HRA funds are forfeited when you leave employment, or drop the City of South Bend HRA Health Insurance Plan.

HRA Plan FAQ

Does the high deductible insurance plan cover the same things that the traditional plan covers?

Yes, both plans cover the same types of expenses and have the same exclusions. Both plans also cover preventive care at 100%. The only difference is in the amount of the deductible, copays, and out-of-pocket maximum.

What is the advantage of the HRA Plan?

An HRA is paired with a high deductible health insurance plan and saves you money on your health insurance premium contribution. It also allows you to save money by rolling over your unused HRA funds from one year to the next to help cover a larger portion of your deductible for a future time when you may need it.

How are Prescription Drug Claims Paid?

Under the high deductible Plan, eligible prescription drugs are covered the same as any other expense, and are subject to the annual deductible and coinsurance, rather than a copayment. However, any available funds in your HRA will be used to pay for prescriptions.

How do I access my HRA dollars?

There are two types of claims for which HRA dollars can be used:

- **Medical Claims** - Anthem pays your medical claims automatically from your HRA account, so there is no need to file a separate claim. Always wait until your claim has been fully processed by Anthem before paying your provider for any out-of-pocket responsibility. Otherwise, you might overpay your provider for charges that were either discounted due to the PPO negotiated fee, or were paid by Anthem from your HRA account.
- **Prescription Drug Claims** - When picking up your medications at the pharmacy present your Anthem ID card. The pharmacy will submit your prescription drug claim through the Anthem claim system immediately when they fill your prescription. This will ensure that you are receiving the discounted price for the drug, and that your responsibility is being applied toward your annual deductible, and out-of-pocket maximum. Anthem will pay the pharmacy directly with any available HRA funds in your account. If you have enough HRA funds to cover the full discounted price of your medication, your out-of-pocket at the pharmacy will be \$0. If you do not have enough money remaining in your HRA, the pharmacy will ask you to pay when picking up your medication.

Is the mail order pharmacy available?

Yes, you are able to obtain up to a 90-day supply of your medications through the Anthem mail order pharmacy. The full discounted cost for the 90-day supply will be applied to your deductible and coinsurance, just like any other medical claim. Please call the mail order pharmacy at 800-782-8476 to check the price of your medication and obtain further instructions.

HRA Plan FAQ

How can I check my HRA balance?

- Online at www.anthem.com, log in or register using your Anthem member number on your ID card.
- By calling the customer support line on the back of your card.

Can I still participate in the Flexible Spending Plan?

Yes, you may participate in the FSA, and you may use your FSA funds to pay out-of-pocket expenses once your HRA funds are used up.

Case Study – Single Person

Year 1 with PPO Plan		Year 1 with HRA Plan	
		City of SB makes annual \$500 HRA Contribution	\$500
<u>Total Expenses:</u> Routine Physical Exam - \$350* Routine Colonoscopy - \$1,400*	\$1,750	<u>Total Expenses:</u> Routine Physical Exam - \$350* Routine Colonoscopy - \$1400*	\$1,750
Paid by preventive care benefit*	\$1,750	Paid by preventive care benefit*	\$1,750
Office Visit for illness (\$100) & 1 Prescription (\$50 Tier 2 - 30% copay)	\$150	Office Visit for illness (\$100) & 1 Prescription (\$50)	\$150
Copayments	\$45	Applied to Deductible and Paid with HRA funds	\$150
Paid out-of-pocket	\$45	Paid out-of-pocket	\$0
HRA Rollover to Year 2	None	HRA Rollover to Year 2	\$350

Case Study – Employee & Spouse/Domestic Partner

Year 1 with PPO Plan		Year 1 with HRA Plan	
		HRA - \$1,000 contribution	\$1,000
<u>Total Expenses:</u> 36 Prescription drugs - \$3,960 8 Office visits (for illness) - \$1,520 (4 Primary Care & 4 Specialists), Lab tests - \$250	\$5,730	<u>Total Expenses:</u> Prescription drugs - \$3,960 8 Office visits (for illness) - \$1,520 Lab tests - \$250	\$5,730
Rx Copayments (20% X \$10 + 30% X \$300 + 30% X \$20) – 1 Tier-1 and 2 Tier-2 Maintenance Medications filled 12 times each	\$1,176	Applied to deductible & paid with HRA funds	\$1,000
Office Visit Copayments	\$280	Remainder Applied to Deductible	\$4,000
Total out-of-pocket	\$1,456	Total out-of-pocket (\$4,000 Net Deductible after HRA funds + 20% of \$730)	\$4,146
HRA Rollover to Year 2	None	HRA Rollover to Year 2	None

Wellness Program



New for 2014 – Spouse or Domestic Partner Participation

We are excited to announce the expansion of the wellness program to spouses and domestic partners in 2014. Spouses/Domestic Partners represent a larger than average portion of paid claims under our health plan and we encourage them to take advantage of the many opportunities in our Wellness Program to improve their health and live a longer and improved quality of life.

Your spouse/domestic partner may earn a discount on the premium you pay for his or her coverage by simply participating in the annual wellness screening and completion of the Health Risk Assessment (HRA). The discount will remain in force for the remainder of 2014. He or she is not required to earn credits in order to continue the discount for the remainder of the year. See page 12 for the spouse/domestic partner premium discount information.

The program consists of two requirements that must both be completed by you and your spouse/domestic partner to earn the employee/domestic partner discount on your premium:

1. The City of South Bend will offer free on-site wellness screenings in January 2014. Employees and Spouses/Domestic Partners must participate in the wellness screening (or physical exam for Firefighters) and complete the online Health Risk Assessment Questionnaire in order to participate in the Wellness Program in 2014. Employees will earn 3 credits by completing the wellness screening and Health Risk Assessment Questionnaire, and will only need to earn 1 additional credit to meet the requirement for the first quarter.
2. The Wellness Program will continue to require that employees earn 4 credits per quarter (every 3 months) to earn the discount on your health insurance premium for the following calendar quarter.

Wellness Activity	Applicable To:	Credits Earned (employee only)
Annual Wellness Screen	Police, Teamster & Non-bargaining Employees/Spouses/ Dom. Partners	2
Annual City Physical Examination	Firefighters	2
Health Risk Assessment Questionnaire	All Employees/Spouses/Dom. Partners	1

Other opportunities to earn credits:

Lunch n' Learn Seminars	All Employees	1
O'Brien Fitness Center participation	All Employees	1
Accredited Fitness Center participation	All Employees	1
On-Line wellness education	All Employees	1
On Site Health Solutions Coaching	All Employees	1
Participation in community event (run, walk, etc.)	All Employees	1
Successful completion of tobacco cessation	All Employees	1
Completion of weight management course	All Employees	1

Wellness Program

The list of Wellness Activities will include one additional method in 2014. During the second calendar quarter only, you may receive up to 4 credits if your biometric scores during your wellness screening in January fall within the target measurements below. Your Healthy City Wellness Account will automatically be credited with 1, 2, 3, or 4 credits based on the number of targets you meet. Credits for biometric results will only be given during the second quarter of 2014.

If you are unable to earn any or all the credits based on your biometric score, you may earn additional credits to meet the 4-credit requirement through traditional methods.

New for 2014 – An Additional Way to Earn Credits in the 2nd Quarter Only

BMI measurement of less than 30	All Employees	1
Blood Glucose measurement of less than 126	All Employees	1
Blood Pressure of less than 140/90	All Employees	1
Total Cholesterol to HDL ratio of less than 5.2	All Employees	1

The City of South Bend remains committed to providing opportunities that support your efforts to maintain a healthy life. The City will continue to provide a discounted health insurance premium for those employees choosing to participate in the City of South Bend Wellness Program. See page 12 for premium discount information.

In 2014, our Wellness Program will continue to track credits earned for participation in the annual health screening, learning opportunities, and various activities. Visit our Healthy City website, www.healthycitysouthbend.com to earn and track credits.

Watch for additional information on the Healthy City website in January about screening opportunities for spouses through *On-Site Health Solutions*. Information will be provided on how, when and where spouses may obtain their health screening.

If you cover your spouse/domestic partner, you will need to check the box in the BenXpress system indicating that he or she intends to participate in the annual health screening in order to obtain the premium discount during the first quarter of 2014. He or she is not required to earn credits to maintain the discount for the remainder of the year, but he/she must complete the health screening and online Health Risk Assessment.

IMPORTANT: Wellness points can not be rolled over from one quarter to the next.

If you haven't participated in the Wellness Program yet, it's not too late to start!

1. www.healthycitysouthbend.com
2. Enter Username = Your First Initial of your First Name and Full Last Name
3. Enter Password – Date of Birth (mmddyyyy)

Upon logging in the first time, you will be prompted to change your password.

2014 Health Plan

This is a brief overview of In-Network benefits

	Plan 1 PPO Plan	Plan 2 HRA Plan
Deductible – Single	\$750	\$2,500
Deductible – Family	\$2,250	\$5,000 – Family Aggregate ¹
HRA Funds – Single	N/A	\$500
HRA Funds – Family	N/A	\$1,000
Coinsurance (Plan Pays)	80%	80%
Out of Pocket Maximum–Single (including deductible)	\$3,000	\$5,000
Out of Pocket Maximum–Family (including deductible)	\$6,000	\$10,000 Family Aggregate ¹
Office Visit for Primary Care Provider	\$30	Deductible & Coinsurance Apply
Office Visit for Non-Primary Care Provider	\$40	Deductible & Coinsurance Apply
Preventive Care – Routine Annual Physical, mammogram, pap test, immunizations	100% - deductible does not apply. Claims must be coded as routine and preventive by your physician.	100% - deductible does not apply. Claims must be coded as routine and preventive by your physician.
Emergency Room	\$100 Copayment + 20%	Deductible & Coinsurance Apply
Urgent Care Center	\$50 Copayment	Deductible & Coinsurance Apply
Outpatient Facility Services	Deductible + 20%	Deductible & Coinsurance Apply
Maximum Benefit	Unlimited	Unlimited
Prescription Drugs – Retail or Mail Order		
Tier 1 Drugs – Many generics	20% of drug cost	Deductible & Coinsurance Apply
Tier 2 Drugs – Mostly Preferred Brand Name Drugs	30% of drug cost	Deductible & Coinsurance Apply
Tier 3 Drugs – Non-preferred brand and generic drugs	40% of drug cost	Deductible & Coinsurance Apply
Maximum Copayment	\$250/Script for Retail - \$750/ Script for Mail Order	N/A
Limits Per Calendar Year		
Physical / Occupational Therapy	60 Network & Non-Network combined visits	
Spinal Manipulation / Chiropractic	12 Network & Non-Network combined visits	
Speech Therapy	40 Network & Non-Network combined visits	
Home Health Care	90 visits Network & Non-Network combined limit	
Skilled Nursing Facility	90 days Network & Non-Network combined limit	
Maternity Care	Same as Any Other Expense	Same as Any Other Expense

¹ Family Aggregate – The annual deductible, out-of-pocket maximum and HRA money are all an aggregate amount to be met/used by all covered family members. The individual deductible and out-of-pocket maximums do not apply within the family.

2014 Health Plan

The Annual Cost of Health Insurance Benefits in 2014

PPO Plan	Total Annual Cost	Amount Paid by City of South Bend	Amount Paid by Employee (Wellness Participant)	Amount Paid by Employee (Non Wellness Participant)
Employee Only	\$5,237.16	\$4,661.64	\$575.52	\$1,295.52
Employee & Spouse/Dom.Part. Only	\$13,804.20	\$12,086.40	\$1,717.80	\$3,157.80
Employee & Child(ren) Only	\$10,368.24	\$9,211.20	\$1,157.04	\$1,877.04
EE, Spouse/Dom.Part. & Child(ren)	\$15,181.68	\$13,205.88	\$1,975.80	\$3,415.80

HRA Plan	Total Annual Cost	Amount Paid by City of South Bend	Amount Paid by Employee (Wellness Participant)	Amount Paid by Employee (Non Wellness Participant)
Employee Only	\$4,556.16	\$4,111.44	\$444.72	\$1,164.72
Employee & Spouse/Dom.Part. Only	\$11,755.08	\$10,395.12	\$1,359.96	\$2,799.96
Employee & Child(ren) Only	\$9,028.32	\$8,112.84	\$915.48	\$1,635.48
EE, Spouse/Dom.Partner & Child(ren)	\$12,848.16	\$11,333.40	\$1,514.76	\$2,954.76

Your Bi-Monthly Payroll Deduction – Based on 24 Pay Periods Per Year

PPO Plan	Current 2013		New - 2014		
	Wellness Participant	Non Wellness Participant	Wellness Participant (Employee & Spouse/partner)	Wellness Participant (Employee but Not Spouse/partner)	Non Wellness Participant (Neither Employee nor Spouse/partner)
Employee Only	\$21.80	\$51.80	\$23.98	\$ 23.98	\$ 53.98
Employee & Spouse/Dom.Part. Only	\$59.65	\$89.65	\$71.58	\$101.58	\$131.58
Employee & Child(ren) Only	\$41.92	\$71.92	\$48.21	\$ 48.21	\$ 78.21
EE, Spouse/Dom.Partner & Child(ren)	\$68.61	\$98.61	\$82.33	\$112.33	\$142.33

HRA Plan	New - 2014		
	Wellness Participant (Employee & Spouse/partner)	Wellness Participant (Employee but Not Spouse/partner)	Non Wellness Participant (Neither Employee nor Spouse)
Employee Only	\$18.53	\$18.53	\$ 48.53
Employee & Spouse/Dom.Part. Only	\$56.67	\$86.67	\$116.67
Employee & Child(ren) Only	\$38.15	\$38.15	\$ 68.15
EE, Spouse/Dom.Partner & Child(ren)	\$63.12	\$93.12	\$123.12

How Does the Affordable Care Act Impact You?

The Individual Mandate of the Affordable Care Act requires that everyone have health insurance that meets certain minimum coverage requirements in 2014 or pay a penalty when filing your 2014 tax return.

Both health insurance plans offered by the City of South Bend meet and exceed the minimum coverage requirement under the individual Mandate of the Affordable Care Act.