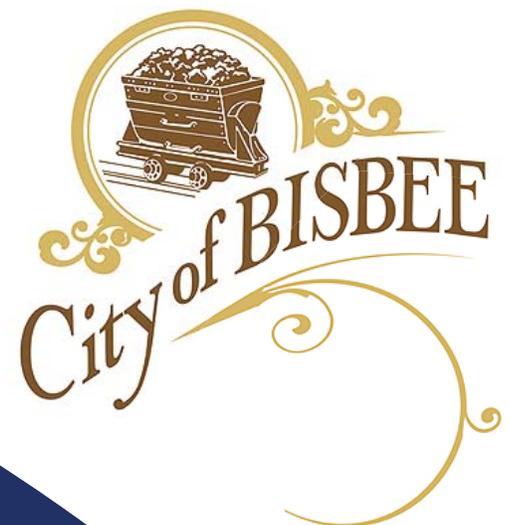


# Guide To Your City of Bisbee Employee Benefits

July 1, 2012 - June 30, 2013



# Welcome

## *to your benefits*

It is once again time for the annual open enrollment for our employee benefit plans. We are pleased to provide you and your family with a comprehensive benefits package that protects your personal health and well being. This communication provides a summary of your employee benefits and also highlights the changes to your plans effective 7/1/2012 through 6/30/2013.

The City of Bisbee continues to be faced with significant financial challenges in 2012-13, but we remain committed to providing employees with a competitive benefits package which is integral to employees' total compensation and total rewards package. It is also integral to retaining and attracting high quality employees to work for the City. In 2012, the City has spent considerable time evaluating the benefits package and total dollar value this represents to employees in terms of compensation, and determined it is integral to our ongoing success to keep our affordable, high quality benefits program intact for the coming year. The 2012 benefit plan evaluation process included a comprehensive review of the market to ensure City of Bisbee employees receive competitive benefit programs at the most competitive cost. We are proud of our ability to continue to offer this important component of employees' overall compensation, to retain valued employees and ensure we have the ability to attract high quality employees to assure our ongoing success.

**The following benefits will continue to be offered in the 7/1/2012 – 6/30/2013 plan year:**

- **Medical Plan:** We will continue to offer the same two HMO health plan options through Health Net. We will continue to cover the cost of employee only coverage for the "Core" Plan with employees paying the difference between the "Core" Plan and "Buy Up" Plan, if you elect to enroll in the "Buy Up" Plan. Employees will continue to pay the additional cost for dependent coverage under both plan options. Employees who are covering dependents or who are enrolled in the "Buy Up" Plan will have a premium increase.
- **Dental Plan:** The same Delta Dental plan will be offered and the City will continue to pay 100% of the cost of both the employee and dependent premiums.
- **Life Insurance:** The City will continue to pay 100% of the cost of the \$50,000 employee life insurance benefit offered through the Mutual of Omaha and will continue to offer employees the opportunity to purchase additional life insurance and AD&D coverage through the Voluntary Life/AD&D plan.
- **Short Term Disability (STD):** The City will continue to pay 100% of the cost of employee STD coverage.
- **Long Term Disability (LTD):** The City will continue to pay 100% of the cost of LTD coverage for Public Safety employees. All other employees receive LTD through the ASRS.
- **Vision:** The same voluntary vision plan will be offered through Vision Service Plan (VSP) with no premium increase.
- **AFLAC Ancillary Plans:** The City will continue to offer the voluntary, ancillary AFLAC plans to employees who wish to purchase this additional coverage.

## *Questions?*

If you have questions after reading this summary and reviewing the information provided by the insurance carriers, please contact the City of Bisbee Personnel Director. Remember that the best decisions are based on a thorough understanding of each plan and the plan options. This guide is an overview of the benefit plans and should not be construed as a Summary Plan Description, Certificate of Coverage or Plan Document, and should not be relied upon to fully determine coverage. For each benefit elected, you will receive a Certificate of Coverage containing more detailed information from the insurance carrier. If differences exist between this overview and the Certificate of Coverage, the Certificate governs. If you are uncertain about any provisions specified in this guide, please refer to the Certificate of Coverage or contact Personnel.

## *Benefit Plan Eligibility and Changes*

Employees must be considered full time and work a minimum of 40 hours per week to be eligible for the medical or dental plans, and to be eligible for employer paid life insurance and disability benefits. New employees become eligible for coverage the first of the month following their first day of full time employment.

If you are currently enrolled in a HealthNet plan and wish to remain covered under the same plan in the 7/1/2012 – 6/30/2013 plan year, you do NOT need to complete a new HealthNet medical enrollment form. If you are currently covered under the Delta Dental plan or VSP plan and wish to remain covered under these plans and make no changes on 7/1/2011, you do not need to complete a new Delta Dental or VSP enrollment form. Your coverage under either plan will automatically be continued. However, if you wish to newly enroll in either the medical, dental or vision plan, change from the "Core" to the Buy Up medical plan or from the Buy Up to the "Core" medical plan, newly enroll eligible dependents or drop coverage for yourself or your dependents under either of these plans on 7/1/2012, you must complete the applicable HealthNet, Delta Dental or VSP form(s) and return them to Personnel by June 22, 2012 at 5:00 pm.

## *You can enroll the following dependents in your benefit plans:*

- Your legal spouse
- Your dependent children
  - ◆ **Medical Plans:** dependent children are covered up to age 26 regardless if they are married or a full time student.
  - ◆ **Dental and Vision Plans:** dependent children are covered up to age 19 or to age 23, if they are a full time student at an accredited educational institution.

## *Important Information Regarding Plan Changes*

Each year during the annual open enrollment, you have the opportunity to make new benefit elections for the coming year. All eligible employees who wish to make any benefit changes must complete and return an enrollment form by the due date.

Changes to your medical, dental and vision benefits are allowed only at the annual open enrollment each year. Per IRS rules, employees cannot drop or add coverage for yourself or your dependents mid-plan year unless you have a qualifying change in family status such as loss of benefits under another plan, marriage, divorce, legal separation, birth, adoption or placement for adoption.

If you have a qualifying change in family status and want to drop, add or make any changes to your coverage, you must request this change within 31 days of the qualifying event (e.g. within 31 days of the date you lose other coverage, within 31 days of marriage or divorce, within 31 days of date of birth) by completing a new enrollment form and giving it to the Personnel Director. It is your responsibility to notify the Personnel Director of a qualifying event.

Per IRS rules, if you waive or terminate coverage during your annual open enrollment period, you will not be able to enroll in the City of Bisbee's plans until 7/1/2013 unless you have a qualifying change in family status.

# Remember...

**Changes must be reported to the Personnel Director within 31 days of a Qualifying Event.**

## MEDICAL/PRESCRIPTION DRUG Plan – HealthNet

The City of Bisbee will be offering the two medical plan choices through HealthNet for the 7/1/2012 – 6/30/2013 plan year. You have a choice of enrolling in the HMO “Core” or Buy-Up Plan. PLEASE NOTE: The deductible for the Core HMO Plan is administered on a calendar year basis. A brief summary of coverage under each plan is provided below. More detailed, comprehensive plan information is provided in the HealthNet information in your enrollment materials.

Please note that there is no coverage under either HMO plan for non-network providers. Therefore, it is very important you see providers (doctors, hospitals, labs, clinics, etc.) in the HMO network, or you will not have any coverage. You can find providers in the HMO network by going to [www.healthnet.com](http://www.healthnet.com) or by calling their customer service number at (800) 289-2818.

<b>MEDICAL</b>	<b>Health Net</b>	
	<b>Core Plan</b>	<b>Buy Up Plan</b>
<b>Description of Coverage</b>	<b>HMO 5 23H000</b>	<b>HMO 11 23C000</b>
	<b>In Network Only</b>	<b>In Network Only</b>
<b>Deductible</b> (Individual ♦ Family)	\$500 ♦ \$1,000	None
<b>Deductible Comments</b>	Family deductible must be met by two or more individuals	
<b>Coinsurance</b> (on allowed amount)	90% ♦ 10%	Subject to applicable coinsurance amounts
<b>Max Out-of-Pocket</b> (Individual ♦ Family)	\$3,000 ♦ \$6,000	\$2,000 per person
<i>Note: Out-Of-Network costs may exceed OOP max due to billed charges over allowable amount</i>		
<b>Includes Deductible?</b>	No	N/A
<b>Lifetime Max</b>	Unlimited	Unlimited
	<b>In Network Benefit</b>	<b>In Network Benefit</b>
<b>Preventive Care</b>		
Office Visits	100% Covered	100% Covered
Lab	100% Covered	100% Covered
X-Ray	100% Covered	100% Covered
Mammograms (Restrictions may apply)	100% Covered	100% Covered
Colonoscopies (Restrictions may apply)	100% Covered	100% Covered
<b>Office Vist - Non-Preventive</b>	\$20 ♦ \$40	\$15 ♦ \$30
<b>Lab</b>		
Physician's Office	100% Covered	100% Covered
Freestanding Facility	100% Covered	100% Covered
Outpatient Hospital	100% Covered	100% Covered
<b>X-Ray (Excluding Specialty Scans)</b>		
Physician's Office	100% Covered	100% Covered
Freestanding Facility	100% Covered	100% Covered
Outpatient Hospital	100% Covered	100% Covered
<b>Specialty Scans (MRI ♦ PET ♦ CT)</b>		
Freestanding Facility	\$50	\$50
Outpatient Hospital	\$250	\$250
<b>Inpatient Hospitalization</b>	10% after deductible	\$350 per admit
<b>Emergency Room</b>	\$250	\$250
<b>Waived if admitted?</b>	Yes	Yes
<b>Urgent Care</b>	\$50	\$50
<b>Prescription Drugs</b>	SP \$75 ♦ \$100 ♦ \$150 ♦ \$300	SP \$75 ♦ \$100 ♦ \$150 ♦ \$300
Retail	\$10 ♦ \$30 ♦ \$45 Standard	\$10 ♦ \$30 ♦ \$45 Standard
Mail Order	\$30 ♦ \$90 ♦ \$135 3X	\$30 ♦ \$90 ♦ \$135 3X

## *DENTAL Plan - Delta Dental – 100% Employer Paid*

The City of Bisbee will continue to offer dental benefits through Delta Dental as they provide the most comprehensive dental network in Cochise County, and the U.S. The chart below provides a brief summary of the coverage provided under the Delta Dental plan. Please refer to the Delta Dental packet of information in your enrollment materials for more detailed information on the dental plan.

It is important you see a provider in the Delta Dental network to obtain the best coverage as you will pay a higher amount if you see a non-network dentist. You can go to [www.deltadentalaz.com](http://www.deltadentalaz.com) to find a provider in the Delta Dental network or call Delta Dental's Customer Service at 800-352-6132.

<b>Delta Dental Plan In-Network Coverage</b>	
Annual Maximum per Person	<b>\$1,000</b>
Deductible	<b>\$50/\$150</b>
Waived for Preventive	<b>Yes</b>
Preventive	<b>100%</b>
Basic	<b>80%</b>
Major	<b>50%</b>
Orthodontia (Child Only)	<b>50% up to \$1,000 lifetime maximum</b>



## *Life Insurance Plan – 100% Employer Paid*

The City of Bisbee will continue the employer paid life insurance benefit of \$50,000. Please refer to the Mutual of Omaha's Certificate of Coverage for additional plan information. Coverage is automatic for all full time, benefits eligible employees who have met the eligibility waiting period.

It is important you have a completed beneficiary form on file with the Personnel Department. If your beneficiary changes due to a life event (e.g. marriage or divorce), please be sure to complete a new beneficiary form and give this to the Personnel Director for your personnel file.

## *Short Term Disability (STD) Plan – 100% Employer Paid*

The City of Bisbee will continue to offer all eligible employees an employer paid Short Term Disability (STD) plan benefit through the Mutual of Omaha. STD coverage provides partial income replacement in the event of an expected or unexpected non-occupational disability (surgery, injury, illness, birth of a baby). Please refer to the Mutual of Omaha information in your enrollment packet for more detailed information on all plan benefits and plan restrictions.

STD benefits begin after a 7 consecutive and continuous day waiting period following the first date of disability due to a non-occupational injury or illness. Benefits are 70% of pre-disability earnings with a maximum weekly benefit of \$575. The maximum STD benefit duration period is 180 days from the initial date of disability.

## *Long Term Disability (LTD) Plan*

*ASRS Eligible Employees Share Contribution*

*Public Safety Personnel - 100% Employer Paid*

### **City of Bisbee Non-Public Safety Employees:**

The City of Bisbee contributes towards the Arizona State Retirement System (ASRS) for long term disability income protection. Employees wishing to inquire about this benefit can go on-line to [www.azasrs.gov](http://www.azasrs.gov) or call the ASRS at 800-621-3778.

### **City of Bisbee Public Safety Employees:**

The City of Bisbee will continue to offer all eligible Public Safety employees an employer paid Long-Term Disability (LTD) plan benefit through Mutual of Omaha. Please refer to the Mutual of Omaha information in your enrollment packet for more detailed information on all plan benefits and plan restrictions.

Long-term disability coverage picks up when STD coverage ends and provides long-term income protection in the event of an expected or unexpected non-occupational disability. LTD provides partial income replacement during your period of disability to help provide you and your family with financial security. LTD benefits begin after 180 consecutive and continuous days of disability due to a non-occupational injury or sickness (during which time STD is paid). LTD benefits are 66-2/3% of pre-disability earnings with a maximum monthly benefit of \$2,500. The maximum period you can receive LTD benefits is the later of age 65 or to Social Security Normal Retirement Age.



## Vision Service Plan – 100% Employee Paid

The City of Bisbee will continue to offer the voluntary vision plan through Vision Service Plan (VSP). The chart below provides a brief summary of coverage. Please refer to the VSP packet of information in your enrollment materials for more detailed plan information. It is important to see a provider in the VSP network to obtain the best coverage. You can find a provider in the VSP network by going to [www.vsp.com](http://www.vsp.com) or by calling VSP's Customer Service at 800-877-7195.

VISION	VSP	
	In Network	Out-of-Network
<b>Description of Coverage</b>		
<b>Examination Coverage</b>	\$20	\$35 allowance
<b>Examination Frequency</b>	Once every 12 months	
<b>Lenses Coverage</b>		
Single Vision Lenses	100% covered	\$25 allowance
Bifocal Lenses	100% covered	\$40 allowance
Trifocal Lenses	100% covered	\$55 allowance
Lenticular Lenses	100% covered	\$80 allowance
<b>Lenses Frequency</b>	Once every 12 months	
<b>Frames Coverage</b>	\$130 allowance	\$45 allowance
<b>Frames Frequency</b>	Once every 24 months	
<b>Contact Lens Coverage</b>		
Medically Necessary	\$120 allowance	\$210 allowance
Elective	\$130 allowance	\$105 allowance

## Voluntary Supplemental Life Insurance - 100% Employee Paid

Employees can purchase voluntary life insurance in \$10,000 increments up to \$500,000 (the Guaranteed Issue amount is \$100,000). Employees can also purchase supplemental spouse life insurance in \$5,000 increments up to 50% of the employee's voluntary life insurance amount, up to a maximum \$125,000 benefit. Employees can also purchase child(ren) life insurance in \$1,000 increments up to \$10,000 maximum per child. Employees can also purchase voluntary Accidental Death & Dismemberment Insurance (AD&D), in addition to voluntary life insurance. The voluntary life insurance and AD&D premiums are in the Mutual of Omaha materials in your enrollment packet. Premiums are age-rated and based on the amount of coverage purchased.

If you decline to enroll in this plan when you first become eligible for coverage and wish to enroll at a later date, you will be required to provide medical information (evidence of insurability) for any amount of supplemental life insurance coverage for yourself, your spouse or children. If you enroll in this plan when you first become eligible for coverage, you will be able to enroll without providing medical information, up to the guaranteed issue amount.

## AFLAC - 100% Employee Paid

Voluntary benefits, through AFLAC, are available to you and have these important features:

- Affordable
- Complement your core benefits – provides immediate, additional income for your initial out-of-pocket expenses (i.e. high deductibles and coinsurance)
- Portability – if you terminate your employment, you may continue your coverage with no increase in premiums
- Benefits are paid directly to you, unless you specify otherwise
- Coverage is available for your spouse and children in most products
- In the event of a claim, your benefits are paid regardless of any other insurance benefits you may be receiving

During each annual open enrollment period, you can meet individually with an AFLAC representative to elect these voluntary benefits and/or to review AFLAC benefits in which you are currently enrolled. New hires can contact the AFLAC representative shown at the end of this benefit plan summary. Below are the various AFLAC voluntary plan options:

**Specified Health/Intensive Care** – provides a lump sum benefit for hospital confinement and outpatient surgery; helps offset deductibles/coinsurance and costs not covered by major medical plans

**Accident Insurance** – provides a lump sum benefit in the event of an unexpected injury; helps offset deductibles/coinsurance and uncovered medical expenses

**Personal Sickness Indemnity** – provides a lump sum benefit in the event of an unexpected sickness; helps offset deductibles/coinsurance and uncovered medical expenses

# Contact

## *information*

WHO	WHAT	PHONE	WEBSITE/ E-MAIL
HealthNet	Medical Plans, Prescriptions, ID Cards	(800) 289-2818	www.healthnet.com
Delta Dental	Dental Plan	(800) 352-6132	www.deltadentalaz.com
Vision Service Plan (VSP)	Vision Plan	(800) 877-7195	www.vsp.com
Mutual of Omaha	Employer Paid Life Insurance Voluntary Supplemental Life	(866) 438-4885	www.mutualofomaha.com
Mutual of Omaha	Short Term Disability	(866) 438-4885	www.mutualofomaha.com
Mutual of Omaha	Long Term Disability (Public Safety employees only)	(866) 438-4885	www.mutualofomaha.com
AFLAC Sean Beyer Kim Rodriguez	Voluntary Supplemental Plans	(520) 260-0080 (520) 975-5417	sean_beyer@us.aflac.com kimberly_rodriguez@us.aflac.com
City of Bisbee Jennifer Graeme	City of Bisbee Personnel Director	(520) 432-6271	jgraeme@cityofbisbee.com
CBIZ Becky Lopez	Benefits Consultant/Account Executive	(520) 321-7507	blopez2@cbiz.com
CBIZ Stephanie Barry	Account Manager	(520) 321-7523	sbarry@cbiz.com
CBIZ Lael Byrne	Benefits Consultant	(520) 321-7537	lbyrne@cbiz.com
CBIZ Claims Advocate Sandi Lopez	Employee claim questions, review & resolution	(520) 321-7503	slopez@cbiz.com

**About This Booklet:** This booklet highlights important features of the City of Bisbee's employee benefit plans. While efforts have been made to ensure the accuracy of the information presented, in the event of any discrepancies your actual coverage and benefits will be determined by the legal plan documents and the contracts that govern these plans. Benefit plans may be changed for any reason, to the extent allowed by law. Your participation in these benefits is not a contract of employment and does not guarantee future employment.

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