

BENEFITS BULLETIN

October 16, 2012

City of Chicago
Rahm Emanuel
Mayor

Department of Finance
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OPEN ENROLLMENT FOR 2013 STARTS NOVEMBER 5TH

The City of Chicago annual Medical/Dental & Flexible Spending Account (FSA) Open Enrollment Period for all eligible employees starts Monday, November 5, 2012 and continues until 11:59 pm on Friday November 23, 2012. All changes you make will be effective January 1, 2013. During this enrollment, you will have a chance to:

- Change your medical and/or dental plan.
- Enroll for coverage, if you do not have coverage now.
- Enroll your eligible dependents for coverage (up to their 26th birthday), if they aren't covered now.
- Cancel coverage for yourself or your dependents.
- Combine coverage if you and your spouse are both eligible City of Chicago employees and enrolled in the same medical plan.
- Enroll online or Re- Enroll online in the PayFlex health plan.

Complete Open Enrollment details will be distributed with your next paycheck in a personalized envelope that will require your signature. Check out what's new for 2013 on page 2 of this Benefits Bulletin.

HOW DO I MAKE A PLAN CHANGE, DURING THIS OPEN ENROLLMENT PERIOD?

HOW DO I ADD/DELETE MYSELF OR MY ELIGIBLE DEPENDENT(S), DURING THIS OPEN ENROLLMENT PERIOD?

An easy to use website exclusively designed for City of Chicago employees will be available for the first time beginning November 5th.

This new online enrollment option was created to make your election experience much easier and faster than in the past. You will no longer need to make a telephone call and enter a PIN number.

A toll-free customer service hotline will also be available if you wish to talk to someone for online assistance or make your election over the telephone.

Complete Open Enrollment details including the website address and Group Benefits Service Center phone number will be distributed with your next paycheck in a personalized envelope that will require your signature.

IF I AM NOT MAKING PLAN CHANGES OR SPOUSE / DEPENDENT CHANGES, DO I NEED TO DO ANYTHING?

The answer is YES.

Please open the personalized envelope you will sign for during the next pay period and carefully review all contents and especially your personalized Open Enrollment Cover Letter inside. This letter provides the names and status of your current medical and dental coverage.

Your personalized letter also lists eligibility information for you and your covered dependents.

The purpose of this letter is to give you a chance to correct information such as misspellings of names, incorrect dates of birth, missing social security numbers, etc. If you find information that needs to be corrected, please contact Benefits Management.

Important reminder: If you are eligible for medical coverage you are also eligible for Davis Vision coverage for 2013.

WHAT'S NEW FOR 2013?

BENEFITS ENROLLMENT AND ADMINISTRATION WILL BE ONLINE

Effective January 1, 2013, a new partner will begin administering the Health and Group benefit plans for the City of Chicago. A full service offering will be provided through the City of Chicago Health and Group Benefits Service Center and Website.

City employees, annuitants and their eligible dependents will be able to ask questions about their benefits information by speaking to a customer service representative at the Group Benefits Service Center.

Benefits information will also be available 24 hours a day via the Internet.

The new website allows you to do the following:

- Make Annual Enrollment elections for 2013.
- Review your current benefit elections.
- Verify personal information, such as address or dependent information.
- Make changes to your benefit elections because of a life event such as marriage, civil union, birth or adoption of a child, or divorce, etc.
- Visit the Internet for a variety of other paperless applications.

Getting to City of Chicago Benefits

Between **November 5 - 23, 2012**: Go to the new City of Chicago website from any computer or cell phone with Internet access – at home, at work or even from your local library.

If you do not have access to a computer, you can call the City of Chicago Benefits Service Center. **More details will be provided in your personalized Open Enrollment envelope that you sign for during the next pay period.**

This new functionality will provide a full service offering and allows you the freedom of choice in how to access and maintain your health benefits information, at any time that is convenient. Keep in mind, to enroll in an FSA with PayFlex, you must also use the new website between Nov. 5 and Nov. 23, 2012. The new website address will be distributed with your next paycheck. If you have questions about FSAs, call PayFlex at 1-800-284-4885.

Important Note: Certified documents and other required proof of dependency (POD) information will continue to be accepted at the Benefits Management Office / 333 S. State Street / Room 400 / Chicago, IL 60604-3978

PAYFLEX HEALTHCARE FSA - MAXIMUM CONTRIBUTION WILL CHANGE

Effective January 1, 2013, the Healthcare Flexible Spending Account (FSA) annual maximum will change from \$5,000 to \$2,500. This change is necessary to comply with certain provisions in the Health Care Reform Affordable Care Act.

This new limit is on a per-participant basis which means you and your eligible spouse may each contribute up to the individual limit of \$2,500. Keep in mind that this legislation only impacts the maximum contribution amount for a Healthcare FSA. For example, the IRS maximum contribution for employees eligible to participate in the dependent care FSA will remain at \$5,000.

NEW ENROLLMENT: If you are not currently enrolled, you can enroll online using the new website from Nov. 5 thru Nov. 23, 2012.

RE-ENROLLMENT REMINDER: If you are currently enrolled and you wish to participate in the FSA for plan year 2013, **you must re-enroll** using the new website.

USE IT OR LOSE IT REMINDER: If you are currently enrolled and you don't use all the money in your 2012 FSA account before March 15, 2013, your remaining balance will be forfeited and not be refunded.

BENEFIT INFORMATION FAIR CALENDAR FOR 2012

Do You Have Questions About Benefit Plans Available To Eligible City of Chicago Employees?

This is your opportunity to get in-person answers from the following representatives: Benefits Management Division, Blue Cross Blue Shield PPO & Blue Advantage HMO medical plans, Telligen Medical Advisor, Quest Diagnostics, CVS-Caremark prescription drugs, Humana CompBenefits PPO & HMO dental plans, Davis Vision plan, PayFlex FSA plans, MetLife universal insurance, Prudential term life insurance and long term disability plan, Nationwide Retirement Solutions deferred compensation program, Wageworks transit benefit program, Chicago Municipal Employees Credit Union, Chicago Patrolmen's Federal Credit Union and the Healthways (Chicago Lives Healthy wellness program).

**ALL FAIRS BELOW WILL BE HELD FROM
10:30AM TO 2:30 PM**

Friday, November 9th

**Midway Airport
AMC Building
6201 South Laramie
(First Floor)**

Tuesday, November 13th

**Quinn Fire Academy
558 West DeKovan
(at Taylor & Clinton)
(First Floor)**

Wednesday, November 14th (2-Day Fair)

**City Hall
121 N. LaSalle Street
(10th and 11th Floors)**

Thursday, November 15th (2-Day Fair)

**City Hall
121 N. LaSalle Street
(10th and 11th Floors)**

Friday, November 16th

**Public Safety Headquarters
(formerly called Police Headquarters)
3510 S. Michigan Ave
(Multi-Purpose Room)**

Tuesday, November 20th

**DePaul Center
333 S. State Street
(2nd, 3rd and
4th Floor)**

IMPORTANT REMINDER: The Benefit Fairs listed above are for INFORMATIONAL purposes only. New enrollment, changing your plan and/or submitting certified documents will not be possible at any of these locations.

Complete Open Enrollment details including the website address and Group Benefits Service Center phone number will be distributed with your next paycheck in a personalized envelope that will require your signature.

HEALTHCARE CONTRIBUTION RATES FOR ALL ELIGIBLE EMPLOYEES EFFECTIVE 7/1/2006

- Pursuant to union agreements, the following formulas are applied to your annual salary with your level of coverage to determine your contribution per pay period.

ANNUAL SALARY	SINGLE	EMPLOYEE + 1	FAMILY
Up to \$30,000 (flat rate)	\$15.71	\$23.88	\$27.65
\$30,001 to \$89,999	1.2921% of gross divided by 24	1.9854% of gross divided by 24	2.4765% of gross divided by 24
\$90,000 and over (flat rate)	\$48.45	\$74.45	\$92.87

The following Examples Are Provided To Clarify These Payroll Deductions:

<p>Example 1: If your annual salary is under \$30,000, and you enroll for single coverage, your contribution will be a flat rate of \$15.71. As your salary increases over \$30,000, your contribution per pay period will increase accordingly.</p>	<p>*Example 2: If your annual salary is \$46,000, your contribution will be calculated as follows: Single \$46,000 x .012921 divided by 24 = \$24.76 Employee + 1 \$46,000 x .019854 divided by 24 = \$38.05 Family \$46,000 x .024765 divided by 24 = \$47.46</p>
<p>Example 3: If your annual salary is \$90,000 or more your contribution is capped at a flat rate: \$48.45 for a Single coverage, \$74.45 for Employee + 1, and \$92.87 for family</p>	

* (These calculations can be computed for any salary from \$30,001 to \$89,999 depending on the level of coverage. As your salary increases, your contributions per pay period will increase accordingly.)

Healthcare Contribution Rates for**Veteran Crossing Guards Effective 7/1/2006

ANNUAL SALARY	SINGLE	EMPLOYEE + 1	FAMILY
Up to \$30,000 (flat rate)	\$20.95	\$31.84	\$36.87
\$30,001 to \$89,999	1.2921% of gross divided by 18	1.9854% of gross divided by 18	2.4765% of gross divided by 18

**Hired prior to January 1, 2006