



## 2017 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 User ID and password. Online enrollment instructions can be found online at [www.sanantonio.gov/openenrollment](http://www.sanantonio.gov/openenrollment).

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

You have two plans options to consider for 2017 – Consumer Choice PPO and New Value PPO.

#### ***Do we have new health care administrators for 2017?***

Beginning on January 1, 2017, Blue Cross and Blue Shield of Texas (BCBSTX) will be the City's new medical health care plan claims administrator (or Third-Party Administrator). Along with that, CVS/caremark has been selected to handle all of our pharmacy needs.

#### ***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 for you and/or your dependents. You should also consider the total cost of the health care plan, including the annual premium and whether you usually meet your 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 on the [Human Resources website](#):

- [Civilian Benefit Matters benefits guide](#) – This document provides you with an overview of your health benefits.

- [Benefits Information Video Library](#) – The library features informative videos covering topics such as open enrollment, Flexible Spending Accounts, your medical plan options, and more.

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

No. The City contracts with Blue Cross and Blue Shield of Texas for network utilization for both plans. Those enrolled in Consumer Choice have access to the same network of health care providers and facilities as those enrolled in New Value.

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

You can find in-network medical care providers and facilities at [www.bcbstx.com](http://www.bcbstx.com).

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

While enrollment assistance sessions will not be held at the Alamodome, employees will still be able to access tools and resources online through the [Open Enrollment One-Stop Shop](#), speak with their [department’s Employee Relations Business Partner](#), or contact Human Resources at 207-8705 for assistance during open enrollment.

## 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. 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 and you are responsible for 100% of the cost of your health care services until you meet your deductible. You can read more about the Consumer Choice plan in the [Civilian Benefit Matters guide](#) or watch the video in our [video information library](#).

***Can you have gap insurance with the Consumer Choice plan (Consumer-Driven Health Plan)?***

To be eligible for a Health Savings Account (HSA), you may not have another non-Consumer-Driven 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 paying 80% for eligible services.

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

Yes. You can use the funds in your HSA to pay for your dependent’s out-of-pocket medical expenses.

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

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

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

Yes. Regardless of which medical plan option you choose, you have the same options for both dental and vision benefits. The dental plans are administered by Delta Dental, and our vision benefits are administered by Davis Vision.

***How are prescriptions covered 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 discounted cost, as these are not subject to the deductible.

**Health Savings Accounts (HSA)**

***What is an HSA?***

An HSA is a type of savings account that allows you to pay for health care expenses and/or 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 per year 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 the first pay day in January. If you have decided to make additional contributions to your HSA, your deductions will be made on a bi-weekly basis through payroll deduction.

***I am enrolled in Consumer Choice, but I have other medical coverage, too. Am I eligible to open an HSA?***

No. Since you have medical coverage other than a Consumer-Drive Health Plan – Consumer Choice – you are not eligible to open an HSA and will not receive the City's contribution of \$500 for an individual and \$1,000 for a family. However, you can open a Health Care Flexible Spending Account.

***Can you use an HSA and a Health Care Flexible Spending Account?***

No. You may only use one or the other at one time. However, you can sign up for a Daycare (Dependent Care) Flexible Spending Account.

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

Yes. You may use your HSA account to pay for the eligible expenses of your tax dependents.

***If I switch plans next year, what will happen to the funds in my HSA?***

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?**

The IRS will impose income tax and a 20% penalty on you for using HSA funds for non-health care-related expenses. There is an exception to this rule for account holders who age 65 or older.

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

Yes. The funds in your HSA account can still be used to pay your out-of-pocket health care expenses. However, you cannot make any contributions to your HSA account.

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

Your HSA will accrue interest based upon established rules with HSA Bank.

**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 60 days.

**How do you terminate an HSA?**

Since the HSA is a tax-advantaged bank account, you would need to contact OptumHealth Bank (HSA accounts opened before 2017) or HSA Bank (HSA accounts opened after 2017) and request that the funds be transferred/rolled over to another HSA tax-advantaged account. Please note that your pre-tax contributions will also end.

**What are the differences between an HSA and a Health Care Flexible Spending Account?**

<b>Health Savings Accounts vs. Health Care Flexible Spending Accounts</b>		
	<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 each calendar year or they will be lost.
<b>Is the account valid if you leave the City?</b>	<b>Yes.</b> The funds belong to you and are available as long as your account is valid	<b>No.</b> If you have money available at the time you leave service, you can withdraw funds for services rendered to your last day of work.
<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. As of our first payday in January 2017, 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 if any.	<b>Yes.</b> The full amount you pledged to your FSA will be available to you on January 1, 2017.

***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 Consumer-Driven Health Plan–Consumer Choice.

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

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 Daycare (dependent or child/elder care) Flexible Spending Account and an HSA?***

Yes.

***If I have an existing HSA, can I move that money to my new account?***

Yes. You must obtain and complete the rollover or transfer form. Check with your bank for additional information.

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

For 2017, you can contribute up to \$3,400 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 Employee Wellness Program.

***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 \$3,400 for individual and \$6,750 for family for calendar year 2017.

***Am I responsible for HSA administrative fees if I leave the City?***

The City pays the administration fee while you are employed. Any fees assessed by HSA Bank are your responsibility once you leave the City.

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

The City will continue to pay the administrative fee.

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

HSA Bank will provide an additional schedule of fees in your welcome kit.

***Can you roll your Flexible Spending Account dollars into an HSA?***

No.

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

Yes. You can obtain the form from the Employee Benefits Office.

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

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

***If I change from New Value to Consumer Choice, what happens to remaining funds in your Health Care Flexible Spending Account before March 31, 2018?***

Your HSA account will be pended until the funds in your Flexible Spending Account are spent or forfeited.

***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 both work for the City, each may set up an individual account, but will be limited to an annual contribution of \$6,750, cumulatively.

## 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 rewards earned through the Employee Wellness Program.

***Will FSAs still be available in 2017?***

Yes. If you enroll in the New Value plan or enroll in Consumer Choice but have other medical coverage, then you will have the option of continuing or establishing a Health Care FSA.

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

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

## Daycare (Dependent or Child / Elder Care) Flexible Spending Account

***What is the maximum contribution to a Daycare (Dependent or Child/Elder Care) Flexible Spending Account?***

The annual maximum contribution is \$5,000.

***Is the maximum I selected available for use?***

Your spending is limited to the amount you have contributed beginning the first pay period in January 2017.

***Can I transfer any remaining funds at the end of the year to a Health Care FSA account?***

No. The IRS "use-it-or-lose-it" provision requires the funds to be forfeited if not used by end of year.

***What happens to the forfeited funds?***

These funds are used to offset money lost by the City to employees who spend their annual pledge mid-year and do not repay the full amount through payroll deductions.

## Employee Wellness Program

***How will the Virgin Pulse Program work in 2017?***

By participating in the Virgin Pulse Program, full-time civilian employees enrolled in a City medical health care plan can earn contributions, up to \$500, to their FSA / HSA in 2017 by becoming or remaining active throughout the year. Physical activity and program participation are tracked through a pedometer and online account.

Awards are earned on a quarterly basis and deposited in your HSA or FSA at the end of each quarter. For those full time employees who do not have an FSA due to a waiver ineligible for an HSA, one will be opened for you once your initial quarterly payout is processed. Contact the Employee Wellness Division to learn more about how the Virgin Pulse Program works.

To enroll in the Virgin Pulse Program, simply register online at <https://join.virginpulse.com/cityofsanantonio>.

**Note:** All money deposited into your FSA/HSA by the City is subject to a 6% contribution to your Texas Municipal Retirement System (TMRS) account. Because of the City's contribution is recognized as income, it is subject to the deduction just like your bi-weekly earnings.

## Tobacco User Fee

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

The tobacco user fee is an after-tax deduction of \$20 per pay period.

***Who is considered a tobacco user?***

Anyone who has used tobacco products during the past 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 contain 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 have declared that you are not, you could be subject to discipline for misrepresentation on City documents.

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

Dependents are not subject to the tobacco surcharge.

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

The monthly fee will be discontinued once you have successfully completed a tobacco cessation program, including the Quit for Life Program or the City's tobacco cessation classes, **remained tobacco-free for 60 consecutive days, AND** submitted an updated Tobacco Declaration Form 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?***

The tobacco surcharge is discontinued on the next payroll following receipt of the completed documents noted above.