

Benefits Booklet

2010-11

Dental
LTD
Pension
Retirement Savings
Flexible Spending
Health
Life
EAP

ISD  **279**
OSSEO AREA SCHOOLS

UNITING COMMUNITIES OF EXCELLENCE

ISD #279 - Osseo Area Schools Benefits

Everyone needs the security of knowing they can get help when they need it. That's what benefits were designed for. ISD #279 - Osseo Area Schools provides a comprehensive benefits package, which includes medical and dental care, retirement, pension, long-term disability, life insurance, flexible spending, and employee assistance program.

Some benefits are provided at no cost to you. Many benefits allow you to choose whether to participate or how much you care to contribute. You should carefully consider which benefits are most important to you at your current stage of life.

April 1 through April 30 is the open enrollment period

During this time, you may make certain elections and/or changes to your benefits that become effective July 1, 2010.

THREE Medical Options are Available

ISD #279 - Osseo Area Schools knows your employee benefit package is extremely important to you. We understand that benefits should meet the needs of you and your family, as well as be affordable. It is our goal to maintain consistency with your benefit package year after year and to continue to offer you a variety of options.

Completed Enrollment Forms

Completed forms are due in Human Resources no later than **4:30 p.m. on Friday, April 30, 2010.**

- No changes to your benefits will be allowed after April 30, except within 30 days of a "Qualifying Event." (See page 4 for details.)

Enrollment forms and additional information are available on the district Human Resources website:

www.district279.org/Departments/HumanResources/EmployeeBenefits

- During the open enrollment period, you can add/remove dependent coverage*, change medical plans, enroll in voluntary retirement savings plans, enroll in flexible spending plans, and purchase supplemental life insurance if available.
- Your building secretary and Human Resources have:
 - Benefits booklets (library copy)
 - HealthPartners booklets
 - Employee Assistance Plan (EAP) brochures
- Changes in coverage become effective on July 1, 2010.

*Dependent dental coverage requires the employee to carry dependent coverage for a minimum of two years.

Medical Plan Changes

Infertility prescription drug benefit changed from no limit to a \$3000 plan year maximum.

Mental health parity coverage changes:

- Out-of-network co-insurance decreased by 5%
- Out-of-network out-of-pocket increased by \$1,000
- Removed visit and/or hour limits out-of-network

OA 35 Co-insurance

Last year, the co-insurance (defined on page 5) for the OA 35 was covered at 90%. This year, it will be covered at 80%. Be sure to consider this change when making your medical plan selection and when planning your Flexible Spending elections.

Convenience Clinics

Did you know that you can run errands and visit the physician all in one stop? When you stop in, a certified practitioner can diagnose and treat many common illnesses for patients 18 months and older. Convenience Clinics are available at Target, Cub, CVS, etc. Convenience clinic practitioners can also write prescriptions if necessary. The OA 15 and OA 35 plans offer a reduced co-pay for visits to Convenience Clinics. Since Convenience Clinic visits may cost less than a visit to your physician's office, Deductible plan members will also spend less out-of-pocket.

E-Visits

Do you ever wish you could e-mail your physician instead of going to the clinic? Instead of taking time off work or school to see your physician, you may be able to have your "visit" over a secure Web site. E-Visits can be used for managing ongoing health issues:

- Blood sugar checks and insulin changes
- Tracking blood pressure readings
- Ongoing care for Asthma
- Treating some chronic conditions

For more information, refer to page 12 of the HealthPartners Booklet: www.district279.org/departments/HumanResources/EmployeeBenefits/.

Federal Healthcare Reform

With the passage of federal healthcare reform, the district is aware that there may be some benefit changes related to the new legislation. Any changes to our plans will be implemented according to the federal guidelines and within contract provisions. The district will keep employees notified of these changes and how they will impact you.

Temporary Extension Act (TEA) of 2010*

The American Recovery and Reinvestment Act of 2009 (ARRA), as amended, provides premium reductions for health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Eligible individuals pay only 35% of their COBRA premiums. The premium reduction applies to periods of health coverage that began on or after February 17, 2009 and lasts for up to 15 months.

To qualify, covered employees' employment must be terminated involuntarily. The event must generally occur during the period that began September 1, 2008 and ends on March 31, 2010. TEA also provides that an involuntary termination of employment is a qualifying event for purposes of ARRA if the involuntary termination:

- occurs on or after March 2, 2010 and no later than March 31, 2010; and
- follows a qualifying event that resulted in a reduction of hours that occurred at any time from September 1, 2008 through March 31, 2010.

*If TEA applies to you, you will be notified in writing by Corporate Health Systems. For additional information, contact Corporate Health Systems at 952-939-0911.

Benefits Available in Your Employee Group

Take a look at the chart below to determine which benefit options apply to you. As you read through this booklet, refer to the chart if you are not sure whether you are eligible for the

Employee Group	Life & AD&D	LTD	Medical	Dental	Flexible Spending Plan	Voluntary Retirement Savings Plan	EAP
Administrative ESP	✓	✓	✓	✓	✓	✓	✓
Communications Personnel	✓	✓	✓	✓	✓	✓	✓
Comm Ed. Program Specialists	✓	✓	✓	✓	✓	✓	✓
Confidential Support Specialists	✓	✓	✓	✓	✓	✓	✓
Custodial/Maintenance	✓	✓	✓	✓	✓	✓	✓
Cultural Liaisons & SLA	✓	✓	✓	✓	✓	✓	✓
Directors & Confidential Mgrs.	✓	✓	✓	✓	✓	✓	✓
Educational Support Professionals		✓	✓		✓*	✓	✓
Kidstop Instructors (FT)	✓	✓	✓	✓	✓	✓	✓
Kidstop Instructors (PT)			✓		✓	✓	✓
Laundry Workers & WSI			✓		✓	✓	✓
Licensed Coordinators	✓	✓	✓	✓	✓	✓	✓
Management Personnel I-M	✓	✓	✓	✓	✓	✓	✓
Principals (and Assistants)	✓	✓	✓	✓	✓	✓	✓
Registered/Lic Prac Nurses (FT)	✓	✓	✓	✓	✓	✓	✓
Registered/Lic Prac Nurses (PT)			✓		✓	✓	✓
School Executives	✓	✓	✓	✓	✓	✓	✓
School Nutrition (FT)	✓	✓	✓	✓	✓	✓	✓
School Nutrition (PT)			✓		✓	✓	✓
Teachers (FT)	✓	✓	✓	✓	✓	✓	✓
Teachers (PT = 20 - 31.9 hrs/wk)	✓	✓	✓		✓	✓	✓

Refer to "Terms and Conditions of Employment" for eligibility details at: www.district279.org/departments/HumanResources/EmployeeContracts.

AD&D = Accidental Death & Dismemberment

(FT) = 32+ hours per week

(PT) = 30 to 31.9 hours per week

*Step 3 or higher

Life Events & Insurance Coverage

Qualifying Event

Due to the pre-tax nature of premium payments, you may only make changes or cancel coverage during the year if you have a qualifying event or your eligibility changes. Different qualifying events during the year may allow you to enroll or make changes to your insurance elections.

Events that may allow you to enroll or make changes to your insurance elections include:	Events that typically do not allow you to make changes to your insurance elections include:
<ul style="list-style-type: none"> • Birth or adoption • Marriage • Divorce • Loss of other group coverage (COBRA continuation) • Change in FTE 	<ul style="list-style-type: none"> • Promotion • Demotion • Loss of premium contribution due to change in plan design • Financial hardship • Change of mind

You Only Have 30 Days

Under all circumstances, you must notify Human Resources in writing **within 30 calendar days** of the date of the qualifying event or the date coverage ends to make benefit changes. You can find the change form on the District website at www.district279.org/Departments/HumanResources/EmployeeBenefits/MedicalInsurance/. In most cases, you will be required to provide documentation supporting the qualifying event. Human Resources must also be notified when a qualifying event results in a dependent losing eligibility, such as divorce or a dependent losing his/her status as dependent. Any changes you make to your benefit choices must be directly related to the qualifying event.

Due to the time-sensitive nature of qualifying events, please contact Human Resources Benefits at 763-391-7007 if you have any questions regarding qualifying events.

When Coverage Ends

If your last day of work is in June, your insurance coverage will end on June 30. In the summer, if you decide not to return for the 2010-2011 school year, your coverage will end retroactively back to June 30. You will be offered continuation of coverage.

Continuing Your Coverage

Under certain circumstances, you may continue your medical care coverage when it would otherwise end. This is called COBRA coverage. COBRA stands for the Consolidated Omnibus Budget Reconciliation Act of 1985. COBRA applies to these plans:

- | | |
|---------|---------------------------------------|
| Medical | Health Care Flexible Spending Account |
| Dental | Life Insurance |

Under most COBRA situations, you are responsible for paying the full premium for your elected coverage plus a 2% administrative fee.

Your Options

ISD #279 - Osseo Area Schools offers you a choice of three medical plans. The medical plans provide benefits for medical services received through both network providers and non-network providers. This allows you the choice of seeking care from any physician you choose. You can find a participating provider by logging onto the HealthPartners website at www.healthpartners.com.

Terminology

Before we tell you about your medical benefit choices, there are some terms you will need to understand.

Deductible

The deductible is the amount of expenses that must be paid out-of-pocket before the medical plan will cover any expenses. Every dollar applied to the individual deductible will also be applied to the family deductible.

Co-insurance

Co-insurance is when you and the medical plan share in the payment of your medical bills. The co-insurance amount will depend on whether in-network or out-of-network providers are used.

Covered Expenses

Covered expenses are expenses that are eligible for reimbursement. Medical coverage generally provides benefits for medically necessary services and supplies ordered by a physician for the treatment of an accidental injury, illness, or pregnancy. The medical plan also provides benefits for routine and preventive services. When benefits are paid for out-of-network covered expenses, the medical plan will consider payment of those expenses only up to Reasonable and Customary (R&C) limits.

Co-pay

Co-pay refers to a fixed cost you must pay per visit or per prescription. Co-pays are paid directly to the providers (e.g. physician or pharmacy) and accumulate toward the out-of-pocket maximum. Co-pays do not apply to any deductible.

Out-of-Pocket Maximum

The maximum is the total out-of-pocket expenses (including co-pays, deductibles, and co-insurance) you might pay in any one plan year. If you reach the individual out-of-pocket maximum for any covered family member, the plan pays 100% of that person's covered expenses for the remainder of the year. If you reach the family out-of-pocket maximum, the plan pays 100% of your entire family's covered expenses for the remainder of the plan year.

In-Network

In-network coverage is provided for covered expenses when you receive treatment or services from a physician or hospital that is a member of the HealthPartners Open Access network. In-network coverage provides the highest level of benefits available under the plan.

Out-of-Network

Out-of-network coverage is provided for covered expenses when you receive services from a physician or hospital that is not in the HealthPartners Open Access network.

Medical Insurance

Available Plans

For most people, medical coverage is no longer optional; it is a necessity. We've all seen the cost of medical care skyrocket over the years, so we need insurance to help protect not only our physical health, but our financial health as well.

About Your Medical Benefits

See the chart below for a glance at your in-network medical options:

Open Access 15 (OA 15)	Open Access 35 (OA 35)
<ul style="list-style-type: none"> • Open Access network, no referral • No deductibles in-network • Out-of-pocket maximum: \$1,500 single/\$5,000 family • Preventive care 100% • \$15 co-pay for office visits and urgent care visits • \$5 co-pay for convenience clinic visits • 100% for inpatient care • Prescription co-pays: \$11 for preferred drugs \$26 for non-preferred drugs 	<ul style="list-style-type: none"> • Open Access network, no referral • Deductible: \$300 single/\$600 family • Out-of-pocket maximum: \$1,500 single/\$3,000 family • Preventive care 100% • \$35 co-pay for office visits and urgent care visits • \$15 co-pay for convenience clinic visits • 80% for inpatient care after deductible • Prescription co-pays: \$14.80 for generic drugs \$35.00 for preferred drugs \$60.00 for non-preferred drugs

Deductible Plan + VEBA Trust

<p><u>\$1000 Deductible Plan</u></p> <ul style="list-style-type: none"> • Open Access network, no referral • Deductible: \$1,000 single/\$2,000 family • Out-of-pocket maximum: \$1,500 single/\$3,000 family • Preventive care 100% • Physician services and hospital services subject to the deductible; paid at 80% until out-of-pocket is met • Prescription co-pays: \$11 for preferred drugs \$26 for non-preferred drugs 	<p>The VEBA Trust is an interest-bearing, tax-free medical/dental savings account in the employee's name.</p> <p>The VEBA Trust accumulates funds every year. It is not a "use-it or lose-it" plan. The funds can be used for medical and dental expenses or for future medical insurance premiums after employment.</p>								
<p><u>What is a VEBA Trust?</u> Enrollment in the Deductible plan automatically enrolls you in the District-funded <u>Voluntary Employee Beneficiary Association (VEBA) Trust.</u></p>	<p><u>Annual VEBA Contribution Amounts</u> Contributions vary based on contract group and full-time/part-time status. See your "Terms and Conditions of Employment" for specific amounts.</p> <table border="0"> <thead> <tr> <th></th> <th style="text-align: right;"><u>Contribution Amount</u></th> </tr> </thead> <tbody> <tr> <td>Single coverage</td> <td style="text-align: right;">\$ 504 or \$ 624</td> </tr> <tr> <td>Single+1 coverage</td> <td style="text-align: right;">\$1020 or \$1140</td> </tr> <tr> <td>Family coverage</td> <td style="text-align: right;">\$1200 or \$1320</td> </tr> </tbody> </table>		<u>Contribution Amount</u>	Single coverage	\$ 504 or \$ 624	Single+1 coverage	\$1020 or \$1140	Family coverage	\$1200 or \$1320
	<u>Contribution Amount</u>								
Single coverage	\$ 504 or \$ 624								
Single+1 coverage	\$1020 or \$1140								
Family coverage	\$1200 or \$1320								

Things to Consider When Choosing Your Medical Plan

Many employees automatically enroll in the “Open Access 15” plan because they believe the most expensive plan is the “best” option. But the plan that’s best for you depends on the types and amounts of expenses you have each year. To compare the plans, you need to consider your **total** costs:

$$\begin{aligned} & \text{Your fixed costs (total annual premiums)} \\ + & \text{Your variable costs (expenses you pay when you receive care)} \\ = & \text{Your total costs} \end{aligned}$$

Deciding which medical plan to choose is a very personal decision, based on both the medical and financial needs of you and your family. Several factors contribute to this decision and should be considered in making your decision:

- Determine whether you prefer lower payroll premiums and higher out-of-pocket costs or higher payroll premiums and lower expenses when you receive care.
- Consider the potential to grow a tax-advantaged account that could be used for health expenses during and after your employment, including insurance during your retirement.
- Reflect back on the last year or two and assess how you and/or your enrolled dependents used medical benefits.
- Want more personal control over the dollars the district provides for health insurance expenses, including the potential to save money when you make wise decisions related to your health services?
- Think ahead to the next year, do you and/or your family anticipate a great need for medical care?
- What makes sense financially? Paying a higher premium if you use little medical care could mean you are paying for more insurance coverage than you need. Alternatively, if you enroll in the least costly plan and obtain medical services beyond preventive care, you may be responsible to pay up to the annual deductible.

Take the time to review all three plans and consider the above factors before making your election. You will not be able to change from one plan to the other during the course of the year. If you would appreciate some additional information to guide your decision, visit the calculator on the HealthPartners website at www.healthpartners.com/portal/7005.html.

In the next few pages of this benefits guide, you will find a summary of your benefits to help you in your decision-making process.

Medical & Dental

Definition of Dependent

If you have a child who is at least 19 years old, you have the option to enroll your unmarried child in your health and/or dental plan until they reach their 25th birthday. Your child is no longer required to be enrolled full-time in school for you to include them in your health and dental plans.



Due to the change in the definition of dependent (Chapter 147) ISD #279-Osseo Area Schools under the age of 25, who are not full-time or part-time Student Dependents (ANSD).

However, because the Minnesota State Employee who receives health and dental benefits from Area Schools plan may result in

Employer contribution of \$25 per month for more than one dependent advisor to

Federal Health Care Reform has revoked this requirement.

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due, any - Osseo tax basis, which

amount of money by taking. Employer contributions are paid for premiums, the employee saves savings of well over \$5,000 per year when enrolled, the amount the employee is taxed could be annual policy for an ANSD. Consider consulting a tax advisor to put your ANSD on the group plan.

Cost Comparison at a Glance

You may contact your individual insurance carrier to obtain a single premium rate quote for your adult dependent:

	Open Access 15	Open Access 35	Deductible Plan
Employee-paid premium for family coverage (approximate)	\$811	\$457	\$400
Additional cost in taxes for addition of ANSD (single premium taxed at 25%)	\$164	\$137	\$125
Total Monthly Cost	\$975	\$594	\$525
Total Yearly Cost	\$11,700	\$7,128	\$6,300

HealthPartners Customer Service 952-883-5600
 Medica 952-992-2900
 Blue Cross Blue Shield of Minnesota 651-662-8000

*Verification of tax-eligible status will be required twice annually (April and October).

Medical Insurance

HealthPartners

Open Access 15 Plan

What You Pay In-Network

What You Pay Out-of-Network

Plan Year Deductible

Single	None	\$300
Family	None	\$900

Out-of-Pocket Maximum

Single	\$1,500 combined in and out-of-network	
Family	\$5,000 combined in and out-of-network	

Office Visits

Convenience care	\$5 co-pay	25% after deductible
Illness or injury	\$15 co-pay	25% after deductible
Physical, occupational & speech therapy	\$15 co-pay	25% after deductible
Chiropractic care	\$15 co-pay	25% after deductible
Mental health and chemical health care	\$15 co-pay	25% after deductible

Preventive Health Care

Routine physical, eye exam, and well-child care	0%	100%
Prenatal & postnatal care	0%	25% after deductible

Inpatient Hospital Care

Illness or injury	0%	25% after deductible
Mental health care	0%	25% after deductible
Chemical health care	0%	25% after deductible

Outpatient Care

Scheduled outpatient procedures	\$15 co-pay	25% after deductible
Outpatient MRI and/or CT	0%	25% after deductible

Emergency Care

Urgent care	\$15 co-pay	20% of first \$2,500
Emergency care at a hospital ER	\$55 co-pay	20% of first \$2,500
Ambulance	20%	20%

Prescription Drugs

At a pharmacy (30-day supply)

• Preferred	\$11 co-pay	25% after deductible
• Non-Preferred	\$26 co-pay	25% after deductible

Mail order (90-day supply)

• Preferred	\$22 co-pay	Not available
• Non-Preferred	\$52 co-pay	Not available

Specialty (30 day supply)

20% of cost, not to exceed \$200 per prescription per month	25% after deductible
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Dental Care

Treatment to restore damage done to sound, natural teeth as a result of accidental injury	20%	\$50 deductible, then 20% of cost*
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Preventive care for children age 2-18, x-rays, exams, cleaning, fluoride treatment	0%	100%
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Note: Refer to the Plan Summary on the district website for up-to-date information.

*For emergency care only. HealthPartners pays up to \$300. Refer to the Summary Plan Description or call HealthPartners Member Services at 952-883-5000 for more information.

Open Access 35 Plan

What You Pay In-Network

What You Pay Out-of-Network

Plan Year Deductible

Single	\$300	\$500
Family	\$600	\$1,000

Out-of-Pocket Maximum

Single	\$1,500	\$4,000
Family	\$3,000	\$7,000

Office Visits

Convenience care	\$15 co-pay	35% after deductible
Illness or injury	\$35 co-pay	35% after deductible
Physical, occupational & speech therapy	\$35 co-pay	35% after deductible
Chiropractic care	\$35 co-pay	35% after deductible
Mental health and chemical health care	\$35 co-pay	35% after deductible

Preventive Health Care

Routine physical, eye exam, and well-child care	0%	100%
Prenatal & postnatal care	0%	35% after deductible

Inpatient Hospital Care

Illness or injury	20% after deductible	35% after deductible
Mental health care	20% after deductible	35% after deductible
Chemical health care	20% after deductible	35% after deductible

Outpatient Care

Scheduled outpatient procedures	20% after deductible	35% after deductible
Outpatient MRI and/or CT	20% after deductible	35% after deductible

Emergency Care

Urgent care	\$35 co-pay	20% after deductible
Emergency care at a hospital ER	\$100 co-pay	20% after deductible
Ambulance	20% after deductible	20% after deductible

Prescription Drugs

At a pharmacy (30 day supply)

• Generic	\$14.80 co-pay	
• Brand	\$35.00 co-pay	35% after deductible
• Non-Preferred	\$60.00 co-pay	35% after deductible

Mail order (90 day supply)

• Generic	\$29.60 co-pay	Not available
• Brand	\$70.00 co-pay	Not available
• Non-Preferred	\$120.00 co-pay	Not available
<u>Specialty (30 day supply)</u>	20% of cost, not to exceed \$200 per prescription per month	Refer to Summary Plan Description

Dental Care

Treatment to restore damage done to sound, natural teeth as a result of accidental injury	20% after deductible	25% after deductible*
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Preventive care for children age 2-18, x-rays, exams, cleaning, fluoride treatment	0%	100%
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Note: Refer to the Plan Summary on the district website for up-to-date information.

*For emergency care only. HealthPartners pays up to \$300. Refer to the Summary Plan Description or call HealthPartners Member Services at 952-883-5000 for more information.

Medical Insurance

HealthPartners

Deductible Plan + VEBA Trust

What You Pay In-Network

What You Pay Out-of-Network

Plan Year Deductible

Single	\$1,000	\$2,000
Family	\$2,000	\$4,000

Out-of-Pocket Maximum

Single	\$1,500	\$4,000
Family	\$3,000	\$6,000

Office Visits

Convenience care	20% after deductible	35% after deductible
Illness or injury	20% after deductible	35% after deductible
Physical, occupational & speech therapy	20% after deductible	35% after deductible
Chiropractic care	20% after deductible	35% after deductible
Mental health and chemical health care	20% after deductible	35% after deductible

Preventive Health Care

Routine physical, eye exam, and well-child care	0%	100%
Prenatal & postnatal care	0%	35% after deductible

Inpatient Hospital Care

Illness or injury	20% after deductible	35% after deductible
Mental health	20% after deductible	35% after deductible
Chemical health care	20% after deductible	35% after deductible

Outpatient Care

Scheduled outpatient procedures	20% after deductible	35% after deductible
Outpatient MRI and/or CT	20% after deductible	35% after deductible

Emergency Care

Urgent care	20% after deductible	20% after in-network ded
Emergency care at a hospital ER	20% after deductible	20% after in-network ded
Ambulance	20% after deductible	20% after in-network ded

Prescription Drugs

At a pharmacy

30-day supply		
• Preferred	\$11 co-pay	20% after deductible
• Non-Preferred	\$26 co-pay	20% after deductible

Mail order

90-day supply		
• Preferred	\$22 co-pay	Not available
• Non-Preferred	\$52 co-pay	Not available

Specialty

30 day supply	20% of cost, not to exceed \$200 per prescription per month	35% after deductible
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Dental Care

Treatment to restore damage done to sound, natural teeth as a result of accidental injury	20% after deductible	25% after deductible*
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Preventive care for children age 2-18, x-rays, exams, cleaning, fluoride treatment	0%	100%
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Note: Refer to the Plan Summary on the district website for up-to-date information.

*For emergency care only. HealthPartners pays up to \$300. Refer to the Summary Plan Description or call HealthPartners Member Services at 952-883-5000 for more information.

Medical Insurance

Example

Real Life Examples for Full-Time Licensed Staff

Mike and Stacey had a lot of medical bills this year. In addition to having their second child, Elizabeth, they also had many routine trips to the physician for check-ups and ear infections. Let's look at their expenses and how they would be paid under the three medical plans.

- Stacey's prenatal care, hospital bills, and postnatal care came to \$6,000.
- Their older child, Jonathan, went to an in-network doctor four times for ear infections. (Each office visit was \$150.)
- Elizabeth had two ear infections, plus four well-child check-ups and shots. Total bill was \$750.
- Mike twisted his ankle at Tae Kwon Do and had to have x-rays. His physician bill was \$150 and x-rays were \$65 for a total bill of \$215.

	<u>Open Access 15</u>	<u>Open Access 35</u>	<u>Deductible Plan + VEBA Trust</u>
Stacey's Medical Expenses			
1 st office visit	\$0	\$0	\$1,000 deductible +20% of all charges up to \$1,500
Hospital stay	\$0	\$300 deductible + 20% of all charges up to \$1,500	
	Total charges of \$6,000, 100% paid by plan	Total charges of \$6,000, total member responsibility \$1440	Total charges of \$6,000, total member responsibility \$1500
Jonathan's Medical Expenses			
Infections	\$60 (\$15 co-pay per visit)	\$140 (\$35 co-pay per visit)	\$600 deductible (\$150 each office visit)
Elizabeth's Medical Expenses			
Infections	\$30	\$70	\$300 deductible
Well-child check-ups	\$0 (\$15 each visit; no charge for well-child care)	\$0 (\$35 each visit; no charge for well-child care)	\$0 (Well-child covered at 100%)
Mike's Medical Expenses			
Twisted ankle	\$15 co-pay	\$35 co-pay	\$150 deductible
Office visit	(Included in above co-pay)	(Included in above co-pay)	(Included in above deductible)
X-rays	\$0 (Total bill \$215)	\$0 (Total bill \$215)	\$65 deductible (Total bill \$215)
Your out-of-pocket cost	\$105.00	\$1,685.00	\$2,615.00
Your annual premiums	\$9,728.16	\$5,480.04	\$4,805.40
VEBA contribution	\$0	\$0	(\$1,320.00) savings
Your Total Cost	\$9,833.16	\$7,165.04	\$6,100.40

Medical Insurance

Example

Real Life Examples for Full-Time Non-Licensed Staff

Mike and Stacey had a lot of medical bills this year. In addition to having their second child, Elizabeth, they also had many routine trips to the physician for check-ups and ear infections. Let's look at their expenses and how they would be paid under the three medical plans.

- Stacey's prenatal care, hospital bills, and postnatal care came to \$6,000.
- Their older child, Jonathan, went to an in-network doctor four times for ear infections. (Each office visit was \$150.)
- Elizabeth had two ear infections, plus four well-child check-ups and shots. Total bill was \$750.
- Mike twisted his ankle at Tae Kwon Do and had to have x-rays. His physician bill was \$150 and x-rays were \$65 for a total bill of \$215.

	<u>Open Access 15</u>	<u>Open Access 35</u>	<u>Deductible Plan + VEBA Trust</u>
Stacey's Medical Expenses			
1 st office visit	\$0	\$0	\$1,000 deductible +20% of all charges up to \$1,500
Hospital stay	\$0	\$300 deductible + 20% of all charges up to \$1,500	
	Total charges of \$6,000, 100% paid by plan	Total charges of \$6,000, total member responsibility \$1440	Total charges of \$6,000, total member responsibility \$1500
Jonathan's Medical Expenses			
Infections	\$60 (\$15 co-pay per visit)	\$140 (\$35 co-pay per visit)	\$600 deductible (\$150 each office visit)
Elizabeth's Medical Expenses			
Infections	\$30	\$70	\$300 deductible
Well-child check-ups	\$0 (\$15 each visit; no charge for well-child care)	\$0 (\$35 each visit; no charge for well-child care)	\$0 (Well-child covered at 100%)
Mike's Medical Expenses			
Twisted ankle	\$15 co-pay	\$35 co-pay	\$150 deductible
Office visit	(Included in above co-pay)	(Included in above co-pay)	(Included in above deductible)
X-rays	(Total bill \$215)	(Total bill \$215)	\$65 deductible (Total bill \$215)
Your out-of-pocket cost	\$105.00	\$1,685.00	\$2,615.00
Your annual premiums	\$11,620.08	\$7,371.96	\$4,805.40
VEBA contribution	\$0	\$0	(\$1,200.00) savings
Your Total Cost	\$11,725.08	\$9,056.96	\$6,220.40

Medical Insurance

Single Premiums

Employee Group	MONTHLY PREMIUM			SEMI-MONTHLY PREMIUM		
	OA 15	OA 35	OA Deductible	OA 15	OA 35	OA Deductible
	\$657.42	\$547.07	\$500.04	\$328.71	\$273.54	\$250.02
	<i>You</i>	<i>You</i>	<i>You</i>	<i>You</i>	<i>You</i>	<i>You</i>
	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>
Administrative ESP (FT)	183.65	73.30	0	91.83	36.65	0
Administrative ESP (PT)	196.97	86.62	0	98.49	43.31	0
Communications Personnel (FT)	183.65	73.30	0	91.83	36.65	0
Comm Ed Program Specialist	183.65	73.30	0	91.83	36.65	0
Confidential Support Specialists	183.65	73.30	0	91.83	36.55	0
Cultural Liaisons/SLA	183.65	73.30	0	91.83	36.65	0
Custodial/Maintenance	183.65	73.30	0	91.83	36.55	0
Directors & Confidential Mgrs.	657.42	547.07	500.04	328.71	273.54	250.02
Educat'l Support Professionals	196.97	86.62	0	98.49	43.31	0
Kidstop Instructors (FT)	183.65	73.30	0	91.83	36.65	0
Kidstop Instructors (PT)	196.97	86.62	0	98.49	43.31	0
Laundry Workers & WSI	196.97	86.62	0	98.49	43.31	0
Licensed Coordinators	657.42	547.07	500.04	328.71	273.54	250.02
Management Personnel I-M	657.42	547.07	500.04	328.71	273.54	250.02
Principals (and Assistants)	657.42	547.07	500.04	328.71	273.54	250.02
Registered/Lic Prac Nurses (FT)	183.65	73.30	0	91.83	36.65	0
Registered/Lic Prac Nurses (PT)	196.97	86.62	0	98.49	43.31	0
School Executives	657.42	547.07	500.04	328.71	273.54	250.02
School Nutrition (FT)	183.65	73.30	0	91.83	36.65	0
School Nutrition (PT)	196.97	86.62	0	98.49	43.31	0
Teachers (FT)	118.13	7.78	0	59.07	3.89	0
Teachers (.5-.59 FTE or 20-23.9 hrs)	328.72	273.54	250.02	164.36	136.77	125.01
Teachers (.6-.69 FTE or 24-27.9 hrs)	279.92	218.82	200.02	139.96	109.41	100.01
Teachers (.7-.79 FTE or 28-31.9 hrs)	279.92	169.57	150.02	139.96	84.79	75.00

(FT) = 32+ hours per week

(PT) = 30 to 31.9 hours per week

Medical Insurance

Single + 1 Premiums

Employee Group	MONTHLY PREMIUM			SEMI-MONTHLY PREMIUM		
	OA 15	OA 35	OA Deductible	OA 15	OA 35	OA Deductible
	\$1315.99	\$1094.84	\$1000.96	\$658.00	\$547.42	\$500.48
	<i>You</i>	<i>You</i>	<i>You</i>	<i>You</i>	<i>You</i>	<i>You</i>
	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>	<u>Pay</u>
Administrative ESP (FT)	605.03	383.88	250.24	302.52	191.94	125.12
Administrative ESP (PT)	855.54	634.39	500.92	427.77	317.20	250.46
Communications Personnel (FT)	605.03	383.88	250.24	302.52	191.94	125.12
Comm Ed. Program Specialist	605.03	383.88	250.24	302.52	191.94	125.12
Confidential Support Specialists	605.03	383.88	250.24	302.52	191.94	125.12
Cultural Liaisons/SLA	605.03	383.88	250.24	302.52	191.94	125.12
Custodial/Maintenance	605.03	383.88	250.24	302.52	191.94	125.12
Directors & Confidential Mgrs.	1315.99	1094.84	1000.96	658.00	547.42	500.48
Educational Support Professionals	855.54	634.39	500.92	427.77	317.20	250.46
Kidstop Instructors (FT)	605.03	383.88	250.24	302.52	191.94	125.12
Kidstop Instructors (PT)	855.54	634.39	500.92	427.77	317.20	250.46
Laundry Workers & WSI	855.54	634.39	500.92	427.77	317.20	250.46
Licensed Coordinators	1315.99	1094.84	1000.96	658.00	547.42	500.48
Management Personnel I-M	1315.99	1094.84	1000.96	658.00	547.42	500.48
Principals (and Assistants)	1315.99	1094.84	1000.96	658.00	547.42	500.48
Registered/Lic Prac Nurses (FT)	605.03	383.88	250.24	302.52	191.94	125.12
Registered/Lic Prac Nurses (PT)	855.54	634.39	500.92	427.77	317.20	250.46
School Executives	1315.99	1094.84	1000.96	658.00	547.42	500.48
School Nutrition (FT)	605.03	383.88	250.24	302.52	191.94	125.12
School Nutrition (PT)	855.54	634.39	500.92	427.77	317.20	250.46
Teachers (FT)	506.55	285.40	250.24	253.28	142.70	125.12
Teachers (.5-.59 FTE or 20-23.9 hrs)	938.49	717.34	623.46	469.25	358.67	311.73
Teachers (.6-.69 FTE or 24-27.9 hrs)	938.49	717.34	623.46	469.25	358.67	311.73
Teachers (.7-.79 FTE or 28-31.9 hrs)	938.49	717.34	623.46	469.25	358.67	311.73

(FT) = 32+ hours per week

(PT) = 30 to 31.9 hours per week

Medical Insurance

Family Premiums

Employee Group	MONTHLY PREMIUM			SEMI-MONTHLY PREMIUM		
	OA 15	OA 35	OA Deductible	OA 15	OA 35	OA Deductible
	\$2105.83	\$1751.82	\$1601.78	\$1052.92	\$875.91	\$800.89
	<i>You Pay</i>	<i>You Pay</i>	<i>You Pay</i>	<i>You Pay</i>	<i>You Pay</i>	<i>You Pay</i>
Administrative ESP (FT)	968.34	614.33	400.45	484.17	307.17	200.22
Administrative ESP (PT)	1645.38	1291.37	1101.74	822.69	645.69	550.87
Communications Personnel (FT)	968.34	614.33	400.45	484.17	307.17	200.22
Comm Ed. Program Specialist	968.34	614.33	400.45	484.17	307.17	200.22
Confidential Support Specialists	968.34	614.33	400.45	484.17	307.17	200.22
Cultural Liaisons/SLA	968.34	614.33	400.45	484.17	307.17	200.22
Custodial/Maintenance	968.34	614.33	400.45	484.17	307.17	200.22
Directors & Confidential Mgrs.	2105.83	1751.82	1601.78	1052.92	875.91	800.89
Educational Support Professionals	1645.38	1291.37	1101.74	822.69	645.69	550.87
Kidstop Instructors (FT)	968.34	614.33	400.45	484.17	307.17	200.22
Kidstop Instructors (PT)	1645.38	1291.37	1101.74	822.69	645.69	550.87
Laundry Workers & WSI	1645.38	1291.37	1101.74	822.69	645.69	550.87
Licensed Coordinators	2105.83	1751.82	1601.78	1052.92	875.91	800.89
Management Personnel I-M	2105.83	1751.82	1601.78	1052.92	875.91	800.89
Principals (and Assistants)	2105.83	1751.82	1601.78	1052.92	875.91	800.89
Registered/Lic Prac Nurses (FT)	968.34	614.33	400.45	484.17	307.17	200.22
Registered/Lic Prac Nurses (PT)	1645.38	1291.37	1101.74	822.69	645.69	550.87
School Executives	2105.83	1751.82	1601.78	1052.92	875.91	800.89
School Nutrition (FT)	968.34	614.33	400.45	484.17	307.17	200.22
School Nutrition (PT)	1645.38	1291.37	1101.74	822.69	645.69	550.87
Teachers (FT)	810.68	456.67	400.45	405.34	228.34	200.22
Teachers (.5-.59 FTE or 20-23.9 hrs)	1728.33	1374.32	1224.28	864.17	687.13	612.14
Teachers (.6-.69 FTE or 24-27.9 hrs)	1728.33	1374.32	1224.28	864.17	687.16	612.14
Teachers (.7-.79 FTE or 28-31.9 hrs)	1728.33	1374.32	1224.28	864.17	687.16	612.14

(FT) = 32+ hours per week
 (PT) = 30 to 31.9 hours per week

Prevention is the Key to Good Long-Term Oral Health

Our plan is designed to encourage you to visit the dentist and help ensure your basic dental needs are met in a timely, cost-effective manner.

Access to regular check-ups and sound preventive care are key to your long-term oral health. Furthermore, new research suggests that good oral health can positively impact the burden of illness caused by cardiovascular disease and diabetes.

In addition to visiting your dentist for regular preventive care, talk to your dentist about your specific oral health needs. Your dental plan is intended only to help you pay for care. Your dentist is the one who will help you determine your actual care needs.

Your Options

A network of participating dentists is available to you through Delta Dental's networks. If you choose to see a dentist who participates in these networks, you will realize a cost savings. Participating dentists cannot bill you for any charges in excess of Delta Dental's Reasonable and Customary amount as they have discounted the fees that they charge. In addition, participating dentists will file your claims directly, eliminating the need for you to deal with any paperwork.

Remember, a non-participating dentist can bill you for any charges in excess of Delta Dental's Reasonable and Customary amount and may require you to pay for your entire services up front, leaving you to file a claim for reimbursement directly.

For a list of dentists participating in the Delta Dental network, go to their website at www.deltadentalmn.org.

Terminology

Before we tell you about dental benefit choices, there are some terms you will need to understand.

Deductible

The deductible is the amount of your covered expenses you must pay each plan year before the health plan begins to pay. The individual deductible is the amount each covered member must pay before the health plan begins to pay. However, every dollar applied to the individual deductible will also be applied to the family deductible. Once the family deductible is met, the plan will pay benefits for all family members.

Co-insurance

The percentage of eligible charges paid by you and also paid in part by the dental plan. The percent of covered charges depends on the service being provided and whether a participating dentist is used.

Annual Maximum

For all services, there is a maximum benefit the dental plan will pay each calendar year per individual. Once this annual maximum is reached, no further benefits will be paid during the calendar year.

Reasonable and Customary

The dental plan will not pay for any charge above the Reasonable and Customary (R&C) limit when you receive services from out-of-network providers. R&C charges are the fees usually charged for comparable services and supplies in your geographic area. Delta Dental determines whether a charge is Reasonable and Customary and keeps up-to-date with the latest dental practices and fees around the country. Because in-network dentists provide services and supplies for agreed-upon rates, you will never exceed R&C charges when you use in-network providers.

Deciding whether you need dental coverage may not be easy, but it almost is! Many people think they don't need dental coverage because their teeth are fine. But if you want to keep your teeth fine, getting regular check-ups is the best way to go.

That's why the **Delta Dental Plan of Minnesota** covers routine check-ups and just about any other type of dental work you might need. In addition, when you join our dental plan, you can go to any dentist you want and receive plan benefits.

About Your Dental Plan

The dental plan pays a **yearly maximum of \$1,200** and covers three main types of dental expenses:

- I. Preventive & Diagnostic care (Class A): routine exams and cleanings, fluoride treatments, sealants, bitewing x-rays
- II. Basic Treatment (Class B): full-mouth x-rays, pulling teeth, fillings, root canals
- III. Major Treatment (Class C): crowns, dentures

This chart shows how much you pay for certain dental services. The plan pays the rest. However, if your dentist charges more than the Reasonable and Customary charge, you will have to pay the amount above the Reasonable and Customary charge.

<u>Benefit & Co-insurance Level</u>	<u>Delta Preferred Provider</u>	<u>Delta Premier Provider</u>	<u>Out-of-Network*</u>
Annual Deductible* Single Family	\$25 \$75	\$25 \$75	\$25 \$75
Annual Benefit Maximum (per individual, applies to all coverage except orthodontia)	\$1,200	\$1,200	\$1,200
Diagnostic and Preventive Services*	0%	20%	20%
Basic Services	20%	20%	20%
Major Services	20%	20%	20%
Orthodontic Coverage (children ages 8-18 only)	50%	50%	50%
Lifetime Orthodontics Maximum (children ages 8-18 only)	\$750	\$750	\$750

*Deductible applies to basic and major treatment only. It does not apply to preventive and diagnostic care. When you receive services from an out-of-network provider, you will pay any amounts over the Reasonable and Customary charges.

Dental Insurance

Premiums

Employee Group	MONTHLY PREMIUM			SEMI-MONTHLY PREMIUM		
	Single	S+1	Family	Single	S+1	Family
	\$29.00	\$75.00	\$128.00	\$14.50	\$37.50	\$64.00
	<u>You Pay</u>	<u>You Pay</u>	<u>You Pay</u>	<u>You Pay</u>	<u>You Pay</u>	<u>You Pay</u>
Administrative ESP	0	46.00	99.00	0	23.00	49.50
Communications Personnel	0	46.00	99.00	0	23.00	49.50
Comm Ed Program Specialist	0	46.00	99.00	0	23.00	49.50
Confidential Support Specialists	0	46.00	99.00	0	23.00	49.50
Cultural Liaisons/SLA	0	46.00	99.00	0	23.00	49.50
Custodial/Maintenance	0	46.00	99.00	0	23.00	49.50
Directors & Confidential Mgrs..	29.00	75.00	128.00	14.50	37.50	64.00
Educat'l Support Professionals	NA	NA	NA	NA	NA	NA
Kidstop Instructors (FT)	0	46.00	99.00	0	23.00	49.50
Kidstop Instructors (PT)	NA	NA	NA	NA	NA	NA
Laundry Workers/WSI	NA	NA	NA	NA	NA	NA
Licensed Coordinators	29.00	75.00	128.00	14.50	37.50	64.00
Management Personnel I-M	29.00	75.00	128.00	14.50	37.50	64.00
Principals (and Assistants)	29.00	75.00	128.00	14.50	37.50	64.00
Registered/Lic Prac Nurses (FT)	0	46.00	99.00	0	23.00	49.50
Registered/Lic Prac Nurses (PT)	NA	NA	NA	NA	NA	NA
School Executives	29.00	75.00	128.00	14.50	37.50	64.00
School Nutrition (FT)	0	46.00	99.00	0	23.00	49.50
School Nutrition (PT)	NA	NA	NA	NA	NA	NA
Teachers (FT)	0	46.00	99.00	0	23.00	49.50
Teachers (.5-.59 FTE or 21-23.9 hrs)	NA	NA	NA	NA	NA	NA
Teachers (.6-.69 FTE or 24-27.9 hrs)	NA	NA	NA	NA	NA	NA
Teachers (.7-.79 FTE or 28-31.9 hrs)	NA	NA	NA	NA	NA	NA

(FT) = 32+ hours per week
 (PT) = 30 to 31.9 hours per week
 NA = Not available

Important: Enrolling in Single + 1 or Family coverage requires the employee to continue to carry dependent coverage for a minimum of two years.

To paraphrase a television ad, “Life insurance isn’t for you. It’s for the ones you leave behind.” Life insurance is an important part of your financial security, especially if others depend on you for support. Even if you’re single, your beneficiary can use your life insurance to pay off your debts and other final expenses.

ISD #279 - Osseo Area Schools provides for you at no cost:

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

For the amount of Basic and AD&D Life Insurance the district provides, refer to your “Terms and Conditions of Employment.” Coverage for spouse and/or children is not available.

Currently your life insurance carrier is ReliaStar Life Insurance Company through ING Employee Benefits.

For employees who are eligible to purchase additional life insurance with AD&D, called “Supplemental Life” insurance, the age and rate chart below applies. Refer to your “Terms and Conditions of Employment” for details.

Supplemental Life Insurance with Accidental Death & Dismemberment (AD&D)

Age Chart and Monthly Rates

Coverage	\$25,000	\$35,000	\$50,000	\$55,000	\$65,000	\$75,000	\$100,000	\$125,000	\$150,000
Age: 0-24	1.65	2.31	3.30	3.63	4.29	4.95	6.60	8.25	9.90
25-29	1.90	2.66	3.80	4.18	4.94	5.70	7.60	9.50	11.40
30-34	2.40	3.36	4.80	5.28	6.24	7.20	9.60	12.00	14.40
35-39	2.65	3.71	5.30	5.83	6.89	7.95	10.60	13.25	15.90
40-44	2.90	4.06	5.80	6.38	7.54	8.70	11.60	14.50	17.40
45-49	3.40	4.76	6.80	7.48	8.84	10.20	13.60	17.00	20.40
50-54	4.40	6.16	8.80	9.68	11.44	13.20	17.60	22.00	26.40
55-59	8.15	11.41	16.30	17.93	21.19	24.45	32.60	40.75	48.90
60-64	11.40	15.96	22.80	25.08	29.64	34.20	45.60	57.00	68.40
65-69*	23.65	33.11	47.30	52.03	61.49	70.95	94.60	118.25	141.90

*Supplemental coverage does not include AD&D.

Life & Accident Insurance (continued)

What is Accidental Death & Dismemberment (AD&D)?

It is similar to regular life insurance in that, if the insured dies in an accident (for example, an automobile accident), the amount of coverage is paid to the insured's beneficiary. However, AD&D also pays a benefit to the insured if the insured is seriously injured in an accident. Benefits may be paid due to loss of limb (arm, leg, etc.), loss of the ability to see, hear or talk, or other physical disability.

Life Insurance and Income Taxes

Since ISD #279 - Osseo Area Schools pays for your Basic Life Insurance, any coverage over \$50,000 is considered "income" by the IRS. When you receive your W-2 form each January, the value of this benefit will be included in your taxable earnings. These earnings are called "imputed income." You are not taxed on the Supplemental Life insurance that you purchase for yourself.

Enrollment

If you are currently enrolled in Supplemental Life, you may increase the value of your policy by 1 increment without underwriting approval. If interested, contact Human Resources at 763-391-7007 for an enrollment form. The deadline for submission of forms is **4:30 PM on Friday, April 30, 2010**. Forms received after this date will be returned with a request to complete an "Evidence of Insurability" form (see below).

If eligible, you can apply to add or increase Supplemental Life at any time during the year, provided you submit both an enrollment form AND an "Evidence of Insurability" form to Human Resources Benefits. The insurance company has the right to accept or deny your application. If you are interested, the enrollment form and "Evidence of Insurability" form are available at: www.district279.org/departments/HumanResources/EmployeeBenefits/LifeInsurance.

Make sure your Plan Beneficiaries are up-to-date!

We recommend that you review your beneficiaries every year. Included on the district Human Resources website is a "Life Insurance Beneficiary Change" form: www.district279.org/departments/HumanResources/EmployeeBenefits/documents/2007-08/1113_LifeInsBeneficiaryForm.pdf. To change your beneficiaries, submit this form at any time to the Human Resources Benefits department.

Disability Insurance

The Standard

If you have an injury or illness that keeps you away from work for an indefinite period of time, the Long Term Disability (LTD) plan will protect you and your family. Refer to your “Terms and Conditions of Employment” to determine if you are eligible for this benefit and the effective date of coverage. Standard Insurance Company helps you pay your household expenses if you become disabled and cannot work due to illness or injury.

Summary of Benefits

Percent of your base pay you will receive:	66-2/3% (coordinates benefits with other income)
Maximum monthly benefit you can receive:	\$5000*
When benefits start (also called a qualifying period):	After you have been away from work for 60 consecutive working days of disability

*A few employees have a slightly larger maximum. Refer to your “Terms and Conditions of Employment” for details.

When Are You Disabled?

To be considered disabled means that, because of an injury or illness, you cannot perform employment tasks. The definition of disabled can change over time, and depends on your assignment.

Long-Term Disability Insurance and Income Taxes

ISD #279 - Osseo Area Schools pays for your Long-Term Disability insurance if your employee group is eligible for the benefit. The benefits you receive if you are disabled will be taxed just like your regular pay.

Effective Date of Benefit

Employees who are eligible for the benefit and have been unable to perform employment tasks for a minimum of 60 consecutive working days are eligible to apply for benefits.

Termination of Coverage

Coverage ends on the last day of the month that your employment ends.

Note: If your employment ends while you are receiving benefits, the benefits you receive will continue unless your coverage is terminated by the LTD insurance carrier. See “Your Group Disability Income Insurance Plan” document for details. (To request a copy, contact Human Resources at 763-391-7007.)

How to Enroll

If you are eligible, forms are distributed at the time of your initial eligibility.

How to File a Long-Term Disability Claim

LTD materials will be sent to you as soon as we know your absence will exceed 60 consecutive working days of disability. The forms include sections for you and your physician to complete. The information will be reviewed by the LTD insurance carrier and the carrier will contact you regarding the status of your claim.

Flexible Spending Accounts (FSA)

Would you pass up the opportunity to save up to 20% – or more – on something you already buy? Well, if you don't participate in the Flexible Spending Account (FSA), you are doing just that. You're literally throwing money away.

Through our FSA program, you can use tax-free dollars to pay for:

- Most medical, dental and vision expenses, including co-pays, deductibles and mileage to and from your physician's office.
- Dependent care expenses, including daycare, after-school programs and elder care programs so that you and your spouse can work or go to school.

By using an FSA program, you spend less for these expenses and have more money to spend on other purchases.

Why You Should Contribute to an FSA

Pre-tax reimbursement accounts are designed to save you money. While they do not eliminate your out-of-pocket health and dependent care expenses altogether, they can reduce your expenses significantly – for most people by 20% to 30% or even more! If that kind of savings is worth a little of your time to plan ahead and calculate your eligible expenses for the coming plan year, participating in an FSA may make sense for you.

Unfounded FSA Fears

Don't let the rules and regulations intimidate you. The federal government imposes those rules simply to prevent people from abusing the tax break the accounts offer. If you estimate your expenses carefully – even conservatively – and submit your claims regularly, you can work within the rules and manage to save yourself a great deal of money in the process.

Eligibility

To find out if you are eligible for enrollment in the Flexible Spending Accounts (FSA), refer to the eligibility chart in the front of this booklet or review your "Terms and Conditions of Employment": www.district279.org/departments/HumanResources/EmployeeContracts



Flexible Spending Participation Requires Annual Enrollment

To enroll, complete the "Flexible Spending Account Election" form from the district website: www.district279.org/Departments/HumanResources/EmployeeBenefits/FlexibleSpendingPlan.

Sign, date and return the form to Human Resources Benefits **no later than 4:30 p.m. Friday, April 30, 2010.**

The only opportunity to change your flexible spending accounts during the plan year is when you have a "qualifying event." If you believe you have experienced a qualifying event, contact Human Resources Benefits at 763-391-7007.

Flexible Spending Accounts (FSA) (continued)



Nuts & Bolts of Health Care FSA



Enables you to use <u>pre-tax dollars</u> to pay for health care expenses that are: <ul style="list-style-type: none"> Not covered by your health care plan or Additional non-reimbursed medical expenses considered deductible by the IRS. 	
Sample expenses considered deductible by the IRS include:	Co-pays, deductibles, contact lenses and solutions, eye glasses, hearing aids and batteries, Lasik eye surgery, wheelchairs, over-the-counter medications, crutches, acupuncture, dental care and orthodontics, first aid supplies
Minimum contribution:	None
Maximum contribution:	\$3,000
Plan year:	July 1 – June 30
Claim filing deadline:	90 days after the end of the plan year
IRS restrictions:	<p><u>Contribution election changes:</u> You cannot increase or decrease your contribution election during the plan year unless you have a qualifying event. (See page 4.)</p> <p><u>Use-it-or-Lose-it:</u> Amounts remaining in your FSA after the claim filing deadline (see above for deadline) are forfeited.</p>



Nuts & Bolts of Dependent Care FSA



Enables you to use <u>pre-tax dollars</u> to pay for dependent care expenses.*	
IRS approved expenses include:	Child Care (daycare), Elder Care or other dependent care expenses for services occurring during your working or school hours
Minimum contribution:	None
Maximum contribution:	\$5,000 \$2,500 if married filing separately
Plan Year:	July 1 – June 30
Claim filing deadline:	90 days after the end of the plan year
IRS restrictions:	<p><u>Contribution election changes:</u> You cannot increase or decrease your contribution election during the plan year unless you have a qualifying event. (See page 4.)</p> <p><u>Use-it-or-Lose-it:</u> Amounts remaining in your FSA after the claim filing deadline (see above for deadline) are forfeited.</p>

*In accordance with IRS regulations for dependent care reimbursement, expenses for kindergarten (e.g., half-day or full-day, public or private school, voluntary or mandatory) are **not** eligible for reimbursement because they are educational expenses.

Flexible Spending Accounts (FSA) (continued)

For many of us, contributing to an FSA is a great option. The trick to using them is figuring out how much to contribute per plan year.

- If you contribute less than the amount of your actual eligible expenses, you miss out on some tax savings.
- If you contribute more than the amount of your actual eligible expenses, you give up the extra money. **IRS rules state that, unlike a savings account, if you don't use the money in your account each year, you give up the leftover amount, so you need to carefully determine the amount to contribute.** The "FSA Benefit Guide" includes a worksheet to assist you in making an FSA election appropriate to your actual expenses. If you need a guide, go to the district website at: www.district279.org/Departments/HumanResources/EmployeeBenefits/FlexibleSpendingPlan.

Once you've determined what your health and/or dependent care expenses will be during the plan year, you will make an election based on that amount. Your annual election will be divided by the number of pay periods in the plan year. This amount will be deducted from each paycheck **before taxes**.

When you have an expense, submit your claim form and receipts to Corporate Health Systems, Inc. (CHS). CHS will send you a reimbursement check (funded from your pre-tax dollars) or you can have the reimbursement directly deposited into your checking or savings account. **Reimbursements are available on a weekly basis.** For dependent care participants, this means you can get your tax reimbursement money faster than waiting for an income tax refund. A claim form is available at: www.district279.org/departments/HumanResources/EmployeeBenefits/FlexibleSpendingPlan/documents/FlexSpendClaimForm.

For Participants Ending Employment or Taking a Leave of Absence

If you leave employment or go on a leave of absence during the plan year, your right to benefits will be determined in the following manner:

- **Dependent Care:** You will still be able to request reimbursement for **qualifying** dependent care expenses for the remainder of the plan year from the balance remaining in your dependent care account at the time your employment ends. However, no further salary reduction will be made on your behalf after your employment ends.
- **Health Care:** Upon taking a leave of absence or ending employment, you can continue to submit **expenses** that you have incurred **prior to the day you stopped working**. You can also elect to continue your participation in the Health Care FSA for the remainder of the plan year, subject to certain conditions.

For additional information, contact Corporate Health Systems at 952-939-0911.

Voluntary Retirement Savings Accounts

ISD #279 - Osseo Area Schools believes that, after years of service to the district, you deserve the opportunities that retirement provides.

Why Contribute to a Voluntary Retirement Savings Account?

There are many ways you can save for retirement. Let's compare your tax bill and the contributions to your account if you participate in the voluntary retirement savings plan and if you do not.

	If you do not participate in a voluntary retirement savings account	If you do participate in a voluntary retirement savings account
Your monthly pay	\$2000	\$2000
Your retirement savings contributions	\$ 0	\$ 120
Your taxable pay	\$2000	\$1880
Your income and Social Security taxes	\$ 453	\$ 426
Your take-home pay	\$1547	\$1454
Your spendable income	\$1547	\$1454
Your tax savings	\$0 per month \$0 per year	\$ 27 per month \$ 324 per year
Your additional district matching contribution	\$0 per month \$0 per year	\$ 120 per month \$1440 per year

As you can see, for \$93 per month, you gain \$240 per month in retirement savings. Your contributions to the 403(b) plan or 457 plan will be taxable as ordinary income when you withdraw them. However, most people are in a lower tax bracket after retirement, so you may pay less in taxes than you would now. This may save you even more money in the long run. ISD #279 - Osseo Area Schools offers employees two retirement savings plans: MetLife 403(b) plan and the Minnesota Deferred Compensation 457 Plan (MNDCP). Both plans include employee contributions through salary reduction agreements. District matching contributions are also available. (See eligibility table following this page.)

How to Enroll

If you are interested in participating in a retirement savings account program, you can find the enrollment forms on the district website at www.district279.org/Departments/HumanResources/EmployeeBenefits/RetirementPlans or contact the Payroll department at 763-391-7283. For questions about investing in a 403(b) plan, contact MetLife at 1-800-543-2520. For questions about investing in a 457 Plan, contact the Minnesota Deferred Compensation Plan at 1-877-457-6466.

How much will ISD #279 - Osseo Area Schools Contribute to your Retirement Savings Account?

All regular employees may participate in the retirement savings program. Many employees are also eligible for a district match. Some district matches are limited to those employees who contribute funds to a 403(b) plan while others can receive district match contributions to either a 403(b) or 457 plan. The chart on the following page describes the minimum and maximum district match amounts that can be contributed, eligibility, and account requirements. If you are eligible for the district match, **you are required to contribute either the minimum or the maximum amount to receive the district match.**

Retirement Savings Accounts

Eligibility & District Match

Employee Group	Service Date	Step or Years of Experience in ISD #279 and Contract Days/Year	District Match Minimum Amount	District Match Maximum Amount	Match Account
Administrative ESP	Service before 7-1-1994	Step 3, 260 days/year	660.00	660.00	403(b) only
		Step 3, 212 or 219 days/year	577.50	577.50	403(b) only
	Service 7-1-1994 or later	Step 3, 260 days/year	440.00	880.00	403(b) only
		Step 3, 212 or 219 days/year	385.00	770.00	403(b) only
Communications Personnel	Service before 7-1-1998	Step 3, 260 days/year	660.00	660.00	403(b) only
	Service 7-1-1998 or later	Step 3, 260 days/year	440.00	880.00	403(b) only
Community Education Program Specialist	Not eligible				
Confidential Support Specialists	Service before 7-1-2007	Step 3	660.00	660.00	403(b) or 457
	Service 7-1-2007 or later	Step 3	660.00	660.00	403(b) only
Cultural Liaisons/SLA	No requirement	Step 3	440.00	880.00	403(b) only
Custodial/Maintenance	Service before 7-1-1998	Step 7	660.00	660.00	403(b) only
	Service 7-1-1998 or later	Step 5	440.00	880.00	403(b) only
Directors & Confidential Managers	Not eligible				
Educational Support Professionals	No requirement	Step 4	\$24/month	\$24/month	403(b) or 457
Kidstop Instructors	No requirement	3 years of service	280.00	280.00	403(b) or 457
		5 years of service	360.00	360.00	403(b) or 457
		10 years of service	720.00	720.00	403(b) or 457
Laundry Workers/WSI	Not eligible				
Licensed Coordinators	Not eligible				
Management Personnel I-M	Not eligible				
Principals (and Assistants)	Not eligible				
Registered/Licensed Practical Nurses	No requirement	3 years of service	360.00	360.00	403(b) or 457
School Executives	Not eligible				
School Nutrition	Service 7-1-1998 or later	Step 3	440.00	440.00	403(b) only
Teachers (prorated to contract FTE)	Service before 7-1-1990	Step 6	780.00	780.00	403(b) or 457
	Service 7-1-1990 or later	Continuing Contract	720.00	1500.00	403(b) or 457

Pension Plans

TRA and PERA are defined benefit plans. The key advantage of a defined benefit plan is that your contributions (and those made by ISD #279 - Osseo Area Schools) do not determine your retirement benefit. Your age, highest successive five years of salary, length of service, and a multiplier determine your benefit. You need not make any decision until you are ready to retire, and then you are eligible to choose from available plans offering a lifetime benefit and a guaranteed annual cost-of-living increase.

Teachers Retirement Association (TRA)

TRA has been providing pension coverage to Minnesota educators since 1931, with a mission to enhance the quality of life for Minnesota teachers and their beneficiaries and to assist them in planning for an independent and financially secure retirement. ISD #279 - Osseo Area Schools teachers and licensed administrators are members of TRA.

Public Employees Retirement Association (PERA)

Recognizing the need for a retirement program for employees of county and local governments, the Minnesota Legislature created PERA in 1931. If you are a non-elected public employee meeting income and position requirements set by State statute, you automatically become a member when you begin public service. ISD #279 - Osseo Area Schools eligible non-licensed administrators and support staff are members of PERA.

Mandatory Contributions Pursuant to State Statute

Both you and the district automatically make contributions to your pension plan. Your contribution is made through payroll deduction:

- TRA members contribute 5.5% of their taxable gross earnings to their pension fund and ISD #279 - Osseo Area Schools contributes 5.5%.
- PERA members contribute 6.00% of their taxable gross earnings to their pension fund and ISD #279 - Osseo Area Schools contributes 7.0%.

How to Enroll

Your contribution is mandatory and automatic, no enrollment form is required.

Contact Information

You can get more information about these plans by contacting your pension association:

	Teachers Retirement Association
	Contact TRA at 1-800-657-3669 Or visit their website: www.tra.state.mn.us
	Public Employees Retirement Association
	Contact PERA at 1-800-652-9026 Or visit their website: www.mnpera.org

Work–Life Balance

Employee Assistance Program (EAP)

What is an EAP?

An Employee Assistance Program (EAP) is a safe place to turn when life's challenges seem too difficult. Working in conjunction with HealthPartners, ISD #279 - Osseo Area Schools offers employees an employee assistance program that provides employees with resources for assistance at every stage of life and career. The services touch on everyday issues, from budgeting and major purchases to health and education concerns. The Employee Assistance Program is paid for by ISD #279 - Osseo Area Schools, enrollment is automatic, and is a **free and confidential** service available to our employees **24 hours/day, 7 days/week**.

Whom Can I Talk To?

Master-level trained counselors are available to provide confidential support for emotional, family/personal and work-related issues. Assistance is also available for locating a mental health provider, financial consultant, legal advisor and more.

Assistance is available online and over the telephone to help employees with:

- Financial concerns
- Depression
- Grief and loss
- Parenting
- Stress
- Child care resources
- Divorce
- Addiction & recovery
- Balancing work & family
- Anger management
- Elder care resources
- and more

Feeling Stressed? Try one of these techniques:

- Write a story
- Get a massage
- Keep a journal
- Listen to music
- Plant a garden
- Meditate
- Take a walk
- Play with pets

	Telephone
	Contact HealthPartners EAP* toll free at: 1-866-326-7194 or 1-800-827-3707 (TTY)
	EAP online
	Log on to www.hpeap.com and enter the following: ID: <i>healthpartners</i> Password: <i>osseoschool</i>

*HealthPartners EAP services are administered by Resources For Living[®], Ltd. (RFL[®]).

Who to Contact

If you have questions about any of your benefits, please contact the company that administers the plan for ISD #279 - Osseo Area Schools. If you still have questions, call Human Resources Benefits for assistance.

HR Employee Benefits Assistance: 763-391-7007		Payroll Employee Assistance: 763-391-7283	
Plan	Who to Call	Web Address	Phone Number
Benefits Plan Consultants	CBIZ Benefits & Insurance Services, Inc.	Not available	1-866-687-2249
Dental Care Benefits	Delta Dental	www.deltadentalmn.org	651-406-5916
Medical Care Benefits	HealthPartners	www.healthpartners.com	952-883-5000
Employee Assistance	Resources For Living [®] , Ltd. (RFL [®])	www.hpeap.com	1-866-326-7194
Life & Accident Insurance	ING	Not available	612-372-1167
Long-Term Disability	The Standard	Not available	1-888-419-5667
Flexible Spending	Corporate Health Systems	www.corphealthsys.com	952-939-0911
403(b)	MetLife	www.mlr.metlife.com	1-800-543-2520
457	Minnesota State Deferred Comp	www.mndcplan.com	1-877-457-6466
Employee Pension	Teachers Retirement Assoc.	www.tra.state.mn.us	1-800-657-3669
	Public Employees Retirement Assoc.	www.mnpera.org	1-800-652-9026

About this Benefits Booklet

This booklet describes the benefit plans and policies available to you as an employee of ISD #279 - Osseo Area Schools. The details of the insurance plans, policies, district contributions, and eligibility rules are contained in the official insurance plan documents, insurance contracts and Terms and Conditions of Employment. This booklet is meant only to cover the major points of each plan or policy. It does not contain all of the details that are included in your Summary Plan Description (as described by ERISA).

If there is ever a question about one of these plans and policies, or if there is a conflict between the information in this booklet and the formal language of the plan or Terms and Conditions of Employment, the formal wording in the Plan and/or Terms and Conditions of Employment will govern. Please note that the benefits described in this booklet may be changed at any time and do not represent a contractual obligation on the part of ISD #279 - Osseo Area Schools.

