



2022

BENEFITS GUIDE

JANUARY 1 - DECEMBER 31, 2022

Welcome

Your benefits are an important part of your overall compensation. The City of Bellingham is pleased to offer a comprehensive array of valuable benefits to protect your health, your family and your way of life. This guide answers some of the basic questions you may have about your benefits. Please read it carefully, along with any supplemental materials you receive.

Eligibility

You are eligible for benefits if you work 20 or more hours per week. You may also enroll your eligible family members under certain plans you choose for yourself. Eligible family members include:

- ▶ Your legally married spouse
- ▶ Your WA State Registered domestic partner (RDP) or their children
- ▶ Your children who are your biological children, stepchildren, adopted children or children for whom you have legal custody (age restrictions may apply). Disabled children age 26 or older who meet certain criteria may continue on your health coverage.

When Coverage Begins

- ▶ **New Hires:** You must complete the enrollment process within 31 days of your date of hire. If you enroll on time, coverage is effective on the first of the month following date of hire.

If you fail to enroll on time, you will **NOT** have benefits coverage until January 1 of the following year, provided you enroll during the next open enrollment period.

- ▶ **Open Enrollment:** Changes made during Open Enrollment are effective January 1 - December 31, 2022.

Choose Carefully!

Due to IRS regulations, you cannot change your elections until the next annual Open Enrollment period, unless you have a qualified life event during the year. Following are examples of the most common qualified life events:

- ▶ Marriage or divorce
- ▶ Birth or adoption of a child
- ▶ Child reaching the maximum age limit
- ▶ Death of a spouse, RDP, or child
- ▶ You lose coverage under your spouse's/RDP's plan
- ▶ You gain access to state coverage under Medicaid or CHIP
- ▶ Change in child custody

Making Changes

To make changes to your benefit elections, you must contact Human Resources within 31 days of the qualified life event (60 days for newborns). Be prepared to show documentation of the event such as a marriage license, birth certificate or a divorce decree. If changes are not submitted on time, you must wait until the next Open Enrollment period to make your election changes.

Required Information—When you enroll, you will be required to enter a Social Security number (SSN) for all covered dependents. The Affordable Care Act (ACA), otherwise known as health care reform, requires the city to report this information to the IRS each year to show that you and your dependents have coverage. This information will be securely submitted to the IRS and will remain confidential.

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Go to

<https://benxcel.net>

There, you will find detailed information about the plans available to you and instructions for enrolling.

Medical Plans

The City is pleased to offer you a choice among two different medical plans that provide comprehensive medical and prescription drug coverage. The plans also offer many resources and tools to help you maintain a healthy lifestyle.

Premera Blue Cross PPO

These plans give you the freedom to seek care from the provider of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a provider who participates in the Heritage network. The calendar-year deductible must be met before certain services are covered.

Premera Blue Cross HDHP

The High-Deductible Health Plan (HDHP) gives you the freedom to seek care from the provider of your choice. You will maximize your benefits and reduce your out-of-pocket costs if you choose a provider who participates in the Heritage network. In addition, the HDHP comes with a health savings account (HSA) that allows you to save pre-tax dollars¹ to pay for any qualified health care expenses as defined by the IRS, including most out-of-pocket medical, prescription drug, dental and vision expenses. For a complete list of qualified health care expenses, visit www.irs.gov/pub/irs-pdf/p502.pdf.

Here's how the HDHP plan works:

- ▶ **Annual Deductible:** You must meet the entire annual deductible before the plan starts to pay for non-preventive medical and prescription drug expenses. **NOTE:** *If you enroll one or more family members, you must meet the full FAMILY deductible before the plan starts to pay expenses for any one individual.*
- ▶ **Coinsurance:** Once you've met the plan's annual deductible, you are responsible for a percentage of your medical expenses, which is called coinsurance. For example, the plan may pay 80 percent and you may pay 20 percent.
- ▶ **Out-of-Pocket Maximum:** Once your deductible and coinsurance add up to the plan's annual out-of-pocket maximum, the plan will pay 100 percent of all in-network eligible covered services for the rest of the calendar year. **NOTE:** *If you enroll one or more family members, you are only required to meet the INDIVIDUAL out-of-pocket maximum before the plan starts to pay covered services at 100 percent for that individual.*
- ▶ **Health Savings Account (HSA):** You may contribute to your HSA through pre-tax payroll deductions to help offset your annual deductible and pay for qualified health care expenses. In addition, the City will contribute annually to your HSA. **To be eligible for the HSA contributions, you cannot be covered through Medicare Part A or Part B or TRICARE programs. Other restrictions also apply. See the plan documents for full details.**



Important: Your contributions, in addition to the City's contributions, may not exceed the annual IRS limits listed below.

HSA Contribution Limit	2022
Employee Only	\$3,650
Family (employee + 1 or more)	\$7,300
Catch-up (age 55+)	\$1,000

Your HSA is yours for life. The money is yours to spend or save, regardless of whether you change health plans², retire or leave the City. There is no "use it or lose it" rule. Your account grows tax free over time as you continue to roll over unused dollars from year to year. You decide how or if you want to spend your HSA funds. You can use them to pay for you and your eligible dependents' doctor's visits, prescriptions, braces, glasses—even laser vision correction surgery.

¹ Tax free under federal tax law; state taxation rules may apply

² You must be enrolled in a qualified health plan to contribute to an HSA.

Summary of Benefits and Coverage (SBC) available on the City's public website <https://www.cob.org/employment/benefits>.

Medical Plans (Premera Blue Cross)

Following is a high-level overview of the coverage available. For complete coverage details, please refer to the Summary Plan Description (SPD). **Refer to Employee Cost Share Rate Sheet for prices.**

Key Medical Benefits	\$250 Deductible PPO		HDHP HSA PPO	
	In-Network	Out-of-Network ¹	In-Network	Out-of-Network ¹
Deductible (per calendar year)				
Individual / Family	\$250 / \$750		\$1,500 / \$3,000 ⁴	
Out-of-Pocket Maximum (per calendar year)				
Individual / Family	\$3,000 / \$6,000		\$5,000 / \$10,000 ⁵	No Maximum
Company Contribution to Your Health Savings Account (HSA) (per calendar year; prorated for new hires/newly eligible)				
Individual / Family	N/A		Refer to Rate Sheet	
Covered Services				
Office Visits (physician/specialist)	\$20 / \$35 copay	30%*	20%*	40%*
Routine Preventive Care	No charge	30%*	No charge	40%*
Outpatient Diagnostic (lab/X-ray)	10%*	30%*	20%*	40%*
Complex Imaging	10%*	30%*	20%*	40%*
Chiropractic	\$20 copay ²	30%* ²	20%* ³	40%* ³
Ambulance	10%*		20%*	
Emergency Room	\$75 copay + 10%*		20%*	
Urgent Care Facility	\$20 / \$35 copay	30%*	20%*	40%*
Inpatient Hospital Stay	10%*	30%*	20%*	40%*
Outpatient Surgery	10%*	30%*	20%*	40%*
Prescription Drugs Tier 1 / Tier 2 / Tier 3 / Tier 4 ^{6,7}				
Retail Pharmacy (30-day supply)	\$15 / \$30 / \$50 / \$250	Cost Share, then 40%	20%*	
Mail Order (90-day supply)	\$37.50 / \$75 / \$50 / \$625	Not covered	20%*	Not covered

Coinsurance percentages and copay amounts shown in the above chart represent what the member is responsible for paying.

*Benefits with an asterisk (*) require that the deductible be met before the Plan begins to pay.

To be eligible for the HSA, you cannot be covered through Medicare Part A or Part B or TRICARE programs. Other restrictions apply. See the plan documents for full details.

1. If you use an out-of-network provider, you will be responsible for any charges above the maximum allowed amount.
2. 15 visits per calendar year (PCY)
3. 10 visits per calendar year (PCY)
4. If you enroll one or more family members, you must meet the full FAMILY deductible before the plan starts to pay expenses for any one individual.
5. If you enroll one or more family members, you are only required to meet the INDIVIDUAL out-of-pocket maximum before the plan starts to pay covered, in-network services at 100 percent for that individual.
6. Specialty Prescriptions – not available in 90 day supply
7. Prescription Tiers – 1=Preferred Generic, 2=Preferred Brand, 3=Preferred Specialty, 4=Non-Preferred Generic, Brand, Specialty

Dental Plan (Delta Dental)

This plan offers you the freedom and flexibility to use the dentist of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a dentist who participates in the Delta Dental network.

Following is a high-level overview of the coverage available.

Key Dental Benefits	Delta Dental PPO	
	In-Network	Out-of-Network ¹
Deductible (per calendar year)		
Individual / Family	\$0 / \$0	\$0 / \$0
Benefit Maximum (per calendar year; preventive, basic, and major services combined)		
Per Individual	\$1,500	\$1,500
Covered Services		
Preventive Services	100% - 70%	100% - 70%
Basic Services	100% - 70%	100% - 70%
Major Services	50%	50%

Coinsurance percentages shown in the above chart represent what Delta Dental reimburses.

1. If you use an out-of-network provider, you will be responsible for any charges above the maximum allowed amount.



Vision Plan (VSP)

The **Vision Service Provider (VSP) vision** plan gives you the freedom to seek care from the provider of your choice. However, you will maximize your benefits and reduce your out-of-pocket costs if you choose a provider who participates in the Vision Service Provider (VSP) network.

Following is a high-level overview of the coverage available.

Key Vision Benefits	In-Network	Out-of-Network Reimbursement
Exam* (once every 12 months)	\$0	Up to \$45
Materials Copay	\$20	N/A
Lenses (once every 24 months)	No charge after materials copay	Up to \$30
Single Vision		Up to \$50
Bifocal		Up to \$65
Trifocal		
Frames (once every 24 months)	Up to \$80 - Costco; or \$200	Up to \$70
Contact Lenses (once every 24 months; in lieu of glasses)	Covered up to \$200	Up to \$105

*Annual eye exam provided through your medical plan except HDHP. VSP exam benefit is intended for HDHP enrollees or employees/dependents that have opted out of medical.

Flexible Spending Accounts (WEX/Discovery Benefits)

The City provides you with an opportunity to participate in up to three different flexible spending accounts (FSAs) administered through WEX/Discovery Benefits. FSAs allow you to set aside a portion of your income, before taxes, to pay for qualified health care and/or dependent care expenses. Because that portion of your income is not taxed, you pay less in federal income, Social Security and Medicare taxes.

Health Care FSA

For 2022, you may contribute up to \$2,850 (IRS limit) to cover qualified health care expenses incurred by you, your spouse and your children up to age 26. Some qualified expenses include:

- ▶ Coinsurance
- ▶ Copayments
- ▶ Deductibles
- ▶ Prescriptions
- ▶ Dental treatment
- ▶ Orthodontia
- ▶ Eye exams/eyeglasses
- ▶ Lasik eye surgery

For a complete list of eligible health care expenses, visit www.irs.gov/pub/irs-pdf/p502.pdf.

Limited-Purpose Health Care FSA (for HDHP PPO participants)

If you enroll in the HDHP PPO medical plan, you may only participate in a limited-purpose Health Care FSA. This type of FSA allows you to be reimbursed for eligible dental, orthodontia and vision expenses while preserving your HSA funds for eligible medical expenses.

Dependent Care FSA

For 2022, you may contribute up to \$5,000 (per family) to cover eligible dependent care expenses (\$2,500 if you and your spouse file separate tax returns). Some eligible expenses include:

- ▶ Care of a dependent child under the age of 13 by babysitters, nursery schools, pre-school or daycare centers
- ▶ Care of a household member who is physically or mentally incapable of caring for him/herself and qualifies as your federal tax dependent

For a complete list of eligible child and dependent care expenses, visit www.irs.gov/pub/irs-pdf/p503.pdf.

Life and AD&D Insurance (New York Life)

Life insurance provides your named beneficiary(ies) with a benefit in the event of your death.

Accidental Death and Dismemberment (AD&D) insurance provides specified benefits to you in the event of a covered accidental bodily injury that directly causes dismemberment (i.e., the loss of a hand, foot or eye). In the event that your death occurs due to a covered accident, both the life and the AD&D benefit would be payable.

Basic Life/AD&D (City-paid)

This benefit is provided at **NO COST** to you through New York Life.

Benefit Amount	Refer to your collective bargaining agreement or E-Team handbook for benefit amount
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FSA Rules

YOU MUST ENROLL EACH YEAR TO PARTICIPATE.

Because FSAs can give you a significant tax advantage, they must be administered according to specific IRS rules:

Unused funds will **NOT** be returned to you or carried over to the following year.

You can incur expenses through December 31, 2022, and must file claims by March 31, 2023.



Long-Term Disability (New York Life)

Disability insurance provides benefits that replace part of your lost income when you become unable to work due to a covered injury or illness.

Long-Term Disability

Provided at **NO COST** to you through New York Life.

Benefit Percentage	60%
Monthly Benefit Maximum	\$10,000
When Benefits Begin	After 180 th day of disability
Maximum Benefit Duration	Refer to Plan Document

Employee Assistance Program (EAP)

Life is full of challenges, and sometimes balancing it is difficult. We are proud to provide two confidential programs dedicated to supporting the emotional health and well-being of our employees and their families. The employee assistance programs (EAPs) are provided at **NO COST** to you through PeaceHealth Health Promotion Northwest and New York Life (Life Insurance benefited).

The EAP can help with the following issues, among others:

- ▶ Mental health
- ▶ Relationships or marital conflicts
- ▶ Child and eldercare
- ▶ Substance abuse
- ▶ Grief and loss
- ▶ Legal or financial issues

EAP Benefits

- ▶ Assistance for you and your household members
- ▶ **PeaceHealth Health Promotion Northwest:** Up to five (5) in-person sessions with a counselor per issue, per year, per individual
- ▶ **New York Life (Life Insurance benefited):** Up to three (3) in-person sessions with a counselor per issue, per year, per individual
- ▶ Unlimited toll-free phone access and online resources



Valuable Extras

We also offer the following additional benefits:

- ▶ Telehealth through Premera
- ▶ Identity Theft through Cigna
- ▶ Value Resources for Estate Planning
- ▶ Medical Opt-Out Incentive
- ▶ Centers of Excellence for Joint Replacement (call Premera)
- ▶ Talkspace for Behavioral/Mental Health

Medical Opt-Out Incentive

If you or an eligible family member are covered by group medical benefits elsewhere, you may choose to “opt-out” of receiving City medical benefits. If you do “opt-out”, you and the City share the savings. Opt-out incentives are payable as a taxable cash benefit. Opt-out amounts and additional information are available on the Staff Central-Benefits page under Opt Out-Medical Benefits. **NOTE: You may only opt-out/in during open enrollment or due to a qualifying event as defined by the IRS.**



Benefit Spot

We've gone mobile! To help you access your benefits information—even when you're away from work and need it most—we've launched a mobile benefits app. To get started, Download "Benefit Spot" on the Apple App Store or Google Play and **enter company code: COB**



Cost of Benefits

Your contributions toward the cost of benefits are automatically deducted from your paycheck before taxes. The amount will depend upon the plan you select and if you choose to cover eligible family members. **For pricing please refer to the separate Employee Cost Share Rate Sheet.**

Contact Information

Coverage	Carrier	Phone #	Website/Email
Medical	Premera Blue Cross	(800) 722-1471	www.premera.com
Telehealth	24/7 Telehealth	-	(medical) https://www.98point6.com/premera/ (medical & dermatology) https://www.doctorondemand.com/premera (medication substance abuse) https://boulder.care/getstarted (alcohol abuse) https://www.workithealth.com/insurance/premera/
Pharmacy	Pharmacy Services with Express Scripts	(800) 391-9701	N/A
Health Savings Account (HSA)	HSA Bank	(800) 357-6246	www.hsabank.com
Dental	Delta Dental	(800) 554-1907	www.deltadentalwa.com
Vision	Vision Service Plan (VSP)	(800) 877-7195	www.vsp.com
Flexible Spending Accounts (FSAs)	WEX/Discovery Benefits	(866) 451-3399	https://www.wexinc.com/solutions/benefits/
Life/AD&D and Disability	New York Life	(800) 362-4462	www.myNYLGBS.com
Employee Assistance Program (EAP)	PeaceHealth Health Promotion Northwest	(360) 788-6565	www.peacehealth.org/whatcom/eap
	New York Life	(800) 538-3543	www.signalap.com
Behavioral Health	Behavioral/Mental Health	-	www.premera.com/visitor/mentalhealth

Benefits Website

Our benefits website <http://www.tinyurl.com/hubmybenefits> can be accessed anytime you want additional information on our benefits programs.

User ID & Password: CityBham2000

Questions?

If you have additional questions, you may also contact:

Human Resources - Benefits
(360) 778-8220

Internal Email: G.HR.Benefits; External Email: benefits@cob.org

HUB International - Joanne Johnson
(360) 603-4640

joanne.b.johnson@hubinternational.com



DISCLAIMER: The material in this benefits brochure is for informational purposes only and is neither an offer of coverage or medical or legal advice. It contains only a partial description of plan or program benefits and does not constitute a contract. Please refer to the Summary Plan Description (SPD) for complete plan details. In case of a conflict between your plan documents and this information, the plan documents will always govern. **Annual Notices:** ERISA and various other state and federal laws require that employers provide disclosure and annual notices to their plan participants. The City of Bellingham will distribute all required notices annually.

