

**TIME TO  
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BENEFITS OPEN ENROLLEMENT  
OCTOBER 12-NOVEMBER 6



**2016 Open Enrollment & Health Benefits  
Frequently Asked Questions  
(Civilian Employees)**

**Open Enrollment**

***What is open enrollment?***

Open enrollment is the one time each year when employees can make changes to their health benefits without experiencing a Qualifying Life Event. Employees can add or remove dependents, as well as select a different health plan during open enrollment. Employees can also establish or re-establish a Flexible Spending Account (FSA).

***How do I enroll?***

You can enroll online by logging into the Employee Self Service (ESS) System at [www.sanantonio.gov/easi](http://www.sanantonio.gov/easi). You will be asked to enter your ID and password. If this is your first time accessing the Employee Self Service portal, follow the on-screen instructions to create your default password and complete your enrollment.

***What are my health care plan options?***

You have two plans options to consider for 2016– Consumer Choice PPO and New Value PPO.

***What should you consider when selecting a health care plan?***

Some things you should consider when selecting a plan include the regular and anticipated medical needs and prescription medications of you and/or your dependents. You should also consider whether you usually meet your annual deductible.

***Are there any tools to help me understand my benefits and select a plan?***

Yes. There are several tools and resources you can access:

- [Civilian Benefit Matters benefits guide](#) – available for viewing and printing online
- [Benefits Information Video Library](#) – featuring informative videos covering topics such as open enrollment, Flexible Spending Accounts, the medical plans, and more
- [Health Plan Cost Estimator](#) – allows you to input your own health information and compare both medical plan options (username: SanAntonio2016 and password: Benefits2016)

***The videos often reference “networks.” Are they different for the Consumer Choice plan versus the New Value plan?***

No. The City contracts with UnitedHealthcare for network utilization for both plans. Those enrolled in Consumer Choice will have access to the same network of health care providers as those enrolled in the New Value plan.

***Where do you find in-network providers?***

You can find in-network providers at [www.myuhc.com](http://www.myuhc.com), or call UnitedHealthcare customer service at 1-800-996-2078.

***Will there be open enrollment assistance sessions this year?***

Yes. Seven (7) enrollment assistance sessions will be held at the Alamodome. Free parking will be available in Lot A. With your supervisor’s approval, you can stop by the Alamodome on the dates and at the times listed below.

Open Enrollment Assistance

- October 19: 1-5 p.m.
- October 20: 7:45 a.m.-4:30 p.m.
- October 21: 7:45 a.m.-4:30 p.m.
- October 26: 7:45 a.m.-4:30 p.m.
- October 27: 7:45 a.m.-4:30 p.m.
- October 28: 7:45 a.m.-4:30 p.m.
- October 29: 7:45 a.m.-noon

**Consumer Choice Plan (Consumer-Driven Health Plan)**

***What is the Consumer Choice plan?***

The Consumer Choice plan allows you to have more control over how your health care dollars are spent. It includes a higher deductible and a Health Savings Account (HSA). It is similar to the New Value plan in that it includes co-insurance, deductibles, in-network preventive screenings at 100%, and the freedom to select your health care providers from a nationwide network. It differs from the New Value plan in that, it does not feature co-pays; therefore, you are responsible for 100% of the cost of your health care services until you

meet your deductible. You can read more about Consumer Choice plan in the Civilian Benefit Matters guide or watch the video in our video information library.

***Do I have to switch doctors if I choose the Consumer Choice plan?***

No. As long as your provider is within the network, you can keep your current doctor. You can also use a provider outside the network, but you will pay less if you stay within the network.

***Can you have gap insurance with the Consumer Choice plan?***

You may not have another non-high deductible health plan.

***How are the benefits paid with Consumer Choice plan?***

You may use your HSA dollars to pay for out-of-pocket costs when you use your plan. Remember, you must first meet your deductible before the plan begins to pay.

***Can my dependents have other coverage if I have the Consumer Choice plan?***

Yes.

***Who determines how much you contribute to an HSA?***

The Internal Revenue Service (IRS) regulates the maximum allowable contribution to the HSA.

***Can you use Veterans Affairs' health care facilities if you have the Consumer Choice plan?***

No.

***Do you still get the discounted rate for doctor visits with the Consumer Choice plan as you do with the New Value plan?***

Yes. Any fees you pay for medical services will be at the discounted rate that has been negotiated by UnitedHealthcare.

***Are the dental and vision benefits the same for those enrolled in the Consumer Choice plan as in the New Value and Premier plans?***

Yes. Regardless of which medical plan you choose, you have the same options for both dental and vision.

***How do prescriptions work with Consumer Choice?***

There are no co-pays in the Consumer Choice plan, so you will pay 100% of the cost of your medications until you meet your deductible. However, for IRS-approved maintenance medications used to control conditions such as diabetes, high cholesterol, and high blood pressure, you only pay 20% of the cost, as these are not subject to the deductible.

## Health Savings Accounts (HSA)

### **What is an HSA?**

An HSA is a type of bank account that allows you to pay for current health care expenses and save for your future health care needs.

### **When will the funds in my HSA be available to use?**

The City will make a one-time contribution to your HSA account of \$500 for individual coverage or \$1,000 if you are covering one or more dependents. The City's contribution is usually made in January. If you have decided to make additional contributions to the HSA, your deductions will be made on a bi-weekly basis through payroll deduction.

### **Can I reimburse myself once I have the money in my account?**

Yes.

### **Can you use an HSA and a Health Care Flexible Spending Account (FSA)?**

No. You may only use one or the other at one time.

### **Can I switch between an HSA and FSA if I change plans?**

Yes. If you select the Consumer Choice plan this year, you may use your HSA. Next year, if you select a plan that is not a high-deductible health plan, you may use a health care FSA. However, you cannot roll your HSA funds into your FSA and vice versa, and you cannot use funds from both your FSA and your HSA to pay for the same health care expense.

#### *Example:*

Jane Cosa enrolls in the Consumer Choice health care plan in 2015 and has an HSA. In 2016, she decides to enroll in the New Value health care plan. Jane still has \$2,000 left in her HSA from 2015. What can Jane do?

- Jane can use the \$2,000 in her HSA to help pay for her health care expenses. However, since she is no longer enrolled in Consumer Choice, she cannot make any new contributions to her HSA.
- Jane can open an FSA to help pay for her health care expenses. The 2016 limit for an FSA is \$2,550.

### ***Can HSA dollars be used for those not on my plan, but for health care related expenses?***

Yes. Any of your tax dependents can use the HSA for eligible expenses. However, you may only fund your HSA to your level of enrollment in the Consumer Choice health plan. For example, if you enroll in the employee-only level of coverage, the maximum amount that can be contributed to your HSA is \$3,350.

### ***What happens to the funds in my HSA if I switch plans next year?***

The funds you accumulate in your HSA will always be yours, even if you switch plans.

***What happens if I use HSA dollars for non-health care-related expenses?***

Any HSA funds used for non-health care-related expenses will be subject to income tax and a 20% penalty.

***What happens if I am 65? Can I use the HSA dollars for non-health care-related expenses?***

Yes, but you will still be required to pay income tax on those dollars; however, you will not have to pay the 20% penalty.

***Can I keep using my HSA money if I change plans?***

Yes. The funds in your HSA account can be used to pay your out-of-pocket health care expenses. However, if you enroll in an FSA when you change plans, you cannot use funds from your HSA and your FSA to pay for the same health care expense.

***Does my HSA accrue interest? If so, how much?***

Your HSA will accrue interest based upon established rules with OptumHealth Bank, which will serve as the bank for your HSA.

***Does an HSA ever expire?***

An account balance in excess of zero will remain indefinitely. Your account will be automatically closed if the account balance is zero for a minimum of six (6) months.

***How do you terminate an HSA?***

Since the HSA is a tax-advantaged bank account, you would need to contact OptumHealth Bank and request that the funds be transferred/rolled over to another HSA tax-advantaged account.

***Can HSA monies be used to pay for COBRA rates?***

Yes. You may use your HSA dollars to pay for COBRA premiums as a qualified expense.

**What are the differences between an HSA and an FSA?**

The primary differences between an HSA and an FSA are:

	<b>Health Savings Account (HSA)</b>	<b>Flexible Spending Account (FSA)</b>
<b>Do the funds carry over from one year to the next?</b>	<b>Yes.</b> Funds will roll over from year to year.	<b>No.</b> Funds do not roll over and must be used by the end of each calendar year or they will be lost.
<b>Can you take your money with you if you leave the City?</b>	<b>Yes.</b> The funds belong to you and can be taken with you when you leave the City.	<b>No.</b> The funds are not yours to keep once you leave the City.
<b>If I establish a bi-weekly payroll deduction, can I use the full amount of my contribution?</b>	<b>No.</b> You can only use the money that is actually in your account. On January 15, 2016, the only money you will be able to use is what the City has contributed (\$500 for an employee-only plan and \$1,000 for a family plan) and your first bi-weekly payroll deduction.	<b>Yes.</b> The full amount you contribute to your FSA will be available to you on January 1, 2016.

**Can I participate in an HSA if not enrolled in the Consumer Choice Plan?**

No. IRS regulations state that you are only eligible to open and fund an HSA if you are currently enrolled in a qualified high-deductible health plan, which is the Consumer Choice plan.

**If you and your spouse/certified domestic partner are City employees, can one of you have an HSA and the other have an FSA?**

Yes. However, your expenses will need to be kept separate so as not to be in violation of any IRS regulations.

**Can you have a child/elder (dependent) care FSA and an HSA?**

Yes.

**Does an HSA reduce your taxable income?**

Yes. If the money is contributed via a payroll deduction, the deduction occurs to ordinary income tax withholding. If you contribute after-tax money to the account, you will still receive the tax savings as an above-the-line deduction on your tax return.

**What if I have an existing HSA, can I roll that money over?**

Yes. You must obtain and complete the rollover transfer form from your existing HSA bank.

**Who decides the City's contribution to the HSAs?**

The City makes this determination during the budget process.

***How much can be contributed to an HSA each year?***

For 2016, you can contribute up to \$3,350 for an individual and \$6,750 for a family. Remember, this also includes the City's contribution and any rewards that you might receive through the wellness program.

***What happens to your HSA money when you die?***

If your spouse is your beneficiary, they are allowed to transfer the HSA to their name and continue to use the funds for qualified expenses, tax-free. If your beneficiary is someone other than a spouse, the account must be cashed out and will become taxable income to the beneficiary.

***What is a catch-up provision?***

After you reach age 55, you are allowed to make an additional \$1,000 over and above the annual contribution limit of \$3,350 for individual and \$6,750 for family for calendar year 2016.

***What happens to my HSA if I leave the City?***

The funds belong to you and you can take them with you when you leave the City.

***If I leave the City tomorrow, would the funds in my HSA be considered income?***

No. As long as the funds are used to pay for qualified health care expenses, they will not be considered income.

***Are you responsible for HSA administrative fees if you leave the City?***

Yes. Any fees assessed by OptumHealth Bank are your responsibility once you leave the City.

***If you are still employed by the City and switch from the Consumer Choice plan to another option, who pays the administrative fee?***

The City will continue to pay the administrative fee.

***What other fees are associated with an HSA?***

OptumHealth Bank will provide additional schedule of fees upon opening of your account.

***When you leave the City, can you roll over HSA dollars into a 401K plan or any other retirement account?***

No.

***Can you roll over FSA dollars to an HSA?***

No.

***Can you change your HSA contributions throughout the year?***

Yes. You can obtain the form from the Human Resources Department Employee Benefits Division.

***Can your spouse contribute to your HSA?***

Yes. An after-tax contribution can be submitted directly to OptumHealth Bank.

***Can the HSA be used for family members that participate in an FSA?***

No. IRS regulations state that families are limited to either an HSA or a health care FSA. You and or your family may participate in a child/elder care spending account.

***If I have Medicare can I participate in an HSA?***

If you have Medicare or any other non-high deductible health plan, you may participate in the Consumer Choice option, but you may not open or fund an HSA account.

***Can I contribute each year to my HSA even if I have the maximum allowed in my account?***

The account itself does not have a maximum, only the amount you can contribute each year has a limit. Each year you may contribute the maximum the IRS allows.

***Can an employee and their spouse/certified domestic partner have separate HSA accounts?***

If an employee and spouse/certified domestic partner work for the same employer, each may set up an individual account, but will be limited to an annual contribution of \$6,750, cumulatively. If one member sets up a family plan, the spouse/certified domestic partner may not set up a separate HSA unless he/she is age 55 and above, and wishes to contribute catch-up contributions of \$1,000.

***Are there advisors available to assist employees with investing their funds?***

Through OptumHealth Bank's website, investment materials are made available to members whose accounts reach \$2,000 and above.

***Is there a fee to invest?***

Yes. There is a \$3 monthly investment fee charged when the member has reached the \$2,000 threshold and chooses to invest in mutual funds.

## Flexible Spending Account (FSA)

***Is the City going to help fund FSAs?***

No. FSAs are completely funded by the employee through bi-weekly payroll deductions and participation in the Employee Wellness Program.

***Will FSAs still be available in 2016?***

Yes. If you select the New Value plan, you will have the option of continuing or establishing an FSA.

***Does an FSA reduce your taxable income?***

Yes. The deduction occurs prior to ordinary income tax withholding.

## Child / Elder Care Spending Accounts

***Does a parent need partial or full custody of their child(ren) to qualify to utilize a child/elder (dependent) care FSA?***

No, but the care must be provided for one or more qualifying dependents identified on the form you use to claim the credit.

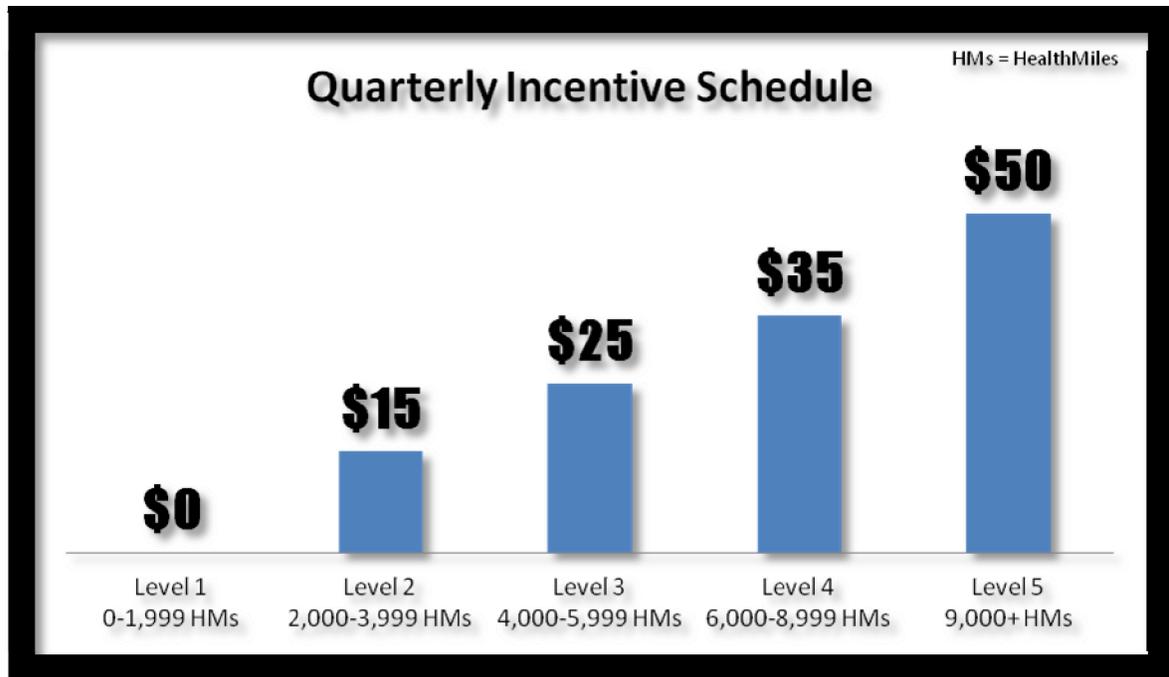
## Employee Wellness Program

***How will the Virgin Pulse Program work in 2016?***

There is an exciting change to the City's activity-based program, Virgin Pulse coming for 2016. Since its implementation in 2013, Virgin Pulse has been based on a unique 12-month format that begins once an employee first registers for the program. Some participants finished earlier than the 12-month period and others did not. Some of the feedback was that finishing was next to impossible. Well, we have heard you and are proud to present a way where everybody wins!

Beginning in 2016, awards will be paid on a quarterly basis. All participants will start and end their "game" simultaneously. The potential annual reward of \$500 will not change and the rewards will continue to be deposited in your HSA or FSA at the end of each quarter. For those employees who waived medical coverage or do not have an FSA, one will be opened for you once you reach Level 2. Employees who are enrolled in Consumer Choice and do not have an HSA will forfeit any rewards.

Here is how it works: January 1, 2016 will mark the implementation of the new format, with all employees starting at Level 1 for Quarter 1 (January 1 – March 31). Participants will have three months to progress through Levels 1 - 5. Payouts for completing Levels 2 – 5 will be paid in April. Quarter 2 will be April 1 – June 30 under the same format and will continue as such for Quarters 3 and 4. Employees can earn \$125 each quarter, for a maximum payout of \$500 by the end of the year.



*Eligible activities include: tracking daily activity, participating in health challenges, attending and participating in designated City-sponsored events, and by demonstrating improved overall health.*

We are excited about this change and encourage every employee to continue with the program and spread the word. Not enrolled in the Virgin Pulse Program yet? Register online at [www.join.virginpulse.com/cityofsanantonio](http://www.join.virginpulse.com/cityofsanantonio).

**Note:** All money deposited into your FSA/HSA by the City is considered income and subject to a 6% contribution to your Texas Municipal Retirement System (TMRS) account.

**How much can you earn through the Virgin Pulse Program in contributions to a FSA/HSA?**  
In 2016, you can earn up to \$500 by participating in the Virgin Pulse Program.

## Tobacco User Fee

**How much is the Tobacco User Fee?**

It is a \$40 monthly fee.

**Who is considered a tobacco user?**

Anyone who has used tobacco products during the last 60 days is a tobacco user. Tobacco products include, but are not limited to: cigarettes, cigars, pipes, all forms of smokeless tobacco (chewing tobacco, snuff, dip, or any other product that contains tobacco), clove cigarettes or any other smoking devices that use tobacco such as hookahs. Electronic and smoke-free cigarettes are included in the definition of a tobacco product.

***What happens if you are a tobacco user and you state that you are not?***

If it is discovered that you are a tobacco user when you indicated that you are not, you could be subject to discipline for misrepresentation on City documents.

***Is there a tobacco fee for dependents?***

No.

***I quit using tobacco, so what is next?***

You may stop the monthly fee by completing a tobacco cessation program, including the Quit for Life Program or the City's tobacco cessation classes. Once you have successfully done so **AND** are tobacco-free for 60 consecutive days, complete and submit a new Tobacco Declaration Form certifying that you are no longer a tobacco user along with your certificate of completion from your tobacco cessation program to the Employee Benefits Office.

***Will I be refunded for any amount I have paid in monthly Tobacco User Fees?***

No.