

megaflex

2016 enrollment highlights guide

Your Benefits

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enroll online:
mylacitybenefits.com

enroll by phone:
888-822-0487

questions?

Benefits Hotline representatives are available
Monday through Friday,
8 a.m. to 4 p.m. 213-388-9982

Extended hours during annual benefits enrollment
Monday through Friday, 8 a.m. to 5 p.m.,
Saturday, October 31, 8 a.m. to 4 p.m.

your benefits

The County of Los Angeles cares about you and your family. That's why we offer a comprehensive benefits program that includes medical, dental, life and disability insurance, accidental death and dismemberment, elective annual leave, and medical coverage protection (long-term disability health insurance), to help you enrich your life while protecting your future and your loved ones.

MEGAFLEX 2016 BENEFITS AT A GLANCE	
Medical	
• Kaiser Permanente HMO	
• Anthem Blue Cross HMO	
• Anthem Blue Cross PLUS POS	
• Anthem Blue Cross Prudent Buyer PPO	
• Anthem Blue Cross Catastrophic Plan	
Dental	
• MetLife (SafeGuard) HMO-style Plan	
• DeltaCare HMO-style Plan	
• Delta Dental PPO-style Plan	
Survivor Income Benefit Coverage (Retirement Plan E members only)	
Accidental Death and Dismemberment (AD&D) Insurance	
Disability	
• Short-Term Disability (STD) Insurance	
• Long-Term Disability (LTD) Insurance	
Medical Coverage Protection (Long-Term Disability Health Insurance)	
Annual Leave Days	
Spending Accounts	
• Health Care Spending Account	
• Dependent Care Spending Account	
Optional Life Insurance ¹	
• Optional Group Variable Universal Life (GVUL) Insurance	
• Optional Dependent Term Life	

¹ You pay for both types of optional life insurance with after-tax dollars. Your premiums for the other benefits shown in this chart generally are paid for with pre-tax (before-tax) dollars.

Summary Plan Description

Your enrollment materials often refer to the *MegaFlex* Summary Plan Description (SPD). The SPD is a valuable resource containing detailed plan information. You may download a copy of the *MegaFlex* SPD from mylacountybenefits.com.

dependent eligibility

Your dependents may be eligible for *MegaFlex* medical and dental plans.² Eligible dependents include:

- Your spouse or domestic partner
- Your children, which includes children born to you, children legally adopted by you, children awaiting finalization of their adoption by you, stepchildren, children of whom you are the legal guardian, children you support because of a valid court order, and children of your domestic partner:
 - Under age 26³
 - Age 26 and older if your child became disabled before the limiting age and is approved by your health plan (check with your health plan to determine the limiting age)

When adding eligible family members during annual benefits enrollment, you must provide Social Security numbers (SSN) and required documents (birth/adoption/marriage certificate) within 10 calendar days from the date you enroll.

² The dependent group term life, accidental death and dismemberment plans, and Spending Accounts have different dependent eligibility requirements. See your *MegaFlex* SPD for details.

³ Under age 18 for legal guardianship.

Choose Carefully – Your Elections are Final

After the enrollment deadline, you will not be able to change your benefits until next year's annual enrollment.

The only exception is if you have a qualifying life event, such as a change in family status or work situation, which may make you eligible to change your elections. Some examples include birth or adoption of a child, marriage, or divorce.

You must complete a life event enrollment and submit supporting documents to the Benefits Plan Administrator within 90 days from the qualifying life event.

For more information, see the *MegaFlex* SPD at mylacountybenefits.com.

Tobacco User Fee

Tobacco users enrolled in a medical plan under *MegaFlex* pay an after-tax charge of \$20 per month.

This fee will be waived if you certify that you have not used tobacco or tobacco products within the last 12 months, or certify that you are having difficulty stopping smoking due to nicotine addiction and will actively participate in a smoking cessation program available under the County medical plans during the plan year.

medical plans

	Health Maintenance Organization (HMO) Plans	Point of Service (POS) Plans	Preferred Provider Organization (PPO) Plans	Catastrophic Plans
Coverage	Provides comprehensive medical coverage, including (but not limited to): <ul style="list-style-type: none"> Preventive care Routine medical care Major medical care Behavioral health care 			Provides comprehensive medical coverage that: <ul style="list-style-type: none"> Covers preventive care Protects you from major, unexpected medical expenses
Seeking Care	<ul style="list-style-type: none"> You choose a primary care physician (PCP) who oversees your care and refers you to HMO specialists You have a network of HMO providers to choose from who serve specific geographic areas Except for emergency care, you must be treated by an HMO network physician or hospital to receive benefits 	<ul style="list-style-type: none"> You choose a primary care physician (PCP) who oversees your care and refers you to specialists You have the freedom to see any licensed doctor or specialist without a referral from your PCP Your out-of-pocket expenses will be lower when you coordinate care through your PCP and use network providers 	<ul style="list-style-type: none"> You can see any licensed doctor or specialist Your out-of-pocket expenses will be lower when you use providers from the PPO network of participating doctors, hospitals and other health care providers 	<ul style="list-style-type: none"> You can see any licensed doctor or specialist
Determining Costs for Services	<ul style="list-style-type: none"> Generally, there are no deductibles You pay a specified amount for many services Without the cost of a deductible and with generally lower copays, HMOs typically cost less than PPO plans 	<ul style="list-style-type: none"> Generally, there is no deductible if you use network providers and coordinate your care through your PCP Out-of-pocket expenses are lower when you use network providers and coordinate your care through your PCP 	<ul style="list-style-type: none"> Generally, there is a deductible before the plan pays benefits Deductible is waived for preventive care when you use network providers Out-of-pocket expenses are lower when you use network providers 	<ul style="list-style-type: none"> You are responsible for paying the cost of your care until you reach the annual deductible Once you satisfy your annual deductible, most benefits are covered at 75%

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the *MegaFlex* SPD at mylacountybenefits.com.

prescription drug benefits

Your medical coverage includes prescription drug coverage. For more details about these benefits, review the Medical and Dental Plans Comparison Chart you received with this guide or contact your medical plan.

If you are taking “maintenance medication” — for high blood pressure, cholesterol, thyroid conditions, or birth control, for example — using your plan’s mail-order service will generally save you money. Plus, you get the convenience of having your medications

delivered to you rather than having to pick them up at the pharmacy.

Medicare Part D Notice

If you or your dependents have Medicare or become eligible in the next 12 months, a federal law gives you more prescription drug coverage options.

See the Medicare notice in the legal notices in your benefits enrollment packet.

Save Money with Generic Drugs

You will save money when you substitute brand-name drugs with generic drugs, which become available when the original patent on the brand-name drug expires.

When you are prescribed a brand-name drug, ask your health care provider if a generic version is available.

dental plans

Your *MegaFlex* program offers two HMO-style dental plans:

- MetLife (SafeGuard)
- DeltaCare

You also have a PPO-style dental plan:

- Delta Dental

When you enroll in one of the **HMO-style dental plans**, you choose a dental office, which becomes your “primary care office,” and you must go to this office for all of your dental care.

The **PPO-style dental plan** offers two different networks of participating dentists and dental care providers:

- Delta Preferred Provider Option (PPO) network: Using this network offers the highest benefits. Most preventive services are covered at 100%; many other services are covered at 85%. You pay no deductible.
- Delta Participating Dentist network: Delta pays benefits based on a fee agreement with the network’s dentists. Most routine services are covered at 80%, after you have met a deductible.

When you enroll in a PPO-style dental plan, you can go to any dentist in either network, or to an out-of-network dentist. When you use network providers, the plan pays higher benefits (you pay less).

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the *MegaFlex* SPD, which is online at mylacountybenefits.com.



annual leave

Instead of traditional vacation and sick leave days, *MegaFlex* participants use annual leave days. Annual leave comes in two forms: non-elective leave days, which you earn, and elective leave days, which you may purchase.

Non-Elective Leave

Starting July 1, 2015, *MegaFlex* participants earn non-elective leave hours each pay period; hours are available for use the following pay period. This will amount to approximately four hours each pay period.

You may earn up to 10 days (80 hours) of non-elective annual leave each calendar year. Unused non-elective annual leave hours will carry over to the next Plan Year, up to a maximum of 60 days (480 hours).

Elective Leave

You may purchase from one to 20 elective annual leave days each year. If you want to purchase elective annual leave days, you must purchase them during your initial enrollment in *MegaFlex*, or each year during annual benefits enrollment.

You must use all your banked and available non-elective annual leave hours, compensatory time off, vacation, holiday leave, or when sick, sick leave, before you use any of the elective annual leave days you purchased for the year.

The County will reimburse any unused elective annual leave at the end of each year. Any monies that are reimbursed are taxed and are subject to taxable cash limits for pensionable *MegaFlex* participants who have not signed the Pensionability Waiver.

IMPORTANT NOTE: If you receive no pay for any month, the monthly cost for elective annual leave will accumulate for each month the cost is not deducted from your paycheck. When you return to work, the County’s payroll will deduct the total cost accumulated from your paycheck to recover the balance.

For more information, see the *MegaFlex* SPD at mylacountybenefits.com.

additional protection

Sometimes, the unexpected happens and it affects not just your own life, but also the lives of those you care about. Your *MegaFlex* program offers disability, life insurance, AD&D insurance, and long-term disability (LTD) health insurance to protect you and your family.

Short-Term Disability

The County provides short-term disability (STD) coverage to replace 70% of your monthly pay after a 14-day waiting period if you are ill or injured and cannot work.

You may purchase additional coverage to replace 100% of your monthly salary for 21 days after a seven-day waiting period, and 80% thereafter. This additional coverage will apply to new injuries occurring on or after your STD coverage begins. You receive STD benefits for up to 26 weeks.

Long-Term Disability

You can buy long-term disability (LTD) coverage to replace 40% to 60% of your income, which will be in effect once your STD benefits end (or after you complete a six-month waiting period). See the *MegaFlex* SPD, at mylacountybenefits.com, for more information.

If you are a Retirement Plan E member with five or more years of continuous service, the County pays for the 40% LTD coverage option.

Medical Coverage Protection Long-Term Disability (LTD) Health Insurance

If you elect either the 40% option or the 60% option for the long-term disability benefit, you may also enroll in the LTD Health Insurance plan, which is designed to help you continue your medical insurance coverage.

If you are participating in the *MegaFlex* program and become disabled after January 1, 2007, you will be covered by LTD health insurance at no cost to you, provided you meet the eligibility requirements. LTD health insurance pays 75% of your monthly medical premium and you pay the remaining 25%.

Beginning January 1, 2007, if you are eligible for LTD health insurance, you can elect to buy additional coverage at a cost of \$3.00 per month, which pays 100% of your medical plan premium while you receive LTD benefits.

If you do not elect (or you cancel) the optional 100% LTD health insurance coverage for a plan year, you cannot elect this coverage for the next plan year. You must wait two calendar years before you again have the option to elect this coverage.

Survivor Income Benefit Plan (for Retirement Plan E members only)

The survivor income benefit is a life insurance plan offered to members of Retirement Plan E. If you die, benefits from this plan are paid to your surviving spouse/domestic partner or your unmarried dependent children.

New hires and newly eligible *MegaFlex* employees can purchase coverage equal to 10%, 15%, 25%, 35% or 50% of their monthly salary. Each year, during annual benefits enrollment, you may elect to increase coverage one level (for example, from 25% to 35%). The County pays 50% of the monthly premium and you pay the rest with pre-tax dollars.

Note: If you choose the Survivor Income Benefit option, you will be limited in the amount of optional group variable universal life (GVUL) insurance coverage you can buy.

See the *MegaFlex* SPD at mylacountybenefits.com for more information about the coverage limits, how benefits are paid, and how much your coverage will cost.

Optional Group Variable Universal Life (GVUL) Insurance

As an eligible *MegaFlex* participant, you can buy GVUL insurance for yourself. You can purchase coverage of one-half to eight times your annual salary.

The County pays 50% of the cost of coverage and you pay the rest after tax.

If you purchase optional GVUL insurance, you may also purchase a limited amount of life insurance coverage for your spouse/domestic partner and dependent children.

The GVUL program is available through MetLife and offers premiums at affordable group rates. You can keep your coverage if you end your employment with the County.

Accidental Death and Dismemberment Insurance (AD&D)

You can buy AD&D insurance at low monthly rates. If you die in an accident, become paralyzed, or lose a limb, eyesight, speech, or hearing because of an accident, your AD&D insurance pays benefits. Review your enrollment materials for AD&D coverage amounts and monthly costs.

If you have AD&D coverage under *MegaFlex*, you may also buy coverage for your eligible spouse/domestic partner under age 70, and dependent children under age 21, or through age 25 if full-time students. See the *MegaFlex* SPD, at mylacountybenefits.com, for important rules.



spending accounts

Spending Accounts offer a great way to save money on eligible health care and dependent care expenses. You never pay federal or state income taxes on the money you contribute.

You could save between 10% and 30% on every dollar you spend on health care or dependent care, depending on your tax bracket.

You should carefully estimate the amount of expenses that you will be able to pay from these accounts to determine how much you want to contribute. If there's money left in your Dependent Care Spending Account at year end, you will not

get it back (IRS requirements). This is called the "Use it or Lose it Rule."

With a Health Care Spending Account, you can carry over up to \$500 in unused funds to spend in the following year. See the next page for details.

That's why it's important to take a little time to plan, and not put more in your account than you estimate you will spend for the year.

MegaFlex offers two types of Spending Accounts:

Enroll in Either or Both	
Health Care Spending Account	Dependent Care Spending Account
<p>Pay for eligible health care expenses with pre-tax dollars, including but not limited to:</p> <ul style="list-style-type: none"> • Medical plan copays • Deductibles • Prescription drugs • Eyeglasses, contacts, laser eye surgery • Out-of-pocket dental expenses • Hearing aids and tests • Chiropractic care • Nicotine patches and nicotine gum prescribed by a doctor • Plus many more expenses <p>Some expenses (such as insurance premiums) are not eligible for reimbursement.</p>	<p>Pay for eligible dependent care expenses with pre-tax dollars while you and your spouse work outside the home or attend school full time. These expenses include, but are not limited to:</p> <ul style="list-style-type: none"> • The cost of properly licensed day care centers, summer day camp • Nursery school • Preschool • Child and adult day care provided at your home <p>Dependent Care expenses must be used for the care of a:</p> <ul style="list-style-type: none"> • Child under the age of 13 • Mentally or physically disabled child of any age, or • Legally dependent adult who spends a minimum of eight hours each day in your home and is unable to care for himself/herself
When you enroll, you decide how much to contribute to each account.	
You can contribute a maximum of \$200 a month.	You can contribute a maximum of \$400 a month.
Expenses for both types of Spending Accounts must be incurred by December 31, 2016, and submitted for reimbursement by June 30, 2017. See the Spending Account section of the <i>MegaFlex</i> SPD, at mylacountybenefits.com , for more information about eligibility and what other types of expenses you can pay with tax-free dollars through a Spending Account.	

Health Care Spending Account: Carry Over up to \$500 Each Year

If you have a Health Care Spending Account (HCSA), you can carry over up to \$500 in unused funds to spend in the next plan year; however, you will lose any remaining balance above \$500.

The amount you carry over to the next year will not affect your annual maximum contribution. You can still contribute up to the full \$2,400 to your HCSA in 2016. Any money you carry over from 2015 will be available for use in 2016 along with your designated 2016 contribution amount.

The carryover rule does not apply to the Dependent Care Spending Account (DCSA). If you enroll in a DCSA, you must spend all your funds by the end of the plan year so you do not lose them.

To learn more, check out the Spending Accounts eMagazine (see next page for more information).

Tutorial and Calculators Available Online!

The online tutorial and calculators are easy ways to learn how to use Spending Accounts and plan your contribution amount.

To access the online tutorials, log on to mylacountybenefits.com and select "Online Tutorials" from the "my tools" drop down menu at the top of the page.

Make Your Dependent Care Spending Account Even More Valuable

If you have eligible dependents and enroll in the Dependent Care Spending Account, the County will make a nontaxable monthly contribution based on your annual pay.

You do not need to contribute, but you must enroll to be eligible for the County contribution. See the chart at the right to find out how much the County will contribute in 2016.

Total contributions, yours and the County's, to a Dependent Care Spending Account cannot exceed \$4,800 a year if married and filing jointly, or \$2,500 if married and filing separately (IRS limits).

YOUR ANNUAL BASE PAY	COUNTY'S MONTHLY CONTRIBUTION (Subject to Annual Cap on Contribution)
Less than \$30,000	\$375
\$30,000 to \$34,999	\$300
\$35,000 to \$39,999	\$275
\$40,000 to \$44,999	\$200
\$45,000 to \$49,999	\$125
\$50,000 or more	\$75

Important Note: The County caps total annual County contributions. If the cap is reached for 2016, the monthly contribution described above will be reduced pro rata for the month in which the cap is reached and then will be stopped completely for the remainder of the plan year. Because of the cap, there is no guarantee that you will receive the full monthly contribution shown above during the entire plan year. You will be notified if the County contribution is reduced or stopped during the plan year. See the *MegaFlex* SPD, at mylacountybenefits.com, for more information.

Spending Account eMagazine

The County of Los Angeles' Spending Account eMagazine is an easy way to help you get the most out of the Health Care and Dependent Care Spending Accounts.

It's interactive with lots of easy-to-use tools like downloadable forms, and a savings calculator to help you determine how much you will save in taxes when you use a Spending Account. Use the built-in worksheets to add up your yearly expenses so you will know how much to set aside each pay period.

Visit mylacountybenefits.com and click on the eMagazine link on the homepage.



Affordable Care Act (ACA) Compliance Update: Two New Tax Forms

At the end January 2016, the County will provide employees with a new tax form called form 1095-C.

Large employers must now provide the form, which documents whether an employee worked full time and received an offer of ACA-compliant medical insurance each month during 2015. The County must issue the form to all full-time employees, generally defined as an employee who works at least 1,560 hours per year (30 hours per week).

Kaiser Permanente enrollees can also expect to receive form 1095-B from Kaiser. This form documents the months you and your dependents had ACA-compliant medical coverage in 2015. Anthem Blue Cross enrollees will receive this information in Section III of the 1095-C form they receive from the County.

Keep these forms; you may need to file them with your 2015 tax return.





CONTACT INFORMATION

Contact	Phone Number	Fax Number	Website
BENEFITS SYSTEM			
Benefits Enrollment	888-822-0487	310-788-8775	www.mylacountybenefits.com
COUNTY DEPARTMENT OF HUMAN RESOURCES			
Benefits Hotline	213-388-9982	N/A	http://dhr.lacounty.info/
MEDICAL			
Kaiser Permanente	800-464-4000	N/A	www.kp.org/countyofla
Anthem Blue Cross	844-730-1931	N/A	www.anthem.com/ca/countyoflosangeles
DENTAL			
MetLife (SafeGuard)	800-880-1800	N/A	www.safeguard.net
DeltaCare	800-422-4234	N/A	www.deltadentalins.com
Delta Dental	888-335-8227	N/A	www.deltadentalins.com
FLEXIBLE SPENDING ACCOUNTS			
Benefit Concepts, Inc.	866-629-6436	866-629-6390	www.mylacountybenefits.com
LIFE INSURANCE AND SURVIVOR INCOME BENEFIT			
MetLife	800-846-0124	N/A	www.mylacountybenefits.com Click on the MetLife link
AD&D INSURANCE			
CIGNA Life	800-842-6635	N/A	www.mycigna.com

How to Find a Network Doctor

Kaiser Permanente HMO

- Go to www.my.kp.org/ca/countyofla
- Select “Go!” under “Find a Doctor”

Anthem Blue Cross

- Go to www.anthem.com/ca/countyoflosangeles
- Select “Find a Doctor”

How to Find a Network Dentist

MetLife (SafeGuard)

- Go to www.safeguard.net
- Select “Find a Dentist” and follow the instructions

DeltaCare and Delta Dental

- Go to www.deltadentalins.com
- Select “Find a Dentist” and follow the instructions

The County reserves the right to take appropriate action against anyone who knowingly presents a false or fraudulent claim under the Plan, or who otherwise attempts to defraud the Plan, including (but not limited to) termination from participation in the Plan and of employment.

This Highlights Guide is not an official *MegaFlex* Summary Plan Description (SPD) or official plan document. If you need a copy of an official plan document, contact the plan’s customer service department directly. If there is a difference between what you read in this guide and what you read in an official plan document, the official plan document will rule.