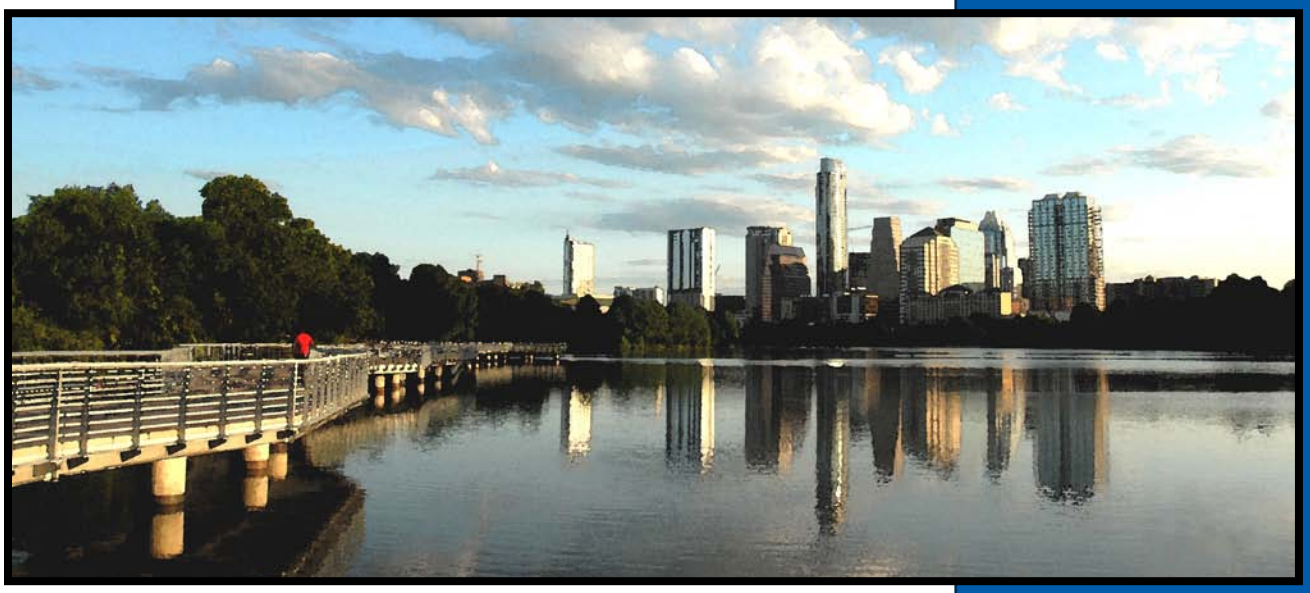
Exhibit 3

Employee Benefits Guide

2015



Medical l Vision l Dental l Life Insurance l Disability l FLEXTRA l Wellness

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The City of Austin is committed to compliance with the Americans with Disabilities Act.

Call the Human Resources Department at *512-974-3400* (Voice) or *800-735-2985* (Relay Texas TTY Number) for more information.

Cover photos (left to right) Jessica Clayton - Aviation (page 21), Jamil Kelly- Austin Energy (page 52), Robyn Smith, Jason Bybel - Public Works Department (page 11), and Shane Kirk - Austin Police Department (page 29). Photographers: Sarah Fusco, Austin Energy & Jim Linton, Human Resources Department.

Contact Information

City of Austin
Human Resources Department
Employee Benefits Division

Benefits staff are available to answer any questions you have about your benefits.

Phone Number: 512-974-3284
Outlook Email: HRD, Benefits
Email: HRD.Benefits@austintexas.gov
Fax Number: 512-974-3420

Employees should make an appointment before visiting our office.

Office Hours: 7:30 a.m. to 5:00 p.m.
Office Location: 505 Barton Springs, Suite 600

Online Resources
To access benefits information, go to: http://cityspace, the City's intranet website, or on the internet at austintexas.gov/benefits.

You can also view eligibility requirements, plan choices, print the City's employee and retiree benefits guides, and find information about the City's wellness, childcare, commuter, and other benefits.

UnitedHealthcare

Medical Plans

Medical Phone Number: 800-430-7316
myNurseLine: 877-440-6011
Vision Phone Number: 800-203-4317
Vision Providers: uhcvision.com
Mental Health Providers: liveandworkwell.com
Prescription Information: myuhc.com

To find a medical provider, go to myuhc.com.

1. Click the ***Find Physician, Laboratory,*** or ***Facility*** link.
2. Select ***UnitedHealthcare Choice Plus*** for the CDHP w/HSA and PPO. Select ***UnitedHealthcare Choice*** for the HMO.

To view the prescription formulary, print a temporary ID card, and Explanation of Benefits, go to myuhc.com. To register, follow these steps:

1. Click the ***Register Now*** button.
2. Enter information from your ID card.
3. Click the ***Next Step*** button.
4. Enter email address or sign up for a free email account.
5. Create a username, password, answer security questions, and agree to website policies.
6. Click the ***Submit*** button.

Retirement Systems

City of Austin Employees' Retirement System (COAERS)		Austin Fire Fighters Relief and Retirement Fund		City of Austin Police Retirement System	
Phone Number:	512-458-2551	Phone Number:	512-454-9567	Phone Number:	512-416-7672
Fax Number:	512-458-5650	Fax Number:	512-453-7197	Fax Number:	512-416-7138
Website:	coaers.org	Website:	afrs.org	Website:	ausprs.org

Contact each benefit vendor directly for identification cards, claims, benefits, and coverage information.

Davis Vision

Vision Plan

Toll-Free Number: 888-445-2290

To view benefits, locate a provider, and check claim status, go to davisvision.com. To register, follow these steps:

1. Click the ***Member*** link.
2. Click the ***Register*** link.
3. Enter information from your ID card.
4. Create a username, password, and security question.
5. Click the ***Register*** button.

For non-members, click the ***Member*** link and enter **2481** for Client Code.

CompuSys/Erisa Group Inc. (Erisa)

- **Dental Assistance Plan**
- **FLEXTRA Health Care Account & Benefits Card**
- **FLEXTRA Dependent Care Account**
- **COBRA Administration**

These programs are managed by the City's third party administrator, Erisa.

Phone Number: 512-250-9397
Toll-Free Number: 800-933-7472
Fax Number: 512-250-2937

City of Austin Dental Plan

To view claim activity, go to coadentalplan.com.
To register, follow these steps:

1. Enter your insured ID number from your ID card.
2. Create a password.
3. Click the ***Submit*** button.

FLEXTRA Health and Dependent Care

To view account activity, balances, and submit a claim form, go to coaflextra.com. To login, follow these steps:

1. Click on ***My Account***.
2. Enter your employee ID number and the first five digits of your Social Security Number.
3. Click the ***Login*** button.

ARAG

Group Legal Plan

Toll-Free Number: 800-247-4184
Relay Texas Number: 800-383-4184

To view covered services and to locate a participating attorney, go to araglegalcenter.com. To register, follow these steps:

1. Click the ***Member Login*** button.
2. Click the ***Create a user name and password for the first time*** link.
3. Enter your member ID number from your ID card and your home address ZIP code.
4. Click the ***Continue*** button.
5. Create a username, password, and answer security questions and click the ***Continue*** button.

For non-members, enter **17886COA** for Access Code.

Alliance Work Partners

Employee Assistance Program

Phone Number: 512-328-1144
Toll-Free Number: 800-343-3822 (24/7)
Relay Texas Number: 800-448-1823
Toll-Free Teen Helpline: 800-334-8336

To view a list of free webinars and counseling services, go to alliancewp.com. To register, follow these steps:

1. Click the ***Login*** button.
2. Type **COAmember** for email address and **AWP4me** for password.
3. Click the ***Submit*** button.
4. Enter your email address and personal information.
5. Create a password and click the ***Submit*** button.

Austin Deferred Compensation Plan

457 Plan (Voya, LLC)

Toll-Free Number: 877-662-8784, option 2

To view and manage your account, go to dcaustin.com. To register, you must call Voya to obtain your PIN number and then follow these steps:

1. Click the ***Deferred Compensation Login*** button.
2. Select Social Security Number from the drop down and enter your Social Security Number.
3. Enter your PIN number for password.

Benefits Guide Information

City of Austin employees have access to benefits approved by the City Council each year as part of the budget process. The benefits and services offered by the City may be changed or terminated at any time. These benefits are not a guarantee of your employment with the City.

This Guide is designed to help you understand your benefits. Review this material carefully before making your enrollment decisions. Your rights are governed by each plan instrument (which may be a plan document, evidence of coverage, certificate of coverage, or contract), and not by the information in this Guide. If there is a conflict between the provisions of the plan you selected and this Guide, the terms of the plan govern.

For detailed information about the plans, refer to each plan instrument, contact the vendor or the Employee Benefits Division of the Human Resources Department.

City Benefits Philosophy

The City is concerned for the health and welfare of its employees and is committed to providing cost-effective benefits that assist employees in being physically and mentally healthy. The benefits provided to employees may range from reimbursement plans to educational programs, but all benefit plans require employees to assume responsibility for the choices they make and to be informed on how to use their benefits effectively.

As part of this philosophy, the City is committed, as resources permit, to making available a comprehensive benefits program that includes plans for:

- Health care
- Wellness
- Disability income
- Income replacement
- Death benefits
- Education and training
- Paid time away from work
- Childcare

In keeping with this philosophy, the City will explore other areas of benefits to the extent they fill a need of a major portion of the workforce and to the extent they can be provided cost-effectively and efficiently on a group basis.

Cost

Since rising health care costs affect both the City and its employees, the City will continue to study new coverage options that help control health care costs. The program is designed to be cost-effective, for both the short term and the long term.

The cost of the program is determined in a realistic fashion and does not vary with short-term financial considerations. Employee contributions are required to help finance the cost of parts of the program.

Administration

The overall administration of the benefits program is re-evaluated and revised periodically to ensure it is simple, efficient, cost-effective, and satisfies overall goals.

Mark Washington
Director Human Resources

Communications

A variety of media is used to communicate the benefits program to employees and their dependents. Methods used include presentations, newsletters, the City's website, video on demand, and *CitySource Today*. In addition, benefits staff are available by phone or in person to discuss benefits issues with employees and their families. Communication goals of the benefits program include:

- Educating employees on how to use their benefits.
  - ❖ Employees should understand their responsibility for the choices they make.
  - ❖ Following the requirements of the plans.
- Educating employees on how to be better consumers of all benefits.
  - ❖ Employee choices should be appropriate for their needs.
  - ❖ Employees should contribute to the fiscal integrity and cost-effectiveness of the plans by making informed choices when using their benefits.
- Increasing employee understanding of the value of their benefits.

Frequently Asked Questions

Eligibility Questions

Q. If I am not sure how to access my benefits or who to call, where should I begin?

A. *If you need assistance with any of the benefits offered by the City of Austin, call the Employee Benefits Division at 512-974-3284 and ask to speak with a Benefits representative.*

Q. How do I enroll my newborn in my medical plan?

A. *Call the Employee Benefits Division at 512-974-3284 within 31 days of your child's birth to schedule an appointment with a Benefits representative even if you have other children enrolled. You must provide a certified birth certificate, the complimentary birth certificate, or a Verification of Birth Facts issued by the hospital and complete a Benefits Enrollment Form.*

Q. I am resigning my position from the City of Austin, how can I continue my coverage?

A. *COBRA is offered to you and your covered dependents when coverage has ended. You will receive a COBRA information letter after your separation. For more information, call Erisa, the City's COBRA Administrator at 512-250-9397.*

Benefits Questions

Q. I just signed up for benefits. When can I expect to receive my ID cards?

A. *You should receive your ID cards within four to six weeks of enrolling or making changes to your benefits.*

Q. If I need to see a doctor or have a prescription filled prior to receiving my ID card, what should I do?

A. *You will need to pay for the services out-of-pocket, then submit a claim form and your receipt to UnitedHealthcare. You will receive reimbursement for these expenses, minus the required copay. If you are enrolled in the PPO and utilize a non-network doctor or facility, the amount will be applied toward your out-of-network deductible. If you are enrolled in the HMO you must use network providers.*

Q. How do I begin the process for Short Term and/or Long Term Disability?

A. *Call the Employee Benefits Division at 512-974-3284.*

Q. Can I make changes to my benefits during the year?

A. *Yes, within 31 days of a qualifying life event, such as birth of a child, marriage/divorce, loss of other coverage, or when you or your dependents receive coverage from another insurance company. For a complete list, see the Coverage Information section in this Guide.*

Q. If I am called for military duty, what steps should I take concerning my benefits?

A. *Call the Employee Benefits Division at 512-974-3284.*

Q. I will be out on leave without pay. What should I do to make sure that my benefits continue?

A. *Call the Employee Benefits Division at 512-974-3284 to make arrangements to pay your benefit premiums.*

Q. If I enroll in the CDHP w/HSA for 2015 and do not use all of my HSA money can I use it in 2016 even if I do not enroll in a CDHP?

A. *You can continue to use the money in your HSA for eligible medical, prescription, vision, and dental expenses even if you are no longer enrolled in the CDHP.*

Q. Is the money in my HSA pre-funded at the beginning of the year?

A. *Only the amount that the City contributes ($500 for Employee Only/$1000 for Employee & Dependents) is pre-funded. The money you contribute to your account will be available on a per pay period basis over 24 pay periods.*

Benefits Eligibility

- Employee Eligibility
- Dependent Eligibility
- Persons Not Eligible
- Dependent Documentation
- Coverage Information

The State of Texas Capitol Building.

Employee Eligibility

As a City employee, including any person in the six-month probationary period, your work status is full-time, part-time, or temporary. As a full-time or part-time employee, you may choose any combination of the benefits listed below:

Full-time Employees – 30 or more hours per week

If you are in a regular budgeted position scheduled to work 30 or more hours per week, you are considered full-time and are eligible to participate in:

- Medical
- Vision
- Dental
- Life Insurance
- Short Term Disability
- Long Term Disability
- FLEXTRA Health Care
- FLEXTRA Dependent Care
- Group Legal Plan
- Wellness Program
- Employee Assistance Program
- Childcare Programs
- Commuter Program
- Retirement (Mandatory)
- Deferred Compensation

As a full-time employee you are eligible for five types of coverage at no cost:

- CDHP w/HSA — Employee Only
- PPO Medical — Employee Only
- Dental — Employee Only
- Basic Life Insurance
- Short Term Disability

Part-time Employees – 20 to 29 hours per week

If you are in a regular budgeted position scheduled to work 20 to 29 hours per week, you are considered part-time and are eligible to participate in:

- Medical
- Vision
- Dental
- Life Insurance
- Short Term Disability
- Long Term Disability
- FLEXTRA Health Care
- FLEXTRA Dependent Care
- Group Legal Plan
- Wellness Program
- Employee Assistance Program
- Commuter Program
- Deferred Compensation

As a part-time employee you are eligible for Short-Term Disability coverage at no cost.

Part-time Employees – Less than 20 hours per week

If you are in a regular budgeted position scheduled to work less than 20 hours per week, you are considered part-time and are eligible to participate in:

- Medical
- Vision
- Dental
- Life Insurance
- FLEXTRA Health Care
- FLEXTRA Dependent Care
- Group Legal Plan
- Wellness Program
- Employee Assistance Program
- Commuter Program
- Deferred Compensation

Temporary Employees

If you are in a temporary position you are eligible to participate in:

- Commuter Program
- Employee Assistance Program
- Wellness Program (Refer to the HealthyConnections section.)
- Deferred Compensation

Dependent Eligibility

Enrolling Dependents for Benefits

If you are a full-time or part-time employee, your dependents are eligible for:

- Medical
- Vision
- Dental
- Life Insurance
- FLEXTRA Health Care
- FLEXTRA Dependent Care
- Group Legal Plan
- Wellness Program
- Employee Assistance Program

City of Austin skyline, 2014

Eligible Dependents

Your dependents who meet the descriptions listed below can be enrolled for benefits.

- **Spouse:** Your legally married spouse, including a declared common-law spouse. Only one spouse or domestic partner may be covered at any time.
- **Domestic Partner:** The individual who lives in the same household and shares the common resources of life in a close, personal, intimate relationship with a City employee if, under Texas law, the individual would not be prevented from marrying the employee on account of age, consanguinity, or prior undissolved marriage to another person. A domestic partner may be of the same or opposite gender as the employee. Only one spouse or domestic partner may be covered at any time.
- **Children:** Your biological children, stepchildren, legally adopted children, children for whom you have obtained court-ordered guardianship or conservatorship, qualified children placed pending adoption, and children of your domestic partner if you also cover your domestic partner for the same benefit. Your children must be under 26 years of age.
- **Dependent Grandchildren:** Your unmarried grandchild must meet the requirements listed above, and must also qualify as a dependent (as defined by the Internal Revenue Service) on your or your spouse's federal income tax return.
- **Disabled Children:** To continue City coverage for an eligible dependent past the age limit, the child must be covered as a dependent at the time and must also meet the following definitions:
  - ❖ A child is considered disabled if they are incapable of earning a living at the time the child would otherwise cease to be a dependent, and depend on you for principal support and maintenance, due to a mental or physical disability.
  - ❖ A disabled child continues to be considered an eligible dependent as long as the child remains incapacitated and dependent on you for principal support and maintenance, and you continuously maintain the child's coverage as a dependent under the plan from the time they otherwise would lose dependent status.
  - ❖ A dependent child who loses eligibility and later becomes disabled is not eligible to be covered. A disabled child who was not covered as a dependent immediately prior to the time the child would otherwise cease to be a dependent is not eligible to be covered.

Covering dependents who are not eligible for the City's insurance programs unfairly raises costs for the City, as well as for all participants in the programs.

Persons Not Eligible

David Brown and Daniel Robleto, PWD, locate a survey pin in the center of the intersection at 11th Street and Red River.

Dependents do not include:

- Individuals on active duty in any branch of military service (except to the extent and for the period required by law).
- Permanent residents of a country other than the United States.
- Parents, grandparents, or other ancestors.
- Grandchildren who do not meet the definition of dependent grandchildren or who are not claimed on your or your spouse's federal income tax return.

An individual is not eligible to be covered:

- As both a City employee and a City retiree, for the same benefit.
- As both a City employee or City retiree and as a dependent of a City employee or City retiree, for the same benefit.
- As a dependent of more than one City employee or City retiree, for the same benefit.

Dependent Documentation

To provide coverage for a dependent under any of the City's benefits programs, you must provide documentation that supports your relationship to the dependent. Social Security Numbers must be provided for all eligible dependents.

Acceptable documents are listed below for the following dependents:

- **Spouse:** A marriage certificate or declaration of informal (common-law) marriage, which has been recorded as provided by law.
- **Domestic Partner:** A Domestic Partnership Affidavit and Agreement form signed by the employee and domestic partner. Also a Domestic Partnership Tax Dependent Status Form signed by the employee.
- **Child:** A certified birth certificate, complimentary hospital birth certificate, Verification of Birth Facts issued by the hospital, or court order establishing legal adoption, guardianship, or conservatorship, or qualified medical child support order, or be the subject of an Administrative Writ.
- **Child of a Domestic Partner:** The documentation listed above must also be provided and the domestic partner must be covered for the same benefit in order to cover a child of a domestic partner.
- **Stepchild:** The documentation listed above must also be provided, and a marriage certificate or declaration of informal marriage indicating the marriage of the child's parent and stepparent.
- **Dependent Grandchild:** The documentation listed above must also be provided, and a marriage certificate or declaration of informal marriage that supports the relationship between you and your grandchild.
- **Disabled Child:** A completed Dependent Eligibility Questionnaire verifying an ongoing total disability including written documentation from a physician verifying an ongoing total disability.
- **Qualified Child Pending Adoption:** For children already placed in your home, an agreement executed between you and a licensed child-placing agency or TDFPS, which meets the requirements listed in Dependent Eligibility.

2014 APD Cadet Class running on the hike and bike trail.

Coverage Information

Changing Coverage

To change coverage you must call the Employee Benefits Division to schedule an appointment with a Benefits representative.

You may request changes to your coverage throughout the year only at the following times:

- During annual Open Enrollment.
- Within 31 days of the date you initially become eligible for coverage.
- Within 31 days of a qualifying life event or HIPAA special enrollment period.

If you do not complete a Benefits Enrollment Form within the time frames listed above, you must wait until the next annual Open Enrollment. To drop coverage for dependents who no longer meet the eligibility requirements, you must contact the Employee Benefits Division to complete a Benefits Enrollment Form.

Qualifying Life Events

When you have a qualifying life event such as marriage, divorce, birth of a child, death, establishing a committed living arrangement as domestic partners, dissolution of domestic partnership, loss or gain of other coverage – you may make changes to your coverage within 31 days of the event.

You must contact the Employee Benefits Division within 31 days of the event to complete a Benefits Enrollment Form and provide the following:

- Social Security Number of the person you are adding.
- Certified birth certificate, complimentary hospital birth certificate, or Verification of Birth Facts issued by the hospital for the birth of a child.
- Marriage license or a signed Domestic Partnership Affidavit and Agreement Form.
- Divorce decree signed by a judge showing the date the divorce was final or a notarized Dissolution of Domestic Partnership Affidavit.
- Documentation from the employer or health insurance carrier confirming the date other coverage became effective or was lost.

Runner on new Lady Bird Lake boardwalk.

Coverage Effective Dates

Providing you complete a Benefits Enrollment Form, provide required documentation, and pay any premiums owed, coverage is effective for you and your dependents as follows:

- If you enroll within 31 days of the date you are first eligible, coverage for you and any dependents you enroll will be effective on the date you are first eligible.
- If you enroll during annual Open Enrollment, coverage for you and any dependents you enroll will be effective on January 1 of the following year.
- If you enroll within 31 days of a qualifying life event, except for the birth of a child or the court-ordered adoption, placement for adoption, guardianship, or conservatorship of a child, coverage for you and any dependents you enroll will be effective either the first day of the following pay period or the first day of the month following the date you submit the enrollment form.
- Medical coverage is temporarily effective on the date of birth for any child born while you are a covered employee. This includes an eligible grandchild born to your covered dependent. Coverage will extend past the 31 days only if you visit the Employee Benefits Division within the first 31 days of birth, complete a Benefits Enrollment Form, and pay any required premiums. You must complete an enrollment form to add the newborn as a covered dependent, even if you have family coverage.
- If you enroll within 31 days of the court-ordered adoption, placement for adoption, guardianship or conservatorship of a child, coverage for you and any dependents you enroll will be effective on the date of the adoption, placement for adoption, guardianship, or conservatorship. You must complete an enrollment form and pay any required premiums to add the child, even if you have family coverage.

Coverage Ending Dates

Coverage for you and your dependents will end on the earliest of the following:

- The date the plan in question is terminated.
- The date the coverage in question is terminated or reduced.
- The date the plan is amended to end coverage for you or your class of dependents.
- The last day of the pay period in which you voluntarily terminate your or your dependents' coverage.
- The last day of the pay period in which you or your dependents no longer meet eligibility requirements.
- The last day of the month your dependents no longer meet eligibility due to age.

Waiving Coverage

If you are a full-time employee declining or dropping medical and/or dental coverage for yourself, you must:

- Provide proof of other insurance for the coverage you are declining or dropping.
- Complete a Benefits Enrollment Form.
- Sign a waiver indicating you are aware that medical and/or dental coverage is available through the City.

If you later decide you want to be covered, you will not be able to enroll for coverage until the next Open Enrollment or within 31 days of a qualifying life event.

Premium Information

For full or part-time employees, the City pays a portion of your dependent's medical and dental premiums. The amount paid by the City is not taxable to you if your dependent is a qualified dependent as defined by the Internal Revenue Service (IRS). You are responsible for determining whether your dependent meets the IRS dependent definition.

Premium Deduction Errors

It is your responsibility to verify that the premium deductions taken from your paycheck are correct. Any deduction errors must be reported immediately to the Employee Benefits Division at *512-974-3284*.

Enrollment Form Errors – It is your responsibility to ensure that information on the Benefits Enrollment Form is correct. If a premium deduction error occurs, notify the Employee Benefits Division immediately. If an underpayment occurs due to an error you made on the Benefits Enrollment Form, the City has the right to collect any additional premiums owed.

Data Entry Error/Delay – If a data entry error occurs or if data entry is delayed, it will not invalidate the coverage on your Benefits Enrollment Form. Upon discovery, an adjustment will be made to reflect the correct premium deduction. If underpayment of a premium occurs, the City has the right to collect any additional premiums owed by you. If overpayment occurs, the City will reimburse you any amount of overpaid premiums up to a maximum of two pay periods.

Taxable Fringe

If you choose benefits coverage for a dependent who does not qualify to be claimed on your federal income tax return, you may have to pay taxes on the amount of money the City contributes for the dependent's medical and/or dental benefits. This money is considered taxable income, and must be reported to the IRS. The City refers to this money as taxable fringe. A spouse is never subject to taxable fringe.

If at least one of the children for whom you have elected medical and/or dental coverage is a child you claim as a dependent on your federal income tax return, the City's contribution will not be considered taxable income.

Robyn Smith and Jason Bybel, PWD, at Water Treatment Plant #4.

Plan Choices

- Medical
  - Consumer Driven Health Plan with a Health Savings Account (CDHP w/HSA)
  - PPO
  - HMO
- Vision
- Dental
- Life Insurance
- Disability
- FLEXTRA
- Group Legal Plan

Newly restored iconic Austin mural at Roadhouse Relics on South First Street.

CDHP w/HSA, PPO, and HMO Medical Plans

As an employee, you may choose the medical plan that best meets your needs. Provider and prescription information is available online at myuhc.com. Select UnitedHealthcare Choice Plus for the CDHP w/HSA or PPO. Select UnitedHealthcare Choice for the HMO.

Things to consider when choosing a medical plan:

- Premium costs for dependent coverage
- Future expenses
- Amount of out-of-pocket expenses
- Amount of specialist copays
- Amount of prescription drug copays
- Predictability of inpatient hospital expenses

For treatment before your ID card arrives

You will need to pay for the services out-of-pocket, then submit a claim form and your receipt to UnitedHealthcare. If you are enrolled in the CDHP w/HSA or PPO and utilize a non-network doctor or facility, the amount will be applied toward your out-of-network deductible. If you are enrolled in the HMO you must use network providers.

UnitedHealthcare Medical Rates

CDHP Rates – Per Pay Period	Full-time 30+ hours per week	Part-time 20 – 29 hours per week	Part-time Less than 20 hours per week
Employee Only	$ 0.00	$ 114.25	$ 228.50
Employee & Spouse or Domestic Partner	$ 79.73	$ 296.24	$ 512.75
Employee & Children	$ 39.54	$ 238.48	$ 437.42
Employee & Family or Domestic Partner & Children	$ 183.38	$ 444.55	$ 705.72

PPO Rates – Per Pay Period	Full-time 30+ hours per week	Part-time 20 – 29 hours per week	Part-time Less than 20 hours per week
Employee Only	$ 0.00	$ 96.64	$ 271.61
Employee & Spouse or Domestic Partner	$ 152.66	$ 325.66	$ 609.47
Employee & Children	$ 112.46	$ 267.05	$ 520.51
Employee & Family or Domestic Partner & Children	$ 256.30	$ 481.10	$ 838.82

HMO Rates – Per Pay Period	Full-time 30+ hours per week	Part-time 20 – 29 hours per week	Part-time Less than 20 hours per week
Employee Only	$ 5.00	$ 101.64	$ 282.29
Employee & Spouse or Domestic Partner	$ 157.66	$ 330.66	$ 644.67
Employee & Children	$ 117.46	$ 272.05	$ 550.44
Employee & Family or Domestic Partner & Children	$ 261.30	$ 486.10	$ 887.15

CDHP w/HSA

In 2015 the City will offer a new medical plan option called Consumer Driven Health Plan with a Health Savings Account, or CDHP w/HSA. Like the PPO and HMO medical plans, the CDHP w/HSA will be administered by UnitedHealthcare. The same network of doctors and facilities as those on the PPO and HMO plans are available. Despite these similarities the plan has different requirements and works differently. Read on to see if the CDHP w/HSA plan is right for you.

Why the City is Offering a New Plan

Research shows that in 2015, 82 percent of large employers will offer some type of Consumer Driven Health Plan. The City is also concerned with the rising cost of health care. Lower premiums, a Health Savings Account, and higher out-of-pocket costs for non-preventive services on this plan empower you to be a wise consumer of health. The City and UnitedHealthcare will provide you with tools to make the cost of health care more transparent. This will allow you to consider the cost of a provider or facility before making the decision of where to seek care.

Plan Features

- Employee Only in-network deductible is $1,500 and Employee with Dependent coverage deductible is $3,000.
- Employee Only in-network, out-of-pocket maximum is $5,000 and Employee with Dependent coverage out-of-pocket maximum is $10,000.
- Out-of-network coverage is available at higher deductibles, co-insurance, and maximum out-of-pocket charges.
- The City will contribute money into your HSA account on an annual basis upon enrollment. You will also have the ability to contribute to this account through payroll deductions.

City annual contributions to the HSA for employees enrolled between January 1 and June 30, 2015

	Full-time 30+ hours	Part-time 20 – 29 hours	Part-time Less than 20 hours
Employee Only	$ 500	$ 250	$ 0.00
Employee & Dependents	$ 1,000	$ 500	$ 0.00

City annual contributions to the HSA for employees enrolled between July 1 and December 31, 2015

	Full-time 30+ hours	Part-time 20 – 29 hours	Part-time Less than 20 hours
Employee Only	$ 250	$ 125	$ 0.00
Employee & Dependents	$ 500	$ 250	$ 0.00

You also can contribute to your HSA through pre-tax payroll deductions. This will allow you to save money to meet your deductible or save for future medical expenses. The annual amount that can be contributed to an HSA is determined by the IRS. The chart below shows the contribution limits per pay period for 2015.

Employee per pay period contributions to the HSA

2015 HSA Contribution Limits	Employee Only Coverage	Employee & Dependents
Per pay period deduction (Based on 24 pay periods)	Up to $118.75	Up to $235.41

How the CDHP w/HSA Works

Before enrolling in the CDHP w/HSA it is important to understand how the plan works. Here are a few things to know about this plan:

- Preventive services and preventive prescriptions mandated by the Affordable Care Act continue to be covered at 100 percent.
- You must meet your calendar year deductible first before the plan pays for any covered services (except for preventive services.) You can use money in your HSA to pay for these eligible expenses.

- The CDHP w/HSA includes two prescription formularies:
  - ❖ Expanded Preventive Drug List – you will pay 20 percent of the cost, no deductible. The list of expanded preventive medications can be found on the Employee Benefits web page at austintexas.gov/benefits.
  - ❖ 2015 Prescription Drug List – once you meet your calendar year deductible, the plan will pay 80 percent of the cost for drugs on this list.
- Once you meet your calendar year deductible, the plan will pay 80 percent of in-network covered services and you will be responsible for 20 percent.
- Once you meet your calendar year out-of-pocket maximum, the plan will pay 100 percent of in-network covered services.

CDHP w/HSA Schedule of Benefits

Preventive services include annual physicals, well baby checks, and well women exams. Other wellness screenings such as colonoscopies are also considered preventive services when they are not performed for diagnostic purposes. To find the preventive medication list go to austintexas.gov/benefits.

Medical Benefits	Employee Only	Employee & Dependents	Employee Only	Employee & Dependents
	In-Network		Out-Of-Network	
Deductible	$1,500	$3,000	$3,000	$6,000
Preventive Services	Plan pays 100%.	Plan pays 100%.	Calendar year deductible applies. Plan pay 60%	Calendar year deductible applies. Plan pay 60%
Eligible Covered Services & Facilities	Calendar year deductible applies. Plan pay 80%.	Calendar year deductible applies. Plan pay 80%.	Calendar year deductible applies. Plan pay 60%.	Calendar year deductible applies. Plan pay 60%.
Out-of-Pocket Maximum	$5,000 per calendar year.	$10,000 per calendar year.	$10,000 per calendar year.	$20,000 per calendar year.

Vision Benefits	In-Network	Out-of-Network
Annual Routine Vision Exam	Calendar year deductible applies. Plan pays 80%.	Calendar year deductible applies. Plan pays 60%.
Annual Contact Lens Fitting Fee	Calendar year deductible applies. Plan pays 80%.	Calendar year deductible applies. Plan pays 60%.
Frames, Standard Lenses, and Contact Lenses	Preferred Pricing at participating private practices. Preferred Pricing discounts at participating retail chain providers.	Not available at private practices. Retail chain providers may offer a discount.

Prescription Benefits	Coverage
Affordable Care Act Mandated Prescriptions.	Plan pays 100%.
Expanded Preventive Drug List – found at austintexas.gov/benefits.	Plan pays 80%. No deductible.
2015 Prescription Drug List.	Calendar year deductible applies. Plan pays 80%.

CDHP Health Savings Account

When you enroll in the CDHP w/HSA you will also be enrolled in a Health Savings Account (HSA) through Optum Health Bank. An HSA is a tax-advantage account you own and manage. You can use your HSA to pay for eligible medical, prescription, dental, and vision expenses.

To help you get started, the City will contribute money into the HSA to offset out-of-pocket costs. The money from the City, plus any additional money you choose to contribute on a pre-tax basis through payroll deductions can be used to pay for health-related expenses.

You own the money in the HSA, including any interest; therefore, whatever you do not use throughout the year automatically rolls over to the next year. Your HSA is fully portable which means when you end employment with the City you keep any money in your HSA. You can continue to use this money to pay for eligible expenses.

Optum Health Bank will communicate with you via US Mail. It is important that you read and respond to any requests so your HSA can be opened in a timely manner. Once your account is opened, you will receive an Optum Health Debit card. You can use your Optum Health Debit card to pay for eligible medical, prescription, vision, and dental expenses at the point of service, such as a doctor's office or at the pharmacy.

Health Savings Account Eligibility

In order to be eligible for a Health Savings Account you must meet certain requirements determined by the IRS. If you do not meet all of these requirements you are not eligible to enroll in the City's CDHP w/HSA medical plan. It is up to you to determine if you meet these eligibility requirements so review them carefully.

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HSA eligibility requirements:

- You or your enrolled dependents cannot be eligible to be claimed on another person's tax return.
- You or your enrolled dependents cannot be enrolled in a Flexible Spending Health Care Account (FLEXTRA Health Care Account).
- You cannot be enrolled in any plan other than a CDHP including: Medicare, Medicaid, or Tricare.
- You could not have received benefits from the Veteran's Administration in the three months prior to enrolling.
- You must provide a physical address to Optum Health Bank (no P.O. Boxes).
- You must be a legal resident of the United States.

If you do not meet all of the above requirements you are not eligible for the CDHP w/HSA and should choose either the PPO or HMO medical plan.

Differences Between an HSA and FLEXTRA

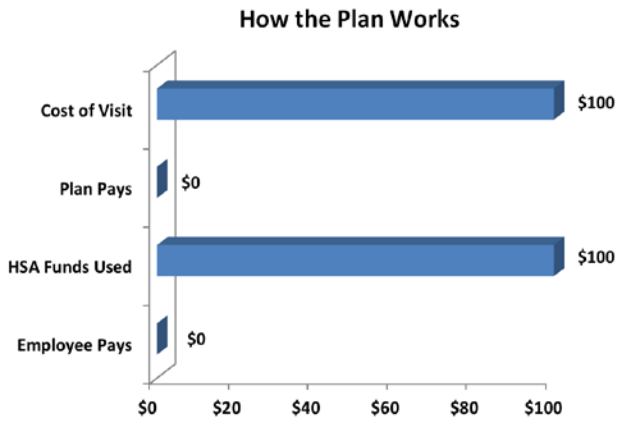
There are important differences between a Health Savings Account and a Flextra Health Care Account.

- With an HSA you cannot use funds until they have been deposited into your account.
- An HSA is not a USE IT OR LOSE IT account. You can build your savings over time and when you leave the City you keep your account.
- You must claim your dependents on your IRS tax return in order to use your HSA to pay for their expenses.

Examples of how the CDHP w/HSA Plan works

Example 1: A Primary Care Visit

Jose works for AWU and is enrolled in the CDHP w/HSA, Employee and Children coverage. His 11-year-old daughter is not feeling well and Jose takes her to the doctor. The cost of the visit is $100 and he uses his Optum Health Bank debit card to pay for the $100 office visit. He pays $0 out of pocket because he uses money the City contributed to his HSA. Here is a breakdown of the cost:



If Jose was enrolled in the HMO or PPO he would have paid a $25 copay.

Example 2: An Outpatient Surgery

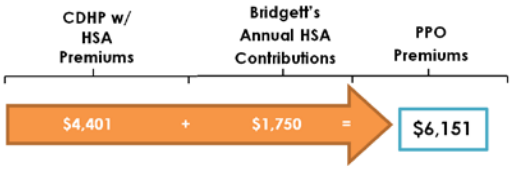
Aaron works for CTM and is enrolled in the CDHP w/HSA, Employee Only coverage. He needs to have outpatient surgery, and the total cost is $4,750. Aaron has not met his annual deductible. Here is a breakdown of the costs:

Cost of Surgery:	$4,750
Annual Deductible:	$1,500
Remaining Cost:	$3,250
Plan pays 80%:	$2,600
Aaron pays 20% Coinsurance:	$650
Aaron's total out-of-pocket cost:	$2,150
Aaron's HSA Reimbursement:	$500
Aaron pays:	$1,650

For this outpatient surgery Aaron would pay $1,000 on the HMO and $1,350 on the PPO. Under the CDHP w/HSA Plan he has now met his annual deductible and will pay 20 percent of future in-network costs. After he meets his out-of-pocket maximum of $5,000, all in-network expenses will be paid by the plan.

Example 3: How the CDHP w/HSA Can Save Money

Bridgett works for APD and is enrolled in the CDHP w/HSA, Employee and Family coverage. Under the new plan she will pay $4,401 in annual premiums for 2015, saving herself $1,750 in premiums by switching from the PPO. Bridgett chooses to contribute the savings of $1,750 into her HSA through pre-tax per pay period deductions. On January 1, 2015 the City also will contribute $1,000 into her HSA.



In 2015 Bridgett and her family see their primary care provider for their annual routine physicals which are paid at 100 percent. Bridgett has no out of pocket expenses in 2015 and ends the year with $2,750 (City's contribution of $1,000 plus Bridgett's contribution of $1,750) in her HSA to pay for future medical, dental or vision expenses. If she had stayed in the PPO Plan she would have paid the $1,750 in premiums and would not have savings in her HSA to use for future expenses.

HMO & PPO Schedule of Benefits

	HMO	PPO	
		In-Network	Out-of-Network
Individual Deductible	None.	$500 per covered person, per calendar year.	$1,500 per covered person, per calendar year.
Family Deductible Maximum	None.	Three individual deductibles.	Three individual deductibles.
Out-of-Pocket Maximum	$4,000 per covered person or $8,000 per family, per calendar year.	$3,500 per covered person, per calendar year.	$12,000 per covered person, per calendar year.
Out-of-pocket maximums for both the HMO and PPO include medical and prescription copay, deductible, and coinsurance amounts.			
Lifetime Maximum	Unlimited.	Unlimited.	Unlimited.
Maximum Allowable Charge	The maximum allowable charge is the maximum fee for a particular service or supply that the Plan will consider eligible for payment.	The maximum allowable charge is the maximum fee for a particular service or supply that the Plan will consider eligible for payment. In the case of out-of-network benefits, the covered person may be responsible for paying charges in excess of the maximum allowable charge in addition to any deductible, coinsurance, copays, or facility fee required by the Plan.	
Selection of Doctor	Members must select a network doctor.	Members select an in-network doctor.	Members select an out-of-network doctor.
Service Locations	Services are provided at in-network doctors' offices, hospitals, and other facilities. If a required service is not available in-network, pre-approval is required.	Services are provided at in-network doctors' offices, hospitals, and other facilities. If a required service is not available in-network, pre-approval is required; otherwise, the service will be paid as an out-of-network expense.	Services are provided in out-of-network doctors' offices, hospitals, and other facilities.
Residency Requirements	Must live or work in the service area (Bastrop, Blanco, Burnet, Caldwell, Hays, Travis, and Williamson counties). Children for whom you have been court-ordered to provide medical support are not required to live in the service area.	None. UnitedHealthcare is a national network; contact UnitedHealthcare directly for a list of doctors and/or facilities in your area.	None.
Out-of-Network Benefits	None, except in case of a medical emergency.	$1,500 deductible. Plan pays 60%, up to maximum allowable charge. Out-of-network benefits are subject to in-network benefit plan limits and pre-approval and pre-notification requirements. In addition to the above, Outpatient Surgical Facility and Inpatient Hospital Services are subject to a $250 per day facility fee.	

HMO & PPO Schedule of Benefits

	HMO	PPO – In-Network
Preventive Exams	Plan pays 100%, no copay.	Plan pays 100%, no copay.
Doctor's Charges for Office Visits	$25 Primary Care Physician copay per visit. $45 Specialist copay per visit.	$25 Primary Care Physician copay per visit. $35 Specialist copay per visit.
Doctor's Charges for Maternity Office Visits	$25 copay for first office visit. Plan pays 100% thereafter.	$25 copay for first office visit. Calendar year deductible applies. Plan pays 80%.
Urgent Care and Non-Hospital Minor Emergency Centers	$45 copay per visit.	$35 copay per visit.
Convenience Care Clinics	$25 copay per visit.	$25 copay per visit.
Outpatient Surgery Colonoscopies	$1,000 copay. Plan pays 100% for preventive screenings.	Calendar year deductible applies. Plan pays 80%. Plan pays 100% for preventive screenings.
Hospital Inpatient	Included in Hospital Services. $1,500 copay per confinement. Limited to semi-private room rate. Pre-notification is required unless hospitalization is the result of an emergency.	Calendar year deductible applies. Plan pays 80%. Limited to semi-private room rate. Pre-notification is required unless hospitalization is the result of an emergency.
Hospital Emergency Room Services	$200 copay per visit.	$150 copay per visit.
Ambulance Service	$100 copay.	Calendar year deductible applies. Plan pays 80%.
Allergy and Other Covered Injections	Allergy injections are covered at 50%. Plan pays 50% for allergy testing and serum. Plan pays 100% for all other injections. If charged for an office visit, office visit copays apply.	Allergy injections are covered at 100%. Plan pays 100% for allergy testing and serum. If charged for an office visit, office visit copays apply.
Immunizations	Plan pays 100%. If charged for an office visit, office visit copays apply.	Plan pays 100%. If charged for an office visit, office visit copays apply.
Physical and Occupational Therapy	$45 copay per visit.	$35 copay per visit.
Chiropractic Care	$45 copay per visit. Limited to 20 visits per covered person, per calendar year.	$35 copay per visit. Limited to 20 visits per covered person, per calendar year.
Speech Therapy	$45 copay per visit. Limited to rehabilitory speech therapy.	$35 copay per visit.
Registered Dietitian	$45 copay per visit.	$35 copay per visit.
Acupuncture	Not covered.	$35 copay per visit. Limited to 12 visits per covered person, per calendar year.

HMO & PPO Schedule of Benefits

	HMO	PPO – In-Network
Outpatient Diagnostic X-Ray and Laboratory	Plan pays 100%.	Plan pays 100%.
CT, MRI, PET Scans	$100 copay. Pre-notification required.	$100 copay. Pre-notification required.
Mental Health Care Outpatient	$25 copay per visit.	$25 copay per visit.
Mental Health Care Inpatient	$1,500 copay per confinement. Pre-notification required.	Calendar year deductible applies. Plan pays 80% per calendar year. Pre-notification required.
Chemical Dependency	$1,500 copay per confinement. Pre-notification required.	Calendar year deductible applies. Plan pays 80% per calendar year. Pre-notification required.
Extended Care Skilled Nursing Facility	$25 copay per day. Limited to 30 days per covered person, per calendar year. Pre-notification required.	Calendar year deductible applies. Plan pays 80%. Limited to 60 days per covered person, per calendar year. Pre-notification required.
Home Health Care	$30 copay per visit.	Plan pays 100%. Limited to 120 visits per covered person, per calendar year.
Hospice Care	Plan pays 100%. Limited to 50 visits per person, per calendar year. Pre-notification required.	Plan pays 100%. Pre-notification required.
Durable Medical Equipment	Plan pays 100%. Pre-notification required for any item over $1,000.	Calendar year deductible applies. Plan pays 80%. Pre-notification required for any item over $1,000.
Disposable Medical Supplies	Plan pays 80%. Pre-notification required for any item over $1,000.	Calendar year deductible applies. Plan pays 80%. Pre-notification required for any item over $1,000.
Breast Pumps	Plan pays 100%.	Plan pays 100%. No coverage for out-of-network providers.
Prosthetic-Orthotic Devices	Plan pays 80%. Pre-notification required for any item over $1,000.	Calendar year deductible applies. Plan pays 80%. Pre-notification required for any item over $1,000.
Diabetic Equipment Insulin pumps and related supplies.	Plan pays 80%. Pre-notification required for any item over $1,000.	Calendar year deductible applies. Plan pays 80%. Pre-notification required for any item over $1,000.
Diabetic Supplies At a durable medical equipment provider.	Plan pays 80%.	Calendar year deductible applies. Plan pays 80%.
Diabetic Counseling	Plan pays 100%.	Plan pays 100%.
Other Covered Medical Expenses	Refer to your Medical Plan Document or contact UnitedHealthcare.	

HMO & PPO Vision Benefits

	Routine Vision Network	HMO/PPO In-Network
Annual Routine Vision Exam	$25 copay for routine vision exam including contact lens fitting. Members must use the Routine Vision Network.	$45 copay Choice (HMO) $35 copay Choice Plus (PPO)
Annual Contact Lens Fitting Fee	Amount charged is due at time service is rendered. Submit a vision claim form for 100% reimbursement of contact lens fitting fee.	Included in annual routine vision exam copay.
Frames, Standard Lenses and Contact Lenses	Preferred Pricing at participating private practices. Preferred Pricing discounts at participating retail chain providers.	Not available at private practices. Retail chain providers may offer a discount.

Jessica Clayton, Austin-Berstrom International Airport sitting at the piano on the Ray Benson Stage.

HMO & PPO Prescription Benefits

	HMO		PPO	
	Retail Pharmacy (limited to a 31-day supply)	Mail Order Pharmacy (limited to a 90-day supply)	Retail Pharmacy (limited to a 31-day supply)	Mail Order Pharmacy (limited to a 90-day supply)
Tier 1	$10	$ 30	$10	$ 20
Tier 2	$35	$105	$30	$ 60
Tier 3	$55	$165	$50	$100
A $50 deductible will apply for Tier 2 & Tier 3 prescription drugs per covered person. Once the deductible is met the copays listed above apply.				

Applies to the CDHP w/HSA, HMO, and PPO

Diabetic Supplies (see also Diabetic Equipment)	
Retail Pharmacy	Supplies are covered at a participating pharmacy.
Mail Order Pharmacy	A participant's insulin/non-insulin and related diabetic supplies can be purchased through mail order for the cost of the insulin/non-insulin if prescriptions for the insulin/non-insulin and supplies are submitted at the same time.

Tobacco Cessation Program/Drugs

A participant can receive an FDA approved tobacco cessation drug at no cost, if the participant:

- Is covered under a City medical plan.
- Completes requirements of the HealthyConnections Tobacco Cessation Program.
- Is 18 years of age or older.
- Obtains a prescription from his or her physician and contacts the Employee Benefits Division to receive approval.

This applies to prescription tobacco cessation drugs and over-the-counter nicotine replacement therapy (patches, gums, etc.) at a retail pharmacy or through the mail order service.

Diabetes Program/Drugs

A participant can receive diabetes medication and supplies at no cost, if the participant:

- Is covered under a City medical plan.
- Completes requirements of the HealthyConnections Diabetes Program.
- Is 18 years of age or older.

The benefit of receiving diabetes medication and supplies at no cost is ongoing as long as the individual stays enrolled in the program and continues to meet program requirements.

This benefit does not include medications prescribed for related issues — such as high blood pressure and cholesterol — and it does not include durable medical equipment such as continuous glucose monitors.

Consumer Tips

myNurseLine

The UnitedHealthcare myNurseLine is a resource for employees and dependents covered by a City medical plan. This 24-hour service is designed to help you save time and money by helping you access the nearest and best level of medical care. When you call myNurseLine you speak to a registered nurse who can guide you to the appropriate medical facility based on your immediate needs. For assistance call *877-440-6011* 24 hours a day, seven days a week.

Know Your Pharmacy Benefit

Prescription medications are categorized within three tiers on the Prescription Drug List. Each tier is assigned a cost, which is determined by your pharmacy benefit plan. Tier 1 medications offer you the lowest-cost option, while Tier 3 medications are your highest-cost option. Knowing which medications are in each tier will help you understand where you can save money.

- Go to myuhc.com or call *800-430-7316* to price medications.
- Check to see if using the mail order pharmacy will save you money on prescription medications you take on an ongoing basis.
- Talk to your doctor and pharmacist about identifying lower cost options.

Consider Pharmacies That Offer Discounts on Generics

Some retail pharmacies offer very low prices on select generic drugs—often less than your usual member cost—and include commonly prescribed generic medications for several conditions such as diabetes, mental health, high blood pressure and infection (antibiotics).

- Ask your doctor if there is a generic alternative that is appropriate for you.
- Check with your local pharmacy to see if it offers a discount on generic medications.

Ask About Over-the-Counter (OTC) Alternatives

An OTC medication may be the right treatment for some conditions. These medications are not covered under your pharmacy benefit, but they may cost less than your out-of-pocket expense for prescription medications.

- Ask your doctor or pharmacist if there is an OTC alternative available that is right for you.
- Check product and manufacturer websites for money saving coupons.

Tools to Manage Medical Costs

When you enroll in a City medical plan, you will want to know how much a medical service or medication will cost before you pay for it. UnitedHealthcare offers the cost estimator tool which will allow you to estimate the cost of services at different providers before you decide to seek care. Since you are responsible for all or part of the charges you can choose the provider that works best for your needs and budget. To use the UnitedHealthcare Cost Estimator Tool, login to myUHC.com, click on Estimate Healthcare Costs, enter your zip code and follow the prompts.

How To Use Mail Order

Each medical plan has a mail order prescription drug benefit that offers home delivery and, in some instances, can save you money. Generally, these programs are designed to cover drugs used to treat chronic conditions and/or medications taken for more than 31 days.

To begin using mail order:

- Have your doctor write a prescription for a 90-day supply of your medication (ask for three refills).
- Complete the mail order form and attach your prescription.
- Provide a check or credit card information.
- Mail this information to the medical plan's mail order pharmacy.

Within 7 to 14 days, your prescription will be delivered to you, postage paid.

- **CDHP w/HSA** participants will pay 20 percent of the cost once the in-network deductible is met. You can use your Optum Health Bank debit card to pay for your out-of-pocket expenses. If you have not met your in-network deductible, you will pay 100 percent of the cost. If the prescription is for a preventive care medication listed on the Expanded Preventive Drug List, no deductible is required, you will only pay 20 percent of the cost.
- **HMO** participants receive 90 days of medication for ***three*** copays.
- **PPO** participants receive 90 days of medication for ***two*** copays.

If your doctor allows you to take a generic drug, this should be indicated on the prescription. The mail order pharmacy will then fill your prescription using a generic form of your medication, if available. Three weeks before your mail order supply runs out, you will need to request a refill.

For additional information, go to myuhc.com or call UnitedHealthcare at *800-430-7316*.

Diabetic Bundling – What Your Medical Plan Does for You

Participants who are required to take insulin/non-insulin can realize significant savings if they utilize the mail order service offered through UnitedHealthcare. If you submit the 90-day prescriptions through the mail order program, you will incur ***three*** copays if enrolled in the HMO Plan but only ***two*** copays if enrolled in the PPO Plan. The copay incurred is for the insulin/non-insulin prescription; the other supplies (lancets and test strips) are included at no cost to you. If you are enrolled in the CDHP w/HSA Plan and have not met your in-network deductible, you will pay 100 percent of the insulin/non-insulin prescription only. If you have met your deductible, you will pay 20 percent of the insulin/non-insulin prescription. You can use your Optum Health Bank debit card to pay for your out-of-pocket cost.

Consider participating in the HealthyConnections Diabetes Program to receive diabetes medication and supplies at no cost. This benefit is available to all participants enrolled in a City medical plan who are 18 years of age and older. See the Wellness section of this Guide for details.

Vision Plan

DAVIS VISION
EYECARE REFRAMED

Healthy eyes and clear vision are an important part of your overall health and quality of life. Davis Vision will help you care for your sight while saving you money.

To view benefits and locate a provider, go to davisvision.com or call *888-445-2290*.

For non-members, click on ***Member*** and enter **2481** for client code.

Plan Design

Covered Service – In-network Benefits (limited out-of-network benefits are available).	
Comprehensive Eye Exam – $10 copay, one exam per calendar year.	
Frames – Once per calendar year in lieu of contact lenses. Up to $125 retail allowance toward provider-supplied frame plus 20% off cost exceeding the allowance.* ***OR*** Any Fashion or Designer frame from Davis Vision's exclusive Collection (with retail values up to $175), **Covered in Full**. ***OR*** Any Premier frame from Davis Vision's exclusive Collection (with retail values up to $225), **Covered in Full** after an additional $25 copay. One year eyeglass breakage warranty included at no additional cost.	**Contacts** – Once per calendar year in lieu of frames. Up to $120 allowance toward provider-supplied contacts plus 15% off cost exceeding the allowance.* Standard Contacts – Evaluation, fitting fees, and follow-up care, $25 copay applies. Specialty Contacts – Evaluation, fitting fees, and follow-up care, up to a $60 allowance plus 15% off cost exceeding allowance*. $25 copay applies. ***OR*** Davis Vision Collection contact lenses, evaluation, fitting fees, and follow-up care, **Covered in Full** after $25 copay. (Up to 4 boxes of disposable lenses.) ***OR*** Medically necessary with prior approval, **Covered in Full**.

Standard Eyeglass Lenses – Single, Bifocals, Trifocals, Lenticular, and Standard Scratch Coating.
$25 copay, once per calendar year.
Polycarbonate lenses for children are covered in full up to age 19.

Lens Options	Copay	Lens Options	Copay
Standard progressive addition lenses	$50	Premium AR Coating	$48
Premium progressives (i.e. Varilux, etc.)	$90	Ultra AR coating	$60
Intermediate-vision lenses	$30	High-index lenses	$55
Blended-segment lenses	$20	Polarized lenses	$75
Ultraviolet coating	$12	Glass photochromic lenses	$20
Standard anti-reflective (AR) coating	$35	Plastic photosensitive lenses	$65

* **Additional Discounts** – Not available at Wal-Mart or Sam's Club.

Davis Vision Rates – Per Pay Period

Employee Only	$ 2.18
Employee & Spouse or Domestic Partner	$ 4.32
Employee & Children	$ 4.24
Employee & Family or Domestic Partner & Children	$ 6.45

Dental Assistance Plan

This plan allows you to choose your own dentist. Covered benefits are indicated by dental codes. A fixed fee schedule indicates the maximum amount paid per code. For detailed information, refer to the Employee Dental Assistance Plan Document online at austintexas.gov/benefits or call Erisa at *512-250-9397*. To view claims activity, go to coadentalplan.com.

Plan Coverage

Preventive Care	No Deductible
$50 Calendar Year Deductible, per covered person	
Basic Care	Deductible applies
Major Care	Deductible applies
Calendar Year Maximum *Includes Orthodontia expenses*	$2,000 per covered person
Lifetime Orthodontia Maximum Orthodontia Treatment	$2,000 per covered person Covered at 50% of Maximum Allowable Charge Deductible applies
Night guard, splints, implants, and over dentures	Not Covered

Orthodontia Treatment

Expenses are paid only as the work progresses. Receipts are submitted for reimbursement after you receive them from your dentist at each visit. Orthodontia benefits paid by the plan are applied toward the calendar year maximum.

The amounts reimbursable for orthodontia expenses are determined as claims are incurred throughout the course of treatment. The amount reimbursable through FLEXTRA or the HSA is the difference between the amount billed and the amount paid by the dental plan. This amount may not match the payment plan you have set up with your dentist.

Dental Rates – Per Pay Period

	Full-time 30 + Hours per week	**Part-time 20 – 29 Hours per week**	**Part-time Less than 20 Hours per week**
Employee Only	$ 0.00	$ 5.54	$ 19.60
Employee & Spouse or Domestic Partner	$ 22.18	$ 26.58	$ 54.88
Employee & Children	$ 22.18	$ 26.58	$ 54.88
Employee & Family or Domestic Partner & Children	$ 22.18	$ 26.58	$ 54.88

Lisa DeMayo, EMS, working at the City Olympics in an all-terrain emergency vehicle.

Group Term Life Insurance

Basic Life Insurance

Is provided at no cost for full-time employees. You receive one times your base annual salary with a minimum coverage of $20,000. Base annual salary does not include shift differential, overtime, Service Incentive Pay, lump sum payments, or stipends. Part-time employees may purchase Basic Life Insurance.

Supplemental Life Insurance

Is paid entirely by you. You must have the City's Basic Life Insurance to purchase Supplemental Life Insurance. You may purchase Supplemental Life Insurance in amounts equal to 1, 2, 3, or 4 times your base annual salary.

Your Supplemental Life coverage amount is rounded down to the next closest $1,000. Your cost is based on your age, salary, and the amount of insurance selected. You may increase your Supplemental Life coverage annually during Open Enrollment by one coverage level each year, up to a maximum of 4 times your base annual salary.

The City allows you to choose to have eligible Supplemental Life Insurance premiums deducted from your pay on a before- or after-tax basis. To do so, you must indicate this choice on your Benefits Enrollment Form.

To calculate your rates, complete the Supplemental Life Insurance Worksheet at the end of the Life Insurance section.

Choosing a Beneficiary

In the event of your death, life insurance benefits are paid to your named beneficiary or beneficiaries. The City provides a Beneficiary Designation Form for this purpose. This form covers your Basic Life, Supplemental, and your final paycheck. Unless prohibited by law, your life insurance benefits will be distributed as you indicated on your Beneficiary Designation Form. If your named beneficiary is under 18 years of age at the time of your death, court documents appointing a guardian may be required before payment can be made. You should talk with an attorney to make sure that benefits to a minor will be paid according to your wishes.

Your Beneficiary Designation Form

You can review and change your Beneficiary Designation Form any time during the year. It is important that you keep this form current so that the person or persons you want to receive your benefits are listed. To review your beneficiary information, you must visit the Employee Benefits Division of the Human Resources Department and bring a photo ID. You can complete a new form at your department's Human Resources office.

Other Beneficiary Desgination Forms

To change your beneficiary designations for retirement benefits, you may need to complete one or more of the following:

- City of Austin Employees' Retirement System (COAERS) participants should call COAERS at *512-458-2551.*
- Sworn employees with the Police Retirement System should complete a Police Beneficiary Designation Form.
- If you participate in the Deferred Compensation Plan, you can designate a beneficiary online at dcaustin.com.

City of Austin Beneficiary Designation Forms and Police Beneficiary Designation Forms are not available online. Forms are available from your department's HR Representative or at the Employee Benefits Division.

Imputed Income (I50)

The IRS requires the City to withhold taxes on the value of employer-provided group term life insurance coverage over $50,000. This includes your combined Basic Life and Supplemental Life Insurance coverage. The life insurance coverage premium exceeding the $50,000 limit is taxable, and is referred to as imputed income, but is also known by the IRS code "I50."

Example: John Smith is age 45 and his annual salary is $60,000. Unless he caps his basic life benefit paid by the City at $50,000 he will have imputed income on the premiums for $10,000 of coverage. According to the IRS, the taxable value of a 45-year-old individual is $0.15 per $1,000. Therefore, John's monthly imputed income is 10 x $0.15 = $1.50. To calculate your imputed income, go to the premium table at irs.gov.

Using the example above, John also elects 4 times his annual salary in Supplemental Life Insurance. John should select "no" on his enrollment form for before-tax premiums. The result is no imputed income will be reported on his supplemental life value because premiums are deducted from his pay after taxes are calculated. Imputed income is coded as I50 on your paycheck. This income is subject to federal income tax and FICA (OASDI and Medicare), and is deducted on a monthly basis.

Accidental Death and Dismemberment (AD&D) Coverage

If you are enrolled in Basic and/or Supplemental Life Insurance, you also have AD&D coverage equal to the total amount of your life insurance.

If you have an injury that results in a covered loss, as listed below, you may be eligible for a percentage of your AD&D coverage in effect on the date of the accident. The loss must occur within 365 days of the accident. Injury means bodily injury caused by an accident, occurring while coverage is in force and resulting directly and independently of all other causes in a loss covered by the AD&D policy.

Covered Loss	Percentage
Life	100%
One hand, one foot, or sight of one eye	50%
Two or more of the above losses	100%
Loss of speech	50%
Loss of hearing	50%
Thumb and index finger of same hand	25%

Loss of hands or feet means severance at or above the wrist or ankle. Loss of sight means total and irrecoverable loss of sight. Loss of speech means total and irrecoverable loss of speech. Loss of hearing means total and irrecoverable loss of hearing. Loss of thumb and index finger means the actual, complete, and permanent severance through or above the metacarpophalangeal joints.

An additional 10% of the full amount of Accidental Death and Dismemberment Benefit will be paid to your designated beneficiary or beneficiaries if you die while wearing a properly fastened, original, factory-installed seat belt in an automobile accident. However, the amount payable will not exceed $10,000 for the Seat Belt Benefit. An additional Air Bag Benefit will be paid if certain conditions are met.

The AD&D Benefit has some limitations and exclusions. Contact the Employee Benefits Division for the list of exclusions.

Waiver of Premium

If you become totally and permanently disabled before age 65, your life insurance coverage may be continued. Total and permanent disability means that, as a result of illness or injury, you are unable to perform the duties of your own occupation or any gainful occupation for which you are reasonably suited by education, training, and experience.

The application process must be completed within one year of your last day actively at work. To apply for waiver of premium, contact the Employee Benefits Division.

To qualify for waiver of premium, you must submit written proof of your total and permanent disability to the insurance carrier. If approved, you will not be charged a premium. The insurance carrier may periodically require you to submit proof of your continuing disability.

Accelerated Death Benefit

If you are terminally ill, the life insurance carrier offers an accelerated death benefit that allows you to receive part of your life insurance money prior to your death.

If you are diagnosed as terminally ill by a doctor, contact the Employee Benefits Division to apply for accelerated benefits. The insurance carrier may require you to be examined by a doctor of their choice, at their expense. If you are approved for an accelerated benefit it is payable in a lump sum up to 50% of the amount of your life insurance coverage. The accelerated benefit can be used with Basic and/or Supplemental Life Insurance and is subject to a minimum payout of $10,000 and a maximum payout of $500,000.

Accelerated benefits are payable only once during your lifetime. Some exclusions apply. Refer to the appropriate life insurance certificates for additional information. Accelerated benefits do not apply to Dependent Life Insurance.

Filing a Life Insurance Claim

When you or your covered dependent dies, a life insurance claim must be filed with the Employee Benefits Division and the appropriate documents submitted:

- Employee death – one original death certificate. Additional documents will be required if death is due to an accident.
- Dependent death – one original death certificate.
- Life insurance claim forms.

All life insurance claims are paid in one lump sum, unless you request another method of payment in writing and the insurance carrier approves your request.

Your Right to Convert

The Basic and Supplemental Life Insurance that you have as an employee and the Dependent Life Insurance coverage on your eligible dependents terminates when you separate employment with the City because the group policy is Term Life insurance. Upon retirement or termination, you can convert your group policy to an individual policy with the life insurance carrier (subject to plan limitations). If you convert to an individual policy please be aware that the cost of an individual policy may be significantly higher than the group plan due to your age. You must apply and pay your first premium no later than 31 days after the date the coverage has ended. For additional information on conversion to an individual policy, contact the Employee Benefits Division at *512-974-3284*.

Dependent Life Insurance

Is available for your spouse, domestic partner, and children. AD&D coverage is not available for dependents. You must be covered under Basic Life Insurance offered by the City to be eligible to purchase Dependent Life Insurance. There are two options to choose from when purchasing coverage for your dependents. If you choose to enroll your dependents for Dependent Life Insurance coverage, you are the beneficiary under the plan.

Dependent Life Insurance Rates – Per Pay Period

Option 1	Coverage Amount	Rate
Spouse or Domestic Partner	$10,000	$ .87
Children	$ 5,000	$ .14
Family or Domestic Partner & Children	$10,000/$5,000	$1.02
Option 2	**Coverage Amount**	**Rate**
Spouse or Domestic Partner	$20,000	$2.04
Children	$10,000	$ .35
Family or Domestic Partner & Children	$20,000/$10,000	$2.38

Remember to update your Beneficiary Designation Form when you experience a qualifying life event.

Shane Kirk, APD, next to his patrol vehicle, the police helicopter.

Supplemental Life Insurance Worksheet

Employees must have Basic Life Insurance offered by the City to purchase Supplemental Life Insurance.

You may purchase Supplemental Life Insurance in amounts equal to 1, 2, 3, or 4 times your base annual salary. Base annual salary does not include shift differential, overtime, Service Incentive Pay, lump sum payments, or stipends.

To estimate your pay period cost for Supplemental Life Insurance, follow these steps or go to austintexas.gov/benefits.

1. Determine your **Base Annual Salary**. Do not include any hours for overtime.

_____ Hour Work Week x 52 weeks = _____ Hours x $ _____ = $ _____
Hourly Rate Base Annual Salary

2. To find the **Supplemental Life Amount**, multiply your **Base Annual Salary** (from Step 1) by 1, 2, 3, or 4. Then round your answer down to the next closest $1,000.

$ _____ x 1, 2, 3, or 4 = $ _____
Base Annual Salary Supplemental Life Amount

3. To find the **Number of $1,000 Units**, divide the **Supplemental Life Amount** (from Step 2) by 1,000.

$ _____ ÷ 1,000 = _____
Supplemental Life Amount Number of $1,000 Units

4. To find your **Pay Period Cost**, multiply the **Number of $1,000 Units** (from Step 3) by the **Cost Per $1,000 of Coverage** for your age group (see chart below). The answer in Step 4 is your estimated cost per pay period.

_____ x $ _____ = $ _____
Number of $1,000 Units Cost per $1,000 Pay Period Cost

Age	Cost Per $1,000 of Coverage
34 and under	$0.031
35 to 39 years	$0.036
40 to 44 years	$0.047
45 to 49 years	$0.078
50 to 54 years	$0.115
55 to 59 years	$0.177
60 to 64 years	$0.230
65 to 69 years	$0.366
70 and older	$0.844

Disability

Short Term Disability (STD)

Coverage is provided at no cost for employees who are in a regular budgeted position and are scheduled to work 20 or more hours per week. The following information is only a summary of the program. STD covers **off-the-job** injuries, illnesses, and pregnancies.

Definition of Disability

Total disability or totally disabled means that you are prevented by illness, injury, or pregnancy from performing the essential duties of your occupation.

Benefit Amount

70% of your base weekly salary, up to $1,200 per week. The minimum payment is $15 per week. This is a taxable benefit.

Coverage Period

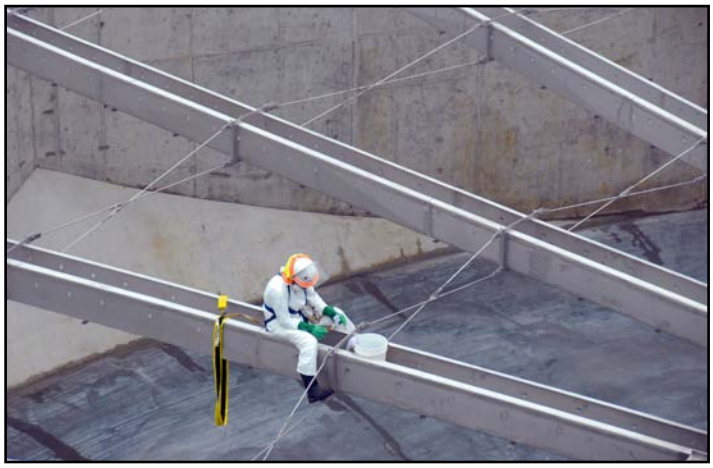
You must satisfy a 30-day waiting period. During the waiting period you may use paid leave, but you must be off work continuously for 30 days. Benefits are payable on the 31st day, up to 60 days.

Reduction in Benefits

Once approved for STD benefits, you must stop using any paid leave. Your STD benefits will be reduced by any paid leave or work earnings you receive from the City.

Filing a Claim

You must file a claim with the Employee Benefits Division within 60 days of your disability date. The Employee Benefits staff will assist you with the application process. The insurance carrier determines whether the claim is approved or denied and notifies you of the determination in writing.



Worker completing AWU Water Treatment Plant #4.

Eligibility for Other Benefits

While receiving STD benefits, you may be eligible to continue medical, dental, vision, life insurance, and other benefits. Your eligibility depends on if you:

- Return to work.
- Go on an approved Leave of Absence.
- Go on FMLA leave.
- Pay any required premiums.
- Retire or terminate your employment.

When Benefits End

Your STD benefits automatically end on the earliest of the following dates:

- The date you are no longer disabled.
- The date you fail to furnish proof of loss.
- The date you are no longer under the care of a physician.
- The date you refuse the carrier's request to submit to an examination by a physician or other qualified medical professional.
- The date your maximum benefit period ends.
- The date of your death.
- The date Long Term Disability (LTD) benefits become payable under the City's LTD program.

Exclusions and Limitations

STD coverage has the following exclusions or limitations:

- Is due to intentionally self-inflicted injury.
- Is due to war or any act of war (declared or not declared).
- Results from your commission of or attempt to commit a felony or your engagement in an illegal occupation.
- Is an occupational disease.
- Is an occupational injury.
- Is not under the ongoing care of a physician.

If you have another STD policy, check with your insurance carrier or agent to determine whether its benefits are affected by the City's STD program.

Long Term Disability (LTD)

Coverage is an employee-paid benefit offered to employees who are in a regular budgeted position and are scheduled to work 20 or more hours per week. The following information is only a summary of the program. LTD covers **on** and **off-the-job** injuries, illnesses, and pregnancies.

Definition of Disability

During the 90-day benefit waiting period and until benefits have been paid for 24 months, you are considered disabled if, as a result of illness, injury, or pregnancy, you are unable to perform the material duties of your own occupation with reasonable continuity and experience a 20% loss of earnings.

After benefits have been paid for 24 months, you are considered disabled if, as a result of physical disease, mental disorder, injury, or pregnancy, you are unable to perform the material duties of any occupation. This includes any occupation for which you are reasonably suited by education, training, and experience and you experience a 20% loss of earnings.

Benefit Amount

If approved, your benefit amount is 60% of your base monthly salary, up to $7,500 per month. The minimum monthly payment is the greater of $100 or 10% of your monthly benefit prior to any reduction for other income benefits. This is a non-taxable benefit.

Coverage Period

You must satisfy a 90-day waiting period. During the waiting period you may use paid leave or STD benefits, but you must be off work a total of 90 days. Benefits are payable until you are no longer disabled or are no longer qualified for LTD.

Reduction in Benefits

Once approved for LTD benefits, you must stop using any paid leave. Your LTD benefits will be reduced by any paid leave or work earnings you receive from the City.

Filing a Claim

You must file a claim with the Employee Benefits Division within 180 days of your disability date. The Employee Benefits staff will assist you with the application process. The insurance carrier determines whether the claim is approved or denied and notifies you of the determination in writing.

Eligibility for Other Benefits

While receiving LTD benefits, you may be eligible to continue medical, dental, vision, life insurance, and other benefits. Your eligibility depends on if you:

- Return to work.
- Go on an approved Leave of Absence.
- Go on FMLA leave.
- Pay any required premiums.
- Retire or terminate employment.

When Benefits End

Your LTD benefits automatically end on the earliest of the following dates:

- The date you are no longer disabled.
- The date you fail to furnish proof of loss.
- The date you are no longer under the care of a doctor.
- The date you refuse the carrier's request to submit to an examination by a physician or other qualified medical professional.
- The date you refuse to participate in a rehabilitation program.
- The date your maximum benefit period ends.
- The date of your death.

If you are filing for benefits at age 62 or older, the chart below indicates how many months you are eligible to receive LTD benefits.

Age	Maximum Benefit Period
62 but less than 63	42 months
63 but less than 64	36 months
64 but less than 65	30 months
65 but less than 66	24 months
66 but less than 67	21 months
67 but less than 68	18 months
68 but less than 69	15 months
69 or older	12 months

Exclusions and Limitations

LTD coverage has the following exclusions and limitations:

- Is due to intentionally self-inflicted injury.
- Is due to war or any act of war (declared or not declared).
- Results from your commission of or attempt to commit a felony or your engagement in an illegal occupation.
- Is not under the ongoing care of a physician.
- Pre-existing conditions.
- Disability exceeds a limited benefit period. Some conditions are limited to 24 months. Please refer to the policy booklet for details.

If you have another LTD policy, check with your insurance carrier or agent to determine whether its benefits are affected by the City's LTD program.

Long Term Disability Worksheet

Your LTD premium is based on your base annual salary and age. Base annual salary does not include shift differential, overtime, Service Incentive Pay, lump sum payments, or stipends.

To estimate your pay period cost for LTD coverage, follow these steps, or go to: http://cityspace. Click on ***Employee Benefits*** and scroll down to ***Disability Programs***. You can also go to austintexas.gov/benefits.

1. Determine your **Base Annual Salary**. Do not include any hours for overtime.

_____ Hour Work Week x 52 weeks = _____ Hours x $_____ = $_____
Hourly Rate — Base Annual Salary

2. To find the **Number of $100 Units** of coverage you may buy, divide your **Base Annual Salary** (from Step 1) by 100.

$_____ ÷ 100 = _____
Base Annual Salary — Number of $100 Units

3. To find your **Annual Cost**, multiply the **Number of $100 Units** (from Step 2) by the **Cost Per $100 of Base Annual Salary** for your age group (see chart below). Your answer in Step 3 is your estimated annual cost.

$_____ x $_____ = $_____
Number of $100 Units — Cost per $100 — Annual Cost

4. To find your **Pay Period Cost**, divide your **Annual Cost** (from Step 3) by 24 pay periods. The answer in Step 4 is your estimated cost per pay period.

$_____ ÷ 24 pay periods = $_____
Annual Cost — Pay Period Cost

Age	Cost Per $100 of Base Annual Salary
29 and under	$0.094
30 to 39 years	$0.127
40 to 49 years	$0.274
50 to 59 years	$0.512
60 to 69 years	$0.391
70 and older	$0.137

FLEXTRA

FLEXTRA helps you keep more of your pay by reducing the amount of federal taxes deducted. Participating in FLEXTRA allows you to pay for certain expenses on a before-tax basis. These include childcare expenses and most out-of-pocket medical, prescription, dental, and vision care expenses.

FLEXTRA accounts are regulated by IRS code Section 125 and administered by Erisa for the City of Austin. You may choose to participate in one or both of these accounts:

- FLEXTRA Health Care Account
- FLEXTRA Dependent Care Account

To view account activity, balances, and submit a claim form, go to coaflextra.com.

IMPORTANT NOTE

CDHP w/HSA participants are not eligible to enroll in FLEXTRA Health Care. You can contribute pre-tax money to pay for eligible medical, prescription, dental, and vision expenses through an HSA.

Use it or Lose It

Estimate the money you put aside in your FLEXTRA accounts carefully. Money for eligible expenses not claimed by the deadlines listed below will be forfeited.

Deadlines to Remember

- March 15, 2016, to incur eligible IRS expenses.
- May 31, 2016, to submit claims for reimbursement from your 2015 accounts.

FLEXTRA Health Care Account

You can use your FLEXTRA Health Care Account to pay for eligible medical, prescription, dental, and vision care expenses.

To participate, you:

- Estimate your out-of-pocket expenses for the calendar year using the FLEXTRA Health Care Worksheet at the end of the FLEXTRA section. If you enroll mid-year, estimate your expenses for the eligible pay periods remaining for the calendar year.
- Choose the amount to be deducted from your paycheck (up to $104 per pay period based on 24 pay periods per year with a maximum of $2,496).

Examples of **Eligible Expenses** include, but are not limited to:

- Copays, deductible and coinsurance amounts, and facility fees.
- Expenses for hearing aids.
- IRS approved over-the-counter drugs (must have a prescription from your physician).
- Medical and dental expenses in excess of the Maximum Allowable Charge or Plan limits.
- Vision care expenses (exams, glasses, contact lenses, and vision correction surgery).

Examples of expenses that ***cannot*** be reimbursed through the FLEXTRA Health Care Account include, but are not limited to:

- Premiums for health coverage.
- Expenses reimbursed by any other plan or policy.
- Expenses for vitamins and cosmetics.
- Cosmetic surgery.
- Over-the-counter drugs without a prescription.
- Expenses incurred before your effective date or after your term date.

For a complete list of eligible expenses, call Erisa at *512-250-9397*.

Use the FLEXTRA Health Care Benefits Card for Added Convenience

When you enroll in the FLEXTRA Health Care Account, you will receive a FLEXTRA Health Care Benefits Card to pay for eligible expenses. Your account will be credited with the total amount you have elected for the year. When you use your card, approved expenses are automatically deducted from your FLEXTRA Health Care Account. You can always review your card balance at coaflextra.com.

The advantages of using the card are listed below:

- Instant access to your Health Care Account funds.
- No need to use out-of-pocket dollars.
- No claims to file.
- No waiting for reimbursement checks.

FLEXTRA Health Care Benefits Card

Here's How it Works:

- Use your card to pay for eligible expenses anywhere MasterCard is accepted.
- **Keep your receipts** to verify the expense is eligible.
- If you present your card for payment and you have exceeded the amount you have set aside for the year, use of the card will be denied.
- You cannot use your card for over-the-counter drugs.

You May File a Claim

You may choose not to use your benefits card and instead file claims for reimbursement; it's your choice. To do so, you complete a FLEXTRA Health Care claim form and submit the form along with your paid receipts and/or Explanation of Benefits directly to Erisa. Claims for eligible over-the-counter drugs must be sent to Erisa along with your physician's prescription.

FLEXTRA Health Care Carryover

If you have money left in your account from the previous year, you may use your card to pay for out-of-pocket expenses incurred before March 15, 2016. You may also pay for these expenses at the point of service, and then submit a paper claim by May 31, 2016, along with your receipts to Erisa for reimbursement, indicating the year for which it applies.

A Real Life Example of the FLEXTRA Health Care Account

Neil needs dental surgery in February 2015. After the dental plan pays its portion, Neil will owe $1,200.

During Open Enrollment, Neil decided to have $50 per pay period put into his FLEXTRA Health Care Account on a pre-tax basis. There are 24 benefits deductions taken during the calendar year (24 pay periods x $50 = $1,200). Then $1,200 is placed in Neil's FLEXTRA Health Care Account on January 1, 2015, even though the money hasn't yet been deducted from Neil's biweekly paychecks.

When Neil has surgery in February, he uses his card to pay his portion of the bill ($1,200). Each pay period, Neil will see a $50 deduction taken from his paycheck. Neil is reimbursing his FLEXTRA Health Care Account for the $1,200.

By participating in the FLEXTRA Health Care Account, Neil paid for his surgery with money that was not taxed. In addition, Neil did not have to pay his portion of the bill ($1,200) out of his pocket.

Employees are often under the impression that all "medical expenses" can be deducted from their individual tax return. Generally, that is not the case. The expenses that can be deducted on the tax return are those expenses that exceed 10% of your adjusted gross income.

FLEXTRA Health Care Account Worksheet

Use this worksheet to estimate your out-of-pocket expenses for the year (January 1, 2015 to December 31, 2015). Some common FLEXTRA Health Care expenses are listed below or go to irs.gov.

	Employee	Dependents	Total
Prescription Copays	*You save money by using generic drugs. Review your maintenance and prescribed over-the-counter drugs to see if you are choosing the most economical option.*		
Medications (including prescribed over-the-counter drugs)			$
Doctor Visit Copays			$
Scheduled			
Non-Scheduled			
Medical Procedures	*Some examples of eligible expenses include laser eye surgery, outpatient surgery, hospital copays, coinsurance, and hospital stays.*		
Procedures			$
Dental Care Costs	*Examples include orthodontia, root canals, crowns, fillings, night guards, splints, etc.*		
Routine dental expenses			$
Specialized procedures			$
Orthodontia			$
Vision Care Costs			$
Estimated annual total of out-of-pocket health care expenses.			$
Divide total by 24 payroll deductions. If you enroll mid-year, estimate your expenses for the eligibile pay periods remaining for the calendar year.			÷
Your Estimated contribution per pay period, based on 24 pay periods. ***Maximum deduction is $104 per pay period (cannot exceed $2,496).***			$

Virgilio Raza, PARD, striping a softball field in preparation for the City Olympics.

FLEXTRA Reimbursement Tips

1. Receipts: Whether you (or a family member) choose to use the FLEXTRA Health Care Benefits Card or file claims, always keep your receipts and save copies of the medical plan's Explanation of Benefits.

2. Orthodontia expenses: The amounts reimbursable for orthodontia expenses are determined as claims are incurred throughout the course of treatment. The amount reimbursable through FLEXTRA is the difference between the amount billed and the amount paid by the dental plan. This amount may not match the payment plan you have set up with your dentist.

3. Remember that FLEXTRA is a "use it or lose it" benefit. Carefully estimate your expenses before deciding on a deduction amount.

FLEXTRA Dependent Care Account

If you pay for day care or after school care, consider enrolling in the City's FLEXTRA Dependent Care Account. Why not **save** income taxes on your childcare expenses? A Dependent Care Account usually will save you more in taxes than the Federal Tax Credit; however, it depends on your income. You can view and submit claims at coaflextra.com.

Your child must be under age 13, unless physically or mentally incapable of self-care, and spend at least eight hours a day in your home.

Dependent care must be used to enable you, or if you are married, you and your spouse, to be gainfully employed or to attend school full-time. Generally, your spouse must have earnings from employment that are at least equal to the amount you contribute to the FLEXTRA Dependent Care Account.

Example of how the FLEXTRA Dependent Care Account works:

Susan's gross pay is $1,000 per pay period. In her Dependent Care Account, she sets aside $4,800 per year ($200 per paycheck, based on 24 pay periods annually) for childcare expenses.

This example shows how being enrolled in FLEXTRA Dependent Care makes it possible for Susan to take home more money by reducing her taxable income.

Per Pay Period	Paycheck With FLEXTRA Dependent Care	Paycheck Without FLEXTRA Dependent Care
Gross Pay	$ 1,000.00	$ 1,000.00
Dependent Care expenses deducted before taxes	$ − 200.00	$ 0.00
Taxable Pay	$ 800.00	$ 1,000.00
Social Security/Medicare at 7.65% of taxable pay	$ − 61.20	$ − 76.50
Income Tax at 15% tax bracket	$ − 120.00	$ − 150.00
After-Tax Pay	$ 618.80	$ 773.50
Paying for Dependent Care after taxes	$ 0.00	$ 200.00
Take Home Pay	$ 618.80	$ 573.50

If you participate in the FLEXTRA Dependent Care Account:

1. Estimate your out-of-pocket dependent care expenses for the calendar year using the Dependent Care Worksheet on the following page.

2. Choose the amount to be deducted from your pay, up to $208 per pay period, based on 24 pay periods per year. If you enroll mid-year, estimate your expenses for the eligible pay periods remaining for the calendar year.

3. Incur eligible IRS expenses. You may submit claims for babysitters, companions, or day care centers as allowed by the IRS. Your claim must include the name, address, and Social Security Number or Tax ID number of the childcare provider.

4. Submit a FLEXTRA Dependent Care claim form and a copy of your paid receipts directly to Erisa. You may not claim expenses paid to a relative claimed on your or your spouse's federal tax return, or who is your child or stepchild and is under age 19 at the end of the tax year.

5. Receive reimbursement. Checks are mailed to you on a weekly basis for the amount of your eligible expenses, up to the current balance in your account. If your expenses are greater than the balance in your account, you will receive additional reimbursements as more before-tax dollars are placed in your account.

If you have any questions, call Erisa at *512-250-9397*.

FLEXTRA Dependent Care Account Worksheet

Use this worksheet to estimate your expenses for the year (January 1, 2015 to December 31, 2015). Some common FLEXTRA Dependent Care expenses are listed below or go to irs.gov.

Activity	Monthly Cost	Number of Months	Number of Children	Total Cost
Day Care – 6 years and under, still not in first grade	$	X _____ months	X _____ children	$
Before school childcare, children up to age 13	$	X _____ months	X _____ children	$
After school childcare, children up to age 13	$	X _____ months	X _____ children	$
Summer care or day camp, children up to age 13	$	X _____ months	X _____ children	$
Estimated annual total of out-of-pocket dependent care expenses.				$
Divide total by 24 payroll deduction. If you enroll mid-year, estimate your expenses for the eligible pay periods remaining for the calendar year.				÷
Your Estimated contribution per pay period, based on 24 pay periods. ***Maximum deduction is $208 per pay period (cannot exceed $4,992).***				$

If you are . . .	. . . this limit applies for your family each year. These limits may be reduced if you also participate in a City Childcare Program.
Single	**$4,992**
Married, filing a joint tax return	Lesser of **$4,992**, your income, or your spouse's income
Married, filing separate tax returns	Lesser of **$2,496**, your income, or your spouse's income
Married with a spouse who is disabled or is a full-time student at least five calendar months of the year	**$2,496** if you have one dependent; **$4,992** if you have two or more dependents

Children playing in the Liz Carpenter fountain at Butler Park.

FLEXTRA and the City's Childcare Programs

If you participate in both the FLEXTRA Dependent Care Account and one of the City's Childcare Programs during the same year, funds you receive from the combined programs in excess of $5,000 are taxable under IRS guidelines. For instance, if a single parent elected the maximum FLEXTRA Dependent Care deduction of $4,992 and received a $500 summer camp program scholarship, the parent would be taxed on the $492 exceeding the limit. If you have questions, call the Employee Benefits Division at *512-974-3284*.

FLEXTRA Additional Information

If you do not participate in Open Enrollment, your annual elections will continue for the following year.

Enrolling In or Changing Your FLEXTRA Accounts

You can enroll or make changes to your FLEXTRA accounts for the following three reasons:

1. As a new employee.
2. During Open Enrollment.
3. Within 31 days of a qualifying life event.

Examples of qualifying life events are:

- Marriage or divorce.
- Birth or adoption of a child.
- Death of a spouse or child.
- Beginning or end of spouse's employment.
- Changes to your childcare.
- Reduction in hours worked, which affects eligibility for benefits.

Nico Hauwert, WPD< and cave crew clearing a sink hole to protect water quality in Barton Springs Pool.

Leaving City Employment

FLEXTRA Health Care Account

If you terminate employment with the City, you will have until May 31, 2016 to submit claims to Erisa for expenses that were incurred while you were employed with the City and you contributed to your FLEXTRA Health Care Account.

If you have money remaining in your FLEXTRA Health Care Account, you may continue your participation through COBRA. For more information call Erisa, the City's COBRA Administrator, at *512-250-9397*.

FLEXTRA Dependent Care Account

If you terminate employment with the City, you will have until March 15, 2016 to incur expenses and submit claims to Erisa by May 31, 2016 to receive reimbursement for funds accrued in your FLEXTRA Dependent Care Account.

Call Erisa at *512-250-9397* for more information on your FLEXTRA Accounts.

FLEXTRA Health Care and Dependent Care Review

1. FLEXTRA is governed by and must comply with the rules of the IRS.
2. FLEXTRA accounts do not result in tax savings for everyone. You should discuss with a tax advisor or obtain information from the IRS. Go to irs.gov.
3. You may continue contributions to your FLEXTRA Health Care Account through COBRA.
4. You may only make changes to your FLEXTRA accounts within 31 days of an IRS permitted change or during Open Enrollment.
5. You may set aside up to $104 per pay period for FLEXTRA Health Care.
6. You may set aside up to $208 per pay period for FLEXTRA Dependent Care.
7. USE IT OR LOSE IT! You have until March 15, 2016 to incur expenses and until May 31, 2016 to submit claims for reimbursement from your 2015 accounts.
8. Dependents must be eligible under IRS Code, Section 125.

Group Legal Plan

ARAG offers affordable legal resources, services and representation to help employees plan for, protect against, and resolve legal issues. Visit araglegalcenter.com and enter access code **17886COA** to learn more about the plan and to research legal topics. You can also call *800-247-4184* to speak with an ARAG Customer Care Specialist.

Receive the Following Plan Benefits

To address and resolve legal or financial matters, you can work directly with an Attorney in-office, over the phone, or access helpful online legal tools and documents. Review the following plan benefits:

- **In-Office Legal Services:** Visit in-office with an ARAG Network Attorney who will provide document preparation and review, advice and legal representation, including court representation.
- **Legal Hotline:** Offers you unlimited legal advice from Network Attorneys who can help you better understand most general legal issues and how to address them. Plus, they can help you review or prepare documents, including a Standard Will.
- **Identity Theft Services:** Certified Identity Theft Case Managers guide you through the steps of prevention and are there to assist you in recovery if your identity is stolen.
- **Financial Wellness Hotline:** Includes guidance and education on a wide range of financial topics - cash and debt management, budgeting, retirement planning, federal tax information and more - from a Financial Counselor.
- **Online Legal Services:** Access helpful legal resources and educational articles through the Education Center at araglegalcenter.com and create DIY Docs from a library of hundreds of state-specific document templates.
- **Discounted Services:** For legal matters which are not covered and not excluded you can still receive at least 25 percent off of the normal attorney rates.

Review the Comprehensive Plan Coverages

You can rely on a comprehensive array of legal services, many of which are **100 percent paid-in-full** when you work with a Network Attorney. Here are examples offered through the plan:

• Defense of Civil Damage Claims • Consumer Protection Issues • Criminal Matters • Landlord/Tenant Matters • Bankruptcy (Chapter 7 & 13)	• Real Estate Matters • Small Claims Court • Tax Issues • Wills and Estate Planning • Name Change	• Adoption • Child Custody (up to 8 hours) • Divorce • Traffic Matters • Debt Collection

Divorce – Contested divorce coverage is limited to 25 hours, uncontested divorce coverage is unlimited.

Locating Network Attorneys – As a member, you have access to a nationwide network of more than 6,400 experienced attorneys who can provide legal guidance and assistance. To search for an attorney near you, use the Attorney Finder feature on the website or call for assistance. If there are no Network Attorneys located within 30 miles of your home, ARAG will locate an attorney at no extra cost or loss of benefit to you.

Your Right to Convert – If you are no longer eligible for the plan (leave City employment) you have the option of purchasing a similar plan through ARAG. You have 90 days after your coverage ends to enroll in the plan.

ARAG Rates – Per Pay Period

Employee Only	$ 5.45
Employee & Family	$ 7.40

Employee Wellness

- HealthyConnections

Christopher Marshall, ARR employee, distributing Farm to Work baskets at Rutherford Center.

For Fiscal Year 2014, the City of Austin will spend an estimated $133 million on medical and pharmacy claims for employees. Almost half of those dollars are spent on preventable health conditions, caused by factors such as tobacco use, unhealthy diet, and lack of exercise.

The cost of poor health has a significant impact on our organization, our employees, and their families. Wellness programs can reduce the burden of illness and health risks, which leads to a healthier workforce and measurable cost savings.

The City's award-winning employee wellness program offers a wide range of activities to encourage and support healthy lifestyles. Located in the Employee Benefits Division of the Human Resources Department, HealthyConnections:

- Engages employees in activities that improve health and fitness.
- Fosters a productive workforce and improves the quality of life for employees and their families.
- Works to achieve a reduction in medical claims and more affordable health care for everyone.

With your supervisor's approval, you may be able to use flex time to attend wellness activities during the work day and make up the time later in the week.

Engaged Employees

Why is wellness important? Employees who are engaged in wellness help lower the City's medical cost. "Engaged employees" are employees who participate in at least one wellness activity per year. Based on claims data, engaged employees have an average of $384 less in medical costs each year.

According to claims data, engaged employees have lower average medical expenses, however, they have a higher disease rate and utilization of Primary Care and Preventive Care. Engaged employees have shorter hospital stays and lower inpatient costs. These savings are beneficial for the organization and they also save money for the individual.

Find Out About Wellness

For detailed information, visit the HealthyConnections website at http://cityspace and click on the wellness icon. You can sign up for most wellness activities on TRAIN. Also watch for featured articles in *Cityspace, CitySource Today,* and the *HR Update*. If you have questions, contact a Wellness Consultant.

Email: HealthyConnections@austintexas.gov
Phone: 512-974-3284

Department Health Promotion Teams

Each City department has a Health Promotion Team (HPT) made up of volunteers who understand the importance of wellness. For a current list, visit the HealthyConnections website. If you are interested in fitness, nutrition, health care, or any of the HealthyConnections programs, contact your HPT member. If you are interested in joining an HPT, visit with your supervisor for approval. Then send an email to HealthyConnections.

Health Assessments

The City strives to achieve a healthy workplace — for the benefit of its employees and for the sustainability of the organization. Like other Texas cities, the City of Austin is requiring employees to be more accountable for their health. An important tool is a health assessment, which provides a "snapshot" of an individual's health. Identifying health risks leads to early intervention, resulting in better outcomes and less-costly treatment.

Employees can:

1. Complete a finger stick screening at a City event to get their health numbers such as cholesterol and glucose, plus height and weight. To register for an appointment, call *877-366-7483*.
   OR
2. Use lab results obtained through their doctor to get their health numbers.

These health numbers are then used to complete the online questionnaire at myuhc.com.

When the questionnaire is completed, employees receive a confidential report with recommendations for improving health and fitness. This information is available any time at myuhc.com. Note that all personal health information remains confidential. The City receives only group data. This group data is used to develop targeted programs that address employee health issues.

New Tobacco Premium

Tobacco use remains the number one preventable cause of death and disability in the United States. The City of Austin is committed to promoting the health and well-being of its employees.

For 2015, employees enrolled in a City medical plan and who use tobacco will pay $12.50 per pay period beginning January 2015. Non-tobacco users must complete the Tobacco Certification Form to avoid paying the Tobacco Premium. The Tobacco Premium is waived for employees who certify they do not use tobacco or have successfully completed the Tobacco Cessation 101 class.

A tobacco user is defined by the City as a person who is currently using tobacco products, including but not limited to cigarettes, cigars, chewing tobacco, snuff, pipes, snus, sheesha, and electronic cigarettes.

Employees who complete the Tobacco Cessation Class will have the deduction stopped the following pay period.

Tobacco Cessation 101

HealthyConnections offers Tobacco Cessation 101, a two-part class, to help employees live tobacco-free. Classes, which are designed for all tobacco users, are available at worksites across the City. Part 1, which is two hours, includes thirty minutes with a trained counselor to develop a Live Tobacco Free plan for each participant. Part 2 is a one-hour class, scheduled a few weeks later, for check-in and support.

Individuals who complete the class and contact the Employee Benefits Division to receive approval are eligible to receive cessation medication (including over-the-counter products) free for six months with a doctor's prescription. Employees, spouses, and eligible dependents (age 18 years and older) who are enrolled in a City medical plan are eligible for this benefit. Ask a HPT member in your department for the schedule, check the HealthyConnections website, or look on TRAIN. The Tobacco Premium is dropped the following pay period for employees who complete the two-part Tobacco Cessation Class. There are no Tobacco Premium refunds.

Karl Popham, AE, getting a finger stick blood test during a Health Assessment at a Health Expo.

Diabetes Programs

The City is committed to addressing the growing issue of diabetes in the workforce. HealthyConnections has developed programs to help employees and dependents age 18 and older manage their condition and improve quality of life. The programs are available to individuals covered under a City medical plan who have been diagnosed with diabetes.

The City of Austin, like other organizations nationwide, is addressing the increase of individuals with diabetes. Of 24,947 covered lives, nine percent or 2,844 people had a diabetic claim. In 2013, these claims made up 22 percent of the City's total medical claim spend.

Diabetes can be a very serious condition if not properly managed, including complications such as heart attack, stroke, blindness, kidney failure, and amputations. Type 2 diabetes can be delayed or prevented entirely in individuals who are prediabetic through weight management, a healthy diet, and regular exercise.

Diabetes Program

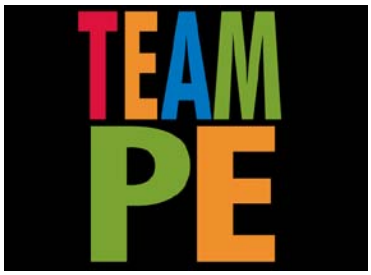
Participants who complete the program can receive diabetes medication and supplies at no cost (no deductible, no copays). This benefit does not include medications prescribed for related issues — such as high blood pressure and cholesterol — and it does not include durable medical equipment such as continuous glucose monitors.

To enroll, call the Seton Diabetes Education Center at *512-324-1891* (choose Option 2).

Prediabetes

This lifestyle intervention program is designed to help individuals at high risk reduce their chances of developing Type 2 diabetes through education, healthy eating, and regular exercise.

PE Program



HealthyConnections offers free exercise classes at a variety of worksites and other locations to help employees improve their fitness and health. The PE program focuses on beginners and encourages participants to go at their own pace. The program is accessible, inclusive, educational, and results-oriented.

The program is offered year round and includes many types of exercise. Examples include yoga, strength training, bike (spin), Zumba, boot camps, golf, and basketball in addition to several Walk and Run/Walk options.

Classes are offered on a quarterly basis, and registration is on the HealthyConnections website (not TRAIN). Employees (excluding temporary employees) who attend 10 out of 12 workouts and complete a Health Assessment can earn four hours of ADL in any two of the four PE quarters.

Health & Lifestyle Expo

HealthyConnections sponsors Citywide health and lifestyle expos at Palmer Events Center. Expos offer Health Assessment screenings for employees and an opportunity for employees, retirees, and family members to visit with a wide variety of vendors about health, nutrition, fitness, and other topics. Watch for information on the wellness website, in *CitySource Today*, and the *HR Update*. All employees are invited to attend.

Health Promotion Team member Kristi Fenton, AWU, helps Armando Zamarripa, PARD, log in to complete his Health Assessment during a Health Expo.

Health Campaigns

Throughout the year, HealthyConnections sponsors activities based on national awareness campaigns designed to educate employees about healthy lifestyles. Examples of City health awareness campaigns are listed below, along with facts that support why these campaigns are important.

Heart Health Month in February

The City partners with the American Heart Association to promote heart health with a "wear red day" event.

- Medical claims for a condition of the circulatory system are the third-highest cost by diagnosis category.
- On an annual basis, the City spends more than $4 million on claims related to circulatory conditions for employees and retirees.
- Based on Health Assessment data, blood pressure is the number two health risk for City employees.

Donate Life Month in April

The City observes Donate Life Month to encourage employees to become an organ, tissue, marrow, or blood donor. Individuals can indicate this choice on their driver's license and can add their name to the Texas donor registry. The program can save lives and contributes to a more compassionate society.

Men's Health Month in June

The City's award-winning campaign for Men's Health has included a yoga series for men, boot camps, and seminars on men's health. The campaign was prompted by facts such as these:

- Men have a higher incidence of high-cost claims (claims greater than $50,000) and total medical claims costs are higher for men than for women.
- Men have a low utilization (especially when compared to females) for all services, specifically primary care visits and wellness-related services.

Breast Cancer Awareness in September and October

The annual Breast Cancer Awareness Campaign promotes early detection through mammography where females are offered a mammogram in a supportive environment at Mammo Mixer events. Cancer is the second-highest category of medical claims cost at the City of Austin. This benefit is covered by the City at 100 percent.

Diabetes Awareness Month in November

This campaign, scheduled in November, offers a learning opportunity for employees about diabetes and prediabetes. Diabetes-related claims make up about 22 percent of the City's total medical spend. Prediabetics can delay or prevent the onset of the disease with conscientious attention to lifestyle; those who have been diagnosed can learn to better manage their condition for fewer complications, reduced medical claims, and improved quality of life.

Flu Shots

This benefit is free to employees and is offered in the fall at City worksites. Dependents age 18 and older are also eligible, but must be accompanied by the employee.

UnitedHealthcare Health Coach

HealthyConnections offers an onsite Health Coach, Sarah Nielsen, to support wellness in the workforce. Sarah meets with employees one-on-one to help them set short-term realistic goals and provides motivation for those who are ready to make positive lifestyle changes. Examples of issues she can provide assistance with include weight management, tobacco cessation, and stress relief. Sarah can be reached at *512-974-2860* or by email at sarah_e_nielsen@uhc.com.

Healthy Pregnancy

This program helps women avoid complications and high-risk pregnancies. Enroll by calling UnitedHealthcare at *888-246-7389* (must be in a City medical plan). Participants receive the book *Mayo Clinic Guide to Healthy Pregnancy*, access to prenatal fitness classes, and telephone support from a UHC nurse. In addition, pregnant and breastfeeding women can participate in a breastfeeding support group that meets on the third Thursday of the month from noon to 1 pm in Room 500 at One Texas Center. Breast pumps are covered at 100 percent; contact UnitedHealthcare for details.

Farm to Work

In partnership with the Sustainable Food Center of Austin, this program offers weekly delivery of pre-ordered baskets of fresh locally-grown produce at three City worksites: One Texas Center, Waller Creek, and Rutherford Campus. To order, visit the HealthyConnections website.

New Weight Management Program

The City is launching a new weight management program in 2015. Program participants will meet weekly with a Registered Dietician who specializes in weight management through healthy lifestyle changes. The program includes weekly weigh-ins and ongoing group support. Enrollment will begin in January 2015; it is free to employees.

Softball at the City Olympics.

City Olympics

HealthyConnections partners with the Parks and Recreation Department to host the City Olympics each year for employees and their families. The event includes a sports tournament for employees, plus a mini-health expo, cook-off competition, boot camp, and 5K run/walk. For 2015, the event has been scheduled for May 8 and 9 at the Krieg Sports Complex.

Healthy Cooking Demos

HealthyConnections partners with the Sustainable Food Center to offer cooking demos at City worksites. Facilitators prepare an easy-to-make dish and offer food samples, recipes, and information on good nutrition. The focus is on eating locally-grown produce.

Chair Massage

HealthyConnections works with several registered massage therapists to offer a 15-minute head, neck, and shoulder massage at the workplace for $15. Check with a HPT member in your department for information about availability in your department.

LIVESTRONG Survivorship Notebook

If you or someone in your family has been diagnosed with cancer, the Livestrong Foundation has provided the City of Austin a valuable resource, the LIVESTRONG Survivorship Notebook. This notebook includes information and tools to help you organize your care, keep all of your medical information in one place, and understand how to deal with the physical, emotional, and practical issues all cancer patients face. To obtain the notebook, contact the Employee Benefits Division at One Texas Center.

Five Wishes Program

This easy-to-complete living will addresses your medical, personal, emotional, and spiritual needs if you become seriously ill. The document is available for free by contacting your department's HPT member or the Employee Benefits Division.

Charlie Sneed, AWU, at the UnitedHealthcare table at a Health Expo.

Additional Benefits

- Employee Assistance Program
- Employee Communications
- Tuition Reimbursement
- Service Incentive Pay
- Childcare Programs
- Commuter Program
- Leave
- Veterans Services Office
- Workers' Compensation
- Direct Deposit
- Velocity Credit Union
- Employee Retirement Systems
- Deferred Compensation
- Social Security

South Austin mural on South First Street near Oltorf Street.

Employee Assistance Program (EAP)

Alliance Work Partners provides short-term confidential counseling to help you and members of your household deal with life's stresses. The EAP provides resources to help you address a wide variety of issues. Services are available 24 hours a day, seven days a week at no cost to you.

alliance work partners
A wap Program

The Alliance Work Partners counselors understand the constant interplay between problems on and off-the-job. They understand almost any issue can be dealt with if it is identified and treated early. Typically, employees attend fewer than five counseling and problem resolution sessions. Alliance Work Partners can help you with:

- Marital/family problems
- Domestic violence
- Psychological issues
- Crisis management
- Legal problems
- Anger management
- Work/vocation issues
- Adolescence
- Substance abuse/dependency

Real Lives, Real Help

A 23-year-old mother of two children whose marriage was falling apart because she and her husband felt their problems were just too big to overcome. Like many young couples, they had financial issues and just didn't feel the same about each other after having two children in three years. After several sessions with an EAP counselor they found ways to work through their problems together. They also learned the importance of making time for themselves - such as a date night without the kids.

A 40-year-old utility worker whose 14-year-old daughter began having trouble with grades and started spending her time at home locked in her room. He and his wife were concerned so they scheduled an appointment with a counselor for a family session. They learned their daughter's behavior was not uncommon for a child her age.

Work/Life Services

Alliance Work Partners counselors can also assist with work/life issues such as:

- Financial planning – three sessions
- Adoption education/coordination
- Consumer product information
- Child/elder care referral
- Law Access – three 30-minute sessions
- Academic services
- Travel information/referral

Safe Ride Home

If you find yourself in a situation where you are unable to safely drive your car home, remember Safe Ride. This service is available from the EAP. Calling a cab is often the best thing to do in these situations.

This benefit is free and confidential to you and all members of your household. You can be reimbursed for cab rides up to 50 miles, one way. To receive reimbursement, you just need to submit a receipt from the cab company along with your name, address, phone number, email address, and employer name (City of Austin). Some restrictions may apply.

No one in the City will know you used Safe Ride Home, it is completely confidential.

For more information, call Alliance Work Partners at *800-343-3822*.

If your EAP counselor makes a referral for additional assistance, you are responsible for the cost. However, when making the referral, your counselor will consider your resources, including applicable medical coverage.

Employee Communications

The Human Resources Department publishes newsletters to educate and inform employees about human resources-related issues. It is important for employees to take time to review these publications to avoid missing important information.

- *The HR Update* is published monthly for employees.
- *The HR Advisor* is published periodically for supervisors and managers.
- *CitySource Today* is an online weekly newsletter published by the Communications and Public Information Office. It focuses on the people and projects that define the City of Austin workforce, as well as providing information about the City's benefits programs.

Tuition Reimbursement Program

The City encourages employees to improve their job skills and career potential. To help employees reach their individual goals, the City provides Tuition Reimbursement for employees who meet eligibility requirements. The Tuition Reimbursement Program generally supports technical and academic courses at accredited schools and institutions.

To obtain information about eligibility or to find out how to apply, call the Human Resources Department at *512-974-3400*, or go to http://cityspace and click on **HR Forms**.

Service Incentive Pay

Service Incentive Pay is a benefit for non-Civil Service employees who have completed at least five years of continuous service with the City.

The formula for employees with **five** and **up to seven years** is: Completed years of uninterrupted service (up to seven years) x .0025 x hourly rate x scheduled work week x 52 weeks per year or $500, whichever is less.

The formula for employees with **seven** and **up to 15 years** is: Completed years of uninterrupted service (up to 15 years) x .0025 x hourly rate x scheduled work week x 52 weeks per year or $1,000, whichever is less.

The formula for employees with **15** or **more years** is: Completed years of uninterrupted service x .0025 x hourly rate x scheduled work week x 52 weeks per year or $1,500, whichever is less.

When calculating your benefit, use your hourly rate, scheduled work week, and length of service as of the current year.

By law, this benefit is subject to withholding tax. Taxes are withheld according to your W-4 Form. The benefit payment is included in the first paycheck issued in December.

If there is a conflict between the City's Personnel Policies on Service Incentive Pay and the information provided in this section of the Guide, the Personnel Policies govern. For more information about Service Incentive Pay, call the Compensation Division at *512-974-3292*.

Employee Discount Page - Beneplace

The City has teamed up with Beneplace, a local internet service offering discounts on hundreds of products and services. Some of the companies offering discounts through Beneplace are: Dell, Panasonic, Sears, Sony, Apple, AT&T, Costco, Walt Disney World, Travelers Insurance, and DISH Network. There are discounts on cruises, hotels, cell phones, rental cars, life insurance, and travel. Go to beneplace.com/coaustin.

Other Benefits

The City offers other benefits that employees may access, including:

- Bilingual Pay, if eligible. Call the Compensation Division at *512-974-3292.*
- Tax Preparation Assistance, if eligible. Go to foundcom.org.
- Free Entry to City Parks including Deep Eddy and Barton Springs pools. The free entry does not include Zilker Botanical Gardens.

Childcare Program

The programs described below are offered to full-time, regular employees. For more information call the Employee Benefits Division at *512-974-3284*.

Family Size	Family Income
1	$41,960
2	$51,992
3	$60,440
4	$69,570
5	$77,670
6	$85,770

Income-Eligible Childcare Assistance

City employees with children under the age of 13 may be eligible for financial assistance of up to $50 per week, per child for all-day, week-long care. Eligibility is based on family size and income. For example, a family of four with a gross income of less than $69,570 a year qualifies for assistance. Other requirements: Single parents must have child support orders in place. In a two-parent home, both parents must work at least 30 hours a week. Applications for the program are accepted only during Open Enrollment, within 31 days of being hired, or for an eligible change of childcare status.

Youth Camp Scholarship

This program is available to ***all*** employees with children ages 5 through 12, regardless of household size or family income. The program provides scholarships worth up to $50 a week at participating Parks and Recreation Department (PARD) Recreation Centers. Employees must apply by the first week of May each year in order to be placed on the PARD eligibility list. Applications are available online at CitySpace, at PARD facilities, and from your departmental Human Resources representative.

Childcare Referral

City employees can receive free assistance researching and locating potential childcare providers by contacting the Childcare Coordinator in the Employee Benefits Division at *512-974-3284*.

Commuter Program

As part of the Clean Air Initiative, the City has an agreement with Capital Metro for the following benefits:

Local Capital Metro bus equipped with racks for bicycling commuters.

Bus and Rail Services

City employees can ride any Capital Metro bus or train for free using a transit pass. These passes are available from your department's HR representative. Employees must commit to riding the bus or train at least one day a week. Visit capmetro.org and use the online Trip Planner to learn the easiest and fastest way to commute.

RideShare Van Pools

City employees can also take advantage of Capital Metro's van pool services. Call the Rideshare office at *512-477-RIDE (7433)* and get matched to a van pool operating between your home and work location. Employees also have the option of forming their own van pool.

MetroAccess – Paratransit Services

The MetroAccess program serves employees with disabilities by providing shared-ride, door-to-door public transportation service for free. For more information call Capital Metro at *512-474-1200*.

For more information on the Commuter Program, go to: http://cityspace. You can also call the Employee Benefits Division at *512-974-3284*.

Leave

The following information summarizes current leave policies. The benefits described do not imply a guarantee of employment or a continuation of the leave program. Leave policies are subject to change.

Refer to the City's Personnel Policies for more information. If there is a conflict between the information provided in this section of the Guide and the Personnel Policies, the Personnel Policies govern.

If you have any questions about leave, call the Human Resources Department at *512-974-3400*.

Jamil Kelly, AE, working on power lines. (Photo by Sarah Fusco)

Paid Leave

Paid leave benefits are available for a number of approved reasons.
Examples of paid leave benefits include:

- Personal holidays
- Official holidays
- Sick leave
- Personal (vacation) leave

The paid leave benefits described in this section apply to you if you are a full-time employee in a regular budgeted position. As a part-time employee, you earn leave benefits on a prorated basis.

Personal Holidays

Upon completion of your six-month probationary period, you are eligible to take two personal holidays each year. If you do not use your personal holidays in the year earned, they cannot be carried over into the following year.

Official Holidays

City holidays for 2015 are listed below. You may be required to work on an official holiday. If you are scheduled to work, you will be compensated for the holiday according to Personnel Policies.

Holiday	Date Observed
New Years Day	January 1
Martin Luther King Day	January 19
President's Day	February 16
Memorial Day	May 25
Independence Day	July 3
Labor Day	September 7
Veterans Day	November 11
Thanksgiving Day	November 26
Thanksgiving Friday	November 27
Christmas Eve	December 24
Christmas Day	December 25

Sick Leave

You earn four hours of sick leave per pay period, based on 24 pay periods annually, as a full-time, regular employee working 40 hours per week. If you are scheduled to work other than a 40-hour work week, you accrue sick leave at a different rate. Civil service employees also accrue sick leave at a different rate.

Sick leave must be earned before it can be used. If you do not use your sick leave, you may carry unused hours forward into the next year. Sick leave may be accrued on an unlimited basis. If you are on sick leave for five work days or more due to your own health condition, a return to work release form must be completed by your health care provider and given to your supervisor before you will be allowed to return to work.

Personal (Vacation) Leave

You may use personal leave for any reason. The amount that you earn depends on how long you have worked continuously for the City and the number of hours you work each week, based on 24 pay periods annually.

The number of hours you earn per pay period as a full-time regular employee working 40 hours per week is listed in the chart to the right. If you are scheduled to work other than a 40-hour work week, you accrue personal leave at a different rate. Civil service employees also accrue personal leave at a different rate.

Years Worked	Hours You Earn
Less than 5	4.34
5 but less than 10	5.34
10 but less than 15	6.00
15 but less than 20	6.67
20 or more	7.67

You should keep in mind a few other things about personal leave:

- You may request personal leave at any time once you have completed your probationary period.
- If you become ill while you are on personal leave, you may request that your personal leave be temporarily stopped and your absence be charged to sick leave.
- The maximum amount of personal leave you may accrue is 400 hours.
- Payment of unused personal leave upon resignation or retirement is limited to 240 hours.
- You may use personal leave while on family or medical leave.

Family and Medical Leave (FMLA)

The Family Medical Leave Act (FMLA) entitles eligible employees to take job-protected, unpaid leave for specific qualifying family, medical and/or military support needs with continuation of group health insurance coverage under the same terms and conditions as if the Employee had not taken leave. When requested and approved, appropriate paid and unpaid leave can be used and will count toward the family and medical leave entitlement.

You are eligible to job-protect unpaid leave under the FMLA if you have been employed with the City for at least 12 months and worked 1,250 hours during the 12 months prior to the commencement of the leave. The 12 months of employment need not be consecutive. For employees who experience a break in service in fulfillment of the Uniformed Services Employment and Reemployment Rights Act (USERRA), the months employed and the hours that were actually worked for the City should be combined with the months and hours that would have been worked during the 12 months prior to the start of the leave requested, had it not been for the military leave.

Eligible employees are entitled to job-protected, unpaid leave in a calendar year, based on the Employee's normal workweek, for one or more of the following reasons:

- The birth of a Son or Daughter and to care for the newborn child;
- The placement with the Employee of a Son or Daughter for adoption or foster care;
- To care for the Employee's husband, wife, Domestic Partner, Son, Daughter or Parent with a serious health condition;
- A serious health condition that makes the Employee unable to perform one or more of the functions of the Employee's job.

FMLA (Continued)
Family leave must be taken within 12 months after the birth of a child or the placement of a child for adoption or foster care. FMLA leave may be used before the actual placement or adoption if the absence is required for the placement or foster. Intermittent use of family leave requires approval from the Department Director.

An employee should notify the City at least 30 days prior to a planned medical treatment that requires FMLA leave. If advanced notification is not practical or the reason is unplanned, you must give notice within two business days. Your Department Director may require you to provide satisfactory proof of the proper use of medical leave. If satisfactory proof is not provided, your request for FMLA may be denied.

If you do not wish to continue any or all of your benefits while on family or medical leave, you must contact the Employee Benefits Division to complete a Benefits Enrollment Form to drop coverage. If you choose to continue benefits and fail to return from FMLA leave, you may be required to reimburse the City for the City's portion of the benefits premiums paid on your or your dependent's behalf during the unpaid leave.

Parental Leave
Employees in a regularly budgeted position who qualify for FMLA may receive up to 240 hours of paid leave (prorated based on budgeted workweek) for the birth and care of a child, or placement of a child for adoption or foster care during the FMLA period. Documentation for birth, adoption or foster care must be provided to the FMLA Coordinator before an employee can code the time on the timesheet. Temporary employees and employees who are subject to collective bargaining or meet and confer agreements are not eligible.

Hours Awarded for Parental Leave or Leave Bank	
Budgeted Work Week	**Paid Leave Hours**
40	240
30 - 39	180
20 - 29	120
Less than 20	60

Leave Bank
The Leave Bank is available for employees who qualify for FMLA and who do not have enough accrued leave to get them through an illness, accident or unexpected FMLA event. Through a donation of accrued sick and/or vacation, you can become a member of the Leave Bank and can apply for hours based on your budgeted workweek. Membership in the Leave Bank is annual and must be renewed each year during the Benefits Open Enrollment period. A non-member who seeks leave from the Leave Bank, due to an unforeseen FMLA qualifying event, may enroll to become a member at any time. There is no limit to the number of hours you can donate to become a member during the enrollment period. Temporary employees and employees who are subject to collective bargaining or meet and confer agreements are not eligible.

Employees on Leave of Absence
As a City employee, you may be granted a leave of absence under certain circumstances. All requests for leave of absence must be approved by your Department Director, and requests for leave of more than 30 days must be approved by the City Manager. The maximum total time for which a leave of absence may be granted is one year.

If you are on leave for five or more consecutive work days due to your own health condition, a return to work release form must be completed by your health care provider and given to your supervisor before you will be allowed to return to work. If you are participating in the Deferred Compensation loan program and you are on an unpaid leave of absence, automatic deductions are not possible. You must contact the Deferred Compensation office to prevent default on your loan.

While you are on a leave of absence, if you do not wish to continue any or all of your benefits for yourself and/or your dependents, you must contact the Employee Benefits Division and schedule an appointment to complete a Benefits Enrollment Form to drop coverage. Once you return from leave you must make an appointment to reinstate benefits dropped during a leave of absence. If you choose to continue benefits and fail to return from family or medical leave, you may be required to reimburse the City for the City's portion of the benefits premiums paid on your or your dependent's behalf during the unpaid leave.

If you choose to continue your benefits, you will be responsible for the full cost of premiums, including the City's contribution. If you are on an unpaid leave of absence, automatic deductions are not possible. To make arrangements to pay your benefits premiums, contact the Employee Benefits Division at *512-974-3284*.

Military Family Leave

Military Caregiver Leave (also known as Covered Service Member Leave)

Eligible employees who are family members of covered service members can take up to 26 work weeks of leave in a "single 12-month period" to care for a covered service member with a serious illness or injury incurred in the line of duty while on active duty. This 26-work-week entitlement is a special provision that extends FMLA job-protected leave beyond the normal 12 weeks of FMLA leave.

Qualifying Exigency Leave

This leave helps families of members of the National Guard, Reserve, and active duty manage their affairs while the member is on active duty in support of a contingency operation.

Veterans Services Office – Five Star Employer

The City of Austin is a Five Star Employer, with a Veterans Services Office. This office supports veterans as well as National Guard and Reservists who work for the City. This office also provides assistance to families of military service members, especially during deployments.

The City's program has three key areas:

- **Veterans Consultant** – The City provides training to departments about their responsibilities under USERRA, the Uniformed Services Employment and Reemployment Rights Act. This Federal legislation addresses a wide range of issues such as hiring, leave, and benefits.

- **Ombudsman Services** – The program offers mediation services as a link between the employee, the employee's family, and the department. The confidential services include listening to concerns and complaints, evaluating options, and offering solutions. The program strives to help all service members receive fair and equitable treatment from City, State, and Federal entities.

- **Partnerships with Other Groups** – The City's Veterans Services Office partners with a variety of organizations in the community.

Chanda Axton, APD, on the deck of the USS Nimitz, CVN 68, in the Pacific Ocean off of the west coast of the United States.

City benefits also include the following:

- 15 days of paid military leave per fiscal year
- Military Pay Supplement Program
- Veteran's preference in the City hiring process
- Service credit toward City retirement for military service
- Continuation of benefits through Family and Medical Leave (FMLA)

For more information, contact the Veterans Consultant and Military Ombudsman at *512-974-3459*.

Workers' Compensation

Workers' Compensation is a program for managing medical treatment and loss of wages if you are injured on-the-job. The City provides this coverage for compensable injuries and illnesses according to State law. Workers' Compensation benefits are provided to you at no cost.

If you are injured on-the-job, you may be eligible for payment of:

- All reasonable and necessary medical treatment
- 70% or 75% of your average weekly wage (depending on your hourly rate)

If you are injured on-the-job, the Departmental Workers' Compensation Representative (DWCR) in your department who is assigned to your case can answer questions about your Workers' Compensation benefits. If you are injured on-the-job, report your claim immediately to your supervisor. Ask your doctor to complete and sign the proper work status form and return it to your DWCR.

For more information, call your DWCR or Risk Management of the Human Resources Department at *512-974-3400*.

James Zapien, APD, and Lauren Guzman at the Take Your Sons and Daughters to work day event at Krieg Field.

Direct Deposit

If you are currently receiving a printed paycheck, you should consider switching to direct deposit. The City of Austin wires the money to your account, usually a day before you would be able to pick up and cash your check.

It's safe, quick, and easy. All you have to do is complete a City of Austin Direct Deposit Authorization Agreement on the Financial Services Department webpage. Go to: http://payroll.ci.austin.tx.us.

Velocity Credit Union

As an employee of the City, you are eligible for membership with Velocity Credit Union. Once you join Velocity, anyone in your family is eligible to join. Some of the services available to credit union members include:

- Totally Free Checking.
- Free App with mobile deposit.
- Debit and ATM cards.
- Credit cards (low, fixed rates, rewards option, no annual fee).
- Velocity Loans for just about anything.
- More than 300 free ATMs in Austin and the surrounding area.
- Youth Club accounts.
- Safe deposit boxes.
- Investment options (certificates, IRAs, money market, etc.).
- Free online banking, bill pay and eStatements.
- Payroll deductions for savings and loan payments.
- Financial planning.

For more information, go to velocitycu.com.

Employee Retirement Systems

The City values you as an employee. As part of your compensation, the City provides retirement benefits. Over the years, the City has made a significant investment in providing retirement benefits to employees, so it is important that you understand how your retirement benefits work.

Several programs are available to help you prepare for your retirement. These programs include mandatory participation in one of three separate retirement systems, an optional Deferred Compensation Program, and City contributions to Social Security on your behalf.

Employees are eligible for retirement when they meet one of the following age and service requirements. For more information about your defined benefit retirement plan, contact your retirement system.

City of Austin Employees' Retirement System (COAERS)

Call *512-458-2551*, or go to coaers.org.

Tier 1

- 23 years of creditable service at any age
- 20 years of creditable service at age 55
- Any number of years creditable service at age 62

Tier 2 – *Employees hired on or after January 1, 2012*

Normal Retirement

- 30 years creditable service at age 62
- 5 years of creditable service at age 65

Early Retirement

- 10 years of creditable service at age 55
- Reduced annuity

Austin Fire Fighters Relief and Retirement Fund

Call *512-454-9567*, or go to afrs.org.

Normal Retirement

- Age 50 or 25 years of service

Early Retirement

- 10 years of service at age 45
- 20 years of service at any age

City of Austin Police Retirement System

Call *512-416-7672*, or go to ausprs.org.

Normal Retirement

- 23 years creditable service at any age (excluding prior Military Service)
- 20 years creditable service at age 55 (excluding prior Military Service)
- Any number of years creditable service at age 62

Early Retirement

- None

Deferred Compensation Plan (457 Plan)

The Deferred Compensation Plan is a retirement savings plan that allows eligible employees to supplement retirement/pension benefits by saving and investing before- or after-tax dollars through voluntary salary deferral. Voya Institutional Plan Services, LLC is the plan administrator.

You may enroll in the Deferred Compensation Plan or make changes in your deferrals any time during the year. You may also choose from a diverse array of investment options. If you contribute pre-tax dollars, your account is tax deferred until you withdraw money, usually at retirement. However, you may also contribute post-tax dollars (pay income tax at the time your contributions are made) and your account is tax-free (subject to qualifying conditions) when you withdraw your money. To review and manage your account, call *877-66-AUSTIN (877-662-8784)* or go to dcaustin.com.

Social Security

Social Security pays benefits once you meet certain eligibility requirements when you retire, become disabled, or die. Social Security taxes are paid by you and the City. At the current time this amount is 6.2% for Old Age, Survivors and Disability Insurance (OASDI), and 1.45% for Medicare Tax, however these amounts are subject to any changes made by the United States Congress.

Contributions by firefighters to Social Security may vary, and in some cases may not be made at all. If you are a firefighter, contact the Austin Fire Fighters Relief and Retirement Fund for more information about your Social Security benefits.

Questions about Social Security benefits may be directed to the Social Security Administration at *800-772-1213*, or go to socialsecurity.gov.

Important Benefits Information

- Summary of Benefits and Coverage and Uniform Glossary of Terms
- ADA Compliance
- Governing Plan
- HIPAA
- Women's Health and Cancer Rights Act
- Patient Protection and Affordable Care Act
- COBRA
- Continuation of Coverage for Domestic Partners
- USERRA Continuation of Coverage
- Surviving Spouse Coverage
- Surviving Family/Peace Officer Benefit
- Surviving Family/Work-Related Coverage
- Your Prescription Drug Coverage and Medicare
- Health Insurance Marketplace

Summary of Benefits and Coverage (SBC) and Uniform Glossary of Terms

Under the law, insurance companies and group health plans must provide consumers with a concise document detailing, in plain language, simple and consistent information about health plan benefits and coverage. This summary will help consumers better understand the coverage they have and allow them to easily compare different coverage options. It summarizes the key features of the plan and coverage limitations and exceptions. For a copy of the SBC of the City's medical plans go to austintexas.gov/department/employee-benefits or call *512-974-3284*.

Under the Patient Protection and Affordable Care Act (Health Reform), consumers will also have a resource to help them understand some of the most common but confusing jargon used in health insurance. Employees can access the Uniform Glossary of Terms online at austintexas.gov/department/employee-benefits or call *512-974-3284* for a copy.

ADA Compliance

The City is committed to complying with the Americans with Disabilities Act (ADA). Reasonable accommodation, including equal access to communications, will be provided upon request. For more information, call the Human Resources Department at *512-974-3284*, use the Relay Texas TTY number *800-735-2989* for assistance, or visit the website at austintexas.gov/ada.

Governing Plan

Your rights are governed by each plan instrument (which may be a plan document, evidence of coverage, certificate of coverage, or contract), and not by the information in this Guide. If there is a conflict between the provisions of the plan you selected and this Guide, the terms of the plan govern. City of Austin employees have access to benefits approved by the City Council each year as part of the budget process. The benefits and services offered by the City may be changed or terminated at any time. These benefits are not a guarantee of your employment with the City.

The Health Insurance Portability & Accountability Act of 1996 (HIPAA)

This act imposes the following restrictions on group health plans:

Limitations on pre-existing exclusion periods. Pre-existing conditions can only apply to conditions for which medical advice, diagnosis, care, or treatment was recommended or received during a period beginning six months prior to an individual's enrollment date, and any pre-existing condition exclusion is not permitted to extend for more than 12 months after the enrollment date. Further, a pre-existing condition exclusion period may be reduced by any creditable previous coverage the individual may have had.

Special enrollment. Group health plans must allow certain individuals to enroll upon the occurrence of certain events, including new dependents and loss of other coverage. Loss of coverage includes:

- Termination of employer contributions toward other coverage.
- Moving out of an HMO service area.
- Ceasing to be a "dependent," as defined by the other plan.
- Loss of coverage to a class of similarly situated individuals under the other plan (i.e., part-time employees).

Additionally, individuals entitled to special enrollment must be allowed to enroll in all available benefit package options and to switch to another option if he or she has a spouse or dependent with special enrollment rights.

Prohibitions against discriminating against individual participants and beneficiaries based on health status: Plans may not establish rules for eligibility of any individual to enroll under the terms of the plan based on certain health status-related factors, including health status, medical condition, claims experience, receipt of health care, medical history, genetic information, evidence of insurability, or disability.

Standards relating to benefits for mothers and newborns: Plans must provide for a 48-hour minimum stay for vaginal childbirth, and a 96-hour minimum stay for cesarean childbirth, unless the mother or medical provider shortens this period. No inducements or penalties can be used with the mother or medical provider to circumvent these rules.

Parity in the application of certain limits to mental health benefits: Plans must apply the same annual and lifetime limits (i.e., dollar amounts) that apply to other medical benefits to benefits for mental health. If this requirement results in a one percent or more increase in plan costs or premiums, this rule does not apply.

City of Austin Policy on HIPAA

HIPAA gives the City, as the plan sponsor of a non-federal governmental plan, the right to exempt the plan in whole or in part from the requirements described above. The City has decided to formally implement all of these requirements. The effect of this decision as it applies to each of the above requirments is as follows:

- The Plan does not currently have a pre-existing condition limitation and is in compliance.
- The Plan will provide special enrollment periods.
- The Plan will comply with the non-discrimination rules.
- The Plan will comply with the standards for benefits for mothers and newborn children.
- The Plan will comply with the rules on mental health benefits.

The HIPAA Privacy Rules for Health Information were established to provide comprehensive federal protection concerning the privacy of health information. The Privacy Rules generally require the City to take reasonable steps to limit the use, disclosure, and requests for Protected Health Information to the minimum necessary to accomplish the intended purpose. The City is committed to implementing the Privacy Rules.

The Women's Health and Cancer Rights Act of 1998 was enacted on October 21, 1998. It provides certain protections for breast cancer patients who elect breast reconstruction in connection with a mastectomy. Specifically, the act requires that health plans cover post-mastectomy reconstructive breast surgery if they provide medical and surgical coverage for mastectomies. Coverage must be provided for:

- Reconstruction of the breast on which the mastectomy has been performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses and physical complications of all stages of mastectomy, including lymph edemas.
- Secondary consultation whether such consultation is based on a positive or negative initial diagnosis.

The benefits required under the **Women's Health and Cancer Rights Act of 1998** must be provided in a manner determined in consultation with the attending physician and the patient. These benefits are subject to the health plan's regular copays and deductibles.

Patient Protection and Affordable Care Act

As part of the Patient Protection and Affordable Care Act (Health Reform) effective January 2018, medical plans which exceed a threshold level established by the federal government will have to pay a 40% excise tax. The City of Austin is committed to designing a medical plan that is below the threshold level; however, if the threshold is reached the cost of the excise tax will be passed on to employees and retirees.

COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), as amended, is a federal law that requires employers to offer qualified beneficiaries the opportunity to continue medical coverage, vision coverage, dental coverage, and/or participation in the FLEXTRA Health Care Account at their own cost in the case of certain qualifying events. Continuation of your life insurance, short term disability, long term disability, FLEXTRA Dependent Care Account, and group legal plan is not available under COBRA.

COBRA Notice Requirements. Each employee or qualified beneficiary is required to notify the Employee Benefits Division of the Human Resources Department within 60 days of a divorce, legal separation, a child no longer meeting the definition of dependent, or entitlement to Medicare benefits. Erisa, the City's COBRA administrator, will then notify all qualified beneficiaries of their rights to enroll in COBRA coverage. Notice to a qualified beneficiary who is the spouse or former spouse of the covered employee is considered proper notification to all other qualified beneficiaries residing with the spouse or former spouse at the time the notification is made.

Continuation of Coverage for Domestic Partners

The City offers covered individuals the opportunity to continue medical coverage, vision coverage, and/or dental coverage at their own cost in the case of certain qualifying events. Continuation of your life insurance, is not available under Continuation of Coverage for Domestic Partners.

Each employee or covered individual is required to notify the Employee Benefits Division of the Human Resources Department within 31 days of dissolution of the Domestic Partnership, a child no longer meeting the definition of dependent, or entitlement to Medicare benefits. Erisa, the City's administrator, will then notify all covered individuals of their rights to enroll in Continuation of Coverage for Domestic Partners coverage. Notice to a covered individual who is the Domestic Partner or former Domestic Partner of the covered employee is considered proper notification to all other covered individuals residing with the Domestic Partner or former Domestic Partner at the time the notification is made.

USERRA Continuation of Coverage

The Uniformed Services Employment and Reemployment Rights Act (USERRA) provides that if you are required to be absent from work for a period of time due to voluntary or involuntary military service or training, you have certain reemployment and medical benefits continuation rights during your absence. You and your family members have the opportunity to continue your benefits from the date coverage otherwise would end, provided you pay the premium. However, for absences of less than 31 days, you may continue benefits while paying only your usual share of the cost. When you return to work, no exclusions or waiting periods will apply.

Surviving Dependent Coverage

Your dependent may be eligible for Surviving Dependent medical, dental, and vision coverage only if you meet one of the following requirements and your dependent completes a Surviving Dependent Benefits Enrollment Form within 31 days from the date of your death:

- You are a City retiree who retired under the City of Austin Employees' Retirement System, Austin Fire Fighters Relief and Retirement Fund, or City of Austin Police Retirement System.
- You are an active City employee who is eligible to retire with the City but choose to continue to work for the City.
- You are a City retiree who has returned to active employment with the City.

If eligible, your dependent will be able to continue his or her coverage through the City after your death, provided your dependent was enrolled in a City-sponsored plan at the time of your death. The coverage offered is the same coverage offered to City retirees.

Surviving Family/Work-Related Coverage

If you are killed in the line of duty (your accident must be considered compensable under the City's Workers' Compensation program) while working for the City, your dependents who are enrolled in a City-sponsored medical, dental, and/or vision plan at the time of your death are allowed to continue their coverage, if they complete a Surviving Family Benefits Enrollment Form and pay the premium within 90 days from the date of your death. The City will continue to subsidize the premium.

Surviving Family/Work-Related Coverage is not available to active employees who are also City retirees who have returned to work for the City and have declined active employee benefits. The City will notify your surviving dependents of their eligibility for Surviving Family/Work-Related Coverage.

For more information or to receive a Surviving Family/Work-Related Benefits Guide, contact the Employee Benefits Division at *512-974-3284*.

Your Prescription Drug Coverage and Medicare

Beneficiary Creditable Coverage Disclosure Notice

This notice has information about your current prescription drug coverage with the City of Austin 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 a Medicare drug plan, 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 this area. There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. On January 1, 2006, new prescription drug coverage became available to individuals with Medicare Part A. This coverage is available through Medicare prescription drug plans, also referred to as Medicare Part D. All such plans provide a standard, minimum level of coverage established by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The City of Austin has determined that prescription drug coverage offered through City health plans 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.

Other Important Considerations

- If you currently have prescription drug coverage through a City health plan, you may choose to enroll in Medicare Part D annually between October 15 and December 7, or when you first become eligible for Medicare Part D.
- If you decide to join a Medicare drug plan, your current City of Austin medical coverage will not be affected.
- If you do decide to join a Medicare drug plan and drop your current City of Austin coverage for your dependents, you may be able to get this coverage back during an Open Enrollment period.
- You should also know that if you drop or lose your current coverage with the City of Austin 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 19 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 October to join.
- If you are enrolled in Medicare Part D or a Medicare Advantage Plan and are also enrolled in the City health plan, you may have duplicate prescription coverage. If you would like to review your coverage or for more information, contact the Employee Benefits Division of the Human Resources Department at *512-974-3284*.

More information about Medicare Part D 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. You can also:

- Visit medicare.gov for personalized help.
- Call the **Health and Human Services Commission of Texas** toll free at *888-834-7406*, local number *800-252-9330*.
- Call *800-MEDICARE (800-633-4227)*.
- TTY users should call *877-486-2048*.

Financial assistance may be available for individuals with limited income and resources through the **Social Security Administration (SSA)**. For more information, visit the SSA website at socialsecurity.gov. Or call *800-772-1213*.
TTY users should call *800-325-0778*.

The New Health Insurance Marketplace, Coverage Options, and your City Health Coverage

PART A: General Information

The Health Insurance Marketplace is a new way to purchase health insurance in the United States. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment based health coverage offered by your employer, the City of Austin.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

No. Regular full-time employees will not experience savings because the City pays the entire premium for the PPO and the majority of the HMO premium. Part-time employees may realize savings by going to the Marketplace.

Temporary employees hired by the City of Austin are not eligible for City-provided medical coverage. Temporary employees and their dependents can purchase health insurance through the Health Insurance Marketplace, designed to provide affordable health insurance.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. The City of Austin offers coverage that meets government standards. If you are in a regular budgeted position and work full-time you will not be eligible for a tax credit at the Marketplace.

If you are in a regular budgeted position working part-time, and the premium you would pay for the City's lowest cost medical plan (Employee Only) is more than 9.5 percent of your household income for the year, you may be eligible for a tax credit at the Marketplace. If you are a temporary employee, and therefore not eligibile for medical coverage under a City medical plan, you are eligible for medical coverage through the Marketplace and may also qualify for a tax credit.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by the City of Austin, then you may lose the City's contribution (if any) to the employer-offered coverage. Also, the City's contribution as well as your employee contribution to City offered coverage is usually excluded from income for federal and state income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by the City of Austin, review this guide, go to austintexas.gov/benefits for your summary plan description, or contact City of Austin at 512-974-3284.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit healthcare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

PART B: Information About Health Coverage Offered by the City

This section contains information about health coverage offered by the City of Austin. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

3. Employer name: City of Austin		4. Employer Identification Number: 74-6000085
5. Employer address: P.O. Box 1088		6. Employer phone number: 512-974-3284
7. City: Austin	8. State: Texas	9. ZIP code: 78767
10. Who can we contact about employee health coverage at this job? Human Resources Department, Employee Benefits Division		
11. Phone number: 512-974-3284		12. Email address: HRD.Benefits@austintexas.gov

Basic Health Care Coverage Information

As your employer, the City of Austin offers a health plan to all employees in regular budgeted positions. Temporary employees are not eligible for coverage under a City medical plan.

The City of Austin offers dependent coverage to eligible dependents. Eligible dependents (spouse, domestic partner, children, dependent grandchildren) are detailed in this guide.

The City's coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

Note: Even though the City of Austin offers affordable coverage, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If you are an hourly employee, or have previously been unemployed, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, healthcare.gov will guide you through the process.