# 2018 BENEFITS GUIDE

SCHOOL DISTRICT OF MENOMONEE FALLS

Pursuing Excellence One Student at a Time

**Teacher-Contracted, Administrative Assistants, Custodians or School Nutrition Managers**

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## *SNAPSHOT 2018* –OPEN ENROLLMENT MONDAY, OCTOBER 30, 2017—FRIDAY, NOVEMBER 10, 2017

**Below is a *SNAPSHOT* of your insurance benefits effective January 1, 2018.**

## *What's New for 2018:*

### Enrollment Process:

■***The Annual Insurance Open Enrollment*** will be a **PASSIVE Enrollment** for 2018. If you are **not** making any changes to your current benefits (except a *Flexible Spending Account) and wish to continue with no changes for the 2018 benefit plan year, **no action** is needed. Your 2017 insurance elections will roll over to the 2018 plan year and you will automatically be enrolled for the 2018 plan year. If you wish to enroll or change your benefits you will need to submit a completed Election/Change Form to the Human Resources office by the Open Enrollment deadline (11/10/2017).

***Diversified Benefit Services, Inc. (DBS) is our Administrator for Flexible Spending Accounts. You can enroll in a FSA during Open Enrollment by submitting a DBS enrollment form to HR/Payroll.**

**NOTE: You cannot participate in a HSA qualified plan, such as our HDHP, and a full health care FSA simultaneously.**

■***Annual contributions to an HSA*** are increased to **$3,450** for single coverage and **$6,900** for family coverage. However, the combined total contribution cannot exceed the annual limit. If you are age 55 or older, you may make a "catch-up" contribution each year to the HSA. In 2018, the "catch-up" amount is **$1,000**.

■***The maximum annual out-of-pocket expense*** limits for a high-deductible health plan is: **$6,650** for self-only coverage **$13,300** for family coverage. An out-of-pocket-maximum refers to the limit of what you'll be required to pay toward your medical expenses in a year; including your **deductible, copays, and coinsurance**, but not your premiums. If you meet the out-of-pocket-maximum, any further covered expenses will be paid in full by your insurer for the remainder of the year.

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**Medical Insurance Administrator, UMR:** UMR is our medical plan administrator. UMR's parent company is UnitedHealth Group…the largest insurance provider in the country.

**Medical Plan Design and Network:** The medical plan is a qualified High Deductible Health Plan (HDHP), eligible for participation in a Health Savings Account (HSA). Please see the medical section of this guide.

**Prescription Drug Administrator, Express Scripts:** Our pharmacy benefits provider is Express Scripts. The Express Scripts network includes a mail order pharmacy, more than 59,000 retail pharmacies nationwide, and access to Smart90, described below.

**Retail pharmacies** for filling short-term prescriptions, such as antibiotics.

**Mail Order pharmacies** for filling prescriptions that you will take for longer periods of time. You will save money when you use a mail order pharmacy and have the option to schedule your refill to ship on a schedule so that you never run out of your medication.

**Walgreens Smart90** allows you to get up to a 90-day supply of maintenance medications from Walgreens Smart90 pharmacies for the same cost as Mail Order. You can refill your 90-day prescription same-day at a Smart90 pharmacy. To find a Smart90 pharmacy near you, visit http://www.express-scripts.com/sdmf. ***Note: After two 30-day fills at a retail pharmacy, you are required to use either a Walgreens Smart90 pharmacy or Express Scripts Mail Order Pharmacy.***

To find out what you'll pay for generic and brand name drugs at local retail pharmacies or through mail order with Express Scripts Home Delivery visit http://www.express-scripts.com/sdmf.

**Employee Assistance Program (EAP) -** Optum EAP.

# THE COST OF YOUR BENEFITS

| Benefit | Who Pays | Tax Treatment |
|---|---|---|
| Medical Coverage | The District & You | Pretax |
| Health Savings Account | You | Pretax |
| Dental Coverage | The District & You | Pretax |
| Vision Coverage | You | Pretax |
| Flexible Spending Accounts | You | Pretax |
| Basic Life and Accidental Death & Dismemberment (AD&D) Insurance | The District | N/A |
| Supplemental Life | You | After-tax |
| Short Term Disability Coverage | You | After-tax |
| Long Term Disability Coverage | The District | After-tax |
| Employee Assistance Program | Included in Plan | N/A |
| 403(b) / 457 Retirement Savings Plan | You | Pretax |

**PLEASE NOTE**: Medical and Dental, rates are prorated to a maximum of 50% of the premium for part-time employees.
***School Nutrition Managers are not eligible for Dental Insurance.***

| 2018 HDHP Health/Rx Premium Rates | | | | |
|---|---|---|---|---|
| | Insurance Premium | District Contribution 12 month | Employee Contribution 12 month | Employee Contribution 10 month |
| Single | $ 782.52 | $ 680.78 | $ 101.74 | $ 122.10 |
| Family | $ 1,806.52 | $ 1,571.66 | $ 234.86 | $ 281.84 |
| **Dental Premium Rates (Teacher-Contracted, Administrative Assistants and Custodians only)** | | | | |
| | Insurance Premium | District Contribution 12 month | Employee Contribution 12 month | Employee Contribution 10 month |
| Single | $ 49.66 | $ 43.20 | $ 6.46 | $ 7.76 |
| Family | $ 133.74 | $ 116.34 | $ 17.40 | $ 20.88 |
| **Vision Premium Rates** | | | | |
| | Insurance Premium | District Contribution 12 month | Employee Contribution 12 month | Employee Contribution 10 month |
| Single | $ 6.16 | $ - | $ 6.16 | $ 7.40 |
| Family | $ 15.30 | $ - | $ 15.30 | $ 18.36 |

# ELIGIBILITY

As an employee of the School District of Menomonee Falls, you may be eligible for certain benefits—such as medical, dental, vision, and life insurance—at group rates. Please review the District's benefit guide thoroughly, so that you understand how to access your coverage and how to make an informed decision on the insurance options that best fit you and/or your dependents' needs.

If you are eligible for benefits under the guidelines below, there is no waiting period. Your eligible dependents include your legal spouse and your dependent children up to age 26. You have 30 days to enroll from your hire date. You may only change your benefit elections during the annual enrollment period or within 30 days of a qualified life event, unless otherwise specified by the plan.

## Eligibility

As a Teacher, Administrative Assistant, Custodian or School Nutrition Manager you are eligible for benefits if you are regularly assigned 20 hours per week. Most of your benefits are effective on your date of eligibility (no waiting period). You can also enroll your dependents for coverage, which includes:

- Your legal spouse
- Your dependent children up to age 26

Your benefits will take effect on your date of hire or eligibility and will remain in effect until you are no longer in a benefit eligible insurance class. Remember that you may only change coverage if you experience a qualifying life event, as described below.

## Qualifying Life Events

Within 30 days of a qualifying life event you are required to notify Human Resources to enroll or to make changes to your current enrollment. You will need to provide documentation of the event. If you do not contact Human Resources within the 30 days of the event you are required to wait until the next annual enrollment period to make your changes.

Examples are:

- Marriage
- Divorce or legal separation
- Birth of a child
- Reduction/increase in the number of hours of employment
- Death of your spouse or dependent child
- Adoption of or placement for adoption of your child
- Change in employment status of employee, spouse or dependent child
- New entitlement to Medicare or Medicaid
- Qualification by the Plan Administrator of a child support order for medical coverage

# MEDICAL COVERAGE

**UMR**

**1-800-826-9781**

Qualified high deductible health plans (HDHPs) allow you to participate in a HSA which will provide you with tax savings.

The plan includes comprehensive health care benefits. Certain services like preventative care may be covered at no expense even if you haven't met your deductible - helping you catch problems early and better manage your health.

The School District of Menomonee Falls offers the HDHP as your medical plan and partners with UMR as the health care provider. Our provider network is the United Healthcare Choice Plus network.

Register online at www.umr.com to:

- Find a provider
- Check your benefits and see what's covered
- View, order a replacement or print a temporary ID card
- Use the health cost estimator to look up the cost of a treatment or procedure in your area
- Access tools and trusted resources to help you live a healthier life

**UMR Choice Plus High Deductible Health Plan (HDHP)**

| | **In Network** | | **Out-of-Network** | |
|---|---|---|---|---|
| | Per Person | Family Maximum | Per Person | Family Maximum |
| **Annual Deductible** | $2,000 | $4,000 | $4000 | $8000 |
| **Coinsurance** | The Plan Pays 100% After Deductible | | The Plan Pays 50% After Deductible | |
| **Out-of-Pocket Maximum** | $4,000 | $8,000 | $6,000 | $12,000 |
| Lifetime Maximum | Unlimited | | Unlimited | |
| Preventative Care | 100% , No Deductible | | Deductible and Coinsurance | |
| Physician Office Visit | Deductible | | Deductible and Coinsurance | |
| Specialist Office Visit | Deductible | | Deductible and Coinsurance | |
| Urgent Care | $75 Copay, After Deductible | | $75 Copay, After Deductible | |
| Emergency Room Care | $250 Copay, After Deductible | | $250 Copay, After Deductible | |

# PRESCRIPTION DRUG COVERAGE

**EXPRESS SCRIPTS**

**1-800-837-6201**

Your prescription drug coverage is administered by Express Scripts' retail and mail delivery pharmacy networks. To find a list of participating retail pharmacies, go to http://www.express-scripts.com/sdmf. You must get your prescription filled at an Express Scripts' retail or mail delivery pharmacy. Prescriptions filled outside the pharmacy network will be covered after you have paid for the prescription and submitted an out-of-network pharmacy claim to request reimbursement. By ordering your maintenance medications 3 months at a time by mail using Express Scripts' mail delivery pharmacy, your prescriptions will be conveniently shipped to your home saving you time and money. ***Note: After two 30-day fills at a retail pharmacy, you are required to use either a Walgreens Smart90 Pharmacy or Express Scripts Mail Order Pharmacy.***

| | **Retail Network Pharmacy 31-day supply maximum** | **Walgreens Smart90 Retail Pharmacy 90-day supply maximum** | **Express Scripts Mail Order 90-day supply maximum** |
|---|---|---|---|
| **Generic (Tier 1)**<br>A biologically equivalent pharmaceutical product manufactured and sold under its chemical, common or official name | $10 | $20 | $20 |
| **Preferred Brand (Tier 2)**<br>A drug established by Express Scripts to be clinically appropriate and cost effective. Preferred brands are part of Express Scripts' drug list, found on http://www.express-scripts.com/sdmf. | $25 | $50 | $50 |
| **Non-preferred Brand (Tier 3)**<br>A brand drug not listed on the Express Scripts' drug list | $50 | $100 | $100 |
| **Specialty Medications** | Specialty medications available through Express Scripts' Specialty Pharmacy only | | |
| **Annual out-of-pocket limit for medical and prescription drug coverage** | $4,000 per person, no more than $8,000 per family per calendar year | | |

# DENTAL PLAN

**DELTA DENTAL**

**1-800-236-3712**

**Please note that School Nutrition Managers are not eligible for Dental Benefits.**

**Your Choice of Dentist — Delta Dental PPO**

*As a Delta Dental Subscriber, you are free to see any Dentist you choose on a treatment by treatment basis — whether or not the Dentist is included in our Delta Dental PPO Dentist Directory. It is important to remember, however, that your out-of-pocket costs may be lower when you see a Delta Dental PPO Dentist.*

Delta Dental has more than 142,000 participating dentists across the United States. More than 90% of Wisconsin dentists are associated with Delta Dental.

| In-network Delta Dental PPO Dentists | Delta Dental Premier Dentists | Out-of-network Dentists |
|---|---|---|
| Delta Dental PPO Dentists have signed a contract with Delta Dental, agreeing to accept reduced fees for the Dental Procedures they provide. This reduces your out-of-pocket costs, because you will be responsible only for applicable Deductible amounts, Copayments and Coinsurance for Benefits. And because these Dentists agree to fees approved by Delta Dental, they receive payment directly from Delta Dental. | Delta Dental Premier Dentists have signed a contract with Delta Dental, agreeing to accept direct payment from Delta Dental. They have also agreed not to charge you any amount that exceeds the Maximum Plan Allowance. However, you will still be responsible for Deductibles, Copayments, Coinsurance, and fees for services that are not Benefits under your Group's Contract.<br><br>The Maximum Plan Allowance is the total dollar amount allowed under your Group's Contract for a specific Benefit. The Maximum Plan Allowance will be reduced by any Deductible and Coinsurance the Subscriber or Covered Dependent is required to pay. | If your Dentist has not signed a contract with Delta Dental, claim payments will still be calculated based on the Maximum Plan Allowance, but they will be sent directly to you rather than to the Dentist. You will then need to reimburse your Dentist through his or her usual billing procedure. You will be responsible for any amount in excess of the Maximum Plan Allowance, as well as any Deductible, Copayment, Coinsurance, and fees for services that are not Benefits under your Group's Contract.<br><br>Please note that if the fee charged by a Non-contracted Dentist is not allowed in full, Delta Dental is not implying that the Dentist is overcharging. Dental fees vary and are based on each Dentist's overhead, skill, and experience. Therefore, not every Dentist will have fees that fall within the Maximum Plan Allowance. |

For information on Delta Dental PPO and Delta Dental Premier Dentists, call 800-236-3712, or visit Delta Dental's website at www.deltadentalwi.com.

1. Go to www.deltadentalwi.com and click the "Provider Search" tab and "Find A Network Dentist" in the drop-down box. Enter your address, city, and state or ZIP code.
2. Dentist listings will appear, with network affiliation (Delta Dental Premier or Delta Dental PPO) noted. You can then narrow your search to Delta Dental Premier or Delta Dental PPO network dentists, and narrow or broaden your search radius.
3. Additional search criteria let you search for dentists by their last name, practice name, specialty, gender, language spoken, and hours of operation.

To access the Delta Dental dentist directories from a touch-tone phone, call 800-236-3712 and follow the automated instructions. Participating dentists are searched by ZIP code.

**DELTA DENTAL**

**1-800-236-3712**

# DENTAL PLAN PROVISIONS

| Plan Provision | PPO<br>In-Network | Non-PPO<br>Out-of-Network |
|---|---|---|
| Annual Deductible (Individual/Family) | $0 / $0 | |
| Annual Maximum (Per Person) | $2,000 | |
| **Dependent Eligibility**<br><br>Dependents eligible to age<br>Full-time students eligible to age | 26<br>26 | |
| **Diagnostic and Preventive Care:**<br><br>Exams Cleanings<br>Fluoride Treatments<br>X-rays<br>Space Maintainers<br>Sealants | 100%,<br>no deductible | 100%,<br>no deductible |
| **Basic Restorative Services:**<br><br>Emergency treatment to relieve pain<br>Fillings<br>Endodontics – nonsurgical and surgical<br>Periodontics – nonsurgical and surgical<br>Extractions – nonsurgical<br>Extractions – surgical and other oral surgery | 80%<br>no deductible | 80%<br>no deductible |
| **Major Restorative Services:**<br><br>Crowns, inlays, onlays<br>Bridges and dentures<br>Repairs and adjustments to bridges and dentures | 80%<br>no deductible | 80%<br>no deductible |
| **Orthodontic Services:**<br><br>Adults, and Children -- up to age 26 | 50% up to a $1,500 individual<br>lifetime maximum, no deductible | |

# VISION INSURANCE

**EYEMED/DELTA VISION**

**1-866-723-0514**

DeltaVision is offered through Wyssta Insurance Company, Inc., a wholly-owned subsidiary of Delta Dental of Wisconsin, Inc. Claims processing, claims service, and network administration for DeltaVision are handled through an agreement with EyeMed Vision Care, LLC. **Your plan includes retinal imaging and a diabetic eye care benefit,** aligning with Delta Dental of Wisconsin's commitment to employee wellness and overall health.

| | | |
|---|---|---|
| **Frame Allowance (Materials):** | $150 | |
| **Contact Lenses Allowance (Materials):** | $150 | |
| **Copay Amount** | $10 | |
| **Dependent Age Limitation:** | Dependent covered to age 26; full-time students covered to age 26 | |
| Benefits | **In-Network Benefit** | **Out-of-Network Reimbursement** |
| Contact Lens Fit and Follow Up | | |
| Standard-**Lenses that are spherical power only, soft lens material, including planned replacement and conventional lenses. Lenses are to be used in a daily wear (removed prior to sleep) mode only.** | Members Pay $0 | $40 |
| Premium-**includes all lens powers and designs other than spherical powers (i.e. toric, multifocal, etc.), modes of wear that are extended or overnight schedules and rigid or gas permeable materials.** | 10%discount off retail,<br>Plus $40 allowance | $40 |
| Frequency: **Exam**<br>**Lenses**<br>**Frames** | 12 months<br>12 months<br>24months | 12 months<br>12 months<br>24months |
| Standard Plastic Lenses | | |
| Frames **– Any available frame at provider location** | $150 allowance, then 20% off balance | Max reimbursement is up to $75 |
| Standard Plastic Lenses | | |
| **Single Vision Lenses** | Member pays $10, Plan pays balance | Max reimbursement up to $25 |
| **Bifocal Lenses** | Member pays $10, Plan pays balance | Max reimbursement up to $40 |
| **Trifocal Lenses** | Member pays $10, Plan pays balance | Max reimbursement up to $55 |
| **Standard Progressive** | Member pays $75, Plan pays balance | $0 |
| Lens Options | | |
| **UV Coating Tint (solid & Gradient, Standard Scratch Resistance** | Member pays $15 | None |
| **Standard polycarbonate** | Member pays $40 | None |
| **Standard anti-reflective coating** | Member pays $45 | None |
| **Other add-ons and services** | 20% off retail price | None |
| Contact Lenses – in lieu of Spectacles | | |
| **Conventional** | $150 allowance, then 15% off balance | $120 |
| **Disposable** | $150 allowance | $120 |
| **Medically Necessary** | Paid in Full | $200 |
| Laser Vision Correction | 15% off retail price or 5% off promotional price | None |

Additional In-network Discounts:

***20% discount on items not covered by the plan at network providers, which may not be combined with any other discounts or promotional offers, and the discount does not apply to EyeMed provider's professional services, or contact lenses. Retail prices may vary by location.**

***Members also receive a 40% discount off complete eyeglass purchases and a 15% discount off conventional contact lenses once the funded benefit has been used.**

***After initial purchase, replacement contact lenses may be obtained at competitive prices via the Internet through many online contact lens retailers and mailed direct to the member. The contact lens benefit allowance is not applicable to this service.**

***Discounts do not apply for the benefits provided by other group benefit plans.**

## Provider Locations

For a list of the most convenient EyeMed Vision Care provider locations, members may:

- visit the Delta Dental website - www.deltadentalwi.com/provider-search/vision
- visit the EyeMed Vision Care website - www.eyemedvisioncare.com/memweb/ProviderLocator
- call EyeMed customer service at 1-866-723-0514

# FLEXIBLE SPENDING ACCOUNT (FSA)

**DIVERSIFIED BENEFIT SERVICES**

**1-800-234-1229**

**IMPORTANT: The HEALTH CARE FSA is NOT an option if you enroll in the High Deductible Health Plan. You can still participate in the DEPENDENT CARE FSA.**

Flexible Spending Accounts (FSAs) let you set aside pretax dollars to pay for eligible health care and/or dependent care (child care or elder care) expenses and are designed to save you money on your taxes. You do not pay for state, federal or Social Security taxes on the money you contribute. They work in a similar way to a savings account. Each pay period, funds are deducted from your pay on a pre-tax basis and are deposited to your Health Care and/or Dependent Care FSA. You then use your funds to pay for eligible health care or dependent care expenses.

**Diversified Benefit Services, Inc. (DBS) is our Administrator for Flexible Spending Accounts. You can enroll in a FSA during Open Enrollment by submitting a paper form to HR/Payroll.**

| Account Type | Eligible Expenses | Annual Contribution Limits | Benefit |
|---|---|---|---|
| **Health Care FSA**<br>**NOT available if you enroll in our HDHP Health Plan** | Most medical, dental and vision care expenses that are not covered by your health plan (such as copayments, coinsurance, deductibles, eyeglasses and doctor-prescribed over the counter medications) | Maximum contribution is $2,650 per year. | Saves on eligible expenses not covered by insurance; reduces your taxable income |
| **Dependent Care FSA** | Dependent care expenses (such as day care, after school programs or elder care programs for a spouse, parent or a grandparent) so you and your spouse can work or attend school full- time | Maximum contribution is $5,000 per year ($2,500 if married and filing separate tax returns) | Reduces your taxable income |

**Important Information About FSAs**

**You cannot participate in a HSA qualified plan, such as our HDHP, and a full health care FSA simultaneously.**

**For your dependent care FSA account, any unused amount in your 2018 account as of December 31, 2018 will be forfeited. This is known as the "use it or lose" rule and is governed by the IRS regulations. We encourage you to plan your contributions carefully.**

For the 2018 plan year, you will have from January 1st to December 31, 2018 to incur expenses. You will need to actively re-enroll in this benefit each year. It is important to choose your election amount carefully. You will have until March 31, 2019 to submit your 2018 claims for reimbursement. While you can roll over up to $500 of an unused health care FSA account balance, anything above $500 will be forfeited if you do not have eligible expenses incurred by December 31, 2018.

# FLEXIBLE SPENDING ACCOUNT (FSA)

**IMPORTANT: The HEALTH CARE FSA is NOT an option if you enroll in the High Deductible Health Plan. You can still participate in the DEPENDENT CARE FSA.**

**What Are the Advantages of an FSA?**

With an FSA, the money you contribute is never taxed—not when you put it in the account, not when you are reimbursed with the funds from the account, and not when you file your income tax return at the end of the year. FSA's let you set aside pretax dollars to pay for eligible health care and/or dependent care (child care or elder care) expenses. You do not pay state, federal or Social Security taxes on the money you contribute. Here is an example of how much you can save when you use the FSAs to pay for your predictable health

| | | WITHOUT | | WITH |
|---|---|---|---|---|
| YOUR CHECK: | | FLEX PLAN | | FLEX PLAN |
| | Gross Pay (Pre tax) | $1,000 | | $1,000 |
| | Qualifying Expenses | $ - | | $268 |
| | Pay subject to Tax | $1,000 | | $732 |
| | Taxes Paid by you: | **$250** | | **$183** |
| | (Approximately) | | | |
| YOUR EXPENSES: | | | | |
| | I. Health Insurance | $22 | | $ - |
| | II. Dependent Care | $200 | | $ - |
| | III. Medical, Dental, | $46 | | $ - |
| | | | | |
| | Net Spendable Income: | $482 | | $549 |
| | (*Total of I, II, III = $268) | | | |
| | Difference: | | | **$67** |

This is an example only, not your actual experience. It assumes a 25% federal income tax rate marginal rate. State and local taxes vary, and are not included in this example. However, you will save on any state and local taxes as well.

# HEALTH SAVINGS ACCOUNTS (HSA)

**OPTUM BANK**

**1-866-234-8913**

**www.optumbank.com**

## How HSAs work

The details of how a health savings account (HSA) works and the benefits it can provide can be explained with four simple words: deposit, grow, save and pay.

**Deposit your health care dollars.**

**Deposits** — While you are participating in a qualifying high-deductible health plan, you can make a deposit into your HSA. Your employer may arrange for deposits to be deducted from your paycheck. Other options include deposit forms, the HSA administrator's website and online transfers from your bank.

**Grow your savings**

**Earnings** — Deposits to your HSA could earn income tax-free interest.

**Investment options** —Some HSAs offer an option to invest some of your HSA dollars in mutual funds after you have saved a certain amount in your account — if that fits your risk tolerance and long-term goals.

**Carry-over** — There is no "use it or lose it" rule for HSAs. Unspent funds remain in your account.

**Save on taxes**

**Contributions** — The money you contribute to your HSA is tax-deductible up to the annual contribution limit. So, if you are in the 28% tax bracket and deposit $3,000 into your HSA, you could save $840 in federal income taxes.

**Distributions** — Money you take out of your HSA to pay for qualified medical expenses is tax-free.

**Earnings** — Interest you may earn on your HSA grows income tax-free.

**Pay for health care, now or later**

**Qualified medical expenses** — Pay for current and future medical expenses for you, your spouse and your eligible dependents. You can continue to use the funds in your account even if you stop participating in a high-deductible health plan (although you cannot contribute more to it).
**Payment methods** — Some HSAs offer a debit card you can use to pay pharmacies, doctors, clinics and other health care providers on the spot. Or, you can withdraw funds to reimburse yourself for out-of-pocket expenses.

**Tax implications** — It's up to you to maintain records to verify that funds were used for qualified medical expenses. Funds used for nonqualified expenses will be taxed as income and subject to a 20 percent penalty. If you are 65 or older, the 20 percent penalty does not apply.

# HEALTH SAVINGS ACCOUNTS (HSA)

**OPTUM BANK**

**1-866-234-8913**

**www.optumbank.com**

**Who can enroll in a HSA?**
Any adult can contribute to a HSA if they:

- Have coverage under an HSA-qualified "high deductible health plan" (HDHP).
- Have no other first-dollar medical coverage.
  - This includes but is not limited to other non-HDHP coverage, general purpose Health Care Flexible Spending Accounts or Health Reimbursement Arrangements. (Other types of insurance like specific injury insurance or accident, disability, dental care, vision care, or long-term care insurance are permitted).
- Are not enrolled in Medicare or Tricare.
- Cannot be claimed as a dependent on someone else's tax return.

**High Deductible Health Plans (HDHPs)**
You must have coverage under an HSA-qualified HDHP to open and contribute to an HSA. The School District of Menomonee Falls' group health insurance plan administered by UMR is an HSA-qualified HDHP. The HDHP does not pay any benefits until the deductible has been paid.

The deductible applies to all medical expenses (including prescriptions) covered by the plan. However, "preventive care" services are covered on a first-dollar basis.

**HSA Contributions**

Contributions to your HSA are made by you. The total contributions are limited annually. Payroll contributions are taken pre-tax. Contributions made on your own might be tax deductible. To find out, talk to your tax advisor. Contributions to the account must stop once you are enrolled in Medicare. However, you can keep the money in your account and use it to pay for medical expenses tax-free. You can make contributions to your HSA every year that you are eligible. 2018 contributions cannot exceed:

- $3,450 – Self-only coverage
- $6,900 – Family coverage

**Catch-Up Contributions**

Individuals age 55 and older, not on Medicare, can also make additional "catch-up" contributions. The maximum annual catch-up contribution is $1,000.

# HEALTH SAVINGS ACCOUNTS (HSA)

**OPTUM BANK**
**1-866-234-8913**
**www.optumbank.com**

### Qualified HSA Expenses

You can use the money in the account to pay for any "qualified medical expense" permitted under federal tax law. This includes most medical care and services, and dental and vision care, and also includes certain over-the-counter items. You generally cannot use the money to pay for medical insurance premiums, except under specific circumstances, including:

- Any health plan coverage while receiving federal or state unemployment benefits.
- COBRA continuation coverage after leaving employment with a company that offers health insurance coverage.
- Qualified long-term care insurance.
- Medicare premiums and out-of-pocket expenses, including deductibles, co-pays and coinsurance, if you are age 65, for;
    - Part A (hospital and inpatient services)
    - Part B (physician and outpatient services)
    - Part C (Medicare HMO and PPO plans)
    - Part D (prescription drugs)

You can use the money in the account tax free to pay for medical expenses for yourself, your spouse, or your dependent children. You can pay for expenses for your spouse and dependent children even if they are not covered by your HDHP. Any amounts used for purposes other than to pay for "qualified medical expenses" are taxable as income and subject to an additional 20% Federal tax penalty (and possible State penalty).

Examples include:

- Medical expenses that are not considered "qualified medical expenses" under federal tax law (e.g., cosmetic surgery).
- Other types of health insurance unless specifically described above.
- Medicare supplement insurance premiums.
- Expenses that are not medical or health-related (e.g., vacations, clothes, computers).

After you turn age 65, the 20% additional tax penalty no longer applies. If you become disabled and/or enroll in Medicare, the account can be used for other purposes without paying the additional 20% penalty. You cannot, however, contribute to your HSA while on Medicare.

# LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT

**NATIONAL INSURANCE SERVICES**

**1-800-627-3660**

Life insurance is an important part of your financial security, especially if others depend on you for support. Accidental Death & Dismemberment (AD&D) insurance is designed to provide a benefit in the event of accidental death or dismemberment. The District provides Basic Life and AD&D Insurance to eligible employees at no cost to you at:

One (1) time annual basic earnings for each benefit, up to a maximum benefit of **$200,000.**

**Supplemental Life Insurance Coverage**
Supplemental life insurance allows you to purchase additional life insurance coverage for yourself, your spouse and your dependent children.

Late enrollees would be subject to medical underwriting and carrier approval.

| Coverage | Benefit |
|---|---|
| **Employee** | $25,000 increments up to a max of $300,000; not to exceed 5x employee earnings<br>Guarantee Issue amount: $125,000 |
| **Spouse** | $2,500 increments to a max of $50,000 - not to exceed 100% of employee supplemental life amount.<br>Guarantee Issue amount: $25,000 |
| **Child** | 14 days to limiting age $10,000<br>Guarantee Issue amount: $10,000 |

Rates are age rated for Employee and Spouse

| *Age Bands* | *Rate Per $1000 of Coverage* |
|---|---|
| *Through age 29* | *$0.040* |
| *30 to 34* | *$0.050* |
| *35 to 39* | *$0.070* |
| *40 to 44* | *$0.090* |
| *45 to 49* | *$0.150* |
| *50 to 54* | *$0.230* |
| *55 to 59* | *$0.390* |
| *60 to 64* | *$0.520* |
| *65 to 69* | *$0.950* |
| *70 to 74* | *$1.500* |
| *75 to 79* | *$2.640* |
| *80 +* | *$3.980* |

# DISABILITY INSURANCE COVERAGE

**NATIONAL INSURANCE SERVICES**

**1-800-627-3660**

***Please note School Nutrition Managers are NOT eligible for Long Term Disability Benefits; only eligible for Short-Term Disability Benefits.***

The goal of the School District of Menomonee Falls Disability Insurance Plans is to provide you with income replacement should you become disabled and unable to work due to a non-work related illness or injury. The District provides **Long-term Disability** coverage to all eligible employees at no cost to you. Additionally, eligible employees have the option to purchase **Short-term Disability** coverage. An employee's annual salary will determine the amount of coverage that can be purchased.

| Coverage | Benefit |
|---|---|
| Short-Term Disability/Salary Continuation | *Weekly benefit of up to 66-2/3% of your annual salary divided by 52.* |
| Long-Term Disability** | *Covers 66-2/3% of your monthly salary, to a $7,000 maximum.* |

Short Term Disability election amounts in excess of $301, increases and late enrollees* are subject to Evidence of Insurability (EOI) and approval by the carrier

*You are considered a late enrollee if you did not enroll in STD when you were first eligible to do so.

| Weekly Benefit* | Premium Rate (based on 12 monthly deductions per year) |
|---|---|
| $147 | $6.63 per Employee per month |
| $175 | $7.74 per Employee per month |
| $224 | $9.93 per Employee per month |
| $273 | $12.15 per Employee per month |
| $301 | $13.26 per Employee per month |
| $357** | $15.83 per Employee per month |
| $420** | $18.42 per Employee per month |
| $462** | $20.26 per Employee per month |
| $504** | $22.10 per Employee per month |
| $580** | $25.39 per Employee per month |
| $667** | $29.19 per Employee per month |
| $767** | $33.57 per Employee per month |
| $882** | $38.61 per Employee per month |
| $1,014** | $44.40 per Employee per month |
| $1,166** | $51.07 per Employee per month |
| $1,341** | $58.73 per Employee per month |
| $1,500** | $67.54 per Employee per month |

***Not to exceed 66-2/3% of Weekly Pre-disability Earnings**

****Evidence of Insurability required regardless of effective date of coverage**

# EMPLOYEE ASSISTANCE PROGRAM (EAP)

**OPTUM EAP**

**1-855-205-9185**

Sometimes life can be challenging. That's why the District provides an Employee Assistance Program (EAP) to all eligible employees -- at no cost to you. The EAP is designed to provide prompt, confidential help with a range of personal and family issues that may affect all of us from time to time. You or a member of your household receive up to three free counseling sessions with an EAP Professional.

EAP counselors will assist you with concerns such as:

- My budget is out of control and I don't know what to do
- I worry too much
- My kids are always in trouble at school
- I need help with a legal matter
- I've been depressed for months and don't know where to turn
- My mother can't live alone anymore, I'm looking for some help
- My stress levels are way too high
- I need to find after-school care for my child
- My family problems are affecting my work

Optum EAP/Work-Life services are convenient, confidential and provided at no cost to you and members of your household. We're here 24 hours a day, seven days a week, call anytime: 855-205-9185 or visit: www.liveandworkwell.com.

# 403(b) / 457 RETIREMENT SAVINGS PLAN

Retirement Plan Advisors/Security Benefit : 608-531-0190

WEA Trust Member Benefits:

800-279-4030, Ext.2725

Wisconsin Deferred Compensation:

877-457-9327, Option 2

The School District of Menomonee Falls offers voluntary retirement savings plans to help employees save for a secure retirement. ***All District employees are eligible to participate*** by making convenient payroll deducted contributions into the following plans:

| | Traditional 403(b) | Roth 403(b) | 457 Deferred Comp | Roth 457 |
|---|---|---|---|---|
| Contributions | Pre-Tax | After-Tax | Pre-Tax | After-Tax |
| Growth | Tax-Deferred | Tax-Free | Tax-Deferred | Tax-Free |
| Distributions | Taxable<br><br>Available at age 59 ½ or separation of service<br><br>Withdrawals prior to age 59½ may be subject to 10% federal penalty | Tax-free at age 59½ and at least 5 tax years from date of first Roth 403(b) contribution<br><br>Withdrawals prior to age 59½ may be subject to 10% federal penalty | Available at separation of service<br><br>Taxable<br><br>**No** age requirement.<br><br>**No** 10% federal penalty on early withdrawals | Available at separation of service<br><br>**No** age requirement.<br><br>No 10% federal penalty on early withdrawals (earnings may be taxable) |
| Annual Maximum Contributions (2018) | $18,000 basic<br>$6,000 extra if over 50 years of age<br><br>Contributions offset maximum Roth 403(b) contributions | $18,000 basic<br>$6,000 extra if over 50 years of age<br><br>Contributions offset maximum traditional 403(b) contributions | $18,000 basic<br>$6,000 extra if over 50 years of age<br><br>Contributions do not offset 403(b) or Roth 403 (b) contributions | $18,000 basic<br>$6,000 extra if over 50 years of age<br><br>Contributions do not offset 403(b) or Roth 403(b) contributions |
| Loans | No | No | No | No |
| Hardships | Yes | Yes | Yes | Yes |
| Benefits | Reduces taxable income Provides tax-deferred income in retirement<br><br>Can combine 403(b) Roth, 403 (b), 457, and 457 Roth plan contributions | Tax-free growth<br><br>Provides tax-free income in retirement<br><br>Can combine 403(b) Roth, 403(b), 457, and 457 Roth plan contributions | Reduces taxable income Provides income for employees retiring before age 59 ½<br><br>Can combine 403(b) Roth, 403(b), 457, and 457 Roth plan contributions | Tax-free growth<br><br>Provides tax-free income in retirement<br><br>Can combine 403(b) Roth, 403 (b), 457, and 457 Roth plan contributions |

# 403(b) / 457 RETIREMENT SAVINGS PLAN

The District partners with three financial firms to provide a full spectrum of investments and retirement planning services. To learn more, contact the following approved providers about our plans

| | | |
|---|---|---|
| **Retirement Plan Advisors / Security Benefit**<br>Angel Tullar<br>3618 Ridge Dr, Suite 150<br>Janesville, WI 53548<br>(608) 531-0190<br>atullar@retirementplanadvisors.com<br>www.retirementplanadvisors.com<br><br>**Available Plans**:<br>403(b) Traditional, 403(b) Roth,<br>457 Deferred Compensation, 457 Roth | **WEA Trust Member Benefits**<br>David Mabie PO Box 7893<br>Madison, WI 53707-7893<br>(800) 279-4010 Ext.1699<br>dmabie@weabenefits.com<br>http://www.weabenefits.com<br><br>**Available Plans:**<br>403(b) Traditional, 403(b) Roth | **Wisconsin Deferred Compensation**<br>Joseph Herron<br>5325 Wall Street, Suite 2755<br>Madison, WI 53718<br>(877) 457-WDCP (9327), option 2<br>joseph.herron@gwl.com<br>https://wisconsin.gwrs.com/login.do<br><br>**Available Plans:**<br>457 Deferred Compensation, 457 Roth |

Employees may enroll in the program at any time by contacting the Human Resources Department.

# BENEFIT FAQs

## What is a Consumer Driven Health Plan (CDHP)?

A consumer-driven health plan is the overarching term given to medical plans that are structured to help members take a more active role in their health care decisions. The most common forms of CDHPs are High Deductible Health Plans (HDHPs) in which consumers pay lower premiums in exchange for a higher deductible - then have to manage their costs of care until their deductible is reached. A tool to help consumers save for expenses associated with their CDHP is a Health Savings Account (HSA).

## What is a HDHP – High Deductible Health Plan?

A High Deductible Health Plan is a medical plan whose coverage starts after a relatively large deductible is met. The majority of these plans are Preferred Provider Organization (PPO) plans that provide in- and out-of-network benefits. Services are covered at a higher percentage when in-network doctors and facilities are used; however, you can use any licensed doctor or facility you choose at the out-of-network levels.

## What is an HSA – Health Savings Account?

An HSA is a tax-advantaged account that is similar to a savings or checking account and is usually established with a bank or insurance company (*Please note: State laws may vary; however, most states follow Federal tax guidelines*). The account can be used help pay for qualified healthcare expenses each year or save for future qualified expenses. Contributions to HSAs can be made on a pre-tax basis through the convenience of salary deferral. For 2018, annual contributions to an HSA are limited to $3,450 for single coverage and $6,900 for family coverage. Employers may also make contributions to an HSA on behalf of their employees who elect the HDHP option. However, the combined total contribution cannot exceed the annual limit. If you are age 55 or older, you may make a “catch-up” contribution each year to the HSA. In 2018, the “catch-up” amount is $1,000. (You are entitled to 1/12 of the maximum contribution for each month in which you are an HSA-eligible individual—special rules may apply for individuals who become newly eligible during the year.) HSA payments or distributions can be deferred indefinitely.

Funds that remain in an HSA at the end of the plan year continue to accumulate and earn non-taxable interest or investment return over the life of the account. The account is portable so you can take the account with you when you retire or leave employment, or you can keep the funds in the HSA for later use. HSA funds belong to the account owner (for example, the employee).

## What is a deductible?

A deductible is the amount of covered expenses you must pay out of pocket each calendar year before your insurance plan begins to pay benefits. Most plans have different deductibles for in-network and out-of-network providers. Many preventive services such as annual physicals, flu shots, and blood pressure and other screenings are provided at no cost to you, and therefore not subject to the deductible.

# BENEFIT FAQs

## What is a non-embedded deductible?

Under a plan with a non-embedded deductible, all insured family member claims are combined until the total family deductible is met. The total family deductible must be satisfied prior to receiving plan benefits. The family deductible can be met by one or more covered individuals on the plan.

## What is a copay?

A copay is a fixed out-of-pocket expense for services rendered, such as doctor visits and/or prescription drugs. A copay must be paid at the time the service; the insurer pays any remaining costs.

## What is coinsurance?

Coinsurance is the portion of costs of services for which you are responsible, usually expressed as a percentage and applicable after your deductible is met. For example, if your plan has a $1,000 deductible, and the coinsurance is 80% for your insurer and 20% for you, you would pay for the first $1,000 of medical care costs, and then 20% of all subsequent covered costs until you reach your plan's out-of-pocket maximum.

## What is the difference between a copay and coinsurance?

A copay, or copayment, is a fixed payment you will pay for a covered service under certain types of medical plans. Coinsurance is the portion of costs of services for which you are responsible, usually expressed as a percentage and applicable after your deductible is met. Many insurance plans use both copay amounts (fixed dollar amounts) and coinsurance amounts (expressed as a percentage) to designate how much you'll have to pay for a particular service. For example, you may have a $20 copay when you opt to see an in-network specialist, and your share of the coinsurance for out-of-network doctors may be 20% (with the insurer paying the remaining 80% after you reach your deductible.)

## What is out-of-pocket maximum?

An out-of-pocket-maximum refers to the limit of what you'll be required to pay toward your medical expenses in a year; including your deductible, copays, and coinsurance, but not your premiums. If you meet the out-of-pocket-maximum, any further covered expenses will be paid in full by your insurer for the remainder of the year. For 2018, the maximum annual out-of-pocket expense limits for a high -deductible health plan is: $6,650 for self-only coverage  $13,300 for family coverage.

## Why do I pay for some benefits with before- tax money?

There is a definite advantage to paying for some benefits with pre-tax contributions: *Taking the money out before your taxes are calculated lowers the amount of your taxable income. Therefore, you pay less in taxes. But by law, this tax advantage is not available for all benefits.*

# BENEFIT FAQs

## My Plan has an "non-embedded deductible" but an "embedded" out-of-pocket maximum. What does this mean?

Single or individual insureds with no family coverage will pay the single deductible up to the single out of pocket maximum.

Individual's enrolling in family coverage will follow the following provision.

A medical plan with a non-embedded deductible means that the full family deductible must be met before anyone in the family begins to receive health insurance claims paid by the plan.

Once the family deductible has been met, each family member's claims are then processed according to the plan's coinsurance percentage and is subject to the plan's out-of-pocket maximums. When the family has met the family deductible, each individual family member's claims is limited to the individual/single out-of-pocket maximum.

## What's the difference between in-network and out-of-network providers?

The difference between these two types of providers is that an in-network provider is contracted with your insurer to provide you with services at negotiated rates. An out-of-network provider does not have a contract with your insurer. Typically, if you visit a physician or other provider within your network, the amount you're responsible for will be less than if you visit an out-of-network provider. There may be some exceptions, but usually insurers pay less, or not at all, for services received from out-of-network providers.

## What is a Health Savings Account (HSA)?

A Health Savings Account (HSA) is a tax-advantaged medical savings account available to taxpayers in the United States who are enrolled in a high-deductible health plan (HDHP). The funds contributed to an account are not subject to federal income tax at the time of deposit. Funds roll over and accumulate year to year if not spent. HSA funds may be used to pay for qualified medical expenses at any time without federal tax liability or penalty.

## What's a Flexible Spending Account (FSA)?

A flexible spending account (FSA) is also known as a flexible spending arrangement. An FSA allows an employee to set aside a portion of earnings to pay for qualified expenses as established in the cafeteria plan, most commonly for medical expenses and for dependent care expenses. Money deducted from an employee's pay into an FSA is not subject to payroll taxes, resulting in substantial payroll tax savings. Remember, employees may forfeit any money in an FSA that they don't use by the end of the year.

The most common type of flexible spending account, the medical expense FSA (also medical FSA or health FSA), is similar to a health savings account (HSA) or a health reimbursement account (HRA). However, while HSAs and HRAs are almost exclusively used as components of a consumer driven health care plan, medical FSAs are commonly offered with more traditional health plans as well. In addition, funds in a health savings account are not lost when the plan year is over, unlike funds in a health FSA which may be forfeited if left unused.

# BENEFIT PLAN PROVIDER CONTACT INFORMATION

| Plan | Contact | Phone Number | Website/Email |
|---|---|---|---|
| Medical | UMR | 800-826-9781 | www.umr.com |
| Prescription Drug | Express Scripts | 800-837-6201 | http://www.express-scripts.com/sdmf |
| Dental | Delta Dental | 800-236-3712 | www.deltadentalwi.com |
| Vision | Delta/Eye Med | 866-723-0514 | www.eyemedvisioncare.com/memweb/ ProviderLocator |
| Flexible Spending Accounts | DBS | 800-234-1229 | www.dbsbenefits.com<br>*You will need the following PIN # **SDMF** to create an online account:* |
| Health Savings Account | Optum Bank | 866-234-8913 | www.optumbank.com |
| Life & AD&D Insurance | National Insurance Services | 800-627-3660 | canderson@NISBenefits.com |
| Short / Long-Term Disability Insurance | National Insurance Services | 800-627-3660 | canderson@NISBenefits.com |
| Employee Assistance Program (EAP) | Optum EAP | 855-205-9185 | www.liveandworkwell.com |
| 403(b), 457 Retirement Savings Plans | Retirement Plan Advisors/ Security Benefit | 608-531-0190 | www.retirementplanadvisors.com |
| | WEA Trust Member Benefits | 800-279-4030 Ext.2725 | www.weabenefits.com |
| | Wisconsin Deferred Compensation | 877-457-9327 option 2 | https://wisconsin.gwrs.com/login.do |
| Department of Employee Trust Funds/Wisconsin Retirement System | ETF/WRS | 877-533-5020<br>608-266-3285 | http://etf.wi.gov |
| School District of Menomonee Falls Human Resources Department | Cindy Leiler Ebel | 262-255-8396 | leilcyn@sdmfschools.org |
| School District of Menomonee Falls Payroll | Tim Hansen | 262-255-8371 | hanstim@sdmfschools.org |

## About This Guide

This benefit summary provides selected highlights of the School District of Menomonee Falls employee benefits program. It is not a legal document and shall not be construed as a guarantee of benefits nor of continued employment at the District. All benefit plans are governed by master policies, contracts and plan documents. Any discrepancies between any information provided through this summary and the actual terms of the policies, contracts and plan documents are governed by the terms of these policies, contracts and plan documents. School District of Menomonee Falls reserves the right to amend, suspend or terminate any benefit plan, in whole or in part, at any time. The Plan Administrator has the authority to make these changes.