



2018-2019

Your Benefits Open Enrollment Guide



GILBERT
ARIZONA

Gilbert**Wellness**



The following pages include lots of great details on the amazing benefits provided by the Town of Gilbert!

WARNING: The boring legal stuff starts on page 15. We need to have it in here because it's super important, but we admit it's not as fun. *Do not read the boring legal stuff while operating heavy equipment, as drowsiness may occur.*

If you have Medicare or will become eligible for Medicare in the next 12 months, a new federal law gives you more choices about your prescription drug coverage. Please see page 22.



GilbertWellness



EAT WELL, LIVE WELL

Snacking can be an important part of a healthy diet. Healthy snacks can provide midday energy boosts and fuel for exercising, and can help decrease your hunger and the odds of overeating at mealtime. Try incorporating these five simple snacks into your meal plan.

4 HEALTHY SNACKS TO SATISFY YOUR WORKDAY HUNGER

- **Almonds**—1.5 ounces of almonds (about 35 nuts) provides enough fiber, protein and good fats to keep you feeling full until your next meal.
- **Greek yogurt parfait**—1 cup of Greek yogurt with berries is a great way to get protein, calcium, fiber and antioxidants.
- **Blueberries and mini Babybel cheese**—1 cup of fresh blueberries has only 80 calories. When paired with two mini Babybel cheeses, you get a high dose of fiber, antioxidants, protein and calcium.
- **Veggies with hummus**—Snacking on raw, fiber-rich vegetables during the day can help keep you full between meals. For extra protein, eat your veggies with hummus. Be sure to check the serving size on your hummus container to keep your portion size in check.

Not to brag but check out the awards we won in 2018!

- 2018 Top 100 Healthiest Phoenix Employers
- Healthy Arizona Worksite – Gold Level Designation
- AZ Employer Support of the Guard and Reserve – Extraordinary Employer Support Award

Hi Team Gilbert,

It is open enrollment time again! At the Town of Gilbert, we believe that our benefit offering makes a difference to you, your family, and the life you lead outside of work. Since benefits are a significant part of your total compensation package, the Town of Gilbert is continually looking for ways to ensure that our programs are valued and offer you and your family resources and tools to help you stay healthy and support your well-being.

We know it has been a crazy couple of years and we are very excited to announce **NO RATE INCREASE** and **minimal changes** for FY19 ! Those changes include:

- **End of Legacy Plan:** *We knew this was coming and this is the year this plan retires. Members on Legacy will be placed in Preferred unless they choose BannerSelect during open enrollment.*
- **Addition of ABA Therapy:** *You asked and we heard. Applied Behavioral Analysis (ABA) is a type of therapy service for children with autism.*
- **Child Primary Care Physician Co-payment:** *Instead of a \$10 co-pay for kids 14 and under, everyone will have the same \$20 PCP co-pay.*
- **Teladoc Co-payment:** *Great deal!– this is reduced to \$20 (was \$35) to align with primary care physician co-payment.*

The Town of Gilbert is self-insured, which means as an organization, we pay all of the medical claims for our members and their families – **WE** are the insurance company. Remember, employees share in the costs of our medical program both at the time of claim and through payroll contributions. As we look to the future, the need to manage health care costs continues to get more challenging. It benefits you to utilize the resources available and be proactive by focusing on your wellness as much as you can. Annual wellness visits are at no cost to you and there are many other resources on www.Aetna.com.

We also encourage you to get involved in the Gilbert Wellness program by participating in lunch & learns, the Get Active challenges, and the various wellness events we host. In addition, we encourage you to review the information available through newsletters and the Aetna Navigator portal. We care about your well-being and want to support you on this journey!

We are very excited about the 2018-2019 plan year. Please be sure to evaluate your benefit options closely in order to make the right elections for you and your family.

Open enrollment is from May 1st to May 24th. This year is an **PASSIVE** enrollment year. **You only need to fill out an enrollment form if you would like to make changes to your current medical, dental, or vision benefits.** Completed forms must be submitted to HR by May 24th. **Quick tip: don't wait until the last day!** If you do not wish to make changes, or we don't receive your form, your current benefits will carryover to the next plan year. Those in Legacy who do not make changes will default to Preferred at their current plan level (Employee/Family).

Be well,
Town of Gilbert Benefits Team



The Town of Gilbert offers a comprehensive suite of benefits to promote health and financial security for you and your family. This booklet provides you with a summary of your benefits. Please review it carefully so you can choose the coverage that’s right for you. Remember additional information is always available on the Intranet via the Resource Center or the Open Enrollment Site.



Benefit Basics

Our plans are on the fiscal year and are effective from July 1, 2018 to June 30, 2019. You are eligible to participate in our benefits on the first day of the month following your date of hire. Your eligible dependents that may also enroll include:

- Your legal spouse
- Medical: Children up to the age of 26
- Dental/Vision: Unmarried, children up to age 25

Once your benefit elections become effective, they remain in effect until the end of the plan year. You may only change coverage within 30 days of a qualified life event.

For more information about your benefits, please contact the Human Resources Department at hr@gilbertaz.gov or 480-503-6859
To Register for the mailing list at home visit:
<https://www.gilbertaz.gov/departments/human-resources/benefit-summary>

GilbertWellness



Join our mailing list for benefit and wellness information.





Qualified Life Events

Generally, you may change your benefit elections only during the annual enrollment period. However, you may change your benefit elections during the year if you experience a qualified life event, including:

- Marriage
- Divorce or legal separation or termination of domestic partnership.
- Birth of your child
- Death of your spouse, domestic partner or dependent child
- Adoption of or placement for adoption of your child
- Change in employment status of associate, spouse or dependent child
- Qualification by the Plan Administrator of a child support order for medical coverage
- Entitlement to Medicare or Medicaid*

You must notify Human Resources within 30 days* of the qualified life event. Depending on the type of event, you must provide proof of the event. If you do not contact Human Resources within 30 days* of the qualified event, you will have to wait until the next annual enrollment period to make changes.

** If you or your dependents experience a loss of eligibility for Medicaid or a state Children’s Health Insurance Program (CHIP) coverage; or if you or your dependents become eligible for a state premium assistance subsidy through Medicaid or a state CHIP, you have 60 days to notify Human Resources.*



The Cost of Your Benefits

The Town of Gilbert pays the full cost of some of your benefits; you share the cost for others. You pay the full cost for any voluntary benefits you elect.

Benefit	Who Pays	Tax Treatment of Premiums
Medical Coverage	The Town & You	Pre-tax
Dental Coverage	The Town & You	Pre-tax
Voluntary Vision Coverage	You	Pre-tax
Life and Accidental Death and Dismemberment	The Town	After-tax
Voluntary Life	You	After-tax
Deferred Compensation – 457(b)	You	Pre-tax
Long Term Disability and Short Term Disability	The Town/State of Arizona	After-tax
Employee Assistance Program	The Town	After-tax



Medical Coverage

For FY19, the Town of Gilbert will continue to provide medical coverage through **Aetna**. We will continue to offer the Preferred and BannerSelect plan options.

Both the Preferred and BannerSelect Plans are under the structure of the Banner Health Network and Aetna Plans, however the provider network varies between the two plans.

Preferred - Open Access/Aetna Select Network (Broad Network)

The Preferred plan utilizes Aetna's Open Access/Aetna Select Network, which provides access to a large and broad national network. You can find in-network providers anywhere you go in the U.S. The Aetna Select network also includes Mayo providers.

BannerSelect - Banner Open Access Aetna Select (Performance Network)

The BannerSelect plan utilizes the narrower Banner Health Network and provides coverage within Maricopa and Pinal County. You must always utilize a Banner Health physician/facility in order to have in-network coverage with the exception of emergency situations. You may visit any provider in the case of an emergency. Banner Health does not have Mayo providers in-network.

Check out the plan comparison on the next page!

To find an in-network doctor with Aetna, use their DocFind tool at www.aetna.com/docfind using the network names below. Or call Aetna for help – 1-855-856-0038.



Aetna Services

If you enroll in Town of Gilbert's medical plan with Aetna, you will have access to additional tools that will help you manage the health of you and your family. Below is a brief overview of a couple of Aetna tools that can help you and your family stay healthy and happy!

Teladoc

Can't get in to your doctor's office when you're feeling under the weather? No problem! Aetna's Teladoc program provides 24/7 access to U.S. board certified doctors via phone or video consults. Teladoc doctors diagnose non-emergency medical problems such as respiratory infections, ear infections, cold and flu, sore throat, and pink eye. They can recommend treatment and even call in a prescription to your pharmacy, when necessary. Teladoc does not replace your primary care physician, but it does offer an affordable convenient option when going to see the doctor isn't convenient. You can talk to a doctor any time for \$20 (**Reduced from \$35!**)! Contact Teladoc at 1-855-835-2362 or visit www.Teladoc.com/Aetna for more information.

Aetna Navigator/Mobile App

If you have not already done so, be sure to create an Aetna Navigator account at www.aetna.com using your Aetna member ID shown on your ID card. You can use Aetna Navigator to **find a doctor, manage your claims and prescriptions, estimate costs for services, and participate in wellness activities.**

You can also access Aetna Navigator by downloading Aetna's mobile app. Aetna's mobile app provides you the tools you need to manage your health while on the go. You can use the drug estimator tool to estimate your out-of-pocket costs for your next doctor's appointment. You can pull up your member ID card if you forgot your card at home, and much more!

Download the Aetna Mobile app for your phone or computer today!

Visit <https://www.aetna.com/individuals-families/using-your-aetna-benefits/aetna-mobile.html> for more information.



Medical Coverage

Below is an overview of your plans provided with **Aetna**. We will continue to offer the Preferred and BannerSelect plan options. The benefits on the plans are exactly the same, but the network size is different. *Please refer to page 10 for your payroll deductions.*

Benefits	Preferred Plan	Banner Select
	In-Network	In-Network
Network Coverage – <u>This is the difference</u>	<ul style="list-style-type: none"> ■ 4,400+ Primary Care Physicians ■ 19,200+ Specialists ■ 200+ Urgent Care Centers ■ 75 Hospitals ■ 12 Health Centers ■ 6 Behavioral Health Facilities ■ 45+ Walk-In Clinics 	<ul style="list-style-type: none"> ■ 1,650+ Primary Care Physicians ■ 9,000+ Specialists ■ 125 Urgent Care Centers ■ 23 Hospitals ■ 12 Health Centers ■ 6 Behavioral Health Facilities ■ 45+ Walk-In Clinics
Deductible: Single/Family	\$500/\$1,000	\$500/\$1,000
Coinsurance	20%	20%
Out-of-Pocket Maximum (Includes deductible, coinsurance, copays & rx copays)	\$2,000/\$4,000	\$2,000/\$4,000
Preventive Care	No Charge	No Charge
Primary Care Office Visit	\$20 copay*	\$20 copay*
Specialist Office Visit	\$35 copay	\$35 copay
Teladoc Copay	\$20 copay*	\$20 copay*
X-Ray and Lab	20% after deductible	20% after deductible
Complex Imaging	20% after deductible	20% after deductible
Hospital Stay	20% after deductible	20% after deductible
Emergency Room Care	\$200 copay (copay waived if admitted)	\$200 copay (copay waived if admitted)
Urgent Care	\$50 copay	\$50 copay
Retail Prescription Drugs (34-day supply)		
■ Generic	\$10 copay	\$10 copay
■ Brand	\$20 copay	\$20 copay
■ Non-Formulary	\$50 copay	\$50 copay
■ Specialty	\$100 copay	\$100 copay
Mail Order (90-day Supply)		
■ Generic	\$30 copay	\$30 copay
■ Brand	\$60 copay	\$60 copay
■ Non-Formulary	\$150 copay	\$150 copay

*Change from FY18 – Removal of \$10 Child PCP co-pay; Reduction of Teladoc copay from \$35 to \$20

Important Notes

- This is a synopsis of coverage only; the benefits summary and plan booklet contain exclusions and limitations that are not shown here. Please refer to the carrier-provided benefits summary and booklet for the full scope of coverage.
- In-network services are based on negotiated charges; out-of-network services are based on Reasonable & Customary (R&C) charges; and balance billing may apply.



Dental Coverage

Regular dental exams can help you and your dentist detect problems in the early stages when treatment is simpler and costs are lower. Keeping your teeth and gums clean and healthy will help prevent most tooth decay and periodontal disease, and is an important part of maintaining your medical health.

The Town of Gilbert will continue to offer dental insurance through **Delta Dental**. Delta Dental has the largest National Network of providers. If you are currently enrolled in the dental plan, you will not receive a new ID card. If you would like a new card or need assistance finding a provider, visit www.deltadentalaz.com or call 602-938-313. *Please refer to page 10 for your payroll deductions.*

Benefit	Delta Dental	
	In-Network PPO Dentist & Premier Dentist	Non Delta Dental Dentist
Annual Deductible (Individual/Family)	\$50/\$150	\$50/\$150
Annual Maximum (per person)	\$1,500	\$1,500
Diagnostic and Preventive Care: Includes cleanings, fluoride treatments, and x-rays, space maintainers (Deductible waived)	100%	100%
Basic Services: Includes fillings, sealants, endodontics, periodontal maintenance and oral surgery	80%*	80%*
Major Services: Includes crowns, periodontal root planning and scaling, implants, bridges and full and partial dentures	60%*	60%*
Orthodontia (Children and Adults)	50%*, \$1,000 lifetime maximum	50%*, \$1,000 lifetime maximum

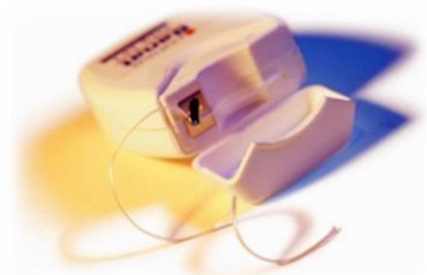
*Deductible applies

BENEFITS ARE SUBJECT TO ALL PROVISIONS, TERMS & CONDITIONS OF THE GROUP CONTRACT

When you enroll in a Delta Dental PPO plus Premier plan, you and your family members may visit any licensed dentist.

There are three levels of providers to choose from:

- PPO Dentist -- Payment is based on the PPO dentist's allowable fee or the actual fee charged, whichever is less. *This is usually the best deal!*
- Premier Dentist -- Payment is based on the Premier Maximum Reimbursable Amount (MRA), filed fee, or the fee actually charged, whichever is less. *Still a great deal!*
- Non-Participating Dentist -- Payment is based on the non-participating dentist Table of Allowance. Members are responsible for the difference between the non-participating dentist. *This may cost more!*





Vision Coverage

The Town of Gilbert will continue to offer vision coverage through **EyeMed** with no plan changes. Your vision plan covers routine eye exams and also pays for all or a portion of the cost of corrective glasses or contact lenses if you need them. *Please refer to page 10 for your payroll deductions.*

Delta Vision (EyeMed Advantage Network)	In-Network	Out-of-Network Allowance*
Exam	Paid in full after \$10 copay	Up to \$30 reimbursement
Hardware	\$10 copay	See below
Frequency ■ Exam ■ Lenses ■ Frames	Once every 12 months Once every 12 months Once every 12 months	
Frames	\$120 allowance, 20% off balance over 120	Up to \$60 reimbursement
Lenses (One every 12 months) ■ Single Vision Lenses ■ Bifocal Lenses ■ Trifocal Lenses	Paid in full after \$10 copay	Up to \$20 reimbursement Up to \$40 reimbursement Up to \$55 reimbursement
Elective contact lenses in lieu of glasses	\$80 allowance, 15% off balance over \$80	Up to \$64 reimbursement

*Members who elect to use an out-of-network provider must pay the provider in full at the time of service and submit a claim to Avesis for reimbursement. Reimbursement levels are in accordance with the out-of-network reimbursement schedule listed.

The EyeMed Network Consists of:

LENSCRAFTERS



- Private Practice Opticians
- Ophthalmologists
- Optometrists



Flexible Spending Accounts – Next Open Enrollment is November 2018

Flexible Spending Accounts (FSAs) are designed to save you money on your taxes. They work in a similar way to a savings account. Each pay period, funds are deducted from your pay on a **pre-tax basis** and credited to a Health Care and/or Dependent Care FSA. You then use your funds to pay for eligible health care or dependent care expenses. The Town of Gilbert partners with **ASI** to provide you with FSA services. *We strongly recommend this program to help you save money – read on!*

Account Type	Eligible Expenses	Annual Contribution Limits	Benefit
Health Care FSA	Most medical, dental and vision care expenses that are not covered by your health plan (such as copayments, coinsurance, deductibles, eyeglasses and doctor-prescribed over the counter medications)	Maximum contribution is \$2,650	Saves on eligible expenses not covered by insurance; reduces your taxable income
Dependent Care FSA	Dependent care expenses (such as day care, after school programs or elder care programs) so you and your spouse can work or attend school full-time	Maximum contribution is \$5,000 per year (\$2,500 if married and filing separate tax returns)	Reduces your taxable income

FSAs Let You Save on Your Taxes

Here is an example of how much you can save when you use the FSAs to pay for your predictable health care and dependent care expenses.

Account Type	With FSA	Without FSA
Your taxable income	\$50,000	\$50,000
Pre-tax contribution to Health Care and Dependent Care FSA	\$2,000	\$0
Federal and Social Security taxes*	\$11,701	\$12,355
After-tax dollars spent on eligible expenses	\$0	\$2,000
Spendable income after expenses and taxes	\$36,299	\$35,645
Tax savings with the Medical and Dependent Care FSA	\$654	N/A

*This is an example only. It assumes a 25% federal marginal income tax rate and 7.65% in FICA taxes. State and local taxes vary, and are not included in this example. However, you may save on state and local taxes as well.

Important Information About FSAs

Your current FSA elections are in effect from January 1, 2018 through December 31, 2018. Next open enrollment period will be November 2018.

Reminder: Unused funds up to \$500 may be rolled over into your FSA for the plan year beginning 1/1/19. Funds in excess of \$500 will be lost if unused. This is known as the “**use it or lose it**” rule and is governed by IRS regulations. Please plan your contributions carefully. Note that FSA elections do not automatically continue from year to year; you must **actively** enroll each year.

What Are the Advantages of an FSA?

Your contributions are not taxed, nor are you taxed when you receive reimbursements from the account. You are not taxed when you file your income tax return at the end of the year.





Basic Life and Accidental Death & Dismemberment (AD&D) Insurance Coverage

Life insurance is an important part of your financial security, especially if others depend on you for support. Accidental Death & Dismemberment (AD&D) insurance is designed to provide a benefit to you and/or your beneficiaries in the event of accidental death or dismemberment. The Town of Gilbert provides Basic Life and AD&D Insurance to all full-time employees at no cost. The benefit amount provided is **one times** your annual basic earnings. A seat-belt provision provides additional coverage equal to the employee’s annual salary, up to \$50,000. In addition, eligible dependents are covered by a \$2,000 basic life insurance policy.

Voluntary Life Insurance

The Town of Gilbert offers all eligible employees working 20 hours or more per week the opportunity to purchase voluntary life insurance for yourself and your dependents. When you enroll yourself and your dependents in this benefit, you pay the full cost through payroll deductions.

Coverage Guidelines			
	Employee	Spouse	Child(ren)
Maximum	6x annual salary, up to \$500,000	100% of employee’s benefit, up to \$250,000	\$10,000, \$15,000 or \$20,000
Guarantee Issue	\$250,000	\$50,000	\$10,000

Please contact the Human Resources Department if you would like to change your beneficiaries for your Life and/or Voluntary Life Insurance Plans. Forms are available on the Intranet, under the Resource Center.

Disability Insurance

Disability Insurance provides income replacement should you become disabled and unable to work due to a non-work related illness or injury. The company provides eligible employees with short-term disability income benefits at no cost as shown below.

The company provides eligible **sworn** employees with long-term disability benefits. **Non-sworn** employees are provided long-term disability benefits through the Arizona State Retirement System.

Information about the limitations and exclusions for this plan will be included in the summary of coverage, which you will receive after you are enrolled. Please contact your Human Resources if you have questions.

Coverage Guidelines
<p>Short-Term Disability Benefit Amount: 60% of your covered earnings Weekly Maximum: \$1,500 Benefits Begin: After 90 days of accident or illness Benefit Duration: 90 days</p>
<p>Long-Term Disability (Sworn Employees) Benefit Amount: 66.67% of your covered earnings Benefits Begin: After 180 days of disability</p>
<p>Long-Term Disability (Non-sworn Employees) Benefit Amount: 66.67% of your covered earnings Benefits Begin: After 180 days of disability</p>





Payroll Deductions – No increase over last year's rates!

^e Preferred Plan	Total Premium Cost	Employee Contribution (Full Time and Council)	Employee Contribution (Part Time)
Employee	\$567.25/month	\$113.45/month \$56.73/2x month	\$215.78/month \$107.89/2x month
Family	\$1,610.54/month	\$322.11/month \$161.06/2x month	\$612.64/month \$306.32/2x month
Banner Select Plan	Total Premium Cost	Employee Contribution (Full Time and Council)	Employee Contribution (Part Time)
Employee	\$500.52/month	\$46.72/month \$23.36/2x month	\$160.17/month \$80.09/2x month
Family	\$1,421.06/month	\$132.63/month \$66.31/2x month	\$454.74/month \$227.37/2x month
Dental Plan	Total Premium Cost	Employee Contribution (Full Time and Council)	Employee Contribution (Part Time)
Employee	\$40.40/month	\$8.08/month \$4.04/2x month	\$16.16/month \$8.08/2x month
Family	\$114.35/month	\$22.87/month \$11.44/2x month	\$45.74/month \$22.87/2x month
Vision Plan	Total Premium Cost	Employee Contribution (Full Time and Council)	Employee Contribution (Part Time)
Employee	\$4.62/month	\$4.62/month \$2.31/2x month	\$4.62/month \$2.31/2x month
Family	\$14.87/month	\$14.87/month \$7.44/2x month	\$14.87/month \$7.44/2x month





All Benefit Information is on the Resource Center

Employee Leave

Vacation (All except Fire Suppression)

Regular, full-time employees accrue vacation based upon years of service in accordance with the following schedule:

Years of Service	Bi-Weekly Accrual	Annual Accrual
Less than 5 years	3.85 hrs/pay	100 hrs/yr
5 – 9.99 years	4.81 hrs/pay	125 hrs/yr
10 – 14.99 years	5.54 hrs/pay	144 hrs/yr
15 – 19.99 years	6.27 hrs/pay	163 hrs/yr
20+ years	6.81 hrs/pay	177 hrs/yr

Maximum carryover is 350 hours

Vacation (Fire Suppression)

Fire Suppression employees accrue vacation based upon years of service in accordance with the following schedule:

Years of Service	Bi-Weekly Accrual	Annual Accrual
Less than 5 years	5.38 hrs/pay	140 hrs/yr
5 – 9.99 years	6.73 hrs/pay	175 hrs/yr
10 – 14.99 years	7.75 hrs/pay	201.6 hrs/yr
15 – 19.99 years	8.78 hrs/pay	228.2 hrs/yr
20+ years	9.53 hrs/pay	247.8 hrs/yr

Maximum carryover is 490 hours

Employee Leave

Sick Leave

Employees accrue 3.7 hours of sick leave per pay period (40 hr work week) or 5.26 hours per pay period (Fire Suppression schedule). Sick leave may be used for personal illness/injury, child birth and recovery, medical and dental examinations, bereavement, and care of an immediate family member with an illness or injury. Employees whose sick leave balance exceeds 520 hours (40 hr work week) or 728 hours (Fire suppression schedule) in December each year will receive payment for hours in excess of the carryover maximum, not to exceed the lesser of 50% of the unused annual sick leave accrual or 48 hours (40 hr work week)/68 hours (Fire Suppression schedule).

Leave Donation Program

Employees may donate sick leave to eligible employees who have exhausted their own accrued leave due to an FMLA related issue (subject to personnel rules).

Injury Leave

Injury leave provides paid leave for time spent in medical treatment and when an employee has been placed off work by a medical provider due to an accepted workers compensation claim. Injury leave must be requested and is subject to approval by the HR Director or designee. Employees who receive workers compensation checks covering time for which the employee also received injury leave must submit such checks to Human Resources.

Military Leave

Special paid leave is granted to a member of the National Guard or Reserve Corps of the United States Armed Services up to limits specified in the Personnel Rules. Absences for basic training or active duty call up may qualify for supplemental pay if there is an income loss to the employee.

Holidays

Regular full time employees receive 9 observed holidays per year. Employees receive holiday time for the following holidays:

- New Year’s Day
- MLK/Civil Rights Day
- Presidents Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

Additionally, employees assigned to a 4-10 schedule who are on active status on the first working day of the calendar year accrue 20 floating holiday hours in the pay period that includes January 1 each year for use during that year. Regular full time, except fire suppression employees who are assigned to a schedule other than 4-10’s accrue 24 floating holiday hours.



Bereavement Leave

Bereavement leave is paid leave that may be granted to an employee for up to 3 working days or 2 fire suppression shifts in the event of the death of a member of the immediate family. A Department Director may grant more than 3 working days or 2 fire suppression shifts for special circumstances.

Jury Duty

Jury duty leave provides an employee with paid leave in the event that the employee is subpoenaed or summoned for jury duty.

Additional Benefits

Employee Assistance Program

If you find yourself in need of some professional support to deal with personal, work, financial or family issues, your Employee Assistance Program (EAP) can help. The EAP provides up to 12 counseling sessions per year per issue and referral services for employees and dependents. Emergency services are available 24 hours/day, 7 days a week. You and your immediate family (spouse or domestic partner, dependent children, parents and parents-in-law) can use the EAP for help with:

- Marriage and family problems
- Job-related issues
- Stress, anxiety and depression
- Parent and child relationships
- Legal and financial counseling
- Identity theft counseling
- Financial planning
- Various other related issues

Deferred Compensation – 457(b)

Employees may defer up to \$18,000 per year to a deferred compensation program. Employees who are over age 50 or who are in the last 3 years prior to retirement may be eligible to contribute more than \$18,000 per year. Contributions to the plans are made through pre-tax payroll deductions. Gilbert offers three options: ICMA Corporation, MassMutual, and VALIC.

Employee Network

Employee Network provides a network of discounts for employees of the Town of Gilbert.

Visit www.employee.network.com for more details.

Tuition Reimbursement

Courses or degree must be for credit and directly related to the employee's job or to prepare the employee for another job within the organization. Subject to budget funding, Gilbert reimburses eligible employees' tuition, books and lab fees for preauthorized courses at 100% for a grade of "A" or "B", or 90% for a grade of "C" **up to a maximum of \$5,000 per fiscal year.** Pass/Fail classes are reimbursed at 80% for a passing grade.

Benefits Required by Law

Social Security/Medicare (FICA)

The employer and employee are required to contribute to social security. The current rate for Social Security is 6.2% of gross pay for the employer and 6.2% of gross pay for the employee; maximum wage base for Calendar Year 2018 contributions is \$128,400. All employees and Gilbert must contribute to Medicare. The current rate for Medicare tax is 1.45% of gross pay.

Arizona State Retirement System (ASRS)

Generally, all employees except sworn public safety employees who work a minimum of 20 hours per week for 20 or more weeks in the fiscal year are required to participate in ASRS. The program provides a benefit at retirement based upon the number of years of service and compensation of the employee while in the system. The system also provides Long Term Disability Insurance (LTD) for absences of 180+ days (see retirement section).

Effective 7/1/18, the employee pre-tax contributions for retirement is **11.64%** of gross pay and the employee post-tax contribution for LTD is **0.16%** of gross pay. The employer matches these contributions. ***This is a slight increase, per ASRS, from 11.50% total in FY18.***



Benefits Required by Law Continued...

Workers Compensation

Arizona law requires employers to provide worker's compensation coverage. This protects the employee in the event of a job related injury. Coverage includes payment of medical bills, payment of lost wages equal to 2/3 of the employee's monthly wage up to \$4,337.82 (or as set by state law), and rehabilitation services necessary to return to work.

Employees must notify a supervisor immediately when an injury occurs on the job. In addition, job related injuries could qualify for injury leave.

Unemployment

In the event you are unemployed and actively seeking employment, you may be eligible for unemployment compensation. Gilbert is billed directly by the Department of Economic Security for claims paid.



Contact Information

Plan	Contact	Phone Number	Website
Medical	Aetna	1-855-856-0038	www.aetna.com
Medical	Teladoc	1-855-835-2362	www.teladoc.com/Aetna
Dental	Delta Dental of AZ	1-800-352-6132	www.deltadentalaz.com
Vision	EyeMed	1-866-939-3633	www.eyemedvisioncare.com
Flexible Spending Account (FSA)	ASI	1-800-659-3035	www.asiflex.com
Life Insurance	Ochs, Inc.	Claims: 1-888-658-0193 General: 1-800-392-7295	www.ochsinc.com
Disability Insurance	Ochs, Inc.	Claims: 1-800-356-9601 General: 1-800-392-7295	www.ochsinc.com
Employee Assistance Program	EAP Preferred	1-602-264-4600	www.eappreferred.com
Employee Discount Program	Employee Network	1-480-768-0837	www.employeeenetwork.com
Retirement - ASRS	Arizona State Retirement System (ASRS)	1-602-240-2000	www.azasrs.gov
Retirement – PSPRS	Public Safety Personnel Retirement System (PSPRS)	1-602-255-5575	www.psprs.com

If you have read through all of this information – thank you!! That deserves a reward! Contact Kristen , Donna, or Alex in HR and say the secret phrase: "Bigfoot Likes Burpies!" and you will get a GilbertWellness prize!

This benefit summary provides selected highlights of the Town of Gilbert employee benefits program. It is not a legal document and shall not be construed as a guarantee of benefits nor of continued employment at the Company. All benefit plans are governed by master policies, contracts and plan documents. Any discrepancies between any information provided through this summary and the actual terms of the policies, contracts and plan documents are governed by the terms of these policies, contracts and plan documents. The Town of Gilbert reserves the right to amend, suspend or terminate any benefit plan, in whole or in part, at any time. The Plan Administrator has the authority to make these changes

Important Legal Rights Information

The following pages are full of legal jargon that we are required to share – read on if you like that sort of thing!

MANDATED HEALTH PLAN INFORMATION REQUIRED FOR FEDERAL COMPLIANCE

According to Federal regulations all employers MUST provide information annually pertaining to certain rights covered under health plans.

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to Town of Gilbert Human Resources Department.

If you have any questions regarding the below information, please contact The Human Resources Department at 480-503-6859.

HIPAA Special Enrollment Rights

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself or your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing towards your or your dependents' other coverage). However, you must request enrollment within 30 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).

In addition, if you have a new dependent as result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

Special enrollment rights also may exist in the following circumstances:

- If you or your dependents experience a loss of eligibility for Medicaid or a state Children's Health Insurance Program (CHIP) coverage and you request enrollment within 60 days after that coverage ends; or
- If you or your dependents become eligible for a state premium assistance subsidy through Medicaid or a state CHIP with respect to coverage under this plan and you request enrollment within 60 days after the determination of eligibility for such assistance.

Note: The 60-day period for requesting enrollment applies only in these last two listed circumstances relating to Medicaid and state CHIP. As described above, a 30-day period applies to most special enrollments.

As stated earlier in this notice, a special enrollment opportunity may be available in the future if you or your dependents lose other coverage. This special enrollment opportunity will not be available when other coverage ends, however, unless you provide a written statement now explaining the reason that you are declining coverage for yourself or your dependent(s). Failing to accurately complete and return this form for each person for whom you are declining coverage may eliminate this special enrollment opportunity for the person(s) for whom a statement is not completed, even if other coverage is currently in effect and is later lost. In addition, unless you indicate in the statement that you are declining coverage because other coverage is in effect, you may not have this special enrollment opportunity for the person(s) covered by the statement. (See the paragraphs above, however, regarding enrollment in the event of marriage, birth, adoption, placement for adoption, loss of eligibility for Medicaid or a state CHIP, and gaining eligibility for a state premium assistance subsidy through Medicaid or a state CHIP.)]

To request special enrollment or obtain more information, contact a Human Resources representative.

Notice of Availability Town of Gilbert Insurance Plan Notice of Privacy Practices

THIS NOTICE DESCRIBES HOW YOU MAY OBTAIN A COPY OF THE PLAN'S NOTICE OF PRIVACY PRACTICES, WHICH DESCRIBES THE WAYS THAT THE PLAN USES AND DISCLOSES YOUR PROTECTED HEALTH INFORMATION.

Town of Gilbert Insurance Plan (the "Plan") provides health benefits to eligible employees of Town of Gilbert (the "Company") and their eligible dependents as described in the summary plan description(s) for the Plan. The Plan creates, receives, uses, maintains and discloses health information about participating employees and dependents in the course of providing these health benefits. The Plan is required by law to provide notice to participants of the Plan's duties and privacy practices with respect to covered individuals' protected health information, and has done so by providing to Plan participants a Notice of Privacy Practices, which describes the ways that the Plan uses and discloses protected health information. To receive a copy of the Plan's Notice of Privacy Practices you should contact **Human Resources**, who has been designated as the Plan's contact person for all issues regarding the Plan's privacy practices and covered individuals' privacy rights. You can reach this contact person at: **50 East Civic Center Drive, Gilbert, AZ 85296/ 480-503-6859**.

Women's Health and Cancer Rights Act Notices

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan. Therefore, the following deductibles and coinsurance apply: [insert deductibles and coinsurance applicable to these benefits].

If you would like more information on WHCRA benefits, call your plan administrator Town of Gilbert Human Resources Department at 480-503-6859.

Patient Protection Disclosure

The medical plan options offered under Town of Gilbert Insurance Plan generally allow the designation of a primary care provider. You have the right to designate any primary care provider who participates in our network and who is available to accept you or your family members. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact Aetna at the number on your ID card.

For children, you may designate a pediatrician as the primary care provider.

GINA Warning against Providing Genetic Information

The Genetic Information Nondiscrimination Act (GINA) prohibits collection of genetic information by both employers and health plans, and defines genetic information very broadly. Asking an individual to provide family medical history is considered collection of genetic information, even if there is no reward for responding (or penalty for failure to respond). In addition, a question about an individual's current health status is considered to be a request for genetic information if it is made in a way likely to result in obtaining genetic information (e.g., family medical history). Wellness programs that require completion of health risk assessments or other forms that request health information may violate the collection prohibition unless they fit within an exception to the prohibition for inadvertent acquisition of such information. This exception applies if the request does not violate any laws, does not ask for genetic information and includes a warning against providing genetic information in any responses. An employer administering a wellness program might include on the relevant forms a warning such as the one set out below.

Request for Social Security Number

A Mandatory Insurer Reporting Law (Section 111 of Public Law 110-173) requires group health plan insurers, third-party administrators (TPAs), and plan administrators or fiduciaries of self-insured/self-administered group health plans (GHPs) to report, as directed by the Secretary of the Department of Health and Human Services, information that the Secretary requires for purposes of coordination of benefits. The law also imposes this same requirement on liability insurers (including self-insurers), no-fault insurers, and workers' compensation laws or plans. Two key elements that are required to be reported are HICNs (or SSNs) and EINs. In order for Medicare to properly coordinate Medicare payments with other insurance and/or workers' compensation benefits, Medicare relies on the collection of both the HICN (or SSN) and the EIN, as applicable.

As a subscriber (or spouse or family member of a subscriber) to a GHP arrangement, Town of Gilbert will ask for proof of your Medicare program coverage by asking for your Medicare HICN (or your SSN) to meet the requirements of P.L. 110-173 if this information is not already on file with your insurer. Similarly, individuals who receive ongoing reimbursement for medical care through no-fault insurance or workers' compensation or who receive a settlement, judgment, or award from liability insurance (including self-insurance), no-fault insurance, or workers' compensation will be asked to furnish information concerning whether or not they (or the injured party if the settlement, judgment or award is based on an injury to someone else) are Medicare beneficiaries and, if so, to provide their HICNs or SSNs. Employers, insurers, TPAs, etc., will be asked for EINs. To confirm that this ALERT is an official government document and for further information on the mandatory reporting requirements under this law, please visit <http://www.cms.gov> on the CMS website.

NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).



New Health Insurance Marketplace Coverage Options and Your Health Coverage

PART A: General Information

When key parts of the health care law took effect in 2014, there was a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the Marketplace and employment-based health coverage offered by your employer.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in November each year for coverage starting as early as the immediately following January 1.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution -as well as your employee contribution to employer-offered coverage- is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact **Town of Gilbert Human Resources Department at 480-503-6859**

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

Premium Assistance Under Medicaid and the Children’s Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you’re eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren’t eligible for Medicaid or CHIP, you won’t be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit www.healthcare.gov.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or www.insurekidsnow.gov to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren’t already enrolled. This is called a “special enrollment” opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at www.askebsa.dol.gov or call **1-866-444-EBSA (3272)**.

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of January 31, 2018. Contact your State for more information on eligibility –

ALABAMA – Medicaid	FLORIDA – Medicaid
Website: http://myalhipp.com/ Phone: 1-855-692-5447	Website: http://flmedicaidprecovery.com/hipp/ Phone: 1-877-357-3268
ALASKA – Medicaid	GEORGIA – Medicaid
The AK Health Insurance Premium Payment Program Website: http://myakhipp.com/ Phone: 1-866-251-4861 Email: CustomerService@MyAKHIPP.com Medicaid Eligibility: http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx	Website: http://dch.georgia.gov/medicaid - Click on Health Insurance Premium Payment (HIPP) Phone: 404-656-4507
ARKANSAS – Medicaid	INDIANA – Medicaid
Website: http://myarhipp.com/ Phone: 1-855-MyARHIPP (855-692-7447)	Healthy Indiana Plan for low-income adults 19-64 Website: http://www.in.gov/fssa/hip/ Phone: 1-877-438-4479 All other Medicaid Website: http://www.indianamedicaid.com Phone 1-800-403-0864
COLORADO – Health First Colorado (Colorado’s Medicaid Program) & Child Health Plan Plus (CHP+)	IOWA – Medicaid
Health First Colorado Website: https://www.healthfirstcolorado.com/ Health First Colorado Member Contact Center: 1-800-221-3943/ State Relay 711 CHP+: Colorado.gov/HCPF/Child-Health-Plan-Plus CHP+ Customer Service: 1-800-359-1991/ State Relay 711	Website: http://dhs.iowa.gov/ime/members/medicaid-a-to-z/hipp Phone: 1-888-346-9562

KANSAS – Medicaid	NEW HAMPSHIRE – Medicaid
Website: http://www.kdheks.gov/hcf/ Phone: 1-785-296-3512	Website: https://www.dhhs.nh.gov/ombp/nhhpp/ Phone: 603-271-5218 Hotline: NH Medicaid Service Center at 1-888-901-4999
KENTUCKY – Medicaid	NEW JERSEY – Medicaid and CHIP
Website: http://chfs.ky.gov/dms/default.htm Phone: 1-800-635-2570	Medicaid Website: http://www.state.nj.us/humanservices/dmahs/clients/medicaid/ Medicaid Phone: 609-631-2392 CHIP Website: http://www.njfamilycare.org/index.html CHIP Phone: 1-800-701-0710
LOUISIANA – Medicaid	NEW YORK – Medicaid
Website: http://dhh.louisiana.gov/index.cfm/subhome/1/n/331 Phone: 1-888-695-2447	Website: https://www.health.ny.gov/health_care/medicaid/ Phone: 1-800-541-2831
MAINE – Medicaid	NORTH CAROLINA – Medicaid
Website: http://www.maine.gov/dhhs/ofi/public-assistance/index.html Phone: 1-800-442-6003 TTY: Maine relay 711	Website: https://dma.ncdhhs.gov/ Phone: 919-855-4100
MASSACHUSETTS – Medicaid and CHIP	NORTH DAKOTA – Medicaid
Website: http://www.mass.gov/eohhs/gov/departments/masshealth/ Phone: 1-800-862-4840	Website: http://www.nd.gov/dhs/services/medicalserv/medicaid/ Phone: 1-844-854-4825
MINNESOTA – Medicaid	OKLAHOMA – Medicaid and CHIP
Website: http://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/medical-assistance.jsp Phone: 1-800-657-3739	Website: http://www.insureoklahoma.org Phone: 1-888-365-3742
MISSOURI – Medicaid	OREGON – Medicaid
Website: http://www.dss.mo.gov/mhd/participants/pages/hipp.htm Phone: 573-751-2005	Website: http://healthcare.oregon.gov/Pages/index.aspx http://www.oregonhealthcare.gov/index-es.html Phone: 1-800-699-9075
MONTANA – Medicaid	PENNSYLVANIA – Medicaid
Website: http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP Phone: 1-800-694-3084	Website: http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm Phone: 1-800-692-7462
NEBRASKA – Medicaid	RHODE ISLAND – Medicaid
Website: http://www.ACCESSNebraska.ne.gov Phone: (855) 632-7633 Lincoln: (402) 473-7000 Omaha: (402) 595-1178	Website: http://www.eohhs.ri.gov/ Phone: 855-697-4347
NEVADA – Medicaid	SOUTH CAROLINA – Medicaid
Medicaid Website: https://dhcfp.nv.gov Medicaid Phone: 1-800-992-0900	Website: https://www.scdhhs.gov Phone: 1-888-549-0820

<p align="center">SOUTH DAKOTA - Medicaid</p> <p>Website: http://dss.sd.gov Phone: 1-888-828-0059</p>	<p align="center">WASHINGTON – Medicaid</p> <p>Website: http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program Phone: 1-800-562-3022 ext. 15473</p>
<p align="center">TEXAS – Medicaid</p> <p>Website: http://gethipptexas.com/ Phone: 1-800-440-0493</p>	<p align="center">WEST VIRGINIA – Medicaid</p> <p>Website: http://mywvhipp.com/ Toll-free phone: 1-855-MyWVHIPP (1-855-699-8447)</p>
<p align="center">UTAH – Medicaid and CHIP</p> <p>Medicaid Website: https://medicaid.utah.gov/ CHIP Website: http://health.utah.gov/chip Phone: 1-877-543-7669</p>	<p align="center">WISCONSIN – Medicaid and CHIP</p> <p>Website: https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf Phone: 1-800-362-3002</p>
<p align="center">VERMONT– Medicaid</p> <p>Website: http://www.greenmountaincare.org/ Phone: 1-800-250-8427</p>	<p align="center">WYOMING – Medicaid</p> <p>Website: https://wyequalitycare.acs-inc.com/ Phone: 307-777-7531</p>
<p align="center">VIRGINIA – Medicaid and CHIP</p> <p>Medicaid Website: http://www.coverva.org/programs_premium_assistance.cfm Medicaid Phone: 1-800-432-5924 CHIP Website: http://www.coverva.org/programs_premium_assistance.cfm CHIP Phone: 1-855-242-8282</p>	

To see if any other states have added a premium assistance program since January 31, 2018, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/agencies/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Menu Option 4, Ext. 61565

Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately seven minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Employee Benefits Security Administration, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email ebsa.opr@dol.gov and reference the OMB Control Number 1210-0137.

OMB Control Number 1210-0137 (expires 12/31/2019)

Important Notice from Town of Gilbert Group Insurance Plan About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Town of Gilbert and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Town of Gilbert has determined that the prescription drug coverage offered by the Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Town of Gilbert coverage will not be affected. You can keep the Town of Gilbert coverage if you elect part D and the Plan will coordinate with Part D coverage; See pages 7- 9 of the CMS Disclosure of Creditable Coverage To Medicare Part D Eligible Individuals Guidance available at: <http://www.cms.hhs.gov/CreditableCoverage/>, which outlines the prescription drug plan provisions/options that Medicare eligible individuals may have available to them when they become eligible for Medicare Part D.

If you do decide to join a Medicare drug plan and drop your current Town of Gilbert coverage, be aware that you and your dependents will be able to get this coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Town of Gilbert and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the person listed below for further information contact Human Resources at 480-503-6859. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Town of Gilbert changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the “Medicare & You” handbook. You’ll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the “Medicare & You” handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date: April 20, 2018
Name of Entity/Sender: Town of Gilbert
Contact--Position/Office: Kristen Drew
Address: 50 East Civic Center Drive
Gilbert, AZ 85296
Phone Number: 480-503-6857