



FOR YOUR BENEFIT

INSIDE THIS ISSUE:

| | |
|-----------------------------------|------------|
| Highlights For 2012 | 1 |
| Your 2012 Monthly Contributions | 1 |
| Anthem Medical Benefits | 2 |
| Anthem's 360° Health | 2 |
| Open Enrollment—Meeting Schedule | 2 |
| Vision Benefits | 3 |
| Dental Benefits | 3 |
| Short Term & Long Term Disability | 4 |
| Life Insurance | 4 |
| Open Enrollment Notices | 4 |
| ICMA | 5-6 |
| Fitness Membership | 6 |

HIGHLIGHTS FOR 2012

Open Enrollment

The entire month of **November** is your time to make changes to your benefits without having to experience a Life Changing Event.

Medical

Medical coverage continues to be Anthem KeyCare 20 plan. There are no major changes to the medical benefits except the addition of the Autism Spectrum Disorder. This new coverage will be for dependents from ages 2–6. There is a \$35,000 maximum per year for this benefit.

Due to increased utilization and the rising cost of medical care, premiums will increase about 11.1%. To support employees with this increase, the City will absorb the initial increase in December 2011, therefore employees will not see this increase until January 2012. Your medical monthly premiums starting January 1, 2012 are listed below. To reduce the financial impact, you may want to consider enrolling in the Pre-tax Conversion Plan and/or the Flexible Spending Account (FSA). In the Pre-tax Plan, you will have a share of medical premiums deducted from your gross pay before taxes are calculated. Pre-tax plan forms are available in the Benefits Office or online at <http://www.nngov.com/finance/Forms/premiumconvform>. Submit your form to the Benefits Office. If you have already elected the Pre-Tax Plan, you do not need to reenroll.

Dental

Dental coverage continues to be offered through Delta Dental. There are no major changes to the dental benefits. Dependents continue to be covered until age 19 or age 23 if a full-time

student. Delta Dental will notify you to provide them proof that your dependent continues to be a full-time student.

Due to decreased utilization, dental premiums will decrease by \$1 per month for Employee Only and \$2 per month for Employee + 1 and Family. The dental monthly premiums are listed below.

Flexible Spending Account (FSA)

Flexible Benefits Administrator (FBA) continues to administer your FSA. The FSA allows you to save tax free money to help pay for your medical, dental, vision and prescribed Over-the-Counter (OTC) qualified expenses.

FBA continues to administer your dependent care reimbursement account. This account allows you to pay for day care expenses for your dependents with tax-free dollars. Eligible dependents are children under age 13, who qualifies as a dependent on your Federal Income Taxes, any other dependents, including a disabled spouse, disabled children over age 13 and elderly parents, who depend on you for financial support.

If you wish to participate in either of the reimbursement accounts for 2012, you **must** sign up during Open Enrollment. The forms are available at the Benefits Office.

Open Enrollment Meetings

In order to discuss these changes and address questions on the City's benefits, we will be holding Open Enrollment Meetings. City Benefits Team Members and representatives from Anthem and Delta Dental will attending these meetings. The schedule is located on the page 2.

YOUR 2012 MONTHLY CONTRIBUTIONS**

| Plan | Employee Only | Employee & Child | Employee & Spouse | Employee & Family |
|-------------------|---------------|------------------|-------------------|-------------------|
| Anthem KeyCare 20 | \$115.00 | \$187.00 | \$243.00 | \$317.00 |

| Plan | Employee Only | Employee + 1 | Family |
|--------------|---------------|--------------|---------|
| Delta Dental | \$5.00 | \$10.00 | \$18.00 |
| VSP (Vision) | \$8.00 | \$13.00 | \$23.00 |

| Fitness Center | Member |
|------------------------------|---------|
| OneLife Fitness | \$32.00 |
| Riverside Wellness & Fitness | \$30.00 |

** The City continues to pay 75% of your medical and dental premiums. The premiums are effective in your December 2012 paystubs except for your Anthem KeyCare 20 premiums, which are effective January 1, 2012.

2012 ANTHEM MEDICAL BENEFITS

| Benefits: | Anthem KeyCare 20 | |
|--|-------------------|-------------|
| | IN NETWORK | OUT NETWORK |
| ANNUAL DEDUCTIBLE | | |
| Individual | \$0 | \$500 |
| Family | \$0 | \$1,000 |
| ANNUAL OUT-OF-POCKET MAXIMUM | | |
| Individual | \$2,000 | \$4,500 |
| Family | \$4,000 | \$9,000 |
| LIFETIME MAXIMUM | Unlimited | |
| OUTPATIENT | | |
| Physician (or Primary Care) Office Visit | \$20 | 30%AD |
| Lab & X-ray | 10% | 30%AD |
| Preventive | | |
| > Check-ups | \$0 | 30% AD |
| > Well Baby Care | \$0 | 30% AD |
| > Routine Annual Gynecological Exam | \$0 | 30% AD |
| > Mammograms | \$0 | 30% AD |
| Specialty Care Office Visit | \$40 | 30% AD |
| Surgery | \$100 | 30% AD |
| Urgent Care | \$20 /\$40 | 30% AD |
| Emergency Room | \$100 | 30% AD |
| INPATIENT | | |
| Hospital | 0% | 30% AD |
| Physician Services | 0% | 30% AD |
| Per Admission Copayment | \$400 | \$0 |
| PRESCRIPTION DRUGS | | |
| Tier One (Generic) | \$10 | |
| Tier Two (Brand) | \$30 | |
| Tier Three (Higher Cost Brand) | \$50 | |

ANTHEM'S 360° HEALTH

Have you heard about 360° Health? If you have and still don't know how it can help you – now is the time. 360° Health is a collection of programs and services designed to encourage and support healthy behavior.

We know you are busy. We also know that every employee has different medical needs and learning styles, that's where 360° Health comes in.

It is simple with our new online tool. A simple "conversation" walking you through our programs and services guiding you to better health.

Here are just some of the things getting engages in 360° Health programs can do for you:

- A healthier you means reduced health care costs.
- Online resources for one-to-one support.
- You can become engaged in your well-being.
- Empowerment to make the health care decisions that are right for your needs.

For additional information: <http://www.anthem.com/wellnessprograms>.

COMING SOON— AMERICAN CANCER SOCIETY'S QUIT FOR LIFE

Have you ever decided to quit smoking but need some assistance? If the answer is yes, then look for more information on the American Cancer Society's Quit for Life Program that will be coming in December.

OPEN ENROLLMENT—MEETING SCHEDULE

| | | | |
|-----------|------------|---|---|
| Thursday | 10/27/2011 | City Hall – Chambers 2400 Washington Ave. | Times: 8:00 AM – 10:00 AM, 10:30 AM – 12:30 PM, 2:00 PM – 4:00 PM |
| Friday | 10/28/2011 | Police Community Room 9710 Jefferson Avenue | Times: 8:00 AM – 10:00 AM, 10:30 AM – 12:30 PM, 2:00 PM – 4:00 PM |
| Monday | 10/31/2011 | City Center – James Room 700 Town Center Drive | Times: 8:00 AM – 10:00 AM, 10:30 AM – 12:30 PM, 2:00 PM – 4:00 PM |
| Tuesday | 11/01/2011 | Lee Hall – Training Room 425 Industrial Park Drive | Times: 7:30 AM – 9:30 AM, 10:00 AM – 12:00 PM |
| Wednesday | 11/02/2011 | Public Works 511 Operations Drive | Times: 7:30 AM – 9:30 AM, 10:00 AM – 12:00 PM |



Mark your calendars to attend one of these sessions.

2012 VSP VISION BENEFITS

Vision coverage continues to be offered through the Vision Service Plan (VSP). There are no changes to the vision benefits. All full-time employees are eligible for **one free eye exam** every year **without** enrolling in VSP. You must see a VSP provider and you will provide them your Social Security Number. Providers can be located at www.vsp.com. This benefit covers only the employee and not his/her spouse or dependent(s). If you need additional coverage or need coverage for your spouse or dependent(s), you may enroll or change your vision coverage during Open Enrollment. Dependents can be covered until age 19 or age 23 if a full-time student.

In order to access vision care benefits, simply contact your VSP participating doctor to make an appointment. Identify yourself as a VSP patient. Your Social Security Number is your VSP identification number. The VSP participating doctor will obtain the necessary authorization.



| Benefits | In Network | Out Network |
|-----------------------------------|-------------------------|-------------------------|
| Services/Frequency | | |
| Comprehensive Exam | 12 months | 12 months |
| Lenses | 12 months | 12 months |
| Frames | 24 months | 24 months |
| Contacts in lieu of glasses | 12 months | 12 months |
| Lenses | | |
| Single | Covered in Full | Up to \$25 |
| Lined Bifocal | Covered in Full | Up to \$40 |
| Lined Trifocal | Covered in Full | Up to \$55 |
| Contact Lenses - Elective | \$105 | \$105 |
| Contact Lenses Fitting Fee | part of \$105 allowance | part of \$105 allowance |
| Frames | \$120 | Up to \$45 |
| Materials Copay | \$10 | n/a |
| Exams | No copay applies | Up to \$35 |

2012 DELTA DENTAL BENEFITS

The chart below shows how much the plan pays for certain dental services. Please reference evidence of coverage documents for details and limitations.

| Benefits | Dental PPO Plus Premier | |
|------------------------------------|-------------------------|--------------------|
| Deductible | \$50 | |
| Annual Maximum | \$2,500 | |
| Diagnostic & Preventive | IN NETWORK | OUT NETWORK |
| Exams | 100% | 100% |
| Cleanings | 100% | 100% |
| Fluoride | 100% | 100% |
| Space Maintainers | 100% | 100% |
| Bite- Wing X-Rays | 100% | 100% |
| Basic/Restorative Services | | |
| Sealants | 80% | 80% |
| Fillings | 80% | 80% |
| Endodontic (Root Canal) | 80% | 80% |
| Periodontics (Gum Disease) | 80% | 80% |
| Simple Extractions | 80% | 80% |
| Major Services | | |
| Crowns, Inlays, Outlays | 50% | 50% |
| Bridges and Dentures | 50% | 50% |
| Repairs and Adjustments | 80% | 80% |
| Orthodontics | | |
| Appliances and Related Services | 50% | |
| Lifetime Maximum | \$1,500 | |
| Waiting Periods | | |
| Basic/Restorative Services | None | |
| Major Services | None | |
| Orthodontic Services | None | |

SHORT TERM & LONG TERM DISABILITY

CIGNA Group Insurance continues to administer the Short Term Disability and Long Term Disability. The only time to enroll or cancel is during *Open Enrollment*.

Short Term Disability

Employees may elect Short Term Disability (STD) for a 50 percent base annual salary replacement in the event of a disability. STD begins after a waiting period of 30 consecutive days or once all accumulated sick leave has been exhausted, whichever occurs later. Short term benefits are paid up through 90 consecutive days.

Long Term Disability

Under Long-Term Disability (LTD), the City covers at no cost to all employees 40 percent of their base annual salary. Employees have the option to purchase a 10 percent buy-up. Long-term benefits will take effect after a waiting period of 90 consecutive days from your date of disability if all accumulated sick leave has been exhausted.

2012 LIFE INSURANCE

CIGNA (Newport News Employees' Retirement Fund Members)

CIGNA Group Insurance continues to administer the City's Life Insurance for those employees that were hired prior to March 1, 2010 and have not opted to VRS. Under the City's current benefits, eligible employees are covered, **at no cost**, for an amount equal to his/her base annual salary. During *open enrollment*, employees have an option of increasing their current option one level without presenting medical proof of insurability. Additional term life insurance is one-half, one, two or three times the base annual salary.

Each employee may also insure his or her legal spouse for \$10,000 or \$20,000. The legal spouse is not eligible for this option if he/she is also a regular employee of the City and/or the Newport News School System.

| Employee Age | Rate per 1,000 |
|--------------|----------------|
| Under 30 | .046 |
| 30-34 | .050 |
| 35-39 | .076 |
| 40-44 | .104 |
| 45-49 | .176 |
| 50-54 | .256 |
| 55-59 | .400 |
| 60-64 | .656 |
| 65-69 | 1.088 |
| 70+ | 1.912 |
| Spouse | Rate Per Month |
| \$10,000 | \$2.00 |
| \$20,000 | \$4.00 |

Minnesota Life (Virginia Retirement System Members)

Minnesota Life continues to administer the VRS Basic and Optional Life Insurance. Under VRS's current benefits, each VRS employee is covered, **at no cost**, for an amount equal to two times his/her base annual salary for 2012. At any time, employees have an option of increasing their current option by presenting medical proof of insurability. You can obtain the Group Life Insurance Evident of Insurability form on www.varetire.org.

| Employee & Spouse Rate | Rate per 1,000 |
|------------------------|----------------|
| Under 30 | .05 |
| 30-34 | .06 |
| 35-39 | .08 |
| 40-44 | .09 |
| 45-49 | .14 |
| 50-54 | .21 |
| 55-59 | .40 |
| 60-64 | .66 |
| 65-69 | 1.27 |
| 70+ | 2.06 |

| Children's Options | Insurance amount 15 days to maximum age | Flat Monthly Rate |
|--------------------|---|-------------------|
| 1 | \$10,000 | .80 |
| 2 | \$10,000 | .80 |
| 3 | \$20,000 | 1.60 |
| 4 | \$30,000 | 2.40 |

OPEN ENROLLMENT NOTICES

According to Federal guidelines, the Benefits Office has to provide copies of Open Enrollment Notices during each Open Enrollment Period. If you are a full-time City employee and have an email account setup in our system, you will receive the current 2012 Open Enrollment Notices via email. If you do not have email address setup, your Payroll Representative will be providing you printed copies for your records. These notices will be sent during the month of November each year.

ICMA 457 Deferred Compensation Plan Changes

The IRS has announced the 2012 calendar year limits for the 457 retirement plan. The table below reflects the 2012 457 contribution limitations.

| Limitations | 2012 Limits |
|-------------------------------------|-------------|
| Annual Deferral Limit for 457 Plans | \$17,000 |
| "Pre-Retirement" Catch-Up Limit | \$17,000 |
| "Age 50" Catch-Up Limit | \$5,500 |

If you need to change your contribution, please obtain a form from the Benefits Office or print an ICMA Enrollment Change form at <http://www.nngov.com/finance/forms/ICMAchange>.

ICMA 457 Emergency Withdrawals

Internal Revenue Service (IRS) limits your availability to withdraw funds from your account while you are still employed with the City. We know that emergencies occur. If you face an unforeseeable emergency situation you may be eligible to receive an emergency withdrawal from the 457 plan while you are still employed. All emergency withdrawals **have to meet IRS** strict guidelines.

An unforeseeable emergency as defined by the IRS maybe created by:

- **sudden** and **unexpected** illness or accident to you or your dependents,
- loss of, or damage to, your property due to an accident, disaster, destruction or theft, or
- other similar, equally severe and **unforeseeable** circumstances beyond your control.

If you do find yourself in an unforeseen emergency, please refer to these examples of qualifying requests:

- Medical bills resulting from an accident or unexpected illness that are not covered by insurance
- Damage to your home due to an **accident or natural disaster** (beyond insurance reimbursement)
- Damage to your car or other personal property due to an **accident or natural disaster** (beyond insurance reimbursement)
- Loss of your property due to theft (beyond insurance reimbursement)
- Legal bills involving criminal charges against you or your dependent(s)
- Expenses associated with the imminent foreclosure of, or eviction from, a participant's primary residence
- Non-refundable deductibles and prescription medicine expenses associated with medical expenses resulting from the **sudden** illness or accident of you or one of your dependents
- Funeral expenses for a spouse or dependent

Examples of non-qualifying requests:

- Purchase of a home or automobile
- Education expenses
- Normal monthly expenses, including rent or mortgage payments, utilities, credit card bills, and car payments
- Loss of overtime or second job
- Routine medical and dental bills, elective/cosmetic surgery or orthodontia
- Tax liability such as payment of income tax, back taxes, or fines associated with back taxes

Specific documentation has to be provided to obtain authorization for **all** emergency withdrawals. The documentation depends on the type of emergency. These documents could include bank statements, letters from rental or mortgage companies, insurance claims, and explanation of benefits from the insurance company.

Remember that your 457 plan is used to help you save for retirement in the future. All request have to approved by the Benefits Office.



For Your Benefit

is the newsletter of the
Newport News Benefits Office,
2400 Washington Avenue,
Newport News, Virginia
23607.
757-926-3929

We have a new email address
if you need to contact the
Benefits Team. We can be
reached at
benefits@nngov.com

Benefits' Team

Tyreese Hamilton
Employee & Retiree Benefits
Manager

Moneik Robbins
Senior Benefits Coordinator

Janice Jones
Benefits Coordinator

Micah Chavers
Benefits Coordinator

*We welcome any comments or
suggestions as to subject
matters you would like to see
presented in future issues.*

ICMA 457 Roth

If you are a participant in the ICMA 457, starting January 1, 2012, you can elect to make Roth (after-tax) deferrals to your existing ICMA 457 plan. Roth deferrals and associated earnings can be withdrawn tax-free if certain criteria are met. In order to identify this portion of your 457, ICMA will provide separate accounting for Roth assets within your account.

By adding the Roth provisions to the 457 plan, you have additional options for your retirement savings. Other potential benefits include:

- Higher after-tax contribution limits than Roth IRAs—457 plans allow for greater after-tax savings.
- Eligibility at all income levels—Unlike Roth IRAs, your eligibility to make Roth contributions to the 457 plan is not restricted by income.
- Tax-free distributions—Qualified distributions of Roth assets (i.e. contributions and associated earnings are not subject to taxes.
- Tax planning—Having both pre-tax assets and Roth assets available in retirement can be a valuable benefit to you, allowing you to choose the source of funds most advantageous to your situation at the time of distribution.

The same annual limitations that apply to the 457 plan will apply to the combination of all contributions to the plan, including Roth deferrals. You can make both type of deferrals, up to the annual contribution limit in effect for that year.

Roth assets can be withdrawn at retirement, termination or emergency withdrawals. Pre-tax assets will be distributed prior to Roth assets, unless otherwise elected by you.

If you already have a 457, you can obtain a deferral change form from the Benefits Office.

**ONELIFE FITNESS
RIVERSIDE WELLNESS &
FITNESS**

Employees can make an election during Open Enrollment to join one of the facilities. Once an election is made, you may not change and/or terminate until the next open enrollment. Membership through the City's program is open to employees and spouses only. **Employees** who utilize the facility at least **eight times per month** will receive a taxable incentive at the end of the contract year, equal to the amount of the premium paid for each month. Spouses are not eligible for the incentive. Upon enrollment, banking and/or credit card information **will be requested** by the facility chosen. This information will be utilized only in the event of termination prior to the next annual open enrollment period. Termination of employment prior to the end of the contract year will forfeit any incentive due.

Employees that currently have a fitness center membership and wish to keep the membership do not have to do anything. Employees who would like to join, terminate or change membership facilities are required to come to the Benefits Office and complete the necessary forms during Open Enrollment.



Helpful Links

<http://nngov.com/finance/benefits/benefits>

<http://www.anthem.com>

<http://www.deltadentalva.com>

<http://www.vsp.com>

<http://www.icmarc.org>

<http://www.onelifefitness.com>

<http://www.riversideonline.com/rwfc>

<http://www.varetire.org>