

ANNUAL HEALTH BENEFITS ENROLLMENT – PLAN YEAR 2003

Annual enrollment for 2003 will be held from Monday, November 18, 2002 through Friday, December 6, 2002, with handbooks distributed in early November. The handbook will provide enrollment instructions and plan information in one neat, little book. Providers for all products, except supplemental life and accidental death & dismemberment insurance, will remain the same, with only a few plan changes. **Annual Enrollment will be “passive” this year – you only need to enroll if you plan to change current coverage levels. If you do not enroll, your coverage will remain the same as it was for Plan Year 2002.** Exception: To participate in DCAP (Dependent Care Program) and EMSP (Employee Medical Spending Plan) for 2003, **you must re-enroll.** For those employees who wish to change their coverage levels, there will be two ways to enroll:

1. Access Self-Evident Application (SEA) on the Lawson Human Resources Information System or via the Internet at: <https://cod.dtolawsonportal.com/lawson/portal/>. This system will not be available until November 18, 2002. **Note: It is important to enter the internet address exactly as listed above, in order to get to the correct website.**
2. Call the Benefit Service Center at 1-888-873-7692 between 9:00 AM and 5:00 PM Monday through Friday.

In addition, from Wednesday, November 13th through Friday, November 15th, from 10:00 AM to 11:30 AM Human Resources staff and vendors will present plan information and answer questions in the Central Library auditorium. From 10:00 AM to 1:00 PM staff members will be available to assist employees with the enrollment using the Library’s computers.

Plan changes for 2003:

- Married City employees will no longer be permitted to cover one another as dependents (resulting in dual coverage).
- Like the current retail prescription plan, EHS mail order prescription plan co-pays will be a percentage of retail cost, instead of a flat dollar amount.
- To be eligible for retirement health coverage, an employee must be working for the City upon retirement. An employee who terminates employment, rather than retires, will not be eligible to obtain retiree coverage later. The only two exceptions are former employees who terminated within two years of pension eligibility because of a reduction in force and former employees who earned thirty years’ pension service credit but did not have sufficient age to qualify as a retiree.
- Out of pocket maximums will increase on the City plan (deductible plus):
 - EHS Pharmacy: from \$1,000 to \$1,500 per person
 - UHC Standard PPO: \$2,000 to \$2,500/ person in network

More plan choices will be offered in addition to the current PPO and the HMO plans:

- United HealthCare will now offer a less expensive, optional PPO plan with a \$1,000 in-network/\$2,000 out-of-network per person calendar-year deductible and a \$3,500 per person in-network/\$7,000 out-of-network out of pocket maximums.
- CIGNA will offer an Optional HMO plan with a smaller network of cost-efficient providers and a lower premium than the Standard HMO plan.

2003 Monthly Premiums				
Active Employees	Standard PPO	Optional PPO	Standard HMO	Optional HMO
Employee Only	\$23	\$18	\$100	\$67
Emp. + Spouse	\$216	\$171	\$414	\$344
Emp. + Children	\$65	\$51	\$360	\$286
Emp. + Family	\$258	\$204	\$689	\$576
	Dental HMO	Dental Indemnity	Vision Plan	
Employee Only	\$7.81	\$22.11	\$5.35	
Emp. + Spouse	\$14.46	\$44.22	\$9.75	
Emp. + Children	\$14.46	\$45.10	\$10.25	
Emp. + Family	\$20.32	\$67.21	\$15.75	

SERVICE INCENTIVE PAY – CHANGES IN 2003

In September 2002, the City Council voted to change the calculation for accrual of Service Incentive Pay (SIP) granted annually to City employees with at least five years of service. This December, SIP checks will be issued to eligible employees, with amounts calculated at gross wages (from November 2001 to November 2002) multiplied by .0025 for every year of service, up to twenty years of service.

Starting in November 2002, accruals for SIP will change. All civilian employees will receive \$4 per month per year of service, with service years to be determined and paid as of December 2003.

Service Incentive Pay	Payment for December 2002	Payment for December 2003
Calculation	Gross Wages (from mid-Nov. 2001 – mid-Nov. 2002) <u>multiplied by</u> years of service as of December 1, 2002 <u>multiplied by</u> .0025 (.25%)	\$4 per month (from mid-Nov. 2002 – mid Nov. 2003) <u>multiplied by</u> years of service as of December 1, 2003
Minimum Years to participate	5 years as of December 1, 2002	1 year, as of December 1, 2003
Maximum service years	20 years	25 years

Employees **must** have one year of completed service as of December 1, 2003, in order to qualify for this incentive. The maximum number of years paid will be twenty-five. Uniformed employees will continue to receive longevity pay mandated by the State of Texas on a bi-weekly basis.

FAMILY & MEDICAL LEAVE – CHANGES IN JANUARY 2003

Effective January 1, 2003, eligible employees may take up to twelve weeks of Family & Medical Leave in a twelve month period measured **forward** from the date an employee's first Family & Medical Leave begins after January 1, 2003. This change was approved by the City Council as part of the Personnel Rules revisions effective April 1, 2002. The most updated copy of the Personnel Rules is available on the City's intranet website at www.cod. An Administrative Directive detailing Family & Medical Leave procedures will be available before the end of the year.

	F&ML for 2002	F&ML for 2003
Twelve month eligibility period	Calendar year (Jan 1 – Dec 31)	12 months measured forward from first F&ML use
Eligible employees	Completed probation or employed for 12 months AND Worked more than 1,250 hours in preceding 12 months.	Employed for 12 months AND Worked at least 1,250 hours in preceding 12 months.

Example of the new twelve-month eligibility period:

An employee who first takes Family & Medical Leave on March 15, 2003 (regardless of the length of the leave) will be eligible for up to twelve weeks of Family & Medical Leave again on March 15, 2004. If, in the following year, the employee does not take any Family & Medical Leave until July 1, 2004, the employee will be eligible for up to twelve weeks of Family & Medical Leave for July 1, 2004 - June 30, 2005.

**For questions or clarifications concerning any of these issues,
please contact the Human Resources Generalist
assigned to your department.**