

Grand
Traverse
County
Michigan



2019 Employee Benefit Program





Our employees are our most valuable asset.

Health and Welfare Eligibility: Health, dental, vision, life insurance and disability plans are available to employees who work a specified number of hours per month. Employees should consult with Human Resources to determine eligibility.

Dependent Eligibility: If you wish, your dependents may also be covered under the medical, dental and vision plans. Eligible dependents include:

- Legal spouse, as defined by Federal Law;
- MEDICAL – your children up to the end of the month they turn age 26 regardless of marital status, financial dependency, residency with the Eligible Employee, student status, employment status, or eligibility for other coverage.
- DENTAL – your children until the end of the calendar year in which they turn 19, or your dependent unmarried children who are eligible to be claimed by you as a dependent under the U.S. Internal Revenue code during the current calendar year, until the end of the year in which they turn 25.
- VISION – your dependent children until they reach the age of 26.

It is your responsibility to provide the Human Resources Department with proof of your dependents' eligibility if required, in the form of: (a) your most recent Federal Income Tax Return, (b) Court Order specifying your responsibility to provide "group health care coverage" to your dependent children, (c) copy of birth certificate or (d) class schedule if dependent is between the ages of 19-26.

New Hire Coverage: As a new hire, benefit eligibility varies based on the product. Health Insurance is effective the 1st of the month following 30 days of employment. Dental and Vision Insurance is effective after 30 days of employment. Life Insurance, as well as Short Term and Long Term Disability are effective after 6 months of employment.

Table of Contents	Pages
Eligibility	2
Medical Insurance and Plan Summaries	3-4
Health Savings Account Information	5-8
Dental Insurance	9
Vision Insurance	10-11
Employer Paid Group Life and AD&D	12
Employer Paid Short and Long Term Disability	13
Flexible Spending Account Information	14
Contact Information	15

Medical

Each year, Grand Traverse County analyzes our health care plan offerings and reviews our renewal goals. Grand Traverse County maintains its commitment to provide you and your dependents with a quality health care plan at an affordable cost. We are pleased to announce our continued partnership with Priority Health. This year, we have opted to have the Priority Health HSA as our health plan offering.

	Priority Health HSA Compatible Plan
Benefit Description	In Network
Deductible	\$1,350 Individual / \$2,700 Family non-embedded
Coinsurance Maximum	N/A
Out of Pocket Maximum	\$2,000 individual / \$4,000 Family non-embedded
Office Visit	Covered at 80% after deductible
Preventive Care	100%; deductible waived
Specialist	Covered at 80% after deductible
Urgent Care	Covered at 80% after deductible
High Tech Imaging	Covered at 80% after deductible
Inpatient & Outpatient Hospital	Covered at 80% after deductible
Emergency Room	Covered at 80% after deductible
Ambulance	Covered at 80% after deductible
Vision Exam	\$15 copay
Generic Drug	\$10 copay after deductible
Preferred Brand Name	\$40 copay after deductible
Non-Preferred Brand Name	\$80 copay after deductible



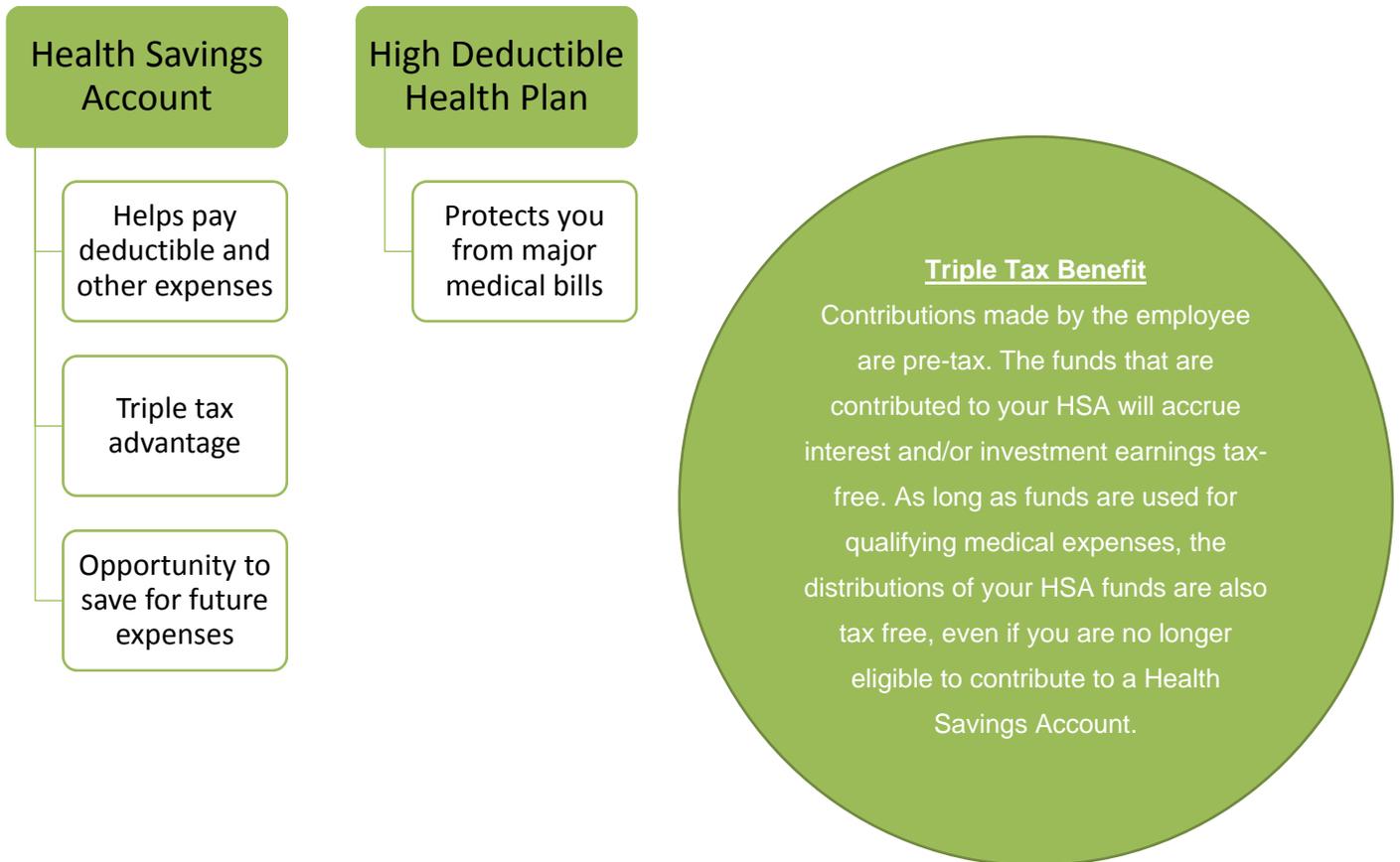
2019 Medical Employee Payroll Deductions

Full-time Employees	Priority Health HSA Compatible Plan (24 pays)
Single	\$37.63
Double	\$90.31
Family	\$112.89

Part-time Employees	Priority Health HSA Compatible Plan
Single	See 2019 Monthly Contribution Rate Sheet
Double	
Family	

Health Savings Accounts (HSA)

A Health Savings Account (HSA) is a pre-tax savings account established by a participant of a High Deductible Health Plan (HDHP). The funds in this savings account can be used to pay for medical, dental, vision, and prescription expenses including deductibles, coinsurance, copays, and other qualified expenses not covered by the insurance plan. You can contribute to the account at your discretion and funds can be increased, decreased, stopped or started at any time.



Who is Eligible for an HSA?

Eligibility is based on the status of the employee only. Employees enrolled in a High Deductible Health Plan (HDHP) can open and contribute to an HSA as long as they are not covered by another non HDHP plan, not enrolled in Medicare or collecting Social Security, or not claimed as a dependent on someone else's tax return. Note that if you are not eligible to open an HSA, you may still enroll in the High Deductible Health Plan without a Health Savings Account.

More on Health Savings Accounts (HSA)

You Control the Account

The account and its funds are owned by you, the employee, and you can decide how to spend the funds. Unused funds will remain in the account, and will continue to roll over from year to year in the account. Funds can be invested and earn interest depending on the financial institution's guidelines.

Using Your HSA

You may use your HSA funds for any qualified medical expense as defined by the IRS Publication 502 for yourself or your qualified spouse/dependents. A list of these expenses can be found at <http://www.irs.gov/pub/irs-pdf/p502.pdf> or by calling 800-TAX-FORM (800-829-3676). If you use your funds for a non-qualified medical expense, you may be subject to a 20% penalty, as well as the applicable income tax in the event of an IRS audit. When paying for services, you will use your HSA debit card or check to pay for services. One of the many benefits of the HSA is the ability to reimburse yourself for qualified medical expenses at a later date. The expense must be incurred when enrolled in the High Deductible Health Plan however; you may pay yourself back from the account if the funds are not in the account at the time of the service. You may continue to use your funds after your policy terminates, but you are no longer able to contribute to the Health Savings Account.

If you are Age 65 or Older

Turning 65 changes how you can use your HSA funds. Once you turn 65, you may start using your funds to pay for Medicare premiums; however, you may not use your funds to pay for premiums for a Medicare Supplement Plan. In addition, after age 65 (or Medicare entitlement age), you may use your HSA account as another source of income for non-qualified medical expenses without penalty. Income taxes will apply.

Contributions

You are allowed to contribute up to the federal maximum limits for Health Savings Accounts (HSA) each calendar year. The maximum amount includes employer and employee contributions. HSA maximum contribution amounts will be indexed according to IRS guidelines every January 1.

Enrollment Status	2019 Pre-Tax Annual HSA Funding Limits*	2019 Grand Traverse County Employer Contribution
Single	\$3,500	\$1,000
Double & Family	\$7,000	\$2,000
\$1,000 catch up credits available for individuals age 55 and older		

For 2019, Grand Traverse County will be partnering with Health Equity as our HSA vendor. You will receive information from Health Equity on how to access your account.

HSA/HDHP Frequently Asked Questions

Q. What is an HSA?

A. **A Health Savings Account or HSA is a bank account that is partnered with a qualified High Deductible Health Plan or HDHP. Funds deposited into an HSA are tax free and they can be used to pay for qualified medical expenses for employees and dependents.**

Q. What is a High Deductible Health Plan or HDHP?

A. **A HDHP is a qualified plan that is subject to certain IRS guidelines. People enrolled in an HDHP are eligible to establish an HSA. Most services, such as office visits, hospital stays, and prescriptions are subject to the plan's deductible. Preventive care is covered at 100% not subject to the deductible.**

Q. Are there other tax advantages with an HSA?

A. **Yes, HSAs offer a triple tax advantage. Funds going in are tax-free, the growth is tax-free, and withdrawals are tax-free when used for a qualified medical expense.**

Q. What happens if there is money left in my HSA at the end of the year?

A. **The HSA is owned by the employee so funds left in the account roll-over from year to year. And, if the employee leaves the company, they take the HSA with them.**

Q. Why would I enroll in the HSA/HDHP plan instead of the HRA Plan?

A. **In addition to the tax advantages offered through the HSA, the employee payroll contribution is significantly less with the HSA/HDHP plan. And, the HSA funds belong to the employee so they keep any unspent funds.**

Q. What types of expenses can I use my HSA funds for?

A. **HSA funds can be used to help pay for expenses such as the medical deductible, office visits, prescription drugs, hospital services, x-rays, etc. HSA funds can also be used for dental and vision expenses that are not covered by the dental or vision plans.**

Q. How does the HSA/HDHP deductible work?

A. **An HSA/HDHP deductible is unlike a traditional insurance plan deductible. An individual family member is not capped at the single deductible. One person within a family could potentially meet the entire family deductible amount.**

Q. What expenses count towards my deductible?

A. **Eligible medical expenses such as prescriptions, office visits, hospital services, x-ray and lab, chiropractic services, emergency room, ambulance, etc. count towards your HSA/HDHP plan deductible.**

Q. Does the plan have co-pays for any services?

A. **HSA/HDHP plans do not have copays like a traditional insurance plan. Primary care visits, specialist visits, emergency room, prescription, etc. are all subject to the plans deductible and do not have copays.**

Q. How will it work when I get prescriptions?

A. **Prescription drugs are subject to the plan's deductible. The member will be responsible to pay the full discounted amount for the prescription at the time of purchase. The pharmacy will submit the prescription receipt to Priority Health so that appropriate deductible credit is applied. After the deductible is met, the member will pay the applicable Rx co-payments which count towards the plan's maximum out of pocket.**

Q. How are routine services and exams covered with an HSA/HDHP?

A. **Routine preventive care based on age and gender is covered at 100% with no co-pays or deductible applied.**

Q. Is there a minimum that I can contribute to my HSA?

A. **No.**

Q. Can I use my HSA funds to cover expenses incurred by my dependents?

A. **Yes, you can use money from your HSA to pay the qualified medical expenses for your spouse and any dependents as long as you can claim them as an exemption on your tax return. And, you can spend your HSA money on them even if they're not covered by your HDHP.**

Q. Do I lose my HSA when I leave Grand Traverse County?

A. **No, you own your HSA funds so they are still yours if you leave.**

HSA/HDHP Frequently Asked Questions

- Q. Can I change my election or stop making HSA deposits at any time?
- A. **Yes, unlike a flexible spending plan, you can change your election as needed throughout the year. And, you can make deposits into your account at any time (subject to the annual maximum contribution limit).**
- Q. Is there a penalty if I use my HSA for things other than qualified medical expenses?
- A. **Yes, ordinary income tax as well as a 20% penalty will apply if funds are used for non-qualified expenses. The penalty does not apply for individuals age 65 and older.**
- Q. Is there a penalty if I cash out my HSA?
- A. **Yes, ordinary income tax as well as a 20% penalty will apply. The penalty does not apply for individuals age 65 and older.**
- Q. How will the HSA work when I retire?
- A. **When you become 65 and are enrolled in Medicare, you are no longer eligible to contribute to your HSA. However, you can continue to use your HSA funds to pay for qualified medical expenses on a tax-free basis. And, there is no penalty for using the funds for non-qualified expenses but non-qualified expenses are subject to ordinary income tax.**
- Q. Can I use an HSA and also have secondary coverage with my spouse's health plan?
- A. **No, the HSA owner (employee) cannot be enrolled in another health plan unless it is a qualified high deductible health plan. This does not apply to certain plans such as cancer policies and long term care insurance.**
- Q. Can I have both an FSA and an HSA?
- A. **No, employees enrolled in the HSA plan will not be eligible to enroll in an FSA.**
- Q. What about using HSA funds for adult dependent children?
- A. **Our health plan covers adult dependent children up to age 26 however; a different set of rules apply to payments made from an HSA for expenses incurred by a dependent. The IRS definition of a dependent is used when determining a dependent for HSA purposes. The account holder must be able to "claim" the child/relative as a dependent on their tax return. If the account holder can't claim the child/relative as a dependent, then they can't spend HSA dollars on services provided to that child/relative.**
- Q. What happens to my HSA funds if I die?
- A. **If your spouse becomes the owner of the account, your spouse can use it as if it were their own HSA. If you are not married, the account will no longer be treated as an HSA upon your death. The account will pass to your beneficiary or become part of your estate (and be subject to any applicable taxes).**
- Q. How does COBRA work?
- A. **COBRA is the same with an HSA/HDHP as with other health plans. If a terminated employee elects COBRA and they are enrolled in the HSA/HDHP plan, their HSA works the same as it does for an active employee. If they elect to enroll in a plan other than an HSA/HDHP, they can still use their HSA funds but they can no longer make contributions to the HSA.**
- Q. What happens when an employee has medical bills and they don't have any HSA funds left in the account?
- A. **The employee is responsible for any incurred medical bills. If they have HSA funds, they can use them to pay for medical expenses. Once the HSA funds are exhausted, they would have to pay for their bills with their own funds (credit card, checking account, etc.) Remember that deposits to an HSA can be made at any time. If an employee runs out of HSA funds, they can always transfer funds from another account into an HSA and they would still have the same tax advantages as if they did it via direct deposit.**
- Q. What if I'm only covered by the HSA/HDHP for part of the year?
- A. **Being covered by an HSA/HDHP for only part of the year may create tax implications to your HSA. Your tax accountant can help explain any potential issues should you be enrolled in the HSA/HDHP for only part of the year.**

This information is intended to provide employees with a general overview of our HSA/HDHP program and does not constitute legal advice. Individual situations may require employees to seek guidance from legal and/or tax professionals.

Dental

Your dental insurance will be provided through Delta Dental. You may see any provider you like, but staying in-network saves you money. To find participating providers, visit: www.deltadental.com. The chart below provides a general summary of the plan benefits. Please refer to the Delta Dental Benefit Summary on your employer's intranet for a comprehensive overview.

Delta Dental PPO	Plan Limits
Deductible Individual Family	N/A N/A
Benefit Year Maximum Applies only to Basic and Major services	\$1,000
Preventive Services <ul style="list-style-type: none"> Routine Oral Exams & Teeth Cleaning X-rays and Sealants (to age 16) 	100%
Basic Services <ul style="list-style-type: none"> Endodontic & Periodontic Services Relines & Repairs of Bridges & Dentures Restorative Services - Filling & Crown repair 	75%
Major Services <ul style="list-style-type: none"> Major Restorative Services Crowns Prosthodontics – Bridges, Dentures & Implants 	75%
Orthodontia For Children under age 19 only	50% Lifetime maximum = \$1,000

Dental Employee Payroll Deduction			
	Single	Double	Family
Full time	\$0	\$0	\$0
Part time	See 2019 Contribution Rates		

Vision

The vision plan is self-administered by Grand Traverse County. Reimbursements are made through the payroll process. For more information and details, please see your Human Resources representative. This plan is 100% employer paid.

Plan Feature	Benefit
Eye Exam	Covered as part of the medical benefit (see medical summary for details)
Lens Allowance	Reimbursement up to \$78.00 less a \$7.50 copay
Contact Lens Allowance	Reimbursement up to \$78.00 less a \$7.50 copay
Progressive Lenses	Single: \$43 reimbursement Bifocal: \$60 reimbursement Trifocal: \$90 reimbursement Less \$7.50 copay for any lens
Frequencies	Lenses: every other calendar year Frames: every other calendar year

Vision Employee Payroll Deduction			
	Single	Double	Family
Full Time	\$0	\$0	\$0
Part Time	See 2019 Contribution Rates		

If you are enrolled in a Priority Health Medical Plan, you have a Vision discount program available to you through Grand Traverse County. When you use a participating provider, you can obtain a vision exam for \$15, and discounts on frames, lenses and contacts. Review the enclosed Priority Vision Plan C-3 summary for details on your cost for services after the discount is applied.

Voluntary Vision

New for 2019! You will have the opportunity to enroll in Voluntary Vision coverage through EyeMed. EyeMed's broad network offers access to more ophthalmologists, optometrists, and retail optical chain locations than any other carrier.

For a complete list of in-network providers near you, use the Enhanced Provider locator at www.eyemed.com or call 1-866-804-0982.

The chart below provides a general summary of the plan benefits. Please refer to the EyeMed vision summary for more information.

Plan Feature	Benefit
Exam (every 12 months)	\$10 copay
Frame Allowance (every 12 months)	\$130 allowance; 20% savings on the amount over your allowance
Lenses (every 12 months) <ul style="list-style-type: none"> Standard Plastic Lenses (<i>single vision, bifocal, trifocal & lenticular</i>) Standard Progressive Lenses Premium Progressive Lenses 	\$25 copay \$80 copay \$110 copay - \$200 copay
Contact Lenses (every 12 months) – <i>instead of lenses & frames</i> <ul style="list-style-type: none"> Conventional Disposable Medically Necessary 	\$0 copay, \$130 allowance, 15% off balance over \$130 \$0 copay, \$130 allowance, plus balance over \$130 \$0 copay, paid-in-full

Voluntary Vision Employee Deductions

Employee Only	\$3.71
Employee + One	\$7.05
Employee + Family	\$10.35



Group Life and AD&D

Your Group Life and AD&D Insurance is being provided through Lincoln Financial Group. *This benefit is provided by Grand Traverse County at no cost to you! Please see your Human Resources representative for further plan details.

Plan Features	Life Insurance
Life Insurance Benefit:	See the Lincoln Benefit Summary available on GTC's intranet
Accidental Death and Dismemberment Benefit:	See the Lincoln Benefit Summary available on GTC's intranet

Voluntary Life and AD&D

Grand Traverse County offers the opportunity for eligible employees to purchase additional life insurance on yourself, your spouse, and your eligible children. Your voluntary life insurance plan is provided through Mutual of Omaha. Please refer to the benefit summary and rate chart available on your employer's intranet.

Plan Features	Benefit Amount
Employees:	Coverage is available in increments of \$10,000 up to a maximum of 5x salary or \$300,000
Spouses:	Coverage is available in increments of \$5,000 up to a maximum of \$50,000 (may not exceed 100% of employees coverage)
Dependent Children:	Coverage is available in increments of \$5,000 up to a maximum of \$10,000
Guarantee Issue: (Amount you can elect without providing Evidence of Insurability)	Employee: 5 x salary up to \$150,000 Spouse: 100% of employee benefit up to \$30,000 Child(ren): \$10,000
Benefit Reduction:	To 65% at Age 70; to 45% at Age 75; to 30% at Age 80; 20% at age 85; Coverage terminates at retirement

Long Term Disability & Short Term Disability

Long Term Disability

Grand Traverse County provides eligible employees with Long-Term Disability (LTD) coverage. This benefit is paid 100% by Grand Traverse County and provides income in the event you are sick, or injured, and you cannot work. Your LTD plan is provided through Mutual of Omaha. For more information, see the benefit summary available on your employer's intranet.

Employer Paid Long-Term Disability	
Waiting Period before Benefits Start:	180 days
Maximum Benefit Period:	Reducing Benefit Duration to Social Security Normal Retirement Age
Monthly Benefit Amount:	60% of pre-disability earnings, up to maximum of \$5,000

Short Term Disability

Grand Traverse County provides eligible employees with Short-Term Disability (STD) coverage. This benefit is paid 100% by GTC and reimburses part of your income in the event you are sick, or injured, and you cannot work. Your STD plan is being provided through Mutual of Omaha. For more information, see the benefit summary available on your employer's intranet.

Employer Paid Short-Term Disability	
Waiting Period before Benefits Start:	On the 8th day due to an injury On the 8th day of an illness
Maximum Benefit Period:	26 weeks
Weekly Benefit Amount:	66 2/3% of regular pre-disability earnings, up to maximum of \$3,500

Flexible Spending Accounts (FSA)

A flexible spending account is a tax-free account that reimburses employees for medical or dependent care expenses. FSAs are offered through a Section 125 (cafeteria) plan. While there are two types of FSAs, funds must be kept separate. Your flexible spending plan is administered by Priority Health.

Health Care Spending Account

Health FSAs reimburse employees for qualified medical, dental, and vision expenses for yourself, your spouse, and IRS qualified dependents. A list of qualified expenses can be found at www.irs.gov. Examples of qualified expenses include:

Deductibles	Copayments/Coinsurance	Hearing Services
Eye Exams	Vision Materials	Prescription Drugs

Dependent Care Assistance Plan

Dependent Care FSAs reimburse employees for the care of dependent children under age 13 or the care of a disabled spouse, parent, or child who is residing with the employee by a third party, and care must be needed in order to keep the employee gainfully employed. Also, care must be administered during normal working hours. Disbursements cannot be made until the expense is incurred.

Contributions

Employees contribute money via payroll deductions through a Section 125 plan. The employee designates how much to contribute from each paycheck for the year during enrollment. Money is deducted pre-tax in equal installments, and the amount cannot be changed during the year unless there is a qualifying event. A qualifying event can include divorce, loss of a job, birth or adoption of a child, etc. *You must notify HR within 30 days of event to change your status.*

There are maximum amounts set forth limiting the amount that you may contribute to your FSA. Those amounts are listed below.

Health - \$2,650
Dependent Care - \$5,000
(\$2,500 if married and filing separate tax returns)

Carry Over Provision & Grace Period

The Health FSA plan does not have a Carryover Provision, however, there is a Grace Period from January 1 to March 15 each year. The Grace Period allows employees extra time to incur expenses and spend remaining FSA balances after the close of the plan year.

If you elect to enroll in the HSA Compatible plan the grace period would not apply. Any FSA balances as of 12/31/2018 will be forfeited.



Employees who participate in the HSA Compatible Medical Plan are not eligible to participate in a Flex Account!

Contact Information

Carrier	Contact Information
Medical and Flexible Spending Priority Health	800-446-5674 www.priorityhealth.com
Dental Delta Dental	800-524-0149 www.deltadentalmi.com
Voluntary Vision EyeMed	888-581-3648 http://portal.eyemedvisioncare.com
Life and AD&D Lincoln Financial Group	800-487-1485 www.lfg.com
Voluntary Life and Disability Mutual of Omaha	800-228-7104 www.mutualofomaha.com
Benefit Consultants Lighthouse Insurance Group	Amy McCulloch, Account Executive 616-455-9294 amcculloch@lighthousegroup.net Peg Riley, Senior Account Manager 616-202-7001 priley@lighthousegroup.net Megan MacLaren, Account Manager 616-493-6908 mmaclaren@lighthousegroup.net



The information in this Benefits Booklet is presented for illustrative purposes and is based on information provided by the employer. The text contained in this Summary was taken from various summary plan descriptions and benefit information. While every effort was taken to accurately report your benefits, discrepancies or errors are always possible. In case of discrepancy between the Benefits Summary and the actual plan documents, the actual plan documents will prevail. All information is confidential, pursuant to the Health Insurance Portability and Accountability Act of 1996. If you have any questions about this summary, contact Human Resources.