



**PLAN YEAR**  
**JANUARY 1, 2012**  
**TO**  
**DECEMBER 31, 2012**

# **BENEFIT ENROLLMENT GUIDE**

*"We Work  
Together to Build  
a Community of the  
Highest Quality  
for Present and  
Future  
Generations"*

**MEDICAL**  
**COACH**  
**DENTAL**  
**VISION**  
**FLEXIBLE SPENDING ACCOUNTS**  
**BASIC LIFE**  
**VOLUNTARY TERM LIFE**  
**VOLUNTARY AD&D**  
**RETIREMENT**  
**AFLAC**  
**EMPLOYEE ASSISTANCE PROGRAM**  
**PRE-PAID LEGAL SERVICES**



**FULL-TIME AND PART-TIME  
EMPLOYEES**

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**Dear City of Abilene Employees:**

WOW! It's that time again! Welcome to the 2011 Open Enrollment season. We continue to work diligently with our insurance vendors, benefits consultants and our benefits committee to bring forth attractive and affordable coverage for all city employees. The cost of health care continues to be on the rise but the city is committed to funding the majority of the cost. This year again we will experience a premium increase for both the city's contribution and the employee's premiums. The city will increase their contribution by 10.8% and employees will receive a composite increase of 10%.

Each one of us can help in containing healthcare costs by becoming better consumers of our self-funded health plan. The best way to do this is through preventive care, managing chronic diseases, stepping up physical activity, using generic drugs when possible, saving ER visits for emergencies, visiting COACH and developing ongoing relationships with physicians. By working together, we can help mitigate future increases.

We have some new things in store for 2012; the city will be working with First Financial Group of America to administer all of our voluntary benefits such as; Flexible Spending Accounts, Dental, Vision, Life, Accident, Cancer, Disability, and Critical Illness plans. They will also be facilitating our on-line enrollment for 2012. We will approach Open Enrollment differently this year by having Education and Enrollment meetings. The Education meetings are to educate you on all of the new benefits that will be offered and the Enrollment meetings is where you will enroll in your benefits for 2012.

We will continue to have dental and vision insurance with Ameritas but we have two changes for 2012. The dental insurance cost will be increasing for 2012, please note the new rates on page 12. Our vision plan designs and rates will remain the same but we will have a new network of providers for the coming year. You will learn more about these changes as you read through this Benefits Guide.

Your personalized Benefits Statement will be delivered with your paycheck stubs on 10/28/2011; use your benefit statement to help you plan for any changes for this year's open enrollment season. Take the time to review your Benefits Statement and be prepared for open enrollment. Bring your benefit statement with you to the Enrollment meetings.

**Please Note:** We will no longer have PayFlex as our Flexible Spending Account (FSA) vendor for 2012. Your 2011 elections **will not** automatically continue in 2012. In order to participate in the FSA program, you must make a new election (re-enroll) for the 2012 plan year. You will receive a new debit MasterCard from First Financial Group of America as your PayFlex card will no longer be effective on 01/01/2012.

This Open Enrollment Benefits Guide is the best source of answers to your benefits questions, please review it carefully and share it with your family. I look forward to seeing you at the Education and Enrollment meetings.

**Sincerely,**

*Tiffany Anderson*

**Employee Benefits Manager**

**January 1, 2012 to December 31, 2012**



# OPEN ENROLLMENT SCHEDULE

## EDUCATIONAL MEETINGS

**Tuesday, November 8<sup>th</sup> Times: 10:30 am, 1:30 pm & 3:30 pm**  
**Place: Civic Center Conference Center**

**Wednesday, November 9<sup>th</sup> Times: 10:30 am, 1:30 pm & 3:30 pm**  
**Place: Civic Center Auditorium**

**Thursday, November 10<sup>th</sup> Times: 10:30 am, 1:30 pm & 3:30 pm**  
**Place: City Hall Council Chambers**

**Tuesday, November 15<sup>th</sup> Times: 10:00 am & 2:00 pm**  
**Place: Civic Center Upstairs Conference Room**

## ENROLLMENT MEETINGS

**11/14, 11/15, 11/16, 11/17, 11/18, 11/21, 11/22, 11/23, 11/28,  
11/29, 11/30 & 12/1**

These classes will begin on Monday, November 14<sup>th</sup> in the EOC Room of City Hall and will run all day beginning at 8:30 until 4:30. Each class will last 30 minutes. Your manager and assigned Benefits Specialist committee member will work together and schedule and time for you to attend a class.

January 1, 2012 to December 31, 2012



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This benefit booklet summarizes the provisions of your Employee Benefits offered by the City of Abilene effective January 1, 2012. Complete details of each plan are included in the official plan documents and contracts. If there is a difference between this book and the documents or contracts, the documents and contracts will govern. Benefits described in this book may be changed at any time and do not represent a contractual obligation on the part of the City of Abilene.

January 1, 2012 to December 31, 2012

# BENEFIT HIGHLIGHTS

## Your Benefits Program

*Your Life! Your Work! Your Family! Your Career! Your Future!*

All these elements add up to a big and constantly changing picture.

To help you bring focus to your big picture, the City of Abilene offers a competitive benefit package to meet your needs – both professional and personal. It's important, because you are important to the City of Abilene. But our benefits package works effectively only if you take control and make thoughtful decisions about your needs and coverage.

In other words, YOU need to take an active role in choosing your benefits. To help you make your choices, the City of Abilene gives you several tools, including this booklet and education classes. Use these tools to make your benefit decisions. Then, enroll before your deadline so you can get the most value from these plans for yourself and your family.

It's time to think about your benefit needs and enroll for the benefits that will meet those needs.

The City of Abilene offers a range of benefit options and the chance to make new decisions each year.

Coverage is scheduled to begin **January 1, 2012** or, if hired after December 1, 2011, on the first day of the month following 30 days of employment as an eligible employee.

## Benefit Options at a Glance

### • Medical –

- Gold Plan
- Silver Plan
- Bronze Plan

### • Dental – Ameritas Group

- High Option Plan
- Low Option Plan

### • Vision – Ameritas Group

- Group Vision VSP Plan

### • Life Insurance – Dearborn National

- Basic Employee Life Insurance
- Voluntary Employee Life Insurance
- Dependent Life Insurance
- Voluntary Accidental Death & Dismemberment (AD&D)

### Retirement

- Texas Municipal Retirement System (TMRS)
- Firefighters Relief & Retirement Fund
- Nationwide Retirement Solutions
- ICMA Retirement Corporation

### • Other Benefits

- Voluntary Coverage Options:
  - Personal Accident Indemnity
  - Personal Cancer Indemnity Guaranteed Issue this year only
  - Critical Illness Guaranteed Issue this year only
  - Personal Disability Income Protector Open Enrollment this year only
  - Permanent Life Insurance
- Pre-Paid Legal Services
- Savings Bonds
- Employee Assistance Program
- Flexible Spending Accounts (Health Care and Dependent Care)

January 1, 2012 to December 31, 2012

## Open Enrollment Points You Need to Know

- It is Mandatory this year.
- The City will conduct an On-Line enrollment only....you will not be able to enroll by paper.
- **All** Full-Time & Part-Time employees must attend an enrollment class, even if you aren't currently enrolled in any benefits.
- The City's contribution has increased by 10.8% per employee per month for the new plan year.
- Employee's premiums have increased by 10% for the new plan year.
- First Financial Group of America will administer all of our voluntary benefits in 2012 and will be facilitating our on-line enrollment.
- If you currently have any Aflac products you will be able to keep those benefits and continue to pay for them through payroll deduction. You will not be able to enroll in any new Aflac product with Kyle McAlister as First Financial Group of America will not administer these benefits.
- We will no longer use PayFlex as our Flexible Spending Account (FSA) vendor. We will use First Financial Group of American as our FSA vendor in 2012.
- It is your responsibility to notify Human Resources when you have an address change. The address on file is where your ID cards will be sent. To update your address on file, provide your new address to Human Resources in writing – by completing an Employee Change of Address.
- All deductions will come out of your paycheck, 24 pay periods on the 1<sup>st</sup> and 2<sup>nd</sup> pay period of each month.
- The deadline to submit changes for benefits plans and re-enroll in the flexible spending accounts is Friday, December 2<sup>nd</sup> 2011.
- Human Resources will conduct a Dependent Eligibility Verification Audit in the months of January through March 2012 to confirm that every family member (spouse, Children, step-children, ect.) enrolled in the city health plan qualifies for coverage.
- During the open enrollment period from November 8<sup>th</sup> through December 2<sup>nd</sup>, employees may take advantage of an "amnesty period" to drop ineligible dependents from their benefit plans without question.

# ENROLLMENT

## Enrollment Instructions

### 1. Review Your Benefits

Review this booklet thoroughly. It describes the City of Abilene's benefit programs.

### 2. Consider Your Choices Carefully

After your enrollment period ends, you cannot change your benefit choices during the year unless you have a qualified status change. If you have a qualified status change you have 31 days to make any changes to your benefit options.

### 3. Getting Ready to Enroll

It may help to have these items handy:

- Social security numbers and dates of birth for yourself and your eligible family members. **Note:** For newborn children, be sure to enroll them within 31 days of their birth.
- Information about other benefit coverage or insurance you or a family member may have, i.e., group number
- Beneficiary designation information, so you can properly identify your beneficiaries for your life insurance coverage.
- Information about your health care and dependent care expenses so you can plan your flexible spending account participation.

### 4. Attend An Enrollment Class

- Complete your 2012 Enrollment On-line by the deadline of December 2, 2011.
- Be sure to complete the dependent information section if you want to enroll your dependents for coverage.
- Be sure to have your dependents date of birth and social security number.
- If you are not currently signed up for benefits with the City and wish to enroll during this Open Enrollment period, make sure you attend an enrollment class.
- **Be Alert!**
- Check your first 2012 paycheck after your benefits effective date to confirm that your payroll deductions are correct.
- Report any discrepancies or paycheck problems *immediately* to the Human Resources Department.

#### Enrollment Questions:

Check with your Human Resources Department

# BENEFIT COSTS

## Paying For Your Benefits

The City of Abilene pays a significant amount of the overall cost for your medical benefits (\$395.67) per employee per month). The amount you pay will depend on the choices you make.

## Monthly Cost of Coverage for 2012

Coverage Option	Employee Only	Employee + Spouse	Employee + Children	Employee + Family
Gold Medical Plan With prescription coverage	\$130.00	\$495.00	\$244.00	\$597.00
Silver Medical Plan With prescription coverage	\$77.00	\$295.00	\$146.00	\$358.00
Bronze Medical Plan With prescription coverage	\$45.00	\$173.00	\$86.00	\$209.00
Ameritas High Option Dental Plan	\$29.84	\$60.76	\$64.28	\$90.88
Ameritas Low Option Dental Plan	\$13.48	\$28.28	\$30.96	\$45.76
Ameritas VSP Vision Plan	\$6.90	\$10.90	\$10.90 (1) \$14.90 (2+)	\$14.90
<b>Basic Employee Life Insurance and AD&amp;D Insurance</b>	No cost to you – 100% paid by City of Abilene for initial \$5,000 of coverage each			
<b>Voluntary Term Life</b>	See page 21 for rates			
<b>Voluntary Dependent Life</b> Spouse Children	See page 21 for rates			
<b>Voluntary AD&amp;D Insurance</b>	See page 21 for rates			
<b>Flexible Spending Accounts</b> Health Care Dependent Care	Depends on your election Depends on your election			
<b>Other Voluntary Benefits</b>	See page 24			
<b>Pre-Paid Legal</b>	See page 25			

Your deductions for medical, dental and vision, flexible spending accounts and other voluntary products are made on a pre-tax basis. This reduces your taxable income and saves on federal and social security taxes.

Your deductions for Voluntary Employee Life, dependent life, disability coverage and Pre-Paid Legal Services are made on an after-tax basis. This way, any benefits paid from these plans will not be subject to income taxes when received.

# ELIGIBILITY

## Employee Eligibility

Upon initial enrollment if you are a full-time employee, or regular part-time employee for some benefits, and enroll by your deadline, your coverage will begin on the first of the month after you complete 30 days of continuous employment.

If your employment restarts after a termination or separation for any amount of time, your coverage is handled as if you are a new employee.

## Dependent Eligibility

In most cases, you may also cover your eligible dependents, including:

- Your legal spouse.
- Eligible children to age 26. Children are defined as your natural children, step children, legally adopted children, foster children, or grandchildren who live with you on a permanent basis and children under your legal guardianship or for whom you are required to provide medical support. A child must be required to be covered by the Employee by a Qualified Medical Child Support Order.
- Physically or mentally disabled children of any age who are incapable of self-support. Proof of disability may be needed and the disability must have occurred before age 26.

If your dependent becomes ineligible for coverage, you must notify the Human Resources office within 31 days of the qualifying event.

## Adding or Dropping Family Members

To add a new spouse or new child to your benefit coverage, you must notify the City of Abilene within 31 days of the marriage/birth/adoption/change, and returning it to the Human Resources office.

If a family member becomes ineligible (because of divorce, age, etc.), you must notify the City of Abilene Human Resources office within 31 days of the event.

Newly eligible dependents are NOT automatically added to your coverage – you must come to Human Resources within 31 days of the event.

For newborn children, be sure to enroll them within 31 days of their birth – DO NOT WAIT until you have a social security number for them.

All new enrollees to the medical plan (with the exception of children under age 19) will be subject to a one-year pre-existing condition limitation, unless we are provided with a certificate of creditable coverage. This includes illness or injuries for which you receive medical advice, diagnosis, treatment, prescriptions or care during the 90 days before your coverage effective date. Eligible expenses for pre-existing conditions will be covered after you have been on the medical plan for twelve months.

# BENEFIT CHANGES

## Changing Your Choices

The City of Abilene gives you the opportunity to change your benefit choices during annual enrollment each year. (Annual enrollment usually occurs each fall and begins with an effective date of January 1<sup>st</sup> of the following year.)

Once you have made your enrollment choices, you generally cannot change them during the year. However, you may make certain changes if you have a qualified change in family status that affects your benefits. Typical family status changes include:

- Marriage or divorce
- Birth or adoption of a child
- Death of a spouse or other eligible dependent
- Enrollment in (or loss of) other medical coverage
- A change in your employment or your spouse's employment status
- A child no longer qualifies as a dependent due to age
- Court judgment or decree, COBRA event or FMLA leave

If you have a family status change, you must notify the City of Abilene Human Resources office. You will be required to provide documentation as proof of the event.

You must notify the Human Resources office of any family status change as soon as possible and before 31 days have passed. If you wait longer than 31 days, you will not be allowed to make any coverage changes until the next annual open enrollment period – per IRS regulations.

## Your Special Enrollment Rights

If you are declining enrollment for yourself or your dependents (including your spouse) because of other group health plan coverage, you may be able to later enroll yourself and your dependents in this plan. This could occur if you or your dependents lose eligibility for that other coverage (or if the employer stops offering that other coverage).

However, you must enroll within 31 days after you or your dependents' other coverage ends or after the employer that sponsors that coverage stops offering that other coverage).

In addition, if you have a new dependent due to marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must request enrollment within 31 days after the marriage, birth, adoption, or placement for adoption.

To request special enrollment or obtain more information, contact the Human Resources office.

# MEDICAL COVERAGE

The City of Abilene offers medical coverage, which is a Preferred Provider Organization. If you elect coverage you can choose the Gold, Silver, or Bronze plan. All plans cover a wide variety of medical services, including preventive care, office visits, prescription drugs, and inpatient care.

## How the Plans Differ

This chart summarizes the key differences between the medical plans:

Feature	Gold Plan	Silver Plan	Bronze Plan
Paycheck Cost	Higher	Lower	Lowest
Deductibles, copays, out-of-pocket maximums	Lower	Higher	Highest
Network discounts available?	Yes	Yes	Yes
Inpatient Services	90% paid after deductible	80% paid after deductible	80% paid after deductible
Claim Forms Needed for In-Network service?	No	No	No
Prescription Copays	Same	Same	Same

## About Preferred Provider Organization (PPOs)

All three plans are PPO plans. In a PPO plan, you have the freedom to choose either a network or out-of-network provider each time you need medical care.

Care received from network providers is paid at a higher benefit level, and you usually have no claims to file. If you choose to receive care from a non-network provider, medical benefits are lower – and you must file a claim to receive reimbursement for covered expenses. Your overall costs for non-network care will usually be higher than in-network care.

## Pre-Existing Condition Limits

Our medical plan does not cover certain expenses related to pre-existing conditions. This includes illnesses or injuries for which you receive medical advice, diagnosis, treatment, prescriptions, or care during the 90 days before your coverage effective date. Eligible expenses for pre-existing conditions will be covered after you have been in our medical plan for 12 months, unless you are able to provide a certificate of creditable coverage. **Pre-existing limitations do not apply to children under the age of 19 or to prescription coverage eligibility.**

## Helpful Definitions

- **Calendar Year Deductible** – The amount of covered expenses that must be paid by a covered person each calendar year before the plan begins paying certain benefits. The deductible does not apply to services covered by a copay.
- **Coinsurance** – The portion of covered expenses you and the plan share after you meet the deductible. Coinsurance is listed as a percentage.
- **Copayment (Copay)** – A specific, fixed dollar amount you must pay for certain supplies or services. Copayments do not apply to deductibles or out-of-pocket maximums.
- **Out-of-Pocket Maximum** – This helps protect you from catastrophic costs during the year. When the coinsurance you pay for covered expenses reaches the annual maximum in a calendar year, the plan pays 100% of most remaining covered expenses for that person for the rest of the year. The annual deductible and your copays do not count towards your out-of-pocket maximum.
- **Family Maximums** – If you cover family members, the plan limits both your annual deductible and annual out-of-pocket maximum. When a combination of all your family's deductible expenses reaches the family deductible amount, your family no longer pays any further deductibles. When the family maximum is met for the calendar year, no other family members will be required to meet further annual deductibles or out-of-pocket maximums for the rest of that year.
- **Annual Maximum** – The maximum amount the insurer will pay the insured for benefits in one plan year (January 1<sup>st</sup> – December 31<sup>st</sup>). Each participant has his own individual maximum.
- **Pharmacy Deductible** – Don't forget, there is a \$100 deductible per participant each calendar year for your pharmacy benefits.
- **In-Network Benefits** – The benefits available under the Plan for services and supplies that are provided by a Network Provider.
- **Out-of-Network Benefits** – The benefits available under the Plan for services and supplies that are provided by a Out-of-Network Provider.

## 2012 Medical Plan Design

Health Plan Rates	Plan 1 – Gold	Plan 2 – Silver	Plan 3 – Bronze
Employee Only	\$130.00	\$77.00	\$45.00
Employee and Spouse	\$495.00	\$295.00	\$173.00
Employee and Child(ren)	\$244.00	\$146.00	\$86.00
Employee and Family	\$597.00	\$358.00	\$209.00

Benefits	Plan 1 – Gold		Plan 2 – Silver		Plan 3 – Bronze	
	In-Network	Out of Network	In-Network	Out of Network	In-Network	Out of Network
<b>Annual Deductible</b>						
Individual	\$1,000	\$1,500	\$1,750	\$2,650	\$2,500	\$3,750
Family	\$2,000	\$3,000	\$3,500	\$5,300	\$5,000	\$7,500
<b>Out-of-Pocket Maximum</b>						
Individual	\$3,000	\$4,000	\$3,500	\$7,000	\$5,000	\$10,000
Family	\$6,000	\$8,000	\$7,000	\$14,000	\$10,000	\$20,000
<b>Coinsurance</b>	70%	50%	70%	50%	70%	50%
<b>Annual Maximum</b>	\$1,000,000		\$1,000,000		\$1,000,000	
<b>Preventive Care</b>						
Routine Physical, Well Baby Care	100%	50%	100%	50%	100%	50%
Immunizations—age 0 to 6**	100%	50%	100%	50%	100%	50%
One Mammogram, PSA Exams, PAP Tests, Colon Cancer Screening**	100%	50%	100%	50%	100%	50%
<i>See benefit booklet for time or age limitations</i>						
<b>Physician's Services – Office Visit</b>	\$30 copay	50% after ded*	\$40 copay	50% after ded*	\$50 copay	50% after ded*
<b>Lab and X-Ray</b>						
Lab (Physician office or outpatient Facilities)	100%	50% after ded*	100%	50% after ded*	100%	50% after ded
X-Ray/Certain Diagnostic Procedures***	70% after ded	50% after ded*	70% after ded	50% after ded*	70% after ded	50% after ded*
<b>Hospital Services</b>						
Inpatient ( <i>out-of-network \$400 penalty for failure to preauthorize</i> )	90% after ded*	50% after ded*	80% after ded*	50% after ded*	80% after ded*	50% after ded*
Outpatient Surgery	70% after ded*	50% after ded*	70% after ded*	50% after ded*	70% after ded*	50% after ded*
Emergency Room ( <i>waived if admitted</i> )						
True Emergency	70% after \$150 copay		70% after \$150 copay		70% after \$150 copay	
Non-Emergency	70% after \$150 copay	50% after \$150 copay and ded*	70% after \$150 copay	50% after \$150 copay and ded*	70% after \$150 copay	50% after \$150 copay and ded*
<b>All Other Services</b>	70% after ded*	50% after ded*	70% after ded*	50% after ded*	70% after ded*	50% after ded*
<b>Prescription Drug Program****</b>						
Rx Deductible ( <i>applies to retail and mail order</i> )	\$100 deductible		\$100 deductible		\$100 deductible	
Retail (30-day supply)						
Specialty Drugs	\$150 copay	80% of allowable amt	\$150 copay	80% of allowable amt	\$150 copay	80% of allowable amt
Non-Preferred Brand Name	\$60 copay	minus copay	\$60 copay	minus copay	\$60 copay	minus copay
Preferred Brand Name	\$40 copay	applies to all	\$40 copay	applies to all	\$40 copay	applies to all
Generic	\$15 copay		\$15 copay		\$15 copay	
Mail Order (90-day supply)						
Specialty Drugs (30-day supply)	\$100 copay	Not covered	\$100 copay	Not covered	\$100 copay	Not covered
Non-Preferred Brand Name	\$120 copay	Not covered	\$120 copay	Not covered	\$120 copay	Not covered
Preferred Brand Name	\$80 copay	Not covered	\$80 copay	Not covered	\$80 copay	Not covered
Generic	\$30 copay	Not covered	\$30 copay	Not covered	\$30 copay	Not covered

**Rx Enhanced** – Members electing to purchase preferred/non-preferred brand name drugs when "Brand Medically Necessary" is not indicated and a generic equivalent is available, will be required to pay the difference between the cost of the generic and preferred/non-preferred brand name drug, plus the generic copay.

\*Deductible

\*\*\*Bone Scan, Cardiac Stress Test, CT Scan (with or without contrast), Ultrasound, MRI, Myelogram, PET Scan

\*\*\*\*Insulin and Insulin Cartridges by prescription, the plan will allow needles, syringes, lancets and testing strips at no additional charge if dispensed with insulin oral diabetic prescription.

**This is an overview of your medical benefits. The contract will govern actual benefits.**

January 1, 2012 to December 31, 2012

# COACH CLINIC

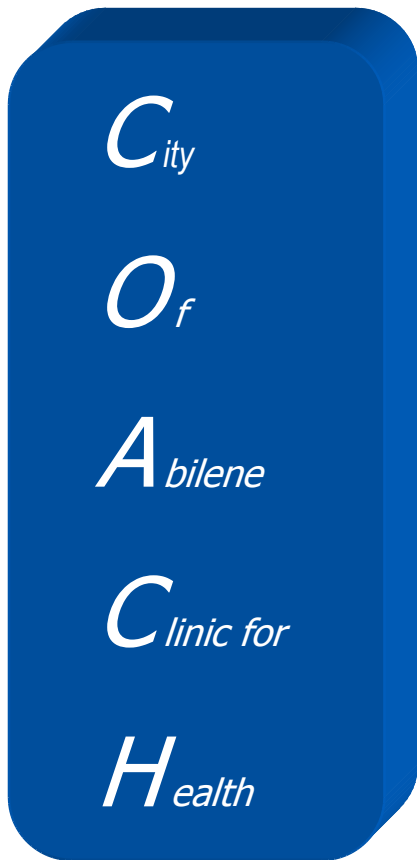
## COACH FAQ's

### Where is the COACH Clinic located?

The COACH Clinic is located in the Abilene/Taylor County Health Department building. The address is 850 North 6<sup>th</sup> Street, right across the street from City Hall.

### Do I need an appointment to be seen at the COACH Clinic?

When we started the clinic we were able to accept more walk-in patients. Since then we have gotten a lot busier and we have a limited number of appointments available throughout the day. The best thing to do is call 437-4611 for an appointment. We try to accommodate you the same day; however, occasionally we may need to schedule you for the next day. Please try to be patient with us. If you walk in without an appointment, there is no telling how long your wait could be.



### Who can be seen at COACH?

COACH is available to City employees and their dependents who are enrolled in the City's medical plan, as well as retirees who participate in the medical plan. COACH is also available to Medicare eligible retirees who have signed up for the City-sponsored AETNA or Hartford plans. COACH is also now available to full-time employees who do not participate in the medical plan for a \$20 office visit fee.

### What are the COACH Clinic hours?

We have expanded our hours! We are now accepting appointments Monday thru Friday, from 8:30 a.m. to 4:30 p.m.

### How can I keep myself healthy during the cold and flu season?

Get enough rest. Exercise, eat right and keep well hydrated. Increase your Vitamin C intake and add an Echinacea supplement. For goodness sake, **wash your hands!** Good hand washing helps to prevent the spread of the most common cold and flu bugs!

### Clinic Location:

850 North 6<sup>th</sup> Street (across from City Hall)  
Abilene-Taylor Public Health District

### Phone:

325-437-4611

**Hours:** Monday through Friday, 8:30 a.m. to 4:30 p.m.

## DENTAL COVERAGE

The City of Abilene offers a dental plan administered by Ameritas Group. In this plan, you may use any dentist you wish. There are two options with Ameritas Group: **Plan 1 Low Plan and Plan 2 High Plan.**

Coverage Option	Plan 1 – Low Plan	Plan 2 – High Plan
Employee Only	\$13.48	\$29.84
Employee and Spouse	\$28.28	\$60.76
Employee and Child(ren)	\$30.96	\$64.28
Employee and Family	\$45.76	\$90.88

Feature	Plan 1 – Low Plan	Plan 2 – High Plan
Calendar Year Deductible -- For basic and major benefits combined	\$50 calendar year 3 Family Maximum	\$50 calendar year 3 Family Maximum
Maximum Benefit Per Calendar Year	\$1,000	\$1,500
Preventive Services* -- <i>Deductible waived</i> <ul style="list-style-type: none"> <li>• Periodic oral exams (two per cal year)</li> <li>• Bitewing x-rays (two per cal year)</li> <li>• Full mouth x-rays (one per 36 months)</li> <li>• Cleaning (two per calendar year)</li> <li>• Tooth sealants (children age 16 and under)</li> <li>• Topical fluoride treatment (one per cal year for children age 18 and under)</li> </ul>	100% of scheduled amount	100% of U&C**
Basic Services* <ul style="list-style-type: none"> <li>• Fillings (amalgam, resin or composite)</li> <li>• Routine and complex extractions</li> <li>• Denture repair</li> <li>• Anesthesia</li> </ul>	100% of scheduled amount	80% of U&C** after ded
Major Services* <ul style="list-style-type: none"> <li>• Inlays and onlays</li> <li>• Crowns (one per five years)</li> <li>• Crown repairs</li> <li>• Root Canal therapy</li> <li>• Endodontics (non surgical and surgical)</li> <li>• Periodontics (non surgical and surgical)</li> <li>• Prosthodontics (fixed bridge, removable complete/partial dentures – one per five years)</li> </ul>	100% of scheduled amount	50% of U&C** after ded
Dental Rewards***	N/A	Included
Waiting Period****	None	None
Orthodontic Services <ul style="list-style-type: none"> <li>• Coinsurance</li> <li>• Coverage for Adults</li> <li>• Waiting Period</li> </ul>	50% after \$50 ded No 12 months – newly enrolled only	50% 50% after \$50 ded Yes 12 months – newly enrolled only
Orthodontic Lifetime Maximum Benefit	\$500	\$1,500

\*\*U&C (usual and customary for the region)

\*\*\*Dental Rewards – if you go to the dentist at least one time in a calendar year and spend less than \$500, you may carryover another \$250 towards your calendar year maximum for the following year. This same provision will apply until a total of an additional \$1,000 has been added to your calendar year maximum, for a total of \$2,500 annual maximum.

\*\*\*\*There will be a one year waiting period for new enrollees to either dental plan for re-enrollment 2012.

If your dental treatment is expected to cost \$300 or more, ask your dentist to submit a pre-treatment estimate request to Ameritas. He or she can get a detailed list of what benefits the plan will pay in minutes by calling 1-800-487-5553 or using Ameritas online system.

January 1, 2012 to December 31, 2012

## Ameritas Participating Provider Network

### **Don W McCollum DDS**

2025 Pine St  
Abilene, TX 79601  
(325) 672-2021  
General Dentist

### **David B Broom DDS**

**Jeffrey M Webb DDS**  
1109 N Judge Ely Blvd  
Abilene, TX 79601  
(325) 672-2794  
General Dentist

### **Jeanne Hansen Bayless DDS**

**Smile Crafters Affordable Dentistry**  
1034 N Willis St  
Abilene, TX 79603  
(325) 673-8164  
Spanish  
General Dentist

### **Victor L Lee DMD**

**Lee Orthodontics**  
2209 S Danville Dr  
Abilene, TX 79605  
(325) 695-2040  
Spanish  
Orthodontist

### **Chance W Finley DDS**

**Bawcom and Finley LLP**  
2201 S Danville Dr  
Abilene, TX 79605  
(325) 692-6031  
General Dentist

### **Mark Rangel DDS**

**Roy Smith DDS**  
**Marielsa A Weidanz DDS**  
**Monarch Dental**  
3329 Turner Plaza #110  
Abilene, TX 79606  
(325) 695-2247  
General Dentist

### **Kool Smiles**

**Yolanda Allen DDS**  
**Mujib Ashrafi DDS**  
**Nicole Barbour DDS**  
**Kristine Cody DDS**  
**Emily S Conley DDS**  
**Walter Davies DDS**  
**Yunhan Ding DDS**  
**Keira Greene DDS**  
**Jon C Greene DDS**  
**Edward Ho DDS**  
**Duc Huynh DDS**  
**Deidra Mclane DDS**  
**Harjap S Nanva DDS**  
**Sameera Ahmed Qadri DDS**  
**Rubayyat Rashid DDS**  
**Gabriela Rey DDS**  
**Beverly Ann Rice DDS**  
**Kori Robinson Hardaway DDS**  
**Marc Thomas DDS**  
**Phoebe Thurber DDS**  
**Audrey J Torma DDS**  
**Terry Truong DDS**  
**Soo Y UH DDS**  
**David Vieth DDS**  
4754 S 14th St  
Abilene, TX 79605  
(325) 480-0302  
General Dentist

# VISION COVERAGE

## Vision Benefits to Improve Your Sight

The City of Abilene offers vision coverage for you and your eligible dependents through Ameritas Group. The vision plan is a network provider plan; however, it does offer benefits for out-of-network services. When you use a participating doctor or provider, you pay only a copay for most covered services. Your benefits include full examinations and access to lenses, frames and contact lenses.

The vision plan is designed to protect your visual wellness. Before selecting your eyewear, ask your provider what items are fully covered by the plan.

Coverage Option	VSP Vision Care
Employee Only	\$6.90
Employee and 1 Dependent	\$10.90
Employee and 2 or More Dependents	\$14.90

Service	In-Network Benefits	Out-of-Network Reimbursement
<b>Exam</b> – one per year	\$10 deductible	You receive up to \$45
<b>Lenses</b> – one pair per year	\$25 deductible	No deductible
Single vision	Covered in full	You receive up to \$30
Bifocal	Covered in full	You receive up to \$50
Trifocal	Covered in full	You receive up to \$65
Lenticular	20 % discount	Up to \$100.00
<b>Frames</b> – one every two years	\$100, no deductible	You receive up to \$70.00
<b>Contact Lenses</b>		
Fit and follow-up exams	You pay up to \$55	No benefit
Contacts	10% off retail	
Elective	Covered in full up to \$115	You receive up to \$105.00
Medically necessary	Covered in full	You receive up to \$210.00
<b>Progressive Lenses</b>		
Standard	You pay \$55.00-\$175.00	No benefit
Premium lens cost	20% discount	No benefit
Progressive lens cost	\$120 allowance	No benefit
Standard Polycarbonate	\$33.00 for adult covered in full for dependents	No benefit
Scratch Resistant	\$17-\$33	No benefit
Coating – Anti-Reflective	\$43-\$85	No benefit
Ultraviolet Coating	\$16	No benefit
<b>LASIK or PRK Surgery</b>	15% off retail price US Laser Network participating providers	No benefit
<b>Additional Features</b>		
<b>Contact Lenses Elective</b>	Cost of the fitting and evaluation is deducted from the allowance and any amount left is deducted from the material allowance. Allowance can be applied to disposables, but the dollar amount must be used all at once (provider will order 3 or 6 month supply). Applies when contacts chosen in lieu of glasses.	
<b>Additional Glasses</b>	20% discount off the retail price on additional pairs of prescription glasses (complete pair).	
<b>Frame Discount</b>	VSP offers an average discount of 15% on LASIK and PRK. The maximum out-of-pocket per eye for members is \$1,800 for LASIK and \$2,300 for custom LASIK using Wavefront technology and \$1,500 for PRK. In order to receive the benefit, a VSP provider must coordinate the procedure.	
<b>Low Vision</b>	With prior authorization, 75% of approved amount (up to \$1,000 is covered every two years).	
<b>Network of Providers</b>	EyeMasters, Gabriel Avila O.D., Angela Nicolini O.D., Shelda Shaffer O.D., Michael Shanks O.D., Steven Ezzell O.D., Dorothy Preston O.D., Edward Dressen O.D., Cody Wilkinson O.D.	

*This is an overview of your vision benefits. The contract will govern actual benefits.*

January 1, 2012 to December 31, 2012

## SECTION 125 FLEXIBLE SPENDING ACCOUNTS

The City of Abilene will be offering the Flexible Spending Account benefit to employees for both Health Care and for Dependent Care Expenses through First Financial First Financial Group of America (FFGA).

This benefit provides a debit card for health care expenses, and offers direct deposit as an option for reimbursement.

The amount deducted from your paycheck is not counted as taxable income for federal income tax or social security purposes:

### Premium Amount

- The amount you pay for your health/dental/vision and some other voluntary benefits may be deducted on a pre-tax basis if you chose this option.
- Your premiums are deducted from your gross income before taxes are withheld, thereby reducing your taxable income.

### Flexible Spending Account (FSA) for Health Care Expenses

You may designate any amount up to \$5,200 per calendar year, to be set aside on a pre-taxed basis to be reimbursed for expenses you incur which are not covered under the health plan (i.e., copayments, coinsurance amounts, the amount you spend on your deductibles, health/dental/vision out-of-pocket expenses, eyeglasses, prescriptions, etc.)

This amount is then divided by the number of months left in a calendar year, and that amount is divided in half and deducted from your check twice a month.

- You may be reimbursed for health related expenses up to the entire pledged amount immediately.
- You may be reimbursed for expenses for any family members who qualify as dependents under IRS guidelines, whether or not they are enrolled in the health, dental and/or vision plans.

### Why should I participate in the dependent care FSA plan?

You may designate an amount up to \$5,000 to be set aside on a pre-tax basis to be reimbursed for expenses you incur for **child care** or **elder care** expenses as long as you and your spouse (if applicable) are employed and/or in school.

- The maximum age for child care is through age 12. Other dependents such as children age 13 or over, parents or spouse are eligible if they are disabled or cannot otherwise care for themselves because of physical or mental impairments.
- When you incur an expense, you submit a claim form and the billing, and it is refunded to you. Your expenses will be reimbursed up to the deposited amount in your FSA Dependent Care spending account. The child or other dependent receiving the care must live in your home and be claimed as a dependent on your Federal Income Tax Return.

For the plan year of 2012, First Financial Group of America will be administering our Flexible Spending Accounts. Your current PayFlex card will no longer be valid in 2012. You will get a new card from First Financial Group of America that is valid for three years as long as you participate in the plan.

## Debit Cards

A Mastercard-type debit card will be issued to use for your FSA accounts. This card may be used to pay for health care expenses (i.e., copayments, coinsurance amounts, the amount you spend on your deductibles, health/dental/vision out-of-pocket expenses, eyeglasses, prescriptions, etc.), with **approved “health care”** merchants. **You may be required to submit receipts for every purchase you use your debit card for. Your card will be good for three years as long as you participate in the plan.**

The First Financial Administrator, Benefits Card is available for Medical Reimbursement Flexible Spending Accounts. Cards can be issued to spouses and dependent children (ages 18 to 26) for no additional fee. The initial cards are free, but if a replacement card is issued, the cost is \$10.00 per card and will be deducted from your account balance. Cards are good for three years from issue date as long as you participate each consecutive plan year. Claims can also be submitted directly for reimbursement

## IRS Regulations

- IRS regulations require that money allocated to your health care or dependent care spending accounts must be used within that plan year. Any unused money at the end of the plan year (December) is forfeited and returned to the employer.
- Expenses must be incurred within the plan year, regardless of when the expense is billed or paid. You have 90 days after the end of the plan year to submit those expenses incurred during the plan year.

## Direct Deposit Reimbursement

If you submit a direct deposit form with FFGA, every time you incur an expense and submit a receipt, the eligible amount will be directly deposited into your bank account within a 48-hour period.

## Online Account Information

You may set up your account online at [www.ffga.com](http://www.ffga.com) by establishing a new account. You can then track your expenses and reimbursements online at [www.ffga.com](http://www.ffga.com). You may also call their toll-free number at-1-866-853-3539 to obtain information on your accounts.

## Mandatory Re-Enrollment Annually

You must re-enroll every year for FSA for health care and dependent child care reimbursement. If you do not re-enroll by completing an Enrollment Form and indicating your annual pledge amounts, your FSA will be cancelled for the new-year.

## Helpful Hints to Administer Your Flexible Spending Accounts

You cannot begin a procedure in December 2011 and expect to pay for it with your 2012 FSA dollars. The procedure will not be eligible for 2012 reimbursement.

Keep all your receipts. Do not send them in unless they are requested. If requested, please be sure and send in a copy of the request letter with the receipts. If you do not respond to the request, your card will be suspended until you respond.

Your account is available to view online. You must establish an online account with FFGA to view your accounts. We recommend you do this as early in the year as possible, and check it often.

# LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

## Basic Group Term Life and Accidental Death & Dismemberment (AD&D) Insurance

All full-time active employees enrolled in the employer-sponsored health plan are eligible for \$5,000 of Basic Group Term Life and AD&D. The City pays for the cost for this benefit. Basic Group Term Life and AD&D coverage terminates at retirement.

### Benefit Reduction If You are Age 70 or Older

When you are age 70 or more, your amount of insurance for Basic Life and AD&D is limited. The amount of insurance will be determined by applying the appropriate percentage from the following table to the amount of your insurance in effect on the day before your 70th birthday:

Reduction Features		
Coverage reduces as follows:	Age 70	Age 75
	To 65%	To 50%

### Waiver of Premium Benefit

Your term life coverage may continue to age 65 at no cost to you if you become totally disabled prior to age 60, subject to the requirements of this benefit.

### Conversion Privilege

Should you leave your employment with the City of Abilene, you may convert your term life coverage to an individual whole life insurance policy.

### Voluntary Group Term Life Insurance

All part-time and full-time active employees are eligible to elect Voluntary Term Life insurance.

**Employee** – benefits are available in \$10,000 increments to a maximum of \$500,000. Amounts in excess of \$100,000 are subject to Evidence of Insurability (EOI) approval by Dearborn National. Late enrollees must provide EOI and be approved by Dearborn National prior to coverage becoming effective.

**Spouse** – benefits are available in \$10,000 increments to a maximum of \$500,000. Spouse coverage may not exceed the amount of Voluntary Term Life elected by the employee. Amounts in excess of \$20,000 are subject to Evidence of Insurability (EOI) approval by Dearborn National. Late enrollees must provide EOI and be approved by Dearborn National prior to coverage becoming effective.

**Child** – a \$5,000 or \$10,000 benefit may be elected for children age six months to 25 years old. The benefit for children from birth to six months is \$1,000.

### Benefit Reduction If You are Age 70 or Older

When you are age 70 or more, your amount of insurance for Basic Life and AD&D is limited. The amount of insurance will be determined by applying the appropriate percentage from the following table to the amount of your insurance in effect on the day before your 70th birthday:

Reduction Features		
Coverage reduces as follows:	Age 70	Age 75
	To 65%	To 50%

Voluntary coverage terminates at retirement, unless continued through portability.

### IRS Rules About Basic and Voluntary Life Coverage

If the basic and voluntary life insurance coverage is more than \$50,000, your income taxes could be affected. IRS regulations require that the value of life insurance benefits over \$50,000 be reported as “imputed income” – non-cash income that you receive from an employer-provided benefit.

The value of your City of Abilene basic and supplemental life insurance coverage that exceeds \$50,000 (if any) will be reported to the IRS as imputed income.

### Voluntary Accidental & Dismemberment (AD&D) Insurance

All part-time and full-time active employees are eligible to elect Voluntary AD&D insurance. This coverage provides an additional benefit in the event of accidental death and dismemberment. Benefits are available in \$10,000 increments to a maximum of \$500,000. Amounts in excess of \$150,000 are limited to 10 times annual salary.

Four Plans Available	Cost Per \$1,000
A – Employee only 100%	\$0.035
B – Employee (100%) and spouse (50%)	\$0.060
C – Employee (100%) and child (10%)	\$0.060
D – Employee (100%), spouse (50%), and child (10%)	\$0.060

Voluntary AD&D coverage reduces to 65% at age 70; to 40% at age 75; to 25% at age 80; to 15% at age 85; and to 10% at age 90.

### Voluntary Term Life Coverage Applied For:

	Amount Applied for*	Rate	Monthly Premium
Employee Amount	\$	\$0.31 per \$1,000	\$
Spouse Amount	\$	\$0.31 per \$1,000	\$
Child Amount	\$	\$1.00 per \$5,000	\$
<b>TOTAL</b>	\$		\$

This summary is for illustrative purposes only and does not constitute a contract. The full terms and conditions of the coverages you select will be contained in the policies provided to the City of Abilene. If there is any discrepancy between this benefit description and the policy the terms of the policy will govern.

## Dearborn National Employee and Spouse Voluntary Bi-Weekly Life Rates

Coverage	Cost	Coverage	Cost	Coverage	Cost	Coverage	Cost	Coverage	Cost
\$10,000	\$1.55	\$110,000	\$17.05	\$210,000	\$32.55	\$310,000	\$48.05	\$410,000	\$63.55
\$20,000	\$3.10	\$120,000	\$18.60	\$220,000	\$34.10	\$320,000	\$49.60	\$420,000	\$65.10
\$30,000	\$4.65	\$130,000	\$20.15	\$230,000	\$35.65	\$330,000	\$51.15	\$430,000	\$66.65
\$40,000	\$6.20	\$140,000	\$21.70	\$240,000	\$37.20	\$340,000	\$52.70	\$440,000	\$68.20
\$50,000	\$7.75	\$150,000	\$23.25	\$250,000	\$38.75	\$350,000	\$54.25	\$450,000	\$69.75
\$60,000	\$9.30	\$160,000	\$24.80	\$260,000	\$40.30	\$360,000	\$55.80	\$460,000	\$71.30
\$70,000	\$10.85	\$170,000	\$26.35	\$270,000	\$41.85	\$370,000	\$57.35	\$470,000	\$72.85
\$80,000	\$12.40	\$180,000	\$27.90	\$280,000	\$43.40	\$380,000	\$58.90	\$480,000	\$74.40
\$90,000	\$13.95	\$190,000	\$29.45	\$290,000	\$44.95	\$390,000	\$60.45	\$490,000	\$75.95
\$100,000	\$15.50	\$200,000	\$31.00	\$300,000	\$46.50	\$400,000	\$62.00	\$500,000	\$77.50

## Dearborn National Child Voluntary Bi-Weekly Life Rates

Coverage	Cost
\$5,000	\$0.50
\$10,000	\$1.00

## Dearborn National Voluntary Accidental Death & Dismemberment Bi-Weekly Rates

Coverage	Employee	Family	Coverage	Employee	Family	Coverage	Employee	Family
\$10,000	\$0.18	\$0.30	\$110,000	\$1.93	\$3.30	\$210,000	\$3.68	\$6.30
\$20,000	\$0.35	\$0.60	\$120,000	\$2.10	\$3.60	\$220,000	\$3.85	\$6.60
\$30,000	\$0.53	\$0.90	\$130,000	\$2.28	\$3.90	\$230,000	\$4.03	\$6.90
\$40,000	\$0.70	\$1.20	\$140,000	\$2.45	\$4.20	\$240,000	\$4.20	\$7.20
\$50,000	\$0.88	\$1.50	\$150,000	\$2.63	\$4.50	\$250,000	\$4.38	\$7.50
\$60,000	\$1.05	\$1.80	\$160,000	\$2.80	\$4.80	\$260,000	\$4.55	\$7.80
\$70,000	\$1.23	\$2.10	\$170,000	\$2.98	\$5.10	\$270,000	\$4.73	\$8.10
\$80,000	\$1.40	\$2.40	\$180,000	\$3.15	\$5.40	\$280,000	\$4.90	\$8.40
\$90,000	\$1.58	\$2.70	\$190,000	\$3.33	\$5.70	\$290,000	\$5.08	\$8.70
\$100,000	\$1.75	\$3.00	\$200,000	\$3.50	\$6.00	\$300,000	\$5.25	\$9.00

Coverage	Employee	Family	Coverage	Employee	Family
\$310,000	\$5.43	\$9.30	\$410,000	\$7.18	\$12.30
\$320,000	\$5.60	\$9.60	\$420,000	\$7.35	\$12.60
\$330,000	\$5.78	\$9.90	\$430,000	\$7.53	\$12.90
\$340,000	\$5.95	\$10.20	\$440,000	\$7.70	\$13.20
\$350,000	\$6.13	\$10.50	\$450,000	\$7.88	\$13.50
\$360,000	\$6.30	\$10.80	\$460,000	\$8.05	\$13.80
\$370,000	\$6.48	\$11.10	\$470,000	\$8.23	\$14.10
\$380,000	\$6.65	\$11.40	\$480,000	\$8.40	\$14.40
\$390,000	\$6.83	\$11.70	\$490,000	\$8.58	\$14.70
\$400,000	\$7.00	\$12.00	\$500,000	\$8.75	\$15.00

January 1, 2012 to December 31, 2012

# RETIREMENT

## Texas Municipal Retirement System

The City of Abilene understands that post-employment benefits are also an important consideration to your benefits package. The City currently offers retirement benefits to employees who are eligible to retire through Texas Municipal Retirement System (TMRS) immediately following City of Abilene employment. The City matches the employee's 7% contribution (a required automatic deduction from paychecks) at a two to one level.

You are vested with TMRS after five (5) years of employment. Retirement eligibility under TMRS is 20 years of service and any age, or age 60 and at least five (5) years.

Medical benefits are only eligible to retired employees and their spouses under the age of 65. Upon attainment of age 65, the retiree or covered spouse must move onto Medicare, and may elect one of the City's sponsored Medicare Supplement plans. Retirees on the City's medical plan or on either of the two City-sponsored Medicare Supplement plans are eligible to utilize the COACH Clinic at no cost to the retiree or their eligible dependents. Dental, vision and basic life insurance benefits may be continued by retirees until death.

If the covered spouse of a retiree is not yet 65, he/she may continue on the City's plan but will pay the appropriate retiree rate at that time. The spouse must then move on to Medicare at age 65, and may elect one of the two City-sponsored Medicare Supplement plans.

## Supplemental Death Benefit

As part of your benefit through TMRS, the City of Abilene pays for a Supplemental Death benefit for you. In the event of death as an active employee, your beneficiary will receive an amount equal to one year's salary. This benefit is included in the amount used to calculate your life insurance "imputed income."

## What You Need to Do When It's Time to Retiree

When you plan on retiring, contact Human Resources for a retirement packet. You may apply for retirement 30 days in advance of your expected retirement date. To review your TMRS retirement options, go online at [www.tmr.com](http://www.tmr.com), or call them at 1-800-924-8677 to request an estimate.

## Firefighter's Relief and Retirement Fund

Employees who are Civil Service Firefighters participate in the Firefighter's Relief and Retirement Fund. The City matches the Firefighter's 13.20% contribution (a required automatic deduction from paychecks) at the rate of 19.25%. Retirement eligibility through the Firefighter's Relief and Retirement Fund is age 50, and at least 20 years of service, or age 53 and 23 years of service to be eligible for the "Drop" option.

### MyTMRS

#### On [www.MyTMRS.com](http://www.MyTMRS.com)

See the balance of your TMRS account (does not include City contribution).

View your beneficiaries

See date you are eligible to retire

See your total months of service

Request an estimate based on a projected retirement date

You cannot make changes on [www.MyTMRS.com](http://www.MyTMRS.com). All changes (beneficiary, name, address, etc.) must still be made on paper.

## Deferred Compensation Plan

You may choose to save for the future with a 457 deferred compensation retirement plan. Employees may choose from two different compensation plans, including ICMA Retirement Corporation and Nationwide Retirement Solutions. Packets of information about these plans are available in the Human Resources office. Below is a summary of each plan.

### ICMA Retirement Corporation

The ICMA Retirement Corporation is a not-for-profit corporation founded by public service employees. ICMA-RC is an investment advisor registered with the Securities and Exchange Commission. ICMA-RC also offers traditional rollover and Roth IRA's.

Other ICMA services include:

- Daily valuation of asset balances
- 24-hour access to account information via toll-free telephone and the internet
- Ability to transfer assets and allocate future contributions over the phone and the internet
- Internet site at [www2.icmarc.org](http://www2.icmarc.org)
- Competitive fees, no hidden fees
- Free fund-to-fund transfers among investment options
- Personalized service, including assistance in enrollment and retirement planning
- Quarterly account statements, performance summaries and newsletters

For more information about ICMA Retirement Corporation, call 1-800-669-7400 or visit [www2.icmarc.org](http://www2.icmarc.org).

### Nationwide Retirement Solutions

With nearly 30 years experience in group retirement, Nationwide Retirement Solutions provides variable and fixed tax-deferred group annuities, mutual funds and stable value options for public employees.

Other Nationwide services include:

- 24-hour access to account information via toll-free telephone and the internet
- Ability to transfer assets and allocate future contributions over the phone and the internet
- Internet site at [www.nrsforu.com](http://www.nrsforu.com)
- Personalized service, including assistance in enrollment and retirement planning
- Quarterly account statements, performance summaries and newsletters

For more information visit [www.nrsforu.com](http://www.nrsforu.com) or call 1-877-677-3678.

# VOLUNTARY BENEFITS

The City of Abilene offers payroll deductions for policies offered through First Financial Group of America (FFGA). The options for 2012 include:

- Personal Accident Indemnity
- Personal Cancer Indemnity Guaranteed Issue this year only
- Critical Illness Guaranteed Issue this year only
- Personal Disability Income Protector
- Permanent Life Insurance



## FIRST FINANCIAL GROUP OF AMERICA

### NEW INSURANCE PRODUCTS!!!

#### **\*\*DISABILITY INCOME INSURANCE - American Fidelity Assurance\*\***

##### **Do You Feel It's Important To Protect All of Your Assets?**

You probably have insurance on your Home and Auto in case of an unfortunate event. But, do you have disability insurance to help protect your income if you suddenly become disabled?

Disability can affect you and your family's financial security. Out of the tens of thousands of mortgage foreclosures that occur each year, HALF are due to a disability. That HALF would have likely been able to keep their home and have a roof over their heads had they purchased adequate income protection.

This insurance is to provide a monthly income to an employee who is disabled due to an accident or an illness. It pays you the benefits until you can return to work or until Normal Social Security Retirement Age. **We highly**

**January 1, 2012 to December 31, 2012**

**recommend** this coverage for Financial Planning. Your biggest asset is the ability to bring in an income to pay for your normal living expenses.

- **This Year Only: Up to \$4000 monthly benefit, salary permitting and this is not subject to insurability questions!**
- Pays up to 60% of your monthly gross salary.
- Pays until your physician clears you to work or until normal social security retirement age.
- Maternity Leave is covered like any other illness or accident.
- Flexible elimination periods
- \$10,000 Accidental Death Benefit included.

### **\*\*PERMANENT LIFE INSURANCE - Texas Life\*\***

We are pleased to offer to all employees and their families the opportunity to purchase PERMANENT life insurance at reasonable rates. Designed to be in force when you die, this voluntary universal life product is yours to keep, even when you change jobs or retire, as long as you pay the necessary premium. Group and voluntary term, on the other hand, typically are not portable if you change jobs and, even if you can keep them after you retire, usually costs more and declines in death benefit. You may purchase policies on yourself, spouse, children and grandchildren. The price remains stable, premiums do NOT increase.

- Do you have enough life insurance to meet your financial obligations and secure the future of your loved ones?
- Do your spouse and children have adequate coverage?
- What about expenses beyond burial like mortgage, other debts, and retirement?
- Apply for up to **\$200,000** on yourself; \$50,000 on your spouse; and \$25,000 on your dependent children.
- Express Issue – Only 3 Questions.
- Portable – take it with you if you ever leave.
- Accidental Death Benefit included in this policy.

### **\*\*CRITICAL ILLNESS/CANCER INSURANCE - Humana\*\***

With critical illness insurance, you'll receive a benefit after a serious illness or a condition such as a heart attack, stroke, cancer, end stage renal failure, along with other illnesses and conditions that are diagnosed. During your recovery, you and your loved ones can rest a little easier knowing you won't have to deplete your bank accounts or take on additional debt to cover day-to-day living expenses.

- This Year Only: Guarantee Issue up to \$20,000 for the employee.
- Portable and Guaranteed Renewable.
- Recurrence Benefit for same condition if after 12 months treatment free.
- Pricing is at issue and DOESN'T go up as employee's age.
- \$100 Annual Wellness Benefit
  - With the Wellness Benefit \$5,000 coverage is FREE for a non-tobacco user 29 years of age and younger.

**January 1, 2012 to December 31, 2012**

- With the Wellness Benefit \$5,000 coverage is only .35 cents per pay period for a non-tobacco user between 30-39 years of age.

### **\*\*ACCIDENT INDEMNITY ADVANTAGE - Aflac\*\***

This policy will pay benefits for any covered family member who is hurt including, but not limited to, lacerations, fractures, dislocations, poison ivy, etc. It also includes accidental death and dismemberment, as well as hospital admission, intensive care and hospital confinement benefits. Note: This policy only covers accidents, not illnesses.

- Pays directly to the insured.
- No deductibles and no copayments
- No lifetime limits.
- No network restrictions – you choose your own medical treatment provider.
- No coordination of benefits – we pay regardless of any other insurance.
- 24/7 coverage, on and off the job.

### **\*\*CANCER INSURANCE - Allstate \*\***

Coverage for you or your entire family is available. This is a brand new updated plan that has many new benefits that covers physical/speech therapy or hair prosthesis. Benefits are paid directly to you in addition to other policies. This plan includes a cancer screen benefit and optional riders such as intensive care and heart/stroke riders.

1 in 2 men and 1 in 3 women will develop some form of cancer in their lifetime. In addition, non-medical expenses, such as loss of your income, loss of spouse's income, travel, lodging and meals, are usually not covered by most medical policies.

Our cancer coverage can help offer you and your family financial support!

- Guarantee Issue This Year Only! No evidence of insurability required at initial enrollment.
- \$50 cancer screening/wellness benefit.
- Initial diagnosis benefit of \$2000 on the high plan, \$1000 on the low plan.
- Between \$10,000 and \$15,000 annual chemotherapy and radiation benefit.
- Pays in addition to any other insurance benefit.
- Benefit for new or experimental treatment.
- Benefits paid directly to you unless otherwise assigned.
- Includes coverage for 29 other specified diseases.
- Portable – take it with you if you ever leave.

Questions, please contact your First Financial Representative, Tally Yarbrough, at [tally.yarbrough@ffqa.com](mailto:tally.yarbrough@ffqa.com) or (325) 673-4882.

# EMPLOYEE ASSISTANCE PROGRAM

## Employee Assistance Program (EAP)

Life doesn't always go smoothly, and balancing the needs of your family with your job responsibilities isn't easy. When problems arise, it's best to get help as soon as possible, before the problem gets worse.

That's why the City offers the services of an EAP to employees and their families at no cost to the employee for up to five visits per event. Calls and counseling sessions at the EAP are confidential.

You may call the EAP 24 hours a day, seven days a week, to discuss your concerns, to get crisis counseling, and to get referrals for face-to-face counseling. EAP counselors specialize in short-term counseling and problem solving. They will help you clarify the problem; identify options and explore alternatives for addressing the problem; and develop a plan for you.

The plan may involve short-term counseling in the EAP or a referral to an appropriate resource in the community or through your benefit plan.

In all cases, the decision of how to handle your concern and manage your life is up to you. Please call 800-343-3822 or EAP teen line at 800-334-TEEN (8336).

The EAP is provided by an independent, professional and confidential counseling service through Alliance Work Partners. Alliance is staffed by highly professional, skilled, and licensed counselors and social workers who are trained to provide help for personal problems and recommend community resources to assist you and your family members. No one but you and your professional counselor will know if you choose to seek help.

## Pre-Paid Legal Services

The City of Abilene offers payroll deductions for pre-paid legal services through Pre-Paid Legal Services, Inc.

Premiums for these plans are deducted twice a month, after taxes are withheld from your paycheck. They offer two plans:

- Legal Services
- Legal Services, plus Identity Theft Shield

More information about these individual policies can be found in the Pre-Paid Legal brochures or you may contact the local agent at 325-486-8111 for more information.

## Pre-Paid Legal Monthly Rates

Type of Coverage	Monthly Deduction
Legal Plan	\$15.95
Legal Plan, plus Identify Theft Shield	\$25.91

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Among other things, EAP can help you with:

Work Stress

Family/Parenting Issues

Marital/Relationship Problems

Depression or Anxiety

Anger Management

Alcohol or Drug Dependencies

Coping with Change/ Grief

Legal Advice

Financial Planning

January 1, 2012 to December 31, 2012



# It's more than just a Health Fair



Be there! January 25, 2012

# SPOTLIGHT ON EXCELLENCE! AWARDS

## Frequently Asked Questions

1. **What are the Spotlight on Excellence! Awards?** This is the name of the City of Abilene employee recognition program. The awards are designed to honor employees who go above and beyond their job description while putting into practice at least one of the City Values which are Team Spirit, Continuous Improvement, Responsiveness, Integrity and Individual Worth.
2. **Who can win an award?** All employees are eligible for the recognition award. A number of employees could qualify for the awards each month but they need to be nominated. If the employee's nomination does not meet the qualifications for a Spotlight on Excellence! Award, the employee may still be eligible to receive a letter of recognition from the City Manager.
3. **Who can make nominations?** Any City of Abilene employee can. You can nominate any employee in the City from any division.
4. **I'd like to nominate a co-worker. What do I need to do?** Fill out a nomination form. On the form, you must indicate how an employee exemplified one or more of the City values and include a description of the employee's accomplishment(s). **A specific example of how the employee went above and beyond his/her job duties is required.** Also, you will need to provide your name, division, contact phone number and work e-mail address if available along with the employee you are nominating and his/her division.
5. **How do I submit a nomination?** There are two ways to submit a nomination. You can fill out a nomination form or submit one online.
6. **Where can I find a nomination form?** The forms are available at your division's office and Administrative Services in City Hall. The forms are also available online on the City's intranet at <http://intranet.abilenetx.com>.
7. **Is there a deadline for submitting a nomination?** The outstanding act or accomplishment must have happened within the last three months of the nomination date. For instance, if the act took place on January 1, 2011, you would have until March 31, 2011 to submit the nomination form for a colleague.
8. **How often can I make a nomination?** There is no limit to the number of nominations an employee can make each month. However, a nomination for a specific action can only be made once.
9. **Who reviews the nominations?** Ten City of Abilene employees from various divisions make up the Employee Recognition Committee. The committee is following guidelines to ensure a fair review of all nominations received.
10. **What happens if I am recognized with this award?** A recognized employee will receive an awards document and \$25 worth of Downtown Abilene Dollars from his/her supervisor. The manner in which the employee receives the recognition will remain a surprise.
11. **Why Downtown Abilene Dollars?** With approximately 1,130 City employees, it's difficult to find a gift that everyone would like equally. The Downtown Abilene Dollars gives employees the ability to purchase an item they will like.
12. **How often will the awards program run?** The Spotlight on Excellence! Awards is a monthly program. Every month, the committee will review nominations received from the first day to the last day of each month and distribute awards accordingly.

January 1, 2012 to December 31, 2012

## OTHER BENEFITS AND INFORMATION

### 2012 Holidays

There are (9) paid City observes holidays per year:

- New Year's Day (Monday, January 2, 2012 )
- Martin Luther King Day (Monday, January 16, 2012)
- Memorial Day (Monday, May 28, 2012)
- Independence Day (Wednesday, July 4, 2012)
- Labor Day (Monday, September 3, 2012)
- Veteran's Day (Monday, November 12, 2012)
- Thanksgiving Day (Thursday, November 22, 2012)
- Day after Thanksgiving (Friday, November 23, 2012)
- Christmas Day (Tuesday, December 25, 2012)

### 2011-2012 Pay Schedule

Period #	Beginning Date	Ending Date	Pay Day	Pay Schedule
26	09/11/2011	09/24/2011	09/30/2011	3*
1	09/25/2011	10/08/2011	10/14/2011	1
2	10/09/2011	10/22/2011	10/28/2011	2
3	10/23/2011	11/05/2011	11/11/2011	1
4	11/06/2011	11/19/2011	11/25/2011	2
5	11/20/2011	12/03/2011	12/09/2011	1
6	12/04/2011	12/17/2011	12/23/2011	2
7	12/18/2011	12/31/2011	01/06/2012	1
8	01/01/2012	01/14/2012	01/20/2012	2
9	01/15/2012	01/28/2012	02/03/2012	1
10	01/29/2012	02/11/2012	02/17/2012	2
11	02/12/2012	02/25/2012	03/02/2012	1
12	02/26/2012	03/10/2012	03/16/2012	2
13	03/11/2012	03/24/2012	03/30/2012	3*
14	03/25/2012	04/07/2012	04/13/2012	1
15	04/08/2012	04/21/2012	04/27/2012	2
16	04/22/2012	05/05/2012	05/11/2012	1
17	05/06/2012	05/19/2012	05/25/2012	2
18	05/20/2012	06/02/2012	06/08/2012	1
19	06/03/2012	06/16/2012	06/22/2012	2
20	06/17/2012	06/30/2012	07/06/2012	1
21	07/01/2012	07/14/2012	07/20/2012	2
22	07/15/2012	07/28/2012	08/03/2012	1
23	07/29/2012	08/11/2012	08/17/2012	2
24	08/12/2012	08/25/2012	08/31/2012	3*
25	08/26/2012	09/08/2012	09/14/2012	1
26	09/09/2012	09/22/2012	09/28/2012	2
1	09/23/2012	10/06/2012	10/12/2012	1
2	10/07/2012	10/20/2012	10/26/2012	2

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## IMPORTANT NOTICES

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

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the City of Abilene and about 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. If you are considering joining, you should compare your current coverage, 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 current 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. The City of Abilene has determined that the prescription drug coverage offered by the City of Abilene Gold, Silver, and Bronze Health Plan 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 existing 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 November 15<sup>th</sup> through December 31<sup>st</sup>.

However, if you lose your current creditable prescription drug coverage, 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 Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current City of Abilene coverage will be affected. You can keep this coverage if you elect part D and this plan will coordinate with Part D coverage.

If you do decide to join a Medicare drug plan and drop your current City of Abilene coverage, be aware that you and your dependents will not be able to get this coverage back.

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

January 1, 2012 to December 31, 2012

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

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 November to join.

### **For More Information About This Notice Or Your Current 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 through the City of Abilene 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).

**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).**

Name of Entity/Sender:	Date: 11/01/2011
Contact--Position/Office:	City of Abilene
Address:	Human Resources Department
Phone Number:	555 Walnut Street, Abilene, TX 79604
	325-676-6249

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## Notice about the Early Retiree Reinsurance Program

You are a plan participant, or are being offered the opportunity to enroll as a plan participant, in an employment-based health plan that is certified for participation in the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program is a Federal program that was established under the Affordable Care Act. Under the Early Retiree Reinsurance Program, the Federal government reimburses a plan sponsor of an employment-based health plan for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family member of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014.

Under the Early Retiree Reinsurance Program, your plan sponsor may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions, co-payments, deductibles, co-insurance, or other out-of-pocket costs. If the plan sponsor chooses to use the Early Retiree Reinsurance Program reimbursements in this way, you, as a plan participant, may experience changes that may be advantageous to you, in your health plan coverage terms and conditions, for so long as the reimbursements under this program are available and this plan sponsor chooses to use the reimbursements for this purpose. A plan sponsor may also use the Early Retiree Reinsurance Program reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employees and their families.

If you have received this notice by email, you are responsible for providing a copy of this notice to your family members who are participants in this plan.

## Continuation Coverage Rights Under COBRA

### Introduction

You are receiving this notice because you have recently become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

### What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

- Your spouse dies;
- Your spouse's hours of employment are reduced;

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- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or the child stops being eligible for coverage under the plan as a "dependent child."

Sometimes, filing a proceeding in bankruptcy under title 11 of the United States Code can be a qualifying event. If a proceeding in bankruptcy is filed with respect to the City of Abilene, and that bankruptcy results in the loss of coverage of any retired employee covered under the Plan, the retired employee will become a qualified beneficiary with respect to the bankruptcy. The retired employee's spouse, surviving spouse, and dependent children will also become qualified beneficiaries if bankruptcy results in the loss of their coverage under the Plan.

### **When is COBRA Coverage Available?**

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, or the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), the employer must notify the Plan Administrator of the qualifying event.

### **You Must Give Notice of Some Qualifying Events**

**For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to the Human Resources Department. You must complete an Enrollment/Change Form in the HR Department and submit it to the HR Department before the applicable deadline.**

### **How is COBRA Coverage Provided?**

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

## Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. You must contact the COBRA administrator if you or a family member becomes disabled and provide any requested documentation within the time frame provided.

## Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

### If You Have Questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

### Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

### Plan Contact Information

City of Abilene – Human Resources Department  
555 Walnut Street  
Abilene, TX 79604  
325-676-6249

## Special Enrollment Rights

- **After declining health coverage.** If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). However, you must request enrollment within 30 days after you or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).
- **New dependents.** 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. However, you must request enrollment within "31 days" after the marriage, birth, adoption, or placement for adoption.
- **Government programs.** You may be able to enroll yourself or your dependents in this plan if:
  - You or your dependent's Medicaid or CHIP (Children's Health Insurance Program) coverage is terminated as a result of loss of eligibility; or
  - You or your dependent becomes eligible for a premium assistance subsidy under Medicaid or CHIP.

You must request enrollment within 60 days of the loss of Medicaid or CHIP coverage, or within 60 days of when eligibility for premium assistance under Medicaid or CHIP is determined.

If you have a special enrollment event and want to enroll in health coverage, contact the Human Resources department at 325-676-6249.

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## Your Right to Receive a Certificate of Health Coverage

If your coverage under the health plans sponsored by City of Abilene ends, you and your covered dependents will receive a certificate that shows your period of health coverage under the plan. You may need to furnish the certificate if you become eligible under another group health plan if it excludes coverage for certain medical conditions that you have before you enroll. You may also need the certificate to buy, for yourself or your family, an individual insurance policy that does not exclude coverage for medical conditions that are present before you enroll. You and your dependents may also request a certificate from your medical plan provider within 24 months of losing coverage under the City of Abilene plans.

## Notice of “Grandfathered” Status

This group health plan believes this plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at 325-676-6248. You may also contact the U.S. Department of Health and Human Services at [www.healthreform.gov](http://www.healthreform.gov).

## Women’s Health and Cancer Rights Act (WHCRA) Notice

The City of Abilene medical plans cover surgery after a mastectomy to:

1. Reconstruct the breast on which the mastectomy was performed; and
2. Reconstruct the other breast to produce a symmetrical appearance.

This coverage is required by federal law. Prostheses and physical complications in all stages of the mastectomy, including lymphedemas, are also covered.

## Newborns & Mothers Health Protection Notice

For maternity stays, in accordance with federal law, the City of Abilene plans do not 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 delivery.

However, federal law generally does not prevent the mother’s or newborn’s attending care provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). The plan cannot require a provider to prescribe a length of stay any shorter than 48 hours (or 96 hours following a cesarean delivery).

# NOTICE TO PLAN PARTICIPANTS REGARDING THE CITY OF ABILENE ELECTION UNDER 42 U.S.C. § 300gg-21

*This is to notify you that the Health Insurance Portability and Accountability Act of 1996, a Federal Law, imposes upon group health plans (such as the City of Abilene plan) Title I which pertains to insurance reform of certain limitations of pre-existing condition exclusion periods, special enrollment periods for individuals (and dependents) losing other coverage, prohibitions against discriminating against individual participants and beneficiaries based on health status, standards relating to benefits for mothers and newborns, parity in the application of certain limits to mental health benefits and a woman's right to treatment of the unaffected breast following a mastectomy. Federal law allows a non-federal governmental plan (such as the City of Abilene plan) to exempt its plan in whole or in part from these requirements.*

## **The City of Abilene has elected to be exempt from the following requirements:**

- **STANDARDS RELATING TO BENEFITS FOR MOTHERS AND NEWBORNS.** The duration of a hospital confinement for a mother and newborn following the birth of a child will be determined based on medical necessity.
- **PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS AND TREATMENT.** Mental health benefits have the same lifetime maximum as other medical conditions. Mental health benefits have annual or calendar year maximums.
- **TREATMENT OF THE AFFECTED BREAST AND NON-AFFECTED BREAST FOLLOWING A MASTECTOMY.** The plan will pay for the treatment of the affected and non-affected breast following a Mastectomy.
- **COVERAGE OF DEPENDENT STUDENTS ON A MEDICALLY NECESSARY LEAVE OF ABSENCE (MICHELLE'S LAW).**

*In addition to Title I, the Federal Government imposed Title II on April 14, 2003, which pertains to administrative simplification on health plans (such as the City of Abilene plan). The administrative simplification process includes: standards for electronic transactions and code sets, national identifiers (individuals, employers, health plans, and health care providers), security and electronic signature standards (final rule was published February 20, 2003), and standards for privacy of individually identifiable health information (privacy rule).*

*A self-funded, non-federal, governmental health plan cannot exempt itself from the requirements for Title II of the Health Insurance Portability and Accountability Act.*

Effective 1/1/2012-12/31/2012

## NOTICE OF PRIVACY PRACTICES

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

As the administrator of your group health plan, the City of Abilene is required by law to maintain the privacy of your protected health information and to provide you with notice of its legal duties and privacy practices with regard to your protected health information. As your group health plan, the City of Abilene must use and disclose protected health information in order to pay benefits to you and your health care providers. The City of Abilene uses physical, electronic, and procedural safeguards to protect your personal information from being used or disclosed inappropriately.

### **What is protected health information?**

Protected health information is individually identifiable health information that is transmitted or maintained in writing, electronically, orally, or by any other means. It includes information created or received by the City of Abilene that identifies a person and relates to the person's participation in the plan, the person's physical or mental health, the provision of health care services to that person, or the payment of health care services received by the person.

### **How does the City of Abilene use and disclose protected health information?**

The **City of Abilene** is allowed by law to disclose protected health information for treatment, payment, and health care operations. The **City of Abilene** also may disclose protected health information to health care providers, other health plans, and health care clearinghouses for treatment, payment, and health care operations. (Health care clearinghouses are organizations that assist in electronic claims transactions.) The **City of Abilene** also may disclose protected health information to a business associate if the business associate needs the information to perform treatment, payment, or health care operations on the **City of Abilene's** behalf. Health care providers, other health plans, health care clearinghouses, and the **City of Abilene** business associates are all required to maintain the privacy and confidentiality of the protected health information they receive from

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the **City of Abilene**. All uses and disclosures of protected health information made by the **City of Abilene** for treatment, payment, and health care operations are kept to the minimum necessary to accomplish the intended purpose.

### **What are treatment, payment, and health care operations?**

Treatment is the provision, coordination, or management of health care and related services. An example of a disclosure of protected health information for treatment is when your family doctor refers you to a specialist.

Payment includes City of Abilene activities such as billing, claims management, subrogation, plan reimbursement, reviews for medical necessity and appropriateness of care, utilization review, and precertification of health care services. For example, the City of Abilene may tell a doctor whether you are eligible for coverage and what percentage of the bill the City of Abilene will pay.

*Health care operations* include quality assessment and improvement, reviewing competence or qualifications of health care professionals, underwriting, and other activities necessary to create or renew health plans. It also includes disease management, case management, conducting or arranging for medical review, legal services, auditing functions including fraud and abuse compliance programs, business planning and development, business management and general administrative activities.

### **How else does the City of Abilene use and disclose protected health information?**

The City of Abilene may use or disclose protected health information, when permitted or required by law, as follows:

- Directly to you or your personal representative. A personal representative is a person who has legal authority to make health care decisions on your behalf. In the case of a child under 18 years of age, your personal representative may be a parent, guardian, or conservator. In the case of an adult, a personal representative may be a person who has a durable power of attorney to make health care decisions in the event you are incapacitated.
- To the Secretary of the U.S. Department of Health and Human Services to investigate or determine the City of Abilene's compliance with privacy regulations
- To your family member, other relative, close personal friend, or other person identified by you that is directly involved in your care. Such disclosures will be limited to information relevant to the person's involvement in your care and, except in the case of an emergency or your incapacity, you will be given an opportunity to agree or to object to the disclosure.
- For public health activities.
- To report suspected abuse, neglect, or domestic violence to public authorities.
- To a public oversight agency.
- When required for judicial or administrative proceedings.
- When required for law enforcement purposes.
- To organ procurement organizations or other organizations to facilitate organ, eye, or tissue donation or transplantation.
- To a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death, or other duties required by law.
- To a funeral director when permitted by law and when necessary for the funeral director to carry out his/her duties with respect to the deceased person.
- To avert a serious threat to health or safety.
- For specialized government functions, as required by law.
- When otherwise required by law.
- Information that has been de-identified. This means that all individual identifiers have been removed and it is reasonable to believe that the organization receiving the information will not be able to identify the person to whom the information belongs.

### **Can I keep the City of Abilene from using or disclosing my protected health information for any of these purposes?**

You have the right to make a written request that the City of Abilene not use or disclose your protected health information for certain purposes, unless the use or disclosure is required by law. However, since most of the uses and disclosures made by the City of Abilene are necessary to administer your health plan, the City of Abilene does not have to agree to your request.

### **Are there any other circumstances when the City of Abilene may use or disclose protected health information?**

The City of Abilene may not use or disclose your protected health information for any purpose not included in this notice, unless the City of Abilene first receives your written authorization. To be valid, an authorization must include: the name of the person or organization making the disclosure, the name of the person or organization receiving the disclosure, specifics on the information that may be disclosed, the purpose of the disclosure, and an end date or end event. You may revoke any authorization that you make. A revocation must be made in writing and will not apply to any information disclosed before the City of Abilene receives the revocation.

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## **Will the City of Abilene disclose my protected health information to my employer/supervisor?**

As a self-funded entity, your health plan and the City of Abilene are one and the same. However, the City of Abilene is prohibited from using or disclosing any protected health information for employment-related activities, if the protected health information was received or created while the City of Abilene was acting as your group health plan.

## **Can I find out if my protected health information has been disclosed to anyone?**

You may make a written request to the City of Abilene's Privacy Officer for an accounting of any disclosures of your protected health information made during the six years prior to receipt of your request. The accounting will not include any disclosures made for treatment, payment, or health care operations; any disclosures made directly to you; any disclosures made based upon your written authorization; any disclosures reported on a previous accounting; or any disclosures made before April 14, 2003.

Generally, the accounting will be provided within 60 days of the date the City of Abilene Privacy Officer receives your written request. However, the City of Abilene Privacy Officer is allowed an additional 30 days if the City of Abilene Privacy Officer notifies you, in writing, of the reason for the delay and notifies you of the date by which you can expect the accounting.

If you request more than one accounting within a 12-month period, the City of Abilene Privacy Officer may charge a reasonable, cost-based fee for each additional accounting.

## **Can I view my protected health information maintained by the City of Abilene?**

You may make a written request to inspect, at the City of Abilene's Human Resources office, your enrollment, payment, billing, claims, and case or medical management records maintained by the City of Abilene. You also may request paper copies of your records. If you request paper copies, the City of Abilene may charge a reasonable, cost-based fee for the copies. Requests to view your protected health information should be made in writing to:

**City of Abilene Health Plan**  
**ATTN: Judy Elmore**  
**555 Walnut PO Box 60**  
**Abilene, TX 79604**

## **If I review my protected health information and find errors, how do I get my records corrected?**

You may request that the City of Abilene amend any of your protected health information that the City of Abilene maintains. All requests for amendment must be made to the City of Abilene's Privacy Officer, must be in writing, and must include a reason for the amendment. Please be aware that the City of Abilene can amend only the information that it creates. If your request is to amend information that the City of Abilene did not create, the City of Abilene will need a statement from the individual or organization that created the information explaining an error was made.

The City of Abilene has 60 days after it receives your request to respond. If the City of Abilene is not able to respond, it is allowed one 30-day extension. If the City of Abilene denies your request, either in part or in whole, the City of Abilene will send you a written explanation for the denial. You may then submit a written statement disagreeing with the City of Abilene's denial and have that statement included in any future disclosures.

## **I'm covered as a dependent and do not want anything that includes my protected health information mailed to the covered employee's, retiree's or other health plan participant's address. Will you do that?**

If mailing communications to the covered employee's, retiree's or other health plan participant's address could place you in danger, the City of Abilene will accommodate your request to receive communications of protected health information by alternative means or at alternative locations. Your request must be reasonable, must be in writing, must specify an alternative address or other method of contact, and must include a statement that sending communications to the covered employee's, retiree's or other health plan participant's address could place you in danger.

## **If I believe my privacy rights have been violated, how do I make a complaint?**

If you believe your privacy rights have been violated, you may make a complaint to The City of Abilene Human Resources Office at:

In writing: City of Abilene Health Plan  
ATTN: Judy Elmore  
555 Walnut PO Box 60  
Abilene, TX 79604

Or call: 325-676-6249

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Also, you may file a complaint with the U.S. Department of Health and Human Services at:

U.S. Department of Health and Human Services  
Hubert H. Humphrey Building  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

The City of Abilene will not retaliate against you for filing a complaint.

### **When are the privacy practices described in this notice effective?**

This privacy notice has an effective date of April 14, 2003.

### **Can the City of Abilene change its privacy practices?**

The City of Abilene is required by law to abide by the terms of the privacy notice currently in effect. The City of Abilene reserves the right to change its privacy practices and to apply the changes to any protected health information the City of Abilene received or maintained prior to the effective date of the change. The City of Abilene will notify all city employees, covered retirees and other participants in the City's health plan of any revised notice of privacy practices. The City of Abilene will distribute the notice to covered employees, retirees and other participants in the City's health plan before the effective date of any changes. Also, the City of Abilene will maintain its current privacy notice on its intranet site at: (<http://intranet.abilenetx.com>).

### **What happens to my protected health information when I leave the plan?**

The City of Abilene is required to maintain your records for at least six years after you leave the City of Abilene's group health plan. However, the City of Abilene will continue to maintain the privacy and confidentiality of your protected health information even after you leave the plan.

### **How can I get a paper copy of this notice?**

The City of Abilene will provide a separate paper copy of this Notice upon request even if you have already been given a copy of it or have agreed to review it electronically. To request that the City of Abilene mail you a paper copy of this notice, call 325-676-6259.

### **Who can I contact for more information on my privacy rights?**

Write to: City of Abilene Health Plan  
**ATTN: Judy Elmore**  
**555 Walnut PO Box 60**  
**Abilene, TX 79604**  
Or call: 325-676-6249

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# BENEFIT CONTACT INFORMATION

The following list of contacts, telephone numbers and website addresses may be helpful throughout the year:

## Carrier Contact Information

Benefit Plan	Administrator	Phone / Website
Medical Benefits	Blue Cross BlueShield of TX	1-800-521-2227 <a href="http://www.bcbstx.com">www.bcbstx.com</a>
Prescription Benefits	Prime Therapeutics (through BCBSTX) P.O. Box 650041 Dallas, TX 75265-0041	1-888-275-3235 1-877-774-6360 Fax <a href="http://www.bcbstx.com">www.bcbstx.com</a>
COACH	850 North 6 <sup>th</sup> Street Abilene, TX 79601	325-437-4611
Dental	Ameritas Group P.O. Box 786010 San Antonio, TX 78278-6010	1-800-487-5553 <a href="http://www.ameritasgroup.com">www.ameritasgroup.com</a>
Vision	Ameritas Group P.O. Box 786010 San Antonio, TX 78278-6010	1-866-939-3633 <a href="http://www.ameritasgroup.com">www.ameritasgroup.com</a>
Flexible Spending Account	PayFlex P.O. Box 3039 Omaha, NE 68103-3039	1-800-284-4885 <a href="http://www.payflex.com">www.payflex.com</a>
Employee Assistance Program	Alliance Work Partners	1-800-343-3822 <a href="http://www.alliacewp.com">www.alliacewp.com</a>
Life and AD&D (Basic and Voluntary)	Dearborn National 14643 Dallas Pkwy, Suite 850 LB84 Dallas, TX 75240	1-866-895-4894 972-855-9058 Fax <a href="http://www.fdl-life.com">www.fdl-life.com</a>
Texas Municipal Retirement System (TMRS)	P.O. Box 149153 Austin, TX 78714-9153	1-800-924-8677 <a href="http://www.tmrs.com">www.tmrs.com</a>
ICMA	John Bullock	1-800-669-7400 <a href="http://www.icmarc.org">www.icmarc.org</a>
Nationwide	Stacie Boyer	1-877-677-3678 <a href="http://www.nrsforu.com">www.nrsforu.com</a>
First Financial Group of America	Tally Yarbrough	325-673-4882 <a href="mailto:tally.yarbrough@ffga.com">www.tally.yarbrough@ffga.com</a>
Pre-Paid Legal	John Wilde	325-486-8111 <a href="mailto:Johnny@wildeco.com">Johnny@wildeco.com</a>
Other Benefit Questions	Human Resources Department	325-676-6249 <a href="mailto:tiffany.anderson@abilenetx.com">tiffany.anderson@abilenetx.com</a> 325-676-6248 <a href="mailto:chrisse.darilek@abilenetx.com">chrisse.darilek@abilenetx.com</a>

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# Notes:

This benefit booklet summarizes the provisions of your Employee Benefits offered by the City of Abilene effective January 1, 2012. Complete details of each plan are included in the official plan documents and contracts. If there is a difference between this book and the documents or contracts, the documents and contracts will govern. Benefits described in this book may be changed at any time and do not represent a contractual obligation on the part of the City of Abilene.

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