

2024

Employee Benefits Summary

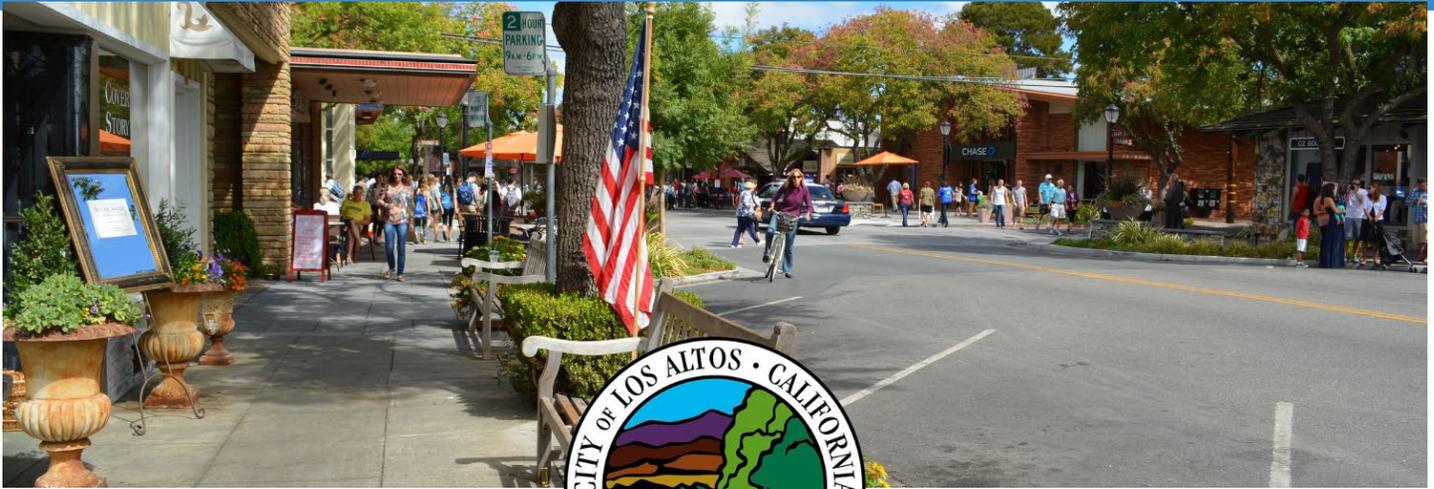


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Medicare Part D Notice: If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. Please see the Annual Notices for more details.

Changes Ahead



At City of Los Altos, we value your contributions to our success and want to provide you with a benefits package that protects your health and helps your financial security, now and in the future. We continually look for valuable benefits that support your needs, whether you are single, married, raising a family, or thinking ahead to retirement. We are committed to giving you the resources you need to understand your options and how your choices could affect you financially.

This guide is an overview and does not provide a complete description of all benefit provisions. For more detailed information, please refer to your plan benefit booklets or summary plan descriptions (SPDs). The plan benefit booklets determine how all benefits are paid.

A list of plan contacts is included at the back of this guide.

The benefits in this summary are effective:

January 1, 2024 - December 31, 2024

Who Can You Cover?



WHO IS ELIGIBLE?

In general, probationary and regularly appointed Full-Time employees are eligible for the benefits outlined in this overview.

Part-time / Seasonal / Temporary employees who work greater than an average of 30 hours per week over 12 months of employment may be eligible for employer subsidized health insurance under the Affordable Care Act.

You can enroll the following family members in our medical, dental and vision plans.

- Your spouse (the person who you are legally married to under state law, including a same-sex spouse.)
- Your same or opposite sex domestic partner
- Your children (including your domestic partner's children):
 - o Under age 26 are eligible to enroll in medical coverage. They do not have to live with you or be enrolled in school. They can be married and/or living and working on their own.
 - o Over age 26 ONLY if they are incapacitated due to a disability and primarily dependent on you for support.
 - o Named in a Qualified Medical Child Support Order (QMCSO) as defined by federal law.
 - o Dependents who are covered through a Parent-Child Relationship (subject to CalPERS criteria and certification).

Please refer to the Summary Plan Description for complete details on how benefits eligibility is determined.

WHO IS NOT ELIGIBLE?

Family members who are not eligible for coverage include (but are not limited to):

- Parents, grandparents, and siblings.
- Any individual who is covered as an employee of Los Altos, City of cannot also be covered as a dependent.
- Employees who work fewer than 22 hours per week, temporary employees, contract employees, or employees residing outside the United States.

ENROLLMENT PERIODS

Coverage for new probationary and regularly appointed Full-Time employees begins on the 1st of the month following date of hire.

After that, Open Enrollment is the one time each year that employees can make changes to their benefit elections without a qualifying life event. The City of Los Altos follows the CalPERS open enrollment window for health insurance, which typically begins in September and runs through October. Dates of the open enrollment period vary each year; this information will be communicated to staff as soon as it is made available by CalPERS.

The effective date for any open enrollment changes will be January 1 of the following year.

Notify Human Resources within 31 days if you have a qualifying life event and need to add or drop dependents outside of Open Enrollment. Life events include (but are not limited to):

- Birth or adoption of a baby or child
- Loss of other healthcare coverage
- Eligibility for new healthcare coverage
- Marriage or divorce

Dependent Eligibility Verification

All employees adding/removing dependents must submit documentation to verify their dependent’s eligibility and/or Qualifying Life Event. The following chart is an easy guide to what documents must be submitted along with the Health Enrollment/Change form.

- Dependent children verification includes birth or adoption certificate and social security number.
- Only provide first page of your prior year FEDERAL Tax Return that shows your dependents and black out any monetary amounts. STATE Returns are not acceptable.
- Proof of marriage must be a state issued marriage license or marriage certificate (not a church issued certificate) that includes the date of your marriage.
- State Registration Certificate is required for Domestic Partnership.
- Affidavit of Parent-Child Relationship is required for eligible Parent-Child relationships.
- Birth Certificates must be state issued (not hospital issued).

	Nothing Required	Marriage Certificate	Birth Certificate/ Certificate of Adoption/ SSN	State of California Domestic Partner (DP) Registration	Economically/ Disabled Dependent Child Affidavit and Federal Tax Return
Employee only	•				
Employee & Spouse		•			
Employee & Children			•		
Employee & Parent-Child Relationship or Disabled Children			•		•
Employee, Spouse & Children		•	•		
Employee, Spouse & Parent-Child Relationship or Disabled Children		•	•		•
Employee and DP				•	
Employee, DP and Children			•	•	
Employee, DP & Parent-Child Relationship or Disabled Children			•	•	•

You are responsible for ensuring that the health enrollment information about you and your family members is accurate, and for reporting any changes in a timely manner. If you fail to maintain current and accurate health enrollment information, you may be liable for the reimbursement of health premiums or health care services incurred during the entire ineligibility period.

When You Can Make Changes

Other than during the annual Open Enrollment period, you may not change your coverage unless you experience a qualifying life event.

Qualifying life events include:

- Change in legal marital status, including marriage, divorce, legal separation, annulment, dissolution of domestic partnership, and death of a spouse.
- Change in number of dependents, including birth, adoption, placement for adoption, or death of a dependent child (including stepchildren).
- Change in employment status, including the start or termination of employment by you, your spouse, or your dependent child.
- Change in work schedule, including an increase or decrease in hours of employment by you, your spouse, or your dependent child, including a switch between part-time and full-time employment that affects eligibility for benefits.
- Change in a child's dependent status, either newly satisfying the requirements for dependent child status or ceasing to satisfy them.
- Change in your health coverage or your spouse's coverage attributable to your spouse's employment.
- Change in an individual's eligibility for Medicare or Medicaid.
- A court order resulting from a divorce, legal separation, annulment, or change in legal custody (including a Qualified Medical Child Support Order) requiring coverage for your child or dependent foster child.
- An event that is a qualifying life event under the Health Insurance Portability and Accountability Act (HIPAA), including acquisition of a new dependent or spouse or loss of coverage under another health insurance policy or plan if the coverage is terminated because of:
 - Voluntary or involuntary termination of employment or reduction in hours of employment or death, divorce, or legal separation;
 - Termination of employer contributions toward the other coverage, OR if the other coverage was COBRA Continuation Coverage, exhaustion of the coverage.

Important—Two rules apply to making changes to your benefits during the year:

- Any changes you make must be consistent with the change in status, AND
- You must make the changes within 30 days (60 days for CalPERS medical plans) of the date the event (marriage, birth, etc.) occurs.
- Mid-year changes are effective the first of the following month after Human Resources is properly notified.

If you must make mid-year changes to your insurance (adding/dropping dependents), contact Human Resources and provide supporting documents within 60 days (for CalPERS medical) or 30 days (non-CalPERS) of the change in status.

Medical-CalPERS

The goal of the City of Los Altos is to provide you with affordable, quality health care benefits. Our medical benefits are designed to help maintain wellness and protect you and your family from major financial hardship in the event of illness or injury. The City offers a choice of medical plans through the CalPERS Medical Program.

UNDERSTANDING HOW CalPERS HEALTH PLANS WORK

FEATURES	HMO	PPO
Accessing health care providers	Contracts with providers (doctors, medical groups, hospitals, labs, pharmacies, etc.) to provide you services at a fixed price.	Gives you access to a network of health care providers (doctors, hospitals, labs, pharmacies, etc.) known as preferred providers.
Selecting a primary care physician (PCP)	Most HMOs require you to select a PCP who will work with you to manage your health care needs.	Does not require you to select a PCP.
Seeing a specialist	Requires advance approval from the medical group or health plan for some services, such as treatment by a specialist or certain types of tests	Allows you access to many types of services without receiving a referral or advance approval.
Obtaining care	Generally requires you to obtain care from providers who are a part of the plan network. Requires you to pay the total cost of services if you obtain care outside the HMO's provider network without a referral from the health plan (except for emergency and urgent care services)	Encourages you to seek services from preferred providers to ensure your coinsurance and co-payments are counted toward your calendar year out-of-pocket maximums. Allows you the option of seeing non-preferred providers, but requires you to pay a higher percentage of the bill.
Paying for services	Requires you to make a small co-payment for most services.	Limits the amount preferred providers can charge you for services. Considers the PPO plan payment plus any deductibles and co-payments you make as payment in full for services rendered by a preferred provider.

Source: [CalPERS' Open Enrollment 2024 Health Benefit Summary](#)

Medical-CalPERS

HEALTH INSURANCE INFORMATION RESOURCES

Choosing your health plan is an important decision. To assist you with this process, each health plan available to you through the California Public Employees’ Retirement System has produced a Summary of Benefits and Coverage (SBC).

To view the SBCs and glossary online, visit www.calpers.ca.gov/page/active-members/health-benefits/plans-and-rates or any of the health plan websites below. To request a free paper copy of the SBC and glossary, please contact each health plan directly. HR Department may have copies of SBC for distribution.

Anthem Blue Cross HMO		Kaiser Permanente HMO	
Member Services	(855) 839-4524	Member Services	(800) 464-4000
Website	www.anthem.com/ca/calpers	Website	www.kp.org/ca/calpers
HealthNet SmartCare (HMO)		Peace Officers Research Association of California*	
Member Services	(888) 926-4921	Member Services	(800) 288-6928
Website	www.healthnet.com/calpers	Website	http://ibtoforac.org
PERS Gold and PERS Platinum		Blue Shield Access+	
Member Services	(877) 737-7776	Member Services	(800) 334-5847
Website	www.anthem.com/ca/calpers	Website	www.blueshieldca.com/calpers
UnitedHealthcare SignatureValue Alliance		UnitedHealthcare SignatureValue Harmony	
Member Services	(877) 359-3714	Member Services	(877) 359-3714
Website	www.whyuhc.com/calpers	Website	www.whyuhc.com/calpers

*To enroll in these health plans, you must belong to the specific employee association and pay applicable dues. Please contact Human Resources Division with questions regarding eligibility and enrollment.

WAIVING HEALTH COVERAGE

Probationary and regularly appointed Full-Time employees may waive health coverage from CalPERS by providing the City of Los Altos with written proof of enrollment in an alternate group plan. By providing written proof of enrollment in an alternate group plan, employees may receive a monthly stipend of \$350 per month which is subject to taxation as income. Employees hired on or before October 1st, 2013, may receive a different monthly amount based on their employee bargaining group. For specific stipend amounts, you may refer to your employee group’s labor agreement.

HEALTH COVERAGE FOR COUNCIL MEMBERS

Per Resolution 2014-08, the City shall pay the full premium of the lowest cost single member employee health insurance in the City’s health plans for Council members. Council members shall not receive cash in lieu of medical benefits. Dependents of Council members may enroll in the City health plans provided the Council member pays the full dependent premium and with no cost to the City.

Medical-CalPERS



PREMIUMS

Pursuant to the Affordable Care Act, the City of Los Altos, at a minimum, fully pays for the lowest cost employee only health plan.

CARRIER	EMPLOYEE ONLY	EMPLOYEE + 1	EMPLOYEE + FAMILY
Anthem Select (HMO)	\$ 1,138.86	\$ 2,277.72	\$ 2,961.04
Anthem Traditional (HMO)	\$ 1,339.70	\$ 2,679.40	\$ 3,483.22
BlueShield Access+ (HMO)	\$ 1,076.84	\$ 2,153.68	\$ 2,799.78
Kaiser Permanente (HMO)	\$ 1,021.41	\$ 2,042.82	\$ 2,655.67
PERS Gold (PPO)	\$ 914.82	\$ 1,829.64	\$ 2,378.53
PERS Platinum (PPO)	\$ 1,314.27	\$ 2,628.54	\$ 3,417.10
PORAC (PPO)	\$ 931.00	\$ 2,117.00	\$ 2,651.00
UnitedHealthcare SignatureValue Alliance	\$1,091.13	\$2,182.26	\$2,836.94
UnitedHealthcare SignatureValue Harmony	\$937.39	\$1,874.78	\$2,437.21

CITY CONTRIBUTION TOWARDS HEALTH INSURANCE PREMIUMS

The City contributes the following amounts towards employee's health insurance premiums based on bargaining group. Plans selected with insurance premiums over the City contribution amount will be paid by the employee via pre-tax payroll deductions.

EMPLOYEE GROUP	EMPLOYEE ONLY	EMPLOYEE + 1	EMPLOYEE + FAMILY
LAMEA	\$2,761.00	\$2,761.00	\$2,761.00
POA	\$1,021.41	\$2,042.82	\$2,655.67
TEAMSTERS	\$1,021.41	\$2,042.82	\$2,655.67
UNREPRESENTED	\$2,761.00	\$2,761.00	\$2,761.00

Medical-CalPERS

CaIPERS DIABETES PREVENTION PROGRAM

Did you know about the Diabetes Prevention Program (DPP)? This program is available to you and your enrolled dependents through your CalPERS health coverage.

Members who are diagnosed with prediabetes now have access to various programs and services through Omada Health or Solera which can help slow and prevent type 2 diabetes at no additional cost.



- **Omada Health: A Whole New Way to Get Healthy**
Omada is a digital health program that offers tools and support to help you lose weight and reduce your risk for type 2 diabetes, all from the convenience of your home. Participants get a professional health coach, a wireless scale linked to their account, peer support, and other resources to assist in making health a habit. Omada is cost-free for eligible members.
- **Solera**
Solera is a single source solution connecting patients to an integrated network of community and digital Diabetes Prevention Program providers.

Visit CalPERS' [Diabetes Prevention Program](https://www.calpers.ca.gov/page/education-center/member-education/diabetes-prevention) (<https://www.calpers.ca.gov/page/education-center/member-education/diabetes-prevention>) page for more information.

Dental & Vision Reimbursement Plan

The City of Los Altos Dental & Vision Reimbursement Plan is a self-funded reimbursement plan through Navia Benefit Solutions, which the City administers independent of any private insurance carrier. As this is a reimbursement plan, employees are not responsible for a premium – meaning that 100% of covered costs are reimbursable up to the annual maximum. Eligible employees are required to submit receipts through the Navia Benefit Solutions portal (www.naviabenefits.com).

The City offers a pooled family dental/vision reimbursement plan where the employee and their eligible dependent’s annual maximum benefit amounts are combined and either the employee or eligible dependents may incur eligible expenses up to the pooled maximum annual benefit.

	Employee	Dependent
Calendar Year 2024 Dental/Vision Annual Maximum	\$2,119.00 per employee	\$1,411.00 per dependent

The annual reimbursement maximum for employees and dependents is adjusted annually using the 12-month Consumer Price Index, San Francisco Area, set by the U.S. Department of Labor Bureau of Statistics for the month of September, not to exceed 3% and becomes effective January 1 of the following year.

Example 1: Employee, Spouse, & One Child
$(\$1,411.00 \text{ per dependent} \times \text{two dependents}) + \$2,119.00 = \$4,941.00$ Pooled Maximum Annual Benefit In this scenario, either the employee, spouse, or child may incur eligible expenses up to the pooled maximum annual benefit of \$4,941.00

Example 2: Employee, Spouse, & Three Children
$(\$1,411.00 \text{ per dependent} \times \text{four dependents}) + \$2,119.00 = \$7,763.00$ Pooled Maximum Annual Benefit In this scenario, either the spouse or any of the children may incur eligible expenses up to the pooled maximum annual benefit of \$7,763.00.

PARTICIPANT ELIGIBILITY

Probationary and regularly appointed Full-Time employees are eligible to participate. New employees are eligible beginning the first day of employment. Dependents of employees are defined as lawful spouses or domestic partners and children (up to age 26).

PLAN YEAR

The Dental & Vision Reimbursement Plan runs from January 1 through December 31 and balances renew each calendar year; unused balances are not carried over year-to-year. The year in which a claim is paid out of is determined by the date of service and not by the date a claim was submitted.

DUAL INSURANCE

To help cover dental expenses employees may use additional, “dual” insurance that has been made available through their spouse’s employer in combination with the City’s Dental Reimbursement Plan.

Employees who have dual insurance made available through the spouse’s employer for their children should be aware of the birthday rule; the parent with the birthday earliest in the calendar year, is considered the primary insurance. In those instances, you will be asked to provide an Explanation of Benefits (EOB) from your spouse’s employer in order to process reimbursement for your children’s claims. Please contact Human Resources for assistance.

Dental & Vision Reimbursement Plan



DEFINITIONS

“Dentist” is defined to mean a legally qualified dentist practicing within the scope of his/her license. For the purpose of the City’s plan, “dentist” shall also include a legally qualified physician authorized by his license to perform the particular dental services rendered.

“Dependent” is defined as a lawful spouse or domestic partner and children to age 26. Children include stepchildren and adopted children provided such are dependent upon the employee for support and maintenance. An unmarried child 26 years of age or over may continue to be eligible as a dependent if he/she is incapable of self-support because of physical or mental incapacity that commenced prior to reaching the age of 26. A physician’s certificate must be submitted within six months following his/her 26th birthday.

COVERED EXPENSES

Covered expenses are detailed in the City of Los Altos Dental Reimbursement Plan Administrative Procedures. Should you have additional questions, contact Human Resources at hr@losaltosca.gov.

Life Insurance



If you have loved ones who depend on your income for support, having life and accidental death insurance can help protect your family's financial security and pay for large expenses such as housing and education, as well as day-to-day living expenses.

LIFE AND AD&D INSURANCE

Basic Life Insurance pays your beneficiary a lump sum if you die. AD&D provides another layer of benefits to either you or your beneficiary if you suffer from loss of a limb, speech, sight, or hearing, or if you die in an accident.

The City of Los Altos provides life insurance to Full-Time Regular employees. The amount of the policy varies by employee group. See below for information on different policy amounts and eligibility information as plan design is specific to each employee group.

	Basic Life & AD&D Insurance: Class 1	Basic Life & AD&D Insurance: Class 2	Basic Life & AD&D Insurance Class 3
Eligibility Group	All employees working at least 40 hours per week, excluding sworn safety employees and elected officials	All sworn safety employees working at least 40 hours per week, excluding elected officials	Sworn Police Chief and all full-time Police Captains excluding elected officials
Monthly Benefit	1.5x Basic Annual Earnings, up to \$150,000 Maximum	1.5x Basic Annual Earnings, up to \$50,000 Maximum	1.5x Basic Annual Earnings, up to \$150,000 Maximum
Guaranteed Issuance Amount	\$50,000	\$50,000	\$50,000
Benefit Reduction	65% at age 70 50% at age 75	65% at age 70 50% at age 75	65% at age 70 50% at age 75
Basic Life Rate per \$1,000	\$0.140		
Basic AD&D Rate per \$1,000	\$0.025		
Dependent Benefit	\$2,000 for Spouse/Domestic Partner, \$1,000 for Child Dependent		

Enrollment & Coverage

Probationary and regularly appointed Full-Time employees are eligible for a life insurance policy and will be enrolled on their date of hire. Coverage continues throughout employment with the City of Los Altos and terminates on the last day of employment. If your basic life insurance coverage is reduced or ends for any reason, except nonpayment of premiums, you can convert to an individual policy. Converted policies are subject to certain benefits and limits and premiums are subject to change. For specific information, contact Human Resources.

SUPPLEMENTAL LIFE

Probationary and regularly appointed Full-Time employees may elect to enroll in a supplemental life insurance policy. The amount elected in this policy would be in addition to the basic life insurance policy.

Employees who enroll in a supplemental life insurance policy may also enroll in a supplemental life insurance policy for a spouse or dependent.

Employee	
Guaranteed coverage amount during initial offering or approved special enrollment period	\$50,000
Newly hired employee guaranteed coverage amount	\$50,000
Continuing employee guaranteed coverage annual increase amount	Choice of \$10,000 or \$20,000
Maximum coverage amount	5 times your annual salary (\$500,000 maximum in increments of \$10,000)
Minimum coverage amount	\$10,000
Spouse / Domestic Partner	
Guaranteed coverage amount during initial offering or approved special enrollment period	\$25,000
Newly hired employee guaranteed coverage amount	\$25,000
Continuing employee guaranteed coverage annual increase amount	Choice of \$5,000 or \$10,000
Maximum coverage amount	50% of the employee coverage amount (\$250,000 maximum in increments of \$5,000)
Minimum coverage amount	\$5,000
Dependent Children	
6 months to age 26 guaranteed coverage amount	\$5,000
Age 14 days to 6 months guaranteed coverage amount	\$250

As pricing and enrollment information is specific to each employee, please check with Human Resources for plan design information.

Beneficiary Reminder: Make sure that you have named a beneficiary for your life insurance benefit. It's important to know that many states require that a spouse be named as the beneficiary, unless they sign a waiver.

Note: Open Enrollment Optional Election up to guaranteed insurance amount without EOI. Within the first 31 days elect up to guaranteed insurance amount without EOI form.

Disability Insurance

If you become disabled and cannot work, your financial security may be at risk. Protecting your income stream can provide you and your family with peace of mind.

STATE DISABILITY INSURANCE PROGRAM

Probationary and regularly appointed Full-Time employees in the union groups Teamsters and LAMEA are automatically enroll in the State of California’s Disability Insurance Program.

This program provides short-term Disability Insurance and Paid Family Leave wage replacement benefits to eligible workers. This is an employee paid benefit that requires a 0.9% contribution rate of an employee’s wages. The taxable wage limit is \$153,164 for each employee per calendar year. The maximum to withhold for each employee is \$1,378.47 annually.

LONG-TERM DISABILITY INSURANCE

Long-Term Disability (LTD) coverage pays you a certain percentage of your income if you can't work because an injury or illness prevents you from performing any of your job functions over a long time. It's important to know that benefits are reduced by income from other benefits you might receive while disabled, like workers' compensation and Social Security.

Probationary and regularly appointed Full-Time employees may be covered by or elect to enroll in a long term disability insurance policy. This policy provides coverage for disabilities resulting from injuries or illnesses that prevent employees from performing the essential duties of their jobs. See below for pricing and enrollment information as plan design is specific to each employee group.

	Unrepresented LTD Plan	Voluntary LTD PLAN: Class 1	Voluntary LTD PLAN: Class 2
Eligibility Group	All full-time active unrepresented employees working at least 40 hours per week	All eligible Teamsters Local 350 Employees	All eligible non-Teamsters Local 350 employees including non-sworn POA employees, and all other LAMEA employees, excluding police officers and elected officials
Paid By	Employer (Pre-Tax)	Employee (Post-Tax)	Employee (Post-Tax)
Elimination Period	60 Days	60 Days	90 Days
Monthly Benefit %	66.67%	66.67%	66.67%
Maximum Monthly Benefit	\$10,000	\$10,000	\$10,000
Rate per \$100 of covered payroll	\$0.385	\$0.909	\$0.909

There are two methods of payment for LTD insurance - If your LTD insurance premium is paid after taxes, your benefit (should you ever need it) will be tax-free. Depending on your tax bracket, this could result in significantly more money to spend on your ongoing living expenses. City of Los Altos of will report the amount of your LTD premiums as taxable income on your W2 form.

Employee Assistance Program

When you need help meeting life's challenges, the Concern Employee Assistance Program (EAP) is here for you and your household members. Check out some of the services we offer — at no cost to you and any member of your immediate household. EAP is available around the clock to ensure you get access to the resources you need:

- **Unlimited phone access 24/7**
- **In-person or video counseling for short-term issues; up to 8 visits per issue**
- **Unlimited web access to helpful articles, resources, and self-assessment tools**

All services are confidential and in accordance with professional ethics and Federal and state laws. Use of the EAP is strictly voluntary.



Counseling

- Up to 8 visits per issue
- Face-to-face counseling or online visits
- via LiveHealth Online
- Can call EAP or use the online Member Center to initiate services



Dependent care and daily living resources

- Information available on child care, adoption, summer camps, college placement, elder care and assisted living through the EAP website
- Phone consultation with a work-life specialist

For help with everyday needs, like pet sitting, relocation resources and more



Legal consultation

- 30-minute phone or in-person meeting
- Discounted fees to retain a lawyer
- Online resources, including free legal forms, seminars and a library of articles



eM Life Online resources

- Well-being articles and resources
- On-demand content for topics like stress, sleep, diversity and inclusion, weight loss, self-care and more.
- Live daily 14-minute mindfulness programs
- Resources to help build and sustain healthy habits



Financial consultation

- Phone meeting with financial professionals
- Consultation available during regular business hours — no time limits or appointments needed
- Online resources, including articles, calculators and budgeting tools



Crisis consultation

- Toll-free number for emergencies
- Round-the-clock help available



ID recovery

- Identity theft risk level checked by specialists
- Help with reporting to consumer credit agencies
- Assistance filling out paperwork and negotiating with creditors

How to Access Care:

Phone: 800-344-4222

Website: login.concernhealth.com

Use Company Code: losaltos

Retirement



CALPERS RETIREMENT BENEFITS

The information provided below is intended to be an overview of how CalPERS retirement applies to you (but is not an inclusive overview). The CalPERS retirement system has many nuances, and any specific questions should always be directed to Human Resources or to CalPERS. All existing and new members (Miscellaneous & Safety) are strongly encouraged conduct their own research on this subject by visiting the CalPERS website (www.calpers.ca.gov/page/active-members/retirement-benefits) or by calling CalPERS directly at (888) 225-7377.

How are Retirement Benefits Calculated?

$$\text{Service Credit (Years)} \times \text{Benefit Factor (\% per year)} \times \text{Final Compensation} = \text{Unmodified Allowance (\$ Monthly \$)}$$

CalPERS Membership Tier	Classic I	Classic II	PEPRA	Classic I	Classic II	PEPRA
Applies to	Classic sworn safety employees hired by the City prior to October 2, 2011	Classic sworn safety employees hired by the City on or after October 2, 2011	Sworn safety employees hired by the City on or after January 1, 2013	Classic Misc. employees hired by the City prior to October 2, 2011	Classic Misc. employees hired by the City on or after October 2, 2011	Misc. employees hired by the City on or after January 1, 2013
Formula	3% @ 50	3% @ 55	2.7% @ 57	2.7% @ 55	2% @ 60	2% @ 62
Based On	Highest 12-consecutive-month compensation	Highest Average 36-consecutive-month compensation	Highest Average 36-consecutive-month compensation	Highest 12-consecutive-month compensation	Highest Average 36-consecutive-month compensation	Highest Average 36-consecutive-month compensation
Employee Contribution FY 2023/24	9%	9%	13.75%	8%	7%	7.75%

To be eligible for service retirement, the employee must meet the minimum age for retirement and be vested with five years of CalPERS service credit.

Retirement

DEFERRED COMPENSATION

Deferred compensation plans, also known as 457 retirement plans, are designed for state and municipal workers as well as employees of some tax-exempt organizations. If you participate in a 457 plan, you may contribute a portion of your salary to a retirement account. That money and any earnings you accumulate are not taxed until you withdraw them.

401(k) vs. 457

Although they're alike in many ways, there are some differences between 401(k) and 457 plans, particularly when it comes to early withdrawal penalties and minimum required distributions.

With a 457 retirement savings plan (subject to change based upon federal income tax law):

- There isn't a minimum retirement age
- There isn't a 10% federal penalty for early withdrawal of funds, although withdrawals are subject to ordinary income taxes
- There is a withdrawal option for unforeseen emergencies that meet certain legal criteria, if all other financial resources are exhausted
- Distributions are available in a lump sum, annual installments or as an annuity
- There is no tax withholding if you leave for a new job and roll over your money into an IRA or your new employer's 401(k), 403(b) or 457 plan – or if you take regular installments for 10 years or more. (All other distributions are subject to 20% withholding for federal taxes.)

Contributions

Pre-tax contributions you make reduce your taxable income for the year. These contributions and all associated earnings are then not subject to tax until you withdraw them. You are also able to make after-tax Roth contributions which allow for potentially tax-free earnings.

Contribution limits are set by the IRS. For the current year, contribution limits are listed below:

Maximum Contribution	Age-50 Catch-up	Pre-Retirement Catch-up
\$23,000 per year	\$30,500 per year	\$46,000 per year

Enrollment & Investment

The City of Los Altos partners with Mission Square Retirement to provide 457 plans to employees. Both plans allow for enrollment at any time and contribution changes at any time. You control how your account is invested, choosing from options selected by your employer. A typical plan includes a wide range of options, from more conservative stable value funds and CDs to more aggressive bond and stock funds. You may choose to build a diversified portfolio of various funds, select a simple yet diversified target-date or target-risk fund, or rely on specific investment advice from either of our account representatives listed below.

Mission Square Retirement

Ray Ortiz

rortiz@missionsq.org

Retirement Plans

401a Plan:

A 401(a) plan is an employer-sponsored money-purchase retirement plan that allows dollar or percentage-based contributions from the employer. It is only available to those working in government agencies, educational institutions, and non-profit organizations.

- For unrepresented employees, the city currently matches employee 457 deferred compensation elections up to defined maximum, and contributes the match pre-tax to a separate 401(a) plan.
- Employer contributions are 100% vested at all times.
- The Internal Revenue Service (IRS) subjects 401(a) withdrawals to income tax withholdings and a 10% early withdrawal penalty unless the employee is 59½, dies, is disabled, or rolls over the funds into a qualified IRA or retirement plan

Employer Contribution: The city shall contribute pre-tax on behalf of each unrepresented participant:

- Up to **2.50% of Regular Base Earnings for Unrepresented Department Head Classifications** for the Plan Year that such Participant has deferred 2.50% of Regular Base Earnings to their 457(b) deferred compensation plan.
- Up to **2.00% of Regular Base Earnings for Unrepresented Management and Confidential Classifications** for the Plan Year that such Participant has deferred 2.00% of Regular Base Earnings to their 457(b) deferred compensation plan.

**The 401(a) plan has been established with Mission Square.*

**If the employee has an account with Mission Square, the city will match employee contributions up to the percentage limits described above into the 401(a) plan with Mission Square.*

**Currently, the employer match will only trigger if the employee is actively deferring each pay period, so if you frontload your annual contributions or stop contributing, the employer match will not occur.*

Other Programs



FLEXIBLE SPENDING ACCOUNT (HEALTH CARE & DEPENDENT CARE)

Probationary and regularly appointed Full-Time employees may elect to enroll in Flexible Spending Account for health care expenses, dependent care expenses, or both. This account is a pre-tax benefit that enables employees to set aside money to pay for out-of-pocket health care expenses or dependent care expenses.

Contribution limits are set by the IRS. For the current year, contribution limits are listed below:

Healthcare FSA Max Election	Dependent Care FSA Max Election
\$3,200 per year	\$5,000 per year

For a list of eligible and ineligible expenses that can be claimed, visit:

www.naviabenefits.com/participants/resources/expenses .

FLEXIBLE WORK SCHEDULES

In addition to the typical 5-day work week (5 days a week, 8 hours a day) the City offers the below alternative work schedule options:

4/10 Work Schedule:

A 4/10 work schedule consists of four (4) workdays of ten (10) hours within a seven (7) day work week.

9/80 Work Schedule:

A 9/80 work schedule consists of eight (8) workdays of nine (9) hours and one (1) workday of 8 hours in a 9 day work week.

Employees scheduled to work an alternative work schedule shall submit an “Alternative Work Schedule Form” to their immediate supervisor and department director. The City also offers telework options for employees who work in-person at least 2 days of the workweek. Work schedules and telework schedules have been and will continue to be determined by City Departments based upon the need to provide service to the public.

Other Programs

COMMUTER BENEFIT

Full-Time Regular employees may elect to enroll in the Commuter Benefit plan which allows employees to set aside pre-tax dollars that can be used to pay for transit passes or vanpool charges, up to the IRS limit. For more information, visit www.naviabenefits.com/participants/benefits/gonavia-commuter-benefits.

CARPOOL BUDDY PROGRAM

Employees interested in carpooling to work with coworkers should email HR@losaltosca.gov; if two employees living near each other show interest, we will notify them of the match.

UNION-SPECIFIC BENEFITS

Membership in either the [Los Altos POA](#), [LAMEA](#), or [Teamsters Local 350](#) may entitle you to additional benefits which are administered through the union. For more information, contact the appropriate union for your position.

UNREPRESENTED BENEFITS

Cell Phone Stipend	Car Allowance
For select unrepresented management employees who must use their personal phone for work. \$13.85/pay period	For unrepresented directors who must use their personal vehicle for work purposes. \$138.46/pay period

RETIREE HEALTH SAVINGS PLAN

The City makes available to eligible bargaining group members a retiree health savings (RHS) plan administered by Mission Square Retirement that can be used for qualifying medical-related expenses. Contributions as well as any invested earnings may be withdrawals from the RHS at separation from employment with the City of Los Altos, at normal retirement, if you become totally and permanently disabled, or upon death to eligible survivors.

	POA RHS Plan	TEAMSTERS RHS Plan	LAMEA RHS Plan
Eligible Group	All POA employees	All Teamsters Local 350 Employees	All LAMEA Employees
Employee Contributions	\$50/pay period (Post-Probationary Employees)	\$25/pay period (0- 5 years of service) \$35/pay period (5-10 years of service) \$45/pay period (10+ years of service)	N/A
Employer Contributions	\$25/pay period (0- 5 years of service) \$50/pay period (5-10 years of service) \$75/pay period (10+ years of service)	\$25/pay period (0- 5 years of service) \$35/pay period (5-10 years of service) \$45/pay period (10+ years of service)	

For specific information regarding this benefit, contact Ray Ortiz at rortiz@missionsq.org.

For additional information on employee benefits, contact Human Resources by emailing hr@losaltosca.gov or by phone at (650) 947-2814.

Quality of Life Wellness

This benefit is an employer sponsored reimbursement for purchases to help with your physical, mental, and financial well-being. At the time of hire and during Open Enrollment, employees will choose how to allocate their Quality of Life benefit. This benefit is administered on a bi-weekly basis, per pay period.

EMPLOYEE GROUP	BENEFIT AMOUNT (PER PAY PERIOD)
LAMEA	\$50 Per Pay Period / \$1,300 Annually
POA	\$50 Per Pay Period / \$1,300 Annually
TEAMSTERS	\$50 Per Pay Period / \$1,300 Annually
UNREPRESENTED MANAGEMENT/CONFIDENTIAL	\$75 Per Pay Period / \$1,950 Annually
UNREPRESENTED DIRECTORS	\$100 Per Pay Period / \$2,600 Annually

ELECTION OPTIONS:

- **Navia Wellness Reimbursement Plan (Post-Tax)**
This plan will reimburse a variety of wellbeing and care related expenses throughout the plan year. Eligible expenses are broad and include purchases such as: gym memberships, personal coaches, pet care, books, games, classes, airfare, and hotels. For more information on this benefit and what's covered please contact HR@losaltosca.gov.
- **Navia Healthcare FSA (Pre-Tax)**
This is an employer contribution to your healthcare FSA plan. Per IRS regulations, the maximum employer contribution to healthcare FSA is \$500/year. If you enroll in addition to this the total annual maximum can be exceeded with the employer's contribution.
- **Navia Dependent Care FSA (Pre-Tax)**
This is an employer contribution to your dependent care FSA plan. If you enroll in addition to this benefit, the total annual maximum cannot be exceeded with the employer's contribution.
- **Mission Square Deferred Compensation (Pre-Tax)**
This is an employer contribution to your Mission Square 457 deferred compensation plan.

INTERACTION WITH 457 DEFERRED COMPENSATION:

- If you plan to max out your 457 totals calculate the employer contribution into your contribution amount.
 - **Example (LAMEA, POA, TEAMSTERS):** Subtract the annual employer contribution from the annual maximum (\$23,000 - \$1,300) and divide that number by the number of pay periods in the year (\$21,700/26) and you'll end up with a pay period deduction of \$834.62 to max out normal 457 contributions for 2024.

Lincoln TravelConnectSM Services



TravelConnect services are included in your Lincoln Life Insurance plan and are available for business or leisure travel when employees and dependents are more than 100 miles from home.



Medical

Your employees can use TravelConnect to connect 24/7 with a multilingual assistance coordinator and get help with:

- Doctor referrals
- Medical monitoring
- Medical transportation
- Prescription assistance
- Transportation of remains
- 24/7 nurse help line



Safety

They will come to your employee's aid in the event of a natural disaster or political upheaval. In either case, the program will arrange:

- Evacuation to the nearest safe haven location
- Lodging at the safe haven location
- Onward travel arrangements home



General Travel

It also assists with common travel concerns that travelers face before and during their trip:

- Pre-trip travel services
- Lost travel documents
- Legal consultation and referral

For a complete list of TravelConnect services, go to mysearchlightportal.com

Lincoln EmployeeConnectSM



EmployeeConnectSM offers professional, confidential services that can help you and your family members improve your quality of life.



In-person guidance

Some matters are best resolved by meeting with a professional in person. With EmployeeConnectSM, you and your family get:

- In-person help for short-term issues (up to five sessions with a counselor per person, per issue, per year)
- In-person consultations with network lawyers, including one free 30-minute in-person consultation per legal issue, and **25%** off subsequent meetings



Unlimited 24/7 assistance

You and your family can access the following services anytime — online, on the mobile app or with a toll-free call:

- Information and referrals on family matters, such as child and elder care, pet care, vacation planning, moving, car buying, college planning and more
- Legal information and referrals for family law, estate planning, consumer and civil law
- Financial guidance on household budgeting and short- and long-term planning



Online Resources

EmployeeConnectSM offers a wide range of information and resources you can research and access on your own. Expert advice and support tools are just a click away when you visit [GuidanceResources.com](https://www.guidanceresources.com) or download the GuidanceNowSM mobile app. You'll find:

- Articles and tutorials
- Videos
- Interactive tools, including financial calculators, budgeting worksheets and more



Take advantage of **EmployeeConnectSM**

For more information about the program, visit [GuidanceResources.com](https://www.guidanceresources.com), download the GuidanceNowSM mobile app or call 888-628-4824.

GuidanceResources.com login credentials:

Username: **LFGSupport** | Password: **LFGSupport1**

Lincoln LifeKeys® Services



No matter how well you plan, unexpected challenges will arise. When they do, help and support are nearby— thanks to LifeKeys® services from Lincoln Financial Group.

Save money on shopping and entertainment

You have access to GuidanceResources® Online that includes 24/7 access to the Working Advantage discount network. You can save up to 60% on a variety of products and services, such as electronics, health and fitness, Broadway shows and much more. Also available in the GuidanceNow mobile app.

Help with important life matters

You'll find supportive tools and advice on a wide range of topics — including legal, financial, family and career on GuidanceResources® Online. It's one way to stay “in the know” on matters that impact your personal and professional life.

Protection against identity theft

Identity theft is widespread, and everyone is vulnerable. LifeKeys includes an online resource for the information you need to recognize and prevent identity theft — and restore your good name.

Online will preparation

Creating a will allows you to make vital decisions ahead of time — such as naming a guardian for your children or designating who will receive your property and assets after you pass away. Without a will, state officials will distribute your estate. EstateGuidance® offers you a quick and easy way to create and execute a will so you can rest easy knowing you've planned ahead for your family.

Guidance and support for your beneficiaries

LifeKeys' comprehensive program offers resources to help your loved ones address a range of common concerns. Services include grief counseling, advice on financial and legal matters and help coping with the occasional challenge of day-to-day life.



It's easy to access LifeKeys® services.

Just visit [GuidanceResources.com](https://www.guidanceresources.com), download the GuidanceNow mobile app, or call 855.891.3684.

First-time user - Enter Web ID: **LifeKeys**

Holidays & Leave



CITY OBSERVED HOLIDAYS

HOLIDAY	DATE OBSERVED
New Year's Day (January 1st)	Monday, January 1, 2024
Martin Luther King, Jr. Day (3rd Monday in January)	Monday, January 15, 2024
President's Day (3rd Monday in February)	Monday, February 19, 2024
Cesar Chavez Day* (March 31st)	Monday, April 1, 2024
Memorial Day (Last Monday in May)	Monday, May 27, 2024
Juneteenth Day* (June 19th)	Wednesday, June 19, 2024
Independence Day (July 4th)	Thursday, July 4, 2024
Labor Day (1st Monday in September)	Monday, September 2, 2024
Indigenous Peoples' Day* (2nd Monday in October)	Monday, October 14, 2024
Veterans Day (November 11th)	Monday, November 11, 2024
Thanksgiving Day (4th Thursday in November)	Thursday, November 28, 2024
Day After Thanksgiving (5th Friday in November)	Friday, November 29, 2024
Christmas Eve (December 24 th)	Tuesday, December 24, 2024
Christmas Day (December 25th)	Wednesday, December 25, 2024

Holidays & Leave



ADDITIONAL HOLIDAY DETAILS:

The City will observe a holiday closure on the working days which fall between the day after Christmas and before New Year's Day. The closure will be observed as paid holiday. The City will maintain limited services for the community.

When a holiday falls on Saturday, the preceding Friday shall be observed. When a holiday falls on Sunday, the following Monday shall be observed.

Probationary or regularly appointed Full-Time employee employees accrue one (1) nine (9) hour floating holiday in the first full pay period in July unless an employee's labor agreement specifies otherwise.

Los Altos POA

In accordance with the current Los Altos POA MOU, the following classifications receive pay for City-observed holidays in the form of five percent (5%) of base pay for regularly-scheduled hours each pay period: Police Sergeant, Police Agent, Police Officer, Police Officer Trainee, Communications Officer, and Lead Communications Officer (POA MOU Section 15.2).

Teamsters 350 MOU

In accordance with the Teamsters 350 MOU, unit members may elect to convert up to four observed holidays to a floating holiday. The observed holidays identified above with an asterisk (*) are the only ones that an employee can elect to work and converted to a floating holiday (Teamsters 305 MOU Section 10.2).

LAMEA MOU

In accordance with the LAMEA MOU, records personnel in the Police Department are entitled to two eight-hour floating holidays. One eight-hour floating holiday accrues on April 1. The other eight-hour floating holiday accrues on October 1. All other employees are entitled to one nine-hour floating holiday that accrues on July 1. (LAMEA MOU Section 13.3).

Part-Time/Seasonal/Temporary employees shall not be entitled to paid holidays.

Vacation



All probationary or regularly appointed Full-Time employees shall earn vacation leave time per the vacation accrual schedule below, which was established by City Council Resolution 1998-20 and amended by City Council Resolution 07-31:

MONTHS OF CONTINUOUS SERVICE ("MOS")	VACATION ACCRUAL PER PAY PERIOD	ANNUAL VACATION ACCRUAL	MAXIMUM VACATION ACCRUAL*
0-47 MOS	4.31 hours	112 hours	264 hours
48-59 MOS	5.85 hours	152 hours	384 hours
60-83 MOS	6.15 hours	160 hours	408 hours
84-107 MOS	6.46 hours	168 hours	432 hours
108-131 MOS	6.77 hours	176 hours	456 hours
132-155 MOS	7.08 hours	184 hours	480 hours
156-227 MOS	7.38 hours	192 hours	504 hours
228+ MOS	8.15 hours	212 hours	564 hours

*Teamsters Maximum Vacation Accrual is 3x the annual vacation accrual.

Vacation accrual changes will begin on the pay period following the anniversary date. Vacation earning and accruals will stop once the employee has reached his/her maximum vacation accrual balance. Only probationary and regularly appointed Full-Time employees shall be entitled to paid vacation leave. Part-Time/Seasonal/Temporary employees shall not be entitled to paid vacation leave.

The times during a calendar year at which an employee may take his vacation shall be determined by the department head with due regard for the wishes of the employee and particular regard for the needs of the service.

Probationary or regularly appointed Full-Time employees who terminate employment shall be paid in a lump sum for all accrued vacation leave earned prior to the effective date of termination. No such payment shall be made for vacation accumulated contrary to the foregoing provisions.

Vacation – LAPOA Employees



All regularly appointed probationary and Full-Time employees within the Los Altos Peace Officers Association shall earn vacation leave time per the vacation accrual schedule below as per their MOU agreement effective July 01 2023, which was established by City Council Resolution 1998-20 and amended by City Council Resolution 07-31:

MONTHS OF CONTINUOUS SERVICE (“MOS”)	VACATION ACCRUAL PER PAY PERIOD	ANNUAL VACATION ACCRUAL	MAXIMUM VACATION ACCRUAL*
0-47 MOS	4.76 hours	124 hours	276 hours
48-59 MOS	6.30 hours	164 hours	396 hours
60-83 MOS	6.15 hours	172 hours	432 hours
84-107 MOS	6.61 hours	180 hours	456 hours
108-131 MOS	7.23 hours	188 hours	480 hours
132-155 MOS	7.53 hours	196 hours	504 hours
156-227 MOS	7.84 hours	204 hours	528 hours
228+ MOS	8.61 hours	224 hours	588 hours

Vacation accrual changes will begin on the pay period following the anniversary date. Vacation earning and accruals will stop once the employee has reached his/her maximum vacation accrual balance. Only probationary and regularly appointed Full-Time employees shall be entitled to paid vacation leave.

The times during a calendar year at which an employee may take his vacation shall be determined by the department head with due regard for the wishes of the employee and particular regard for the needs of the service.

Probationary or regularly appointed Full-Time employees who terminate employment shall be paid in a lump sum for all accrued vacation leave earned prior to the effective date of termination. No such payment shall be made for vacation accumulated contrary to the foregoing provisions.

Sick & Other Paid Leaves



SICK LEAVE

Sick leave with pay shall be earned by probationary or regularly appointed Full-Time employees from the date of current service with the City at the accrual rate of 3.69 hours per pay period. Sick leave shall not be considered as a privilege which an employee may use at his/her discretion, but shall be allowed only in the case of necessity and actual sickness or disability of the employee, or because of illness or death in his/her immediate family.

Unused sick leave shall be accumulated at the accrual rate per pay period with no limit on the amount of hours accumulated, from the date of current employment.

SICK LEAVE FOR PART-TIME / TEMPORARY /SEASONAL EMPLOYEES:

Effective July 1, 2015, California Paid Sick Leave law requires the City of Los Altos to provide paid sick leave to Part-Time/Seasonal/Temporary employees according to the following criteria:

- An employee begins to accrue paid sick leave at the rate of one (1) hour of paid sick leave for every thirty (30) hours worked beginning on the first day of employment. An employee is not eligible to begin using any accrued sick leave until after 90 days of employment with the City of Los Altos.
- An employee is only allowed to use up to a maximum of 3 days or 24 hours of paid sick leave in a 12-month period.
- An employee can only accrue paid sick leave up to a cap of 6 days or 48 hours ongoing. Any unused accrued paid sick leave does carryover year-to-year while continuously employed and is not cashed out at the time of separation.

ADDITIONAL PAID TIME OFF BENEFITS

Dependent upon job classification, certain positions may be eligible for either Compensatory Time Off or Management Leave. Contact Human Resources by emailing hr@losaltosca.gov for more information regarding your position's eligibility.

	TEAMSTERS 305	POA	LAMEA	UNREPRESENTED
Comp Time Accrual Maximum	140 hours maximum accrual	140 hours maximum accrual	80 hours maximum accrual	80 hours maximum accrual (non-exempt positions)
Comp Time Cash outs	Voluntary cash out 1 st pay period in August. 140 hours maximum accrual Mandatory cash out for accruals above 100 hours 1 st pay period in December.	Mandatory cash out for accruals above 100 hours 1 st pay period in December.	Mandatory cash out 1 st pay period in December	Mandatory cash out 1 st pay period in December (non-exempt positions)
Management Leave for Exempt Unrepresented Employees:	80 hours each fiscal year. This amount is prorated for new employees.			

Plan Contacts

If you need to reach our plan providers, here is their contact information:

Plan Type	Provider	Phone Number/Email	Website
Medical	Anthem Blue Cross	(855) 839-4524	www.anthem.com/ca/calpers
	Blue Shield Access+	(800) 334-5847	www.blueshieldca.com/calpers
	Kaiser Permanente	(800) 464-4000	www.kp.org/ca/calpers
	PORAC	(800) 288-6928	http://ibtofporac.org
	PERS	(877) 737-7776	www.anthem.com/ca/calpers
	Western Health Advantage	(888) 942-7377	www.westernhealth.com/calpers
	UnitedHealthcare (SignatureValue Alliance & Harmony)	(877) 359-3714	www.whyuhc.com/calpers
Dental & Vision Reimbursement	Navia Benefits	(425) 452-3421	www.naviabenefits.com
Life & Long Term Disability	Lincoln Financial	(877) 275-5462	www.lincolnfinancial.com
Employee Assistance Program	Concern EAP <i>Company Code: losaltos</i>	(800) 344-4222	login.concernhealth.com
Deferred Compensation	Mission Square Retirement – Ray Ortiz	202-759-7126 rortiz@missionsq.org	www.missionsq.org

Words You Need to Know

Health insurance seems to have its own language. You will get more out of your plans if understand the most common terms, explained below in plain English.

MEDICAL

OUT-OF-POCKET COST - A healthcare expense you are responsible for paying with your own money, whether from your bank account, credit card, or from a health account such as an HSA, FSA or HRA.

DEDUCTIBLE - The amount of healthcare expenses you have to pay for with your own money before your health plan will pay. The deductible does not apply to preventive care and certain other services.

COINSURANCE - After you meet the deductible amount, you and your health plan share the cost of covered expenses. Coinsurance is always a percentage totaling 100%. For example, if the plan pays 70% coinsurance, you are responsible for paying your coinsurance share, 30% of the cost.

COPAY - A set fee you pay whenever you use a particular healthcare service, for example, when you see your doctor or fill a prescription. After you pay the copay amount, your health plan pays the rest of the bill for that service.

IN-NETWORK / OUT-OF-NETWORK - Network providers (doctors, hospitals, labs, etc.) are contracted with your health plan and have agreed to charge lower fees to plan members, as negotiated in their contract with the health plan. Services from out-of-network providers can cost you more because the providers are under no obligation to limit their maximum fees. With some plans, such as HMOs and EPOs, services from out-of-network providers are not covered at all.

OUT-OF-POCKET MAXIMUM - The most you would pay from your own money for covered healthcare expenses in one year. Once you reach your plan's out-of-pocket maximum dollar amount (by paying your deductible, coinsurance and copays), the plan pays for all eligible expenses for the rest of the plan year.

PRESCRIPTION DRUG

BRAND NAME - A drug sold under its trademarked name. For example, Lipitor is the brand name of a common cholesterol medicine. You generally pay a higher copay for brand name drugs.

GENERIC DRUG - A drug that has the same active ingredients as a brand name drug, but is sold under a different name. For example, Atorvastatin is the generic name for medicines with the same formula as Lipitor. You generally pay a lower copay for generic drugs.

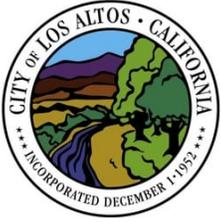
PREFERRED DRUG - Each health plan has a list of prescription medicines that are preferred based on an evaluation of effectiveness and cost. Another name for this list is a "formulary." The plan may charge more for non-preferred drugs or for brand name drugs that have generic versions. Drugs that are not on the preferred drug list may not be covered.

DENTAL

BASIC SERVICES - Dental services such as fillings, routine extractions and some oral surgery procedures.

DIAGNOSTIC AND PREVENTIVE SERVICES - Generally include routine cleanings, oral exams, x-rays, and fluoride treatments. Most plans limit preventive exams and cleanings to two times a year.

MAJOR SERVICES - Complex or restorative dental work such as crowns, bridges, dentures, inlays and onlays.



Rev. 1/3/2024