

OPEN ENROLLMENT

We are excited to kick off open enrollment for the 2024-2025 Plan Year!

Open enrollment starts with an in-person benefits fair on **Wednesday, May 22, 2024, at City Hall, Yosemite Community Room, from 9 am – 3 pm**. In addition, **virtual informational meetings are available after the benefits fair**; open enrollment **ends on Friday, June 7, 2024, at 5 pm**. This is a valuable time of year that you can change your benefit elections freely for the coming year.

Medical, dental, vision contribution adjustments: While the City of Turlock continues to pay most of the plan cost, employee benefit contributions adjust annually on July 1st. Contribution rates are based on the City of Turlock's actual claims experience from the prior year. Due to medical utilization and inflation, **contributions are increasing starting July 1, 2024, and are paid pre-tax via payroll deduction**. Refer to the employee benefits guide to review contribution rates, as these are based on your enrolled family elections and plan.

High deductible health plan (HDHP) annual inflation adjustments: The IRS adjusts health savings account (HSA) compatible plan deductibles and maximum contribution rates annually. This requires the **HDHP to automatically adjust the plan deductible effective July 1, 2024**. City of Turlock HSA contributions must be deducted from the IRS amounts to get your net amount available to contribute.

Type of Limit	Type of Limit	2023 IRS expiring limit	2024 IRS new limit	City of Turlock Contribution	Net employee contribution
HDHP Minimum Deductible	Self-only	\$1,500	\$1,600		
	Family	\$3,000	\$3,200		
HSA Catch-Up Contribution	Age 55+	\$1,000	\$1,000	n/a	\$1,000
HSA Contribution Limit ¹	Self-only	\$3,850	\$4,150	\$1,250	\$2,900
	Family	\$7,750	\$8,300	\$2,100	\$6,200

¹ The IRS limit for maximum contributions is a combination of both employer and employee money. Therefore, your contribution is limited to the net contribution stated above.

Flexible Spending & Health Savings Accounts: The City of Turlock offers both dependent care and flexible spending accounts administered by UMR. **FSA elections cannot roll over from year to year (per IRS guidelines) so you must re-enroll to take advantage of these tax-incentive accounts.**

Dependent daycare: All employees are eligible for dependent care flexible spending accounts, if caring for a child or adult, so you and your spouse can work. The **IRS limit for dependent daycare is \$5,000 if married filing jointly** (or \$2,500 if married filing separately).

Flexible Spending Accounts (FSA): the FSA maximum contribution is increasing to **\$3,200 annually** (\$133.33 over 24 payroll periods). Not everyone can participate in the FSA accounts. If you opt for the traditional PPO plan, or you are enrolled elsewhere on a non-high deductible health plan that is not HSA compatible, you are eligible to participate in the flexible spending plan (FSA). **Reminder for HDHP enrollees only:** if you opt for the high deductible health plan with HSA, then you are only eligible to participate in the health savings account plan and cannot enroll into both an HSA and an FSA, per IRS guidelines. However, if you are enrolled on the HDHP but cannot have an HSA account (due to Medicare or other coverage), then you can enroll in the FSA account, to take advantage of the tax-free elections.

SmithRx effective July 1, 2024: SmithRx is replacing OptumRx. While we know that changing providers can be disruptive, the savings is meaningful. **ID cards will be re-issued and mailed to everyone's home to arrive by July 1, 2024.** Make sure you confirm your address is correct in the eSuite portal.

SmithRx mission is to reduce the complexity and cost of pharmacy benefits and they work independently of insurance carriers, 3rd party administrators, and pharmacies. SmithRx connects members with the lowest cost drugs through innovative cost savings programs and technology. If SmithRx reaches out to help with their **Connect360 programs**, these programs are designed to maximize savings before you leave the pharmacy. Depending on the drug, **the Connect360 programs can reduce your copays!** It's important to take advantage of their programs and if SmithRx reaches out, it's to your benefit to respond so you spend less! New ID cards will be issued and present this at the pharmacy on July 1st and after. If you are current using mail order, you need to re-enroll with a SmithRx approved mail order vendor (Amazon Pharmacy, Cost Plus Drugs, Senderra Rx). SmithRx has a robust pharmacy network and includes partners we use. Even if traveling and you happen to go out of network, any pharmacy will fill your prescription. The pharmacist will process, you pay your copay...no need to file a paper claim or wait for reimbursement. **If you are identified as using any specialty medication, or one that requires prior authorization, you will be personally notified by the SmithRx outreach team.** Please note the disruption is minimal to the overall population (less than 1% of the total population are affected by this change).

Medical Network Considerations: City of Turlock uses the **UHC Select Plus PPO network** for both PPO plans. **Sutter Health and their affiliates remain non-network providers under the City plans.** Even though UMR may have other relationships with this provider, the City Plan has opted to exclude Sutter Health affiliates, so they are considered out of network. Sutter claims are processed as out of network, benefit reductions will apply, and your provider may "balance bill." To look up providers, **we encourage using the UMR member portal** and provider lookup tool, logging into the UMR site at www.UMR.com. When looking up providers in the **member site**, this lookup will not include Sutter providers, as this lookup is specific to the City of Turlock. If you use a UnitedHealthcare or UMR public website (i.e., visiting the website and not logging in or searching via Google), Sutter providers will appear. **It is important to log in as a member to get accurate results.** You can also contact UMR toll free at 800.826.9781 or our benefits consultant at 209.667.0995 to confirm your provider's network status.

Employee Open Enrollment Checklist:

1. All elections are due no later than 5 pm on Friday, June 7, 2024.
2. City of Turlock will have a **PASSIVE open enrollment**. Passive enrollment allows employees to roll over benefits from year to year without having to re-enroll, *except for IRS required FSA elections*.
3. Due to IRS regulations, if you participate in any flexible spending accounts (**dependent daycare or unreimbursed medical expense flexible spending accounts**), you must annually re-enroll.
4. **HSA and FSA debit cards are valid until the card expiration date**. If you are new to these accounts, and do not have a debit card, a debit card will be issued. If you are already enrolled with Optum FSA, check your debit card expiration date.
5. Employees who contribute to your own health savings account (HSA), review your payroll deductions. While FSA elections cannot be revoked mid-year, HSA elections can change during the year. Contact Human Relations to change your HSA election mid-year.
6. **New medical ID cards will be issued for all medical members**. Don't forget that all plan partners have member websites and apps; log into your member account to gain access to your ID cards immediately. Delta Dental and VSP can be accessed without a card. Simply identify yourself as a Delta Dental or VSP member when seeking care.
7. As always, it is your responsibility to inform the Human Relations Department via eSuite of any **address changes**, as well as you and your dependents demographic information. **Don't forget to review your beneficiary designation(s) as these can be easily missed!**
8. If you need to **add or delete dependents, change your health plan, or enroll/re-enroll into the FSA or HSA, you must actively make this election change in the eSuite portal**. eSuite portal is <https://hrportal.turlock.ca.us/Websites.HR.Portal/Default.aspx?ReturnUrl=%2FWebsites.HR.Portal%2F>
9. If you **opt out of coverage** and select **deferred compensation in lieu of City of Turlock coverage**, you must have other **group coverage** (through spouse or as a retiree, for example), **Medicare, Medicaid (Medi-Cal), or VA**. Deferred compensation in lieu requires proof of other coverage and ID cards are not valid verification of other coverage. Ideally, letter from the carrier or employer (or some other similar proof like a screenshot) would be needed. **Individual health plans (including Covered California) are not acceptable forms of other coverage, due to Affordable Care Act and City of Turlock rules.**
10. For those with other coverage in addition to the City of Turlock: *if your other coverage is a high deductible health plan (HDHP), you should enroll onto the HDHP*. If your **other coverage is not a HDHP, you should choose the Traditional PPO**. IRS rules prohibit other plans from paying your deductible when contributing to an HSA account (preventive care is the exception). If you have questions about this, please ask the City of Turlock Human Relations Department or our benefits consultants at Winton-Ireland Strom & Green Insurance.

Online Educational Opportunities

The City of Turlock will host a series of online meetings to review coverage options and answer your questions. These sessions are offered at various times; you, your spouses, and retirees are welcome and encouraged to attend. Each meeting will have identical content and the Q&A will be aggregated following each meeting and posted on the City of Turlock intranet for reference.

Zoom Meeting Date	Meeting Time
Tuesday, May 28, 2024	3 PM
Wednesday, May 29, 2024	7 AM
Wednesday, May 29, 2024	1 PM
Monday, June 3, 2024	10 AM
Wednesday, June 5, 2024	Noon

<https://wisgcom-356.webex.com/meet/ahiykel>

Meeting number: 2634 023 0113

If joining by phone: 1.628.239.3888 with access Code: 2634 023 0113

If you have questions about anything relating to open enrollment, please ask. Start reviewing your benefits materials today, stop by the benefits fair on Wednesday, May 22nd to talk directly to our plan partners, catch an online meeting if you need more information, and then make elections before the enrollment period ends! Human Relations Department is available at 209.668-5150 or HR@turlock.ca.us.

Best regards,

Human Relations Department
City of Turlock