# Arlington Public Schools
# Benefits Orientation

## New Employees

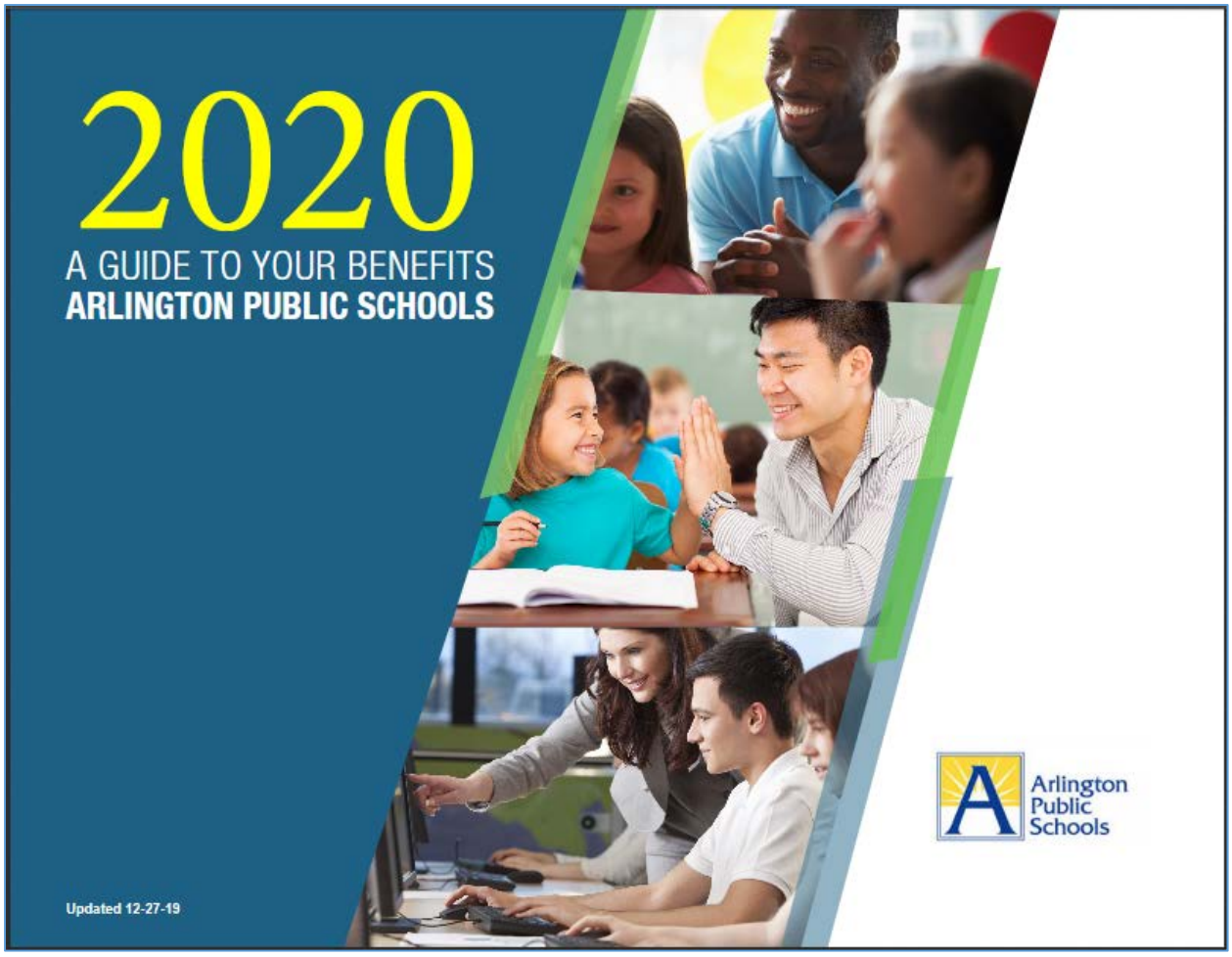
## and

## Newly-Eligible Employees

# Benefits Packet

Arlington Public Schools

rev. 12-31-19




# View the 2020 Benefits Guide online.

# Go to www.apsva.us/benefits

Arlington Public Schools

# Benefits at a Glance

Arlington Public Schools

## Plan Year 2020

### Medical Coverage

#### Plans Offered

Cigna Open Access High
Cigna Open Access Low
Kaiser Permanente HMO

### Dental Coverage

Delta Dental of Virginia

### Vision Coverage

Vision Service Plan (VSP)

### Group Term Life Insurance and Accidental Death & Dismemberment (AD&D) Insurance

Employees who are members of the Virginia Retirement System are covered by the VRS group term life insurance program. The life insurance benefit is 2 x times your annual base salary.

### Optional Life Insurance and AD&D Insurance

VRS member employees may also purchase additional coverage for themselves, their spouse, and their dependent children.

### Disability Insurance

Disability insurance provides income replacement in the event of a non-work related illness or injury. VRS Hybrid Plan members are eligible for disability benefits after 12-months of continuous APS service.

### Long Term Care Insurance

Long Term Care coverage, provided by Genworth Life Insurance Co., is available for employees. Family members are also eligible, including spouse, adult children, siblings, parents, parents-in-law, grandparents, and grandparents-in-law.

### Flexible Spending Accounts (FSAs)

Health Care FSA
Dependent Care FSA
Parking FSA and Transit FSA

### Virginia Retirement System (VRS)

#### VRS Hybrid Plan Members

The VRS Hybrid Plan combines the features of a Defined Benefit plan and a Defined Contribution plan. Benefits-eligible employees with no previous VRS service credit, whose VRS membership date is on or after January 1, 2014, are automatically enrolled as Hybrid Plan members. A mandatory employee contribution applies equal to 5% of your annual salary; 4% funds your Defined Benefit plan and 1% funds your Defined Contribution plan.

VRS Hybrid Plan members can save additional money (up to 4% of your annual base salary) deposited into a Defined Contribution plan. You will receive an employer match on voluntary employee contributions. Go to www.varetire.org/hybrid to learn more.

#### VRS Plan 1 and VRS Plan 2 Members

VRS Plan 1 and VRS Plan 2 are Defined Benefit plans. A mandatory employee contribution applies, equal to 5% of your annual salary. If you were previously a member of VRS and you have not received a refund of your member contributions, you will be placed back into your previous VRS Plan. If you are uncertain if you remained in VRS, please contact VRS directly at 1-888-827-3847.

### Optional Supplemental Retirement Plan

APS offers several voluntary retirement plans to help you achieve your retirement goals. 403(b), ROTH 403(b), 457, and ROTH 457 plans are offered through Lincoln Financial Group and AXA Advisors/PlanMember Services.

#### School Board Match Program

The Supplemental Retirement Plan includes a School Board Match Program. For Benefits-Eligible Employees, the School Board matches up to 0.4% of your base salary, or up to $240 per year, whichever is greater.

## Employee Assistance Program (EAP)

The Arlington EAP provides services to employees of Arlington County Government and Arlington Public Schools and their family members. The EAP works with employees and family members who have problems which may affect job performance; these can be problems at home or on the job. The EAP adheres to strict laws of confidentiality. There is no charge for EAP services.

## APS Wellness

APS Wellness promotes health, productivity, and happiness through employee wellness initiatives such as Active for Life, The Biggest Loser, Healthy Habits, and volleyball, kickball, and bowling tournaments.

## Paid Leave

### Annual leave

12-Month employees earn annual leave of 14 to 28 days each fiscal year, depending on years of service with APS.

### Personal leave

3 days are advanced to all 10 and 11-Month employees at the beginning of the school year. A maximum balance of 3 days may be carried over with the remainder transferred to sick leave balance.

### Sick leave

Employees who earn annual/personal leave also earn sick leave for each month worked. Sick leave may be used for personal illness or the illness or death of a family member. There is no limit to the amount of sick leave you may accrue.

## Other Leave (may be paid or unpaid)

Family and Medical Leave (FML)
Military Leave
Professional Leave
Leave of Absence
Religious Observation Leave
Civil Leave
Study Leave

## Scholarships

The School Board funds scholarships to eligible employees pursuing courses of study that are related to their job responsibilities. Payments are based on the University of Virginia undergraduate tuition rate. Funds are budgeted annually and may be limited.

## Retiree Medical and Dental Benefits

Employees who are enrolled in an APS sponsored medical and/or dental insurance plan may be eligible to retain their coverage upon retirement.

## The Children's School

School system employees are eligible to enroll their children in The Children's School, an employee-owned cooperative day care facility that provides day care for infants through five-year-olds during the school year.

## Holidays

APS provides employees with 13 paid holidays each year.

Arlington Public Schools

# Medical Coverage at a Glance (2020 Plan Year)

| | Kaiser Permanente HMO | | Cigna Open Access Low Option | Cigna Open Access High Option |
|---|---|---|---|---|
| **In-Network Benefits** | **You Pay** | | **You Pay** | **You Pay** |
| Provider Network | Providers located in Kaiser Permanente Medical Centers | | National Provider Network | National Provider Network |
| Primary Care Physician (PCP) referral required to see Specialist? | Yes | | No | No |
| PCP Required? | Yes | | No | No |
| PCP Office Visit | $15 copay | | $30 copay | $20 copay |
| Specialist Office Visit | $20 copay | | $60 copay | $40 copay |
| Mental Health Provider Office Visit | $15 copay | | $30 copay | $20 copay |
| Annual Deductible | None | | $400 Individual / $800 Family | $300 Individual / $600 Family |
| Annual Out-of-Pocket Maximum | $2,250 Individual / $4,500 Family | | $3,000 Individual / $6,000 Family | $3,000 Individual / $6,000 Family |
| Inpatient Hospitalization, Facility | Covered 100% | | After deductible, $250 copay and 20% coinsurance | After deductible, $250 copay and 10% coinsurance |
| Outpatient Hospitalization, Facility | $20 copay | | After deductible, $100 copay and 20% coinsurance | After deductible, $100 copay and 10% coinsurance |
| Emergency Room, Facility *(waived if admitted)* | $50 copay | | $250 copay | $200 copay |
| Urgent Care Visit | $20 copay | | $50 copay | $50 copay |
| Retail Pharmacy *(up to a 30-day supply)* | *at Kaiser Medical Center* | *at Participating Retail Pharmacy* | | |
| Generic | $20 copay | $30 copay | $4 copay | $4 copay |
| Preferred Brand | $30 copay | $50 copay | 35% *(Minimum $35; Maximum $50)* | $25 copay |
| Non-Preferred Brand | $45 copay | $65 copay | 50% *(Minimum $50; Maximum $100)* | $45 copay |
| **Out-of-Network Benefits** | **You Pay** | | **You Pay** | **You Pay** |
| Annual Deductible | No Benefits Available | | $800 Individual / $1,600 Family | $750 Individual / $1,500 Family |
| Annual Out-of-Pocket Maximum | No Benefits Available | | $5,000 Individual / $10,000 Family | $3,750 Individual / $7,500 Family |
| Coinsurance *(% of allowed amount you pay for most services)* | No Benefits Available | | 40%* | 30%* |
| **Your Cost of Coverage** | | | | |
| The semi-monthly payroll deductions listed below apply to Medical coverage in effect from January 1, 2020 through December 31, 2020. The deductions listed below are based on 24 pay checks per year. If you are a 10-month employee and elected to receive 20 pay checks per year, Reserve Deduction amounts will also apply. | | | | |
| **Individual Coverage** | | | | |
| 30 – 40 hours *(full-time)* | $ 65.76 | | $ 75.70 | $ 136.53 |
| 15 – 29 hours *(part-time)* | $ 182.33 | | $ 183.43 | $ 281.59 |
| **Individual + Spouse Coverage** | | | | |
| 30 – 40 hours *(full-time)* | $ 159.31 | | $ 201.77 | $ 322.54 |
| 15 – 29 hours *(part-time)* | $ 386.03 | | $ 406.59 | $ 609.24 |
| **Individual + Child(ren) Coverage** | | | | |
| 30 – 40 hours *(full-time)* | $ 143.77 | | $ 182.55 | $ 291.83 |
| 15 – 29 hours *(part-time)* | $ 348.37 | | $ 367.87 | $ 551.23 |
| **Family Coverage** | | | | |
| 30 – 40 hours *(full-time)* | $ 277.98 | | $ 331.91 | $ 550.37 |
| 15 – 29 hours *(part-time)* | $ 587.34 | | $ 602.68 | $ 915.15 |

* *You may also be responsible for 100% of any amounts charged that exceed Cigna's allowed amounts.*

Arlington Public Schools

# Dental Coverage at a Glance (2020 Plan Year)

| Delta Dental of Virginia | In-Network | Out-of-Network* |
|---|---|---|
| **Service / Feature** | **You Pay** | **You Pay** |
| Provider Network | PPO or Premier Network | n/a |
| Calendar Year Deductible<br>*waived for diagnostic and preventive care* | $50 Individual / $100 Family | |
| Diagnostic and Preventive Services<br>*e.g., cleanings, oral exams* | Covered in full | Covered in full |
| Basic Services<br>*e.g., fillings, root canals* | You pay 20% after deductible | You pay 20% after deductible |
| Major Services<br>*e.g., crowns, dentures* | You pay 35% after deductible | You pay 35% after deductible |
| Orthodontic Services | You pay 50% | You pay 50% |
| Calendar Year Annual Maximum Benefit | $1,500 per family member | |
| Orthodontic Lifetime Maximum | $1,500 per family member | |
| **Your Cost of Coverage** | | |
| The semi-monthly payroll deductions listed below apply to Dental coverage in effect from January 1, 2020 through December 31, 2020. The deductions listed below are based on 24 pay checks per year. If you are a 10-month employee and elected to receive 20 pay checks per year, Reserve Deduction amounts will also apply. | | |
| **Individual Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 14.84<br>$ 18.81 | |
| **Individual + Spouse Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 29.02<br>$ 36.80 | |
| **Individual + Child(ren) Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 29.83<br>$ 37.83 | |
| **Family Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 43.20<br>$ 54.78 | |

** You may also be responsible for the full amount an out-of-network dentist charges in excess of the fee schedule.*

# Vision Coverage at a Glance (2020 Plan Year)

| Vision Service Plan (VSP) | In-Network | Out-of-Network |
|---|---|---|
| **Service / Feature** | **You Pay** | **You Receive** |
| Provider Network | VSP Signature Network | n/a |
| WellVision Exam *(every calendar year)* | $10 copay | Reimbursement up to $52 |
| Lenses *(every calendar year)*<br>e.g., single vision, lined bifocal, lined trifocal | $20 copay | Reimbursement from $55 to $100 |
| Frame *(every calendar year)* | $150 allowance | Reimbursement up to $70 |
| Contacts *(instead of glasses, every calendar year)* | $150 allowance | Reimbursement up to $105 |
| **VSP EasyOptions:** Members can choose one of the following enhanced options: additional $100 frame allowance, additional $50 contact lens allowance, fully covered progressive lenses, or fully covered anti-reflective coating. | | |
| **Your Cost of Coverage** | | |
| The semi-monthly payroll deductions listed below apply to Vision coverage in effect from January 1, 2020 through December 31, 2020. The deductions listed below are based on 24 pay checks per year. If you are a 10-month employee and elected to receive 20 pay checks per year, Reserve Deduction amounts will also apply. | | |
| **Individual Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 4.54<br>$ 4.54 | |
| **Individual + Spouse Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 7.27<br>$ 7.27 | |
| **Individual + Child(ren) Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 11.70<br>$ 11.70 | |
| **Family Coverage**<br>30 – 40 hours *(full-time)*<br>15 – 29 hours *(part-time)* | <br>$ 11.70<br>$ 11.70 | |

# Optional Supplemental Retirement Plan
# Employee Overview

## Voluntary Employee Contributions

**Arlington Public Schools offers several voluntary retirement accounts to help you achieve your retirement goals:**

**403(b) Plan and ROTH 403(b) Plan** **457 Plan and ROTH 457 Plan****

**Traditional 403(b) and 457 contributions are deducted on a pre-tax basis.**
Pay no taxes now on the money you invest, which lowers your taxable income right away.

**ROTH 403(b) and ROTH 457 deductions are post-tax payroll deductions.**
Pay taxes now on the money you invest, so you can enjoy a tax break later.

**These plans are offered through Lincoln Financial Group and AXA Advisors/PlanMember Services.**

*Lincoln Financial is the default vendor for APS. This means Lincoln will automatically establish an account in your name and employee contributions can start immediately. If you choose Lincoln as your vendor, APS encourages you to contact a Lincoln retirement consultant to discuss your retirement goals.*

*If you with to select AXA Advisors/PlanMember Services as your vendor, you must first contact an APS AXA Advisors retirement consultant for assistance with establishing an account. See below for additional information.*

**Lincoln Financial and AXA Advisors retirement consultants are available to help you make the most of your plan participation so that you have a greater opportunity to enjoy the retirement you envision.**

**Go to www.apsva.us/benefits/supplementalretirement to:**

- view contact information for our local Lincoln Financial Group and AXA Advisors retirement consultants
- learn more about traditional (pre-tax contribution) plans and ROTH (post-tax contribution) plans
- learn the differences between a 403(b) plan and a 457 plan

****Important:** Voluntary employee contributions to your Hybrid 457 Deferred Compensation account and voluntary employee contributions to a Lincoln Financial 457 account and/or AXA Advisors/PlanMember 457 account all contribute to the IRS Basic Contribution 457 plan annual limit. The 2020 457 Basic Contribution limit is $19,500. The limit may be higher for those employees eligible for age-based catch-up contributions.

# Optional Supplemental Retirement Plan
# Employee Overview

## School Board Match Program

**Benefits-Eligible Employees** who contribute to an Arlington Public School's 403(b), ROTH 403(b), 457, or ROTH 457 account are eligible to receive an **APS School Board Match**.

The APS School Board matches up to 0.4% of your base salary, **or** up to $240 per year,*** **whichever is greater**.

****(up to $10/pay period if paid over 24 pays, or up to $12/pay period if paid over 20 pays)*

School Board Match contributions are made as **Employer Contributions** in the employee's name into a 403(b) account to the vendor (Lincoln Financial or AXA Advisors/PlanMember) you have chosen for your 403(b) or 457 account.

To review your School Board Match account, contact your vendor, Lincoln Financial or AXA Advisors/PlanMember, directly.

Go to www.apsva.us/benefits/supplementalretirement to view vendor contact information.

TSA
CONSULTING GROUP

# MEANINGFUL NOTICE / PLAN SUMMARY INFORMATION 2020

## Arlington Public Schools, VA

### 403(b) PLAN AND 457(b) DEFERRED COMPENSATION PLAN

The 403(b) and 457(b) Plans are valuable retirement savings options. This notice provides a brief explanation of the provisions, policies and rules that govern the 403(b) and 457(b) Plans offered.

Plan administration services for the 403(b) and 457(b) plans are provided by TSA Consulting Group, Inc. (TSACG). Visit the TSACG website *(https://www.tsacg.com)* for information about enrollment in the plan, investment product providers available, distributions, exchanges or transfers, 403(b) and/or 457(b) loans, and rollovers.

### ELIGIBILITY

Most employees are eligible to participate in the 403(b) and 457(b) plans immediately upon employment, however, private contractors, appointed/elected trustees and/or school board members and student workers are not eligible to participate in the 403(b) Plan. Employees may make voluntary elective deferrals to both the 403(b) and 457(b) plans. Participants are fully vested in their contributions and earnings at all times.

### EMPLOYEE CONTRIBUTIONS

*Traditional 403(b) and 457(b)*

Upon enrollment, participants designate a portion of their salary that they wish to contribute to their traditional 403(b) and/or 457(b) account(s) up to their maximum annual contribution amount on a pre-tax basis, thus reducing the participant's taxable income. Contributions to the participant's 403(b) or 457(b) accounts are made from income paid through the employer's payroll system. Taxes on contributions and any earnings are deferred until the participant withdraws their funds.

*Roth 403(b) & 457(b) Contributions*

Contributions made to a Roth account are after-tax deductions from your paycheck and are subject to limit coordination with traditional accounts. Income taxes are not reduced by contributions you make to your account. All qualified distributions from Roth accounts are tax-free. Any earnings on your deposits are not taxed as long as they remain in your account for five years from the date that your first Roth contribution was made. Roth 403(b) distributions may be taken if you are 59½ (subject to plan document provisions) or at separation from service, while Roth 457(b) distributions may be taken once you have separated from service.

The Internal Revenue Service regulations limit the amount participants may contribute annually to tax-advantaged retirement plans and imposes substantial penalties for violating contribution limits. TSACG monitors 403(b) plan contributions and notifies the employer in the event of an excess contribution.

**THE BASIC CONTRIBUTION LIMIT FOR 2020 IS $19,500.**
Additional provisions allowed:

### AGE-BASED AMOUNT

Participants who are age 50 or older any time during the year qualify to make an additional contribution of up to $6,500 to the 403(b) and/or 457(b) accounts.

### THE SERVICE-BASED CATCH UP AMOUNT

The 403(b) special catch-up provision allows participants to make additional contributions of up to $3,000 to the 403(b) account if, as of the preceding calendar year, the participant has completed 15 or more full years of employment with the current employer, not averaged over $5,000 per year in annual contributions, and has not utilized catch-up contributions in excess of the aggregate of $15,000. For a detailed explanation of this provision, please visit *https://www.tsacg.com.*

### ENROLLMENT

Employees who wish to enroll in the 403(b) and/or 457(b) plan must first select the provider and investment product best suited for their account. Upon establishment of the account with the selected provider, a "Salary Reduction Agreement" (SRA) form and/or a deferred compensation enrollment form and any disclosure forms must be completed and submitted to the employer. These forms authorize the employer to withhold 403(b) and/or 457(b) contributions from the employee's pay and send those funds to the Investment Provider on their behalf. A SRA form and/or a deferred compensation enrollment form must be completed to start, stop or modify contributions to 403(b) and/or 457(b) accounts. Unless otherwise notified by your employer, you may enroll and/or make changes to your current contributions anytime throughout the year.

*Please note: The total annual amount of a participant's contributions must not exceed the Maximum Allowable Contribution (MAC) calculation. For convenience, a MAC calculator is available at https://www.tsacg.com.*

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## INVESTMENT PROVIDER INFORMATION

A current list of authorized 403(b) and 457(b) Investment Providers and current employer forms are available on the employer's specific Web page at *https://www.tsacg.com.*

## PLAN DISTRIBUTION TRANSACTIONS

Distribution transactions may include any of the following depending on the employer's Plan Document: loans, transfers, rollovers, exchanges, hardships, unforeseen financial emergency withdrawals or distributions. Participants may request these distributions by completing the necessary forms obtained from the provider and plan administrator as required. All completed forms should be submitted to the plan administrator for processing.

## PLAN-TO-PLAN TRANSFERS

A plan-to-plan transfer is defined as the movement of a 403(b) and/or 457(b) account from a previous plan sponsor's plan and retaining the same account with the authorized investment provider under the new plan sponsor's plan.

## ROLLOVERS

Participants may move funds from one qualified plan account, i.e. 403(b) account, 401(k) account or an IRA, to another qualified plan account at age 59½ or when separated from service. Rollovers do not create a taxable event.

## DISTRIBUTIONS

Retirement plan distributions are restricted by IRS regulations. A participant may not take a distribution of 403(b) plan accumulations without penalty unless they have attained age 59½ or separated from service in the year in which they turn 55 or older. Generally, a distribution cannot be made from a 457(b) account until you have a severance from employment, reach age 70½, or are deceased. In most cases, any withdrawals made from a 403(b) or 457(b) account are taxable in full as ordinary income.

## EXCHANGES

Within each plan, participants may exchange account accumulations from one investment provider to another investment provider that is authorized under the same plan; however, there may be limitations affecting exchanges, and participants should be aware of any charges or penalties that may exist in individual investment contracts prior to exchange. Exchanges can only be made from one 457(b) plan to another 457(b) plan, or from one 403(b) plan to another 403(b) plan.

## 403(b) and 457(b) PLAN LOANS

Participants may be eligible to borrow their 403(b) and/or 457(b) plan accumulations depending on the provisions of their 403(b) and/or 457(b) account contract and provisions of the employer plan. If loans are available, they are generally granted for a term of five years or less (general-purpose loans). Loans taken to purchase a principal residence can extend the term beyond five years depending on the provisions of their 403(b) and/or 457(b) account contract and provisions of the employer. Details and terms of the loan are established by the provider. Participants must repay their loans through monthly payments as directed by the provider. Prior to taking a loan, participants should consult a tax advisor.

## HARDSHIP WITHDRAWALS

Participants may be able to take a hardship withdrawal in the event of an immediate and heavy financial need. To be eligible for a hardship withdrawal according to IRS Safe Harbor regulations, you must verify and provide evidence that the distribution is being taken for specific reasons. These eligibility requirements to receive a Hardship withdrawal are provided on the Hardship Withdrawal Disclosure form at *https://www.tsacg.com.*

## UNFORESEEN FINANCIAL EMERGENCY WITHDRAWAL

You may be able to take a withdrawal from your 457(b) account in the event of an unforeseen financial emergency. An unforeseeable emergency is defined as a severe financial hardship of the participant or beneficiary. The eligibility requirements to receive a Unforeseen Financial Emergency Withdrawal are provided on the Unforeseen Financial Emergency Withdrawal Disclosure form at *https://www.tsacg.com.*

## EMPLOYEE INFORMATION STATEMENT

Participants in defined contribution plans are responsible for determining which, if any, investment vehicles best serve their retirement objectives. The 403(b) and 457(b) plan assets are invested solely in accordance with the participant's instructions. The participant should periodically review whether his/her objectives are being met, and if the objectives have changed, the participant should make the appropriate changes. Careful planning with a tax advisor or financial planner may help to ensure that the supplemental retirement savings plan meets the participant's objectives.

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# Virginia Retirement System
# Plan Overview for Hybrid Plan Participants

***Who participates in the VRS Hybrid Retirement Plan?***

Benefits-eligible employees with no previous VRS service credit, whose VRS membership date is on or after January 1, 2014, are automatically enrolled as Hybrid Plan members. Your mandatory employee contributions are made through pre-tax payroll deductions.

***What is a Hybrid Plan?***

The Hybrid Plan combines the features of a **Defined Benefit (DB)** plan and a **Defined Contribution (DC)** plan.

## Mandatory Employee Contributions

All employees enrolled in the Virginia Retirement System (VRS) contribute **5%** of their salary to VRS.

As a **VRS Hybrid Plan Participant**, **4%** of your contribution funds your **Defined Benefit (DB)** plan, and **1%** funds your **Defined Contribution (DC)** plan

Virginia Retirement System + ICMA-RC (plan recordkeeper) DCP Virginia Retirement System (plan name) = **Your 5% Mandatory Employee Contribution**

### *Defined Benefit (DB) Plan*

*(Pension Benefit)*

**4%** of your salary is your mandatory employee contribution to your VRS Defined Benefit (DB) plan.

This deduction is listed as **VRS EE SHARE** on your APS payroll summary.

**Defined Benefit:**

- Provides the foundation of your future retirement benefit when you qualify
- Pays a monthly retirement benefit based on age, total service credit, and average final compensation
- VRS manages the investments and related risks for this component
- Visit www.varetire.org/hybrid to view your member account online and learn more information about the Defined Benefit component. You may also call VRS at 1-855-291-2285.

### *Defined Contribution (DC) Plan*

*(Tax-Deferred Savings Plan)*

**1%** of your Salary is your mandatory contribution to your VRS Defined Contribution (DC) plan.**

This payroll deduction is listed as **VRS DC 401A** on your APS payroll summary.

**Defined Contribution:**

- Provides a tax-deferred savings plan to build on your benefit from the Defined Benefit component
- Pays a retirement benefit based on contributions by you and APS to the plan and the investment performance of those contributions
- You can manage the investments and related risk
- Visit www.varetire.org/hybrid to view your Hybrid 401(a) Cash Match account online, or call ICMA-RC at 1-877-327-5261.

**APS contributes a mandatory 1% match to your Hybrid 401(a) Cash Match account.

# Virginia Retirement System
# Plan Overview for Hybrid Plan Participants

## Voluntary Employee Contributions

As a Virginia Retirement System (VRS) **Hybrid Plan Participant, you can save additional money** (up to 4% of your annual salary) deposited into a Voluntary Hybrid 457 Deferred Compensation account.**

You will receive an employer match on your voluntary employee contributions. For example, if you elect the maximum voluntary contribution (4%), you will receive 2.5% of your annual salary in matching funds from APS. *(see below Contribution Table)*

| Voluntary Employee Contribution to your Hybrid 457 Deferred Compensation Account | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **If you contribute** | 0.00% | 0.50% | 1.00% | 1.50% | 2.00% | 2.50% | 3.00% | 3.50% | 4.00% |
| **Employer Matching Contribution to your Hybrid 401(a) Cash Match Account** | | | | | | | | | |
| **You will receive** | 0.00% | 0.50% | 1.00% | 1.25% | 1.50% | 1.75% | 2.00% | 2.25% | 2.50% |

If you make a voluntary election, the deduction is listed as **VRS DC OPT** on your APS payroll summary.

Hybrid Plan Members work directly with ICMA-RC (the plan recordkeeper) to initiate voluntary contributions.

ICMA-RC *(plan recordkeeper)*

To get started, create your account online at www.varetire.org/hybrid, or call ICMA-RC at 1-877-327-5261.

Elections or changes to voluntary contributions go into effect on the 1st pay check of the next calendar quarter. Also, local ICMA-RC retirement specialists are available to assist you with any questions you have related to your Hybrid 457 and Hybrid 401(a) accounts, including understanding investment options and managing your contributions.

DCP Virginia Retirement System *(plan name)*

**Visit www.varetire.org/hybrid to view the upcoming quarterly deadline and view contact information for your local ICMA-RC Retirement Specialists.**

**Auto-Escalation of Member's Voluntary Contributions**

The Hybrid Retirement Plan was designed with an auto-escalation feature. Every three years, members' voluntary contributions to their Hybrid 457 Deferred Compensation account will automatically increase by 0.5 percent (via payroll deduction) until reaching the maximum 4%.

****Important:** Voluntary employee contributions to your Hybrid 457 Deferred Compensation account and voluntary employee contributions to a Lincoln Financial 457 account and/or AXA Advisors/PlanMember 457 account all contribute to the IRS Basic Contribution 457 plan annual limit. The 2020 457 Basic Contribution limit is $19,500. The limit may be higher for employees eligible for age-based catch-up contributions.

# Legal Notices
# Important Information About Your Benefits

This document contains important information concerning the administration of your benefit plans. Although you will not need this information on a day-to-day basis, it is important for you to understand your rights, the procedures you need to follow should certain situations occur and where you can find out additional information. The information provided here is consistent with the Employee Retirement Income Security Act of 1974 (ERISA).

Please refer to the individual plan documents, certificates of insurance, and/or summary plan descriptions (SPDs) for details. If you have any questions regarding any of these notices, or if you would like a copy of the Plan SPDs (which contains more detailed information regarding Plan benefits, terms, and conditions), please contact the Arlington Public Schools (APS) Human Resources Department at 703-228-6105. Plan SPDs are also available at www.apsva.us/benefits.

## MEDICARE PART D

The Prescription Plans available through Cigna Healthcare and the Kaiser Permanente HMO Signature plan are creditable. Because our existing prescription coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan. You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th. However, if you lose creditable prescription drug coverage, through no fault of your own, you will be eligible for a 60-day Special Enrollment Period to join a Medicare Part D plan.

## COBRA and USERRA

Federal law requires most employers who sponsor group medical, dental, vision, and healthcare reimbursement plans to offer employees and eligible dependents the opportunity to purchase a temporary extension of these plans at group rates in certain instances where coverage under the plan would end.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), employees and beneficiaries have the right to choose continuation coverage under certain qualifying events. **Refer to the Initial Notice of COBRA Rights included in this packet for more information**.

Employees also have the right to choose continuation coverage under the Uniformed Service Employment and Reemployment Rights Act (USERRA) as amended, while on a military leave of absence. An election of COBRA will be deemed to be an election of USERRA coverage and both coverage(s) will run concurrently. The cost of USERRA coverage will be the same as the cost of COBRA coverage. USERRA coverage may continue for up to 24 months from the date active coverage ends. For more information, contact Human Resources/Benefits Department at 703-228-6105.

**You may have other options available to you when you lose group health coverage.**
For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept

late enrollees. For more information about the Marketplace, visit www.HealthCare.gov and **refer to the Health Insurance Marketplace Notice included in this packet**.

## Special Enrollment

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage.

However, you must request enrollment within 30 days after your or your dependents' other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, placement for adoption, or legal guardianship, you may be able to enroll your dependents. However, you must request enrollment within 30 days after the marriage, birth, adoption, placement for adoption, or legal guardianship. To request special enrollment or obtain more information contact Human Resources / Benefits Department at 703-228-6105.

## HIPAA – Special Enrollment Rights

The Health Insurance Portability and Accountability Act (HIPAA) helps protect your rights to medical coverage during events such as changing or losing jobs, pregnancy and childbirth, or divorce. Depending on your group health plan limitations, HIPAA may also make it possible for you to get and keep health coverage even if you have past or present (pre-existing) medical conditions.

## HIPAA – Privacy Act Legislation

Your employer and insurance carriers are obligated to protect confidential health information that identifies you or could be used to identify you and relates to a physical or mental health condition or payment of your health care expenses. The insurance carriers will provide notification of your HIPAA rights when you enroll in a plan and as required by law thereafter.

## Women's Health and Cancer Rights Act

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan.

## Newborns' Act

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for mother or newborn child to less than 48 hours following a normal vaginal delivery; or 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay of not more than 48 hours (or 96 hours). The plan provides for this coverage.

## Mental Health Parity and Addiction Equity Act (MHPAEA)

Under HIPAA, group health plans that provide both medical and mental health benefits must ensure there are no restrictions on the financial requirements and treatment limits for mental health or substance abuse treatments than on medical and surgical benefits. If you have any questions about your plan, you should contact each of the carriers directly by calling the number on your ID card or the APS Benefits Department at 703-228-6105.

## Patient Protection and Affordable Care Act (PPACA)

**Notice that Lifetime Limits No Longer Apply and Opportunity to Re-enroll**

The lifetime limit on the dollar value of benefits under no longer applies. Individuals whose coverage ended by reason of reaching a lifetime limit under the plan are eligible to enroll in the plan. Individuals have 30 days from the date of this notice to request enrollment. For more information contact the APS Human Resources Department/Benefits at 703-228-6105.

## Patient Protection Disclosure

Kaiser Permanente generally requires the designation of a primary care provider. You have the right to designate any primary care provider who participates in our network and who is available to accept you or your family members. Until you make this designation, Kaiser Permanente will designate one for you. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact Kaiser Permanente Member Services at 1-800-777-7902.

For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization from Kaiser Permanente or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in our network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact Kaiser Permanente Member Services at 1-800-777-7902.

## Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit **www.healthcare.gov**.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at **www.askebsa.dol.gov** or call **1-866-444-EBSA (3272)**.

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**If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of July 31, 2019. Contact your State for more information on eligibility –**

| ALABAMA – Medicaid | FLORIDA – Medicaid |
|---|---|
| Website: http://myalhipp.com/<br>Phone: 1-855-692-5447 | Website: http://flmedicaidtplrecovery.com/hipp/<br>Phone: 1-877-357-3268 |
| **ALASKA – Medicaid** | **GEORGIA – Medicaid** |
| The AK Health Insurance Premium Payment Program<br>Website: http://myakhipp.com/<br>Phone: 1-866-251-4861<br>Email: CustomerService@MyAKHIPP.com<br>Medicaid Eligibility:<br>http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx | Website: https://medicaid.georgia.gov/health-insurance-premium-payment-program-hipp<br>Phone: 678-564-1162 ext 2131 |
| **ARKANSAS – Medicaid** | **INDIANA – Medicaid** |
| Website: http://myarhipp.com/<br>Phone: 1-855-MyARHIPP (855-692-7447) | Healthy Indiana Plan for low-income adults 19-64<br>Website: http://www.in.gov/fssa/hip/<br>Phone: 1-877-438-4479<br>All other Medicaid<br>Website: http://www.indianamedicaid.com<br>Phone 1-800-403-0864 |
| **COLORADO – Health First Colorado (Colorado's Medicaid Program) & Child Health Plan Plus (CHP+)** | **IOWA – Medicaid** |
| Health First Colorado Website:<br>https://www.healthfirstcolorado.com/<br>Health First Colorado Member Contact Center:<br>1-800-221-3943/ State Relay 711<br>CHP+: https://www.colorado.gov/pacific/hcpf/child-health-plan-plus<br>CHP+ Customer Service: 1-800-359-1991/ State Relay 711 | Website:<br>http://dhs.iowa.gov/Hawki<br>Phone: 1-800-257-8563 |

| KANSAS – Medicaid | NEW HAMPSHIRE – Medicaid |
|---|---|
| Website: http://www.kdheks.gov/hcf/<br>Phone: 1-785-296-3512 | Website: https://www.dhhs.nh.gov/oii/hipp.htm<br>Phone: 603-271-5218<br>Toll free number for the HIPP program: 1-800-852-3345, ext 5218 |
| **KENTUCKY – Medicaid** | **NEW JERSEY – Medicaid and CHIP** |
| Website: https://chfs.ky.gov<br>Phone: 1-800-635-2570 | Medicaid Website:<br>http://www.state.nj.us/humanservices/dmahs/clients/medicaid/<br>Medicaid Phone: 609-631-2392<br>CHIP Website:<br>http://www.njfamilycare.org/index.html<br>CHIP Phone: 1-800-701-0710 |
| **LOUISIANA – Medicaid** | **NEW YORK – Medicaid** |
| Website:<br>http://dhh.louisiana.gov/index.cfm/subhome/1/n/331<br>Phone: 1-888-695-2447 | Website:<br>https://www.health.ny.gov/health_care/medicaid/<br>Phone: 1-800-541-2831 |
| **MAINE – Medicaid** | **NORTH CAROLINA – Medicaid** |
| Website: http://www.maine.gov/dhhs/ofi/public-assistance/index.html<br>Phone: 1-800-442-6003<br>TTY: Maine relay 711 | Website: https://medicaid.ncdhhs.gov/<br>Phone: 919-855-4100 |
| **MASSACHUSETTS – Medicaid and CHIP** | **NORTH DAKOTA – Medicaid** |
| Website:<br>http://www.mass.gov/eohhs/gov/departments/masshealth/<br>Phone: 1-800-862-4840 | Website:<br>http://www.nd.gov/dhs/services/medicalserv/medicaid/<br>Phone: 1-844-854-4825 |
| **MINNESOTA – Medicaid** | **OKLAHOMA – Medicaid and CHIP** |
| Website:<br>https://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/other-insurance.jsp<br>Phone: 1-800-657-3739 | Website: http://www.insureoklahoma.org<br>Phone: 1-888-365-3742 |
| **MISSOURI – Medicaid** | **OREGON – Medicaid** |
| Website:<br>http://www.dss.mo.gov/mhd/participants/pages/hipp.htm<br>Phone: 573-751-2005 | Website:<br>http://healthcare.oregon.gov/Pages/index.aspx<br>http://www.oregonhealthcare.gov/index-es.html<br>Phone: 1-800-699-9075 |
| **MONTANA – Medicaid** | **PENNSYLVANIA – Medicaid** |
| Website:<br>http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP<br>Phone: 1-800-694-3084 | Website:<br>http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm<br>Phone: 1-800-692-7462 |
| **NEBRASKA – Medicaid** | **RHODE ISLAND – Medicaid and CHIP** |
| Website: http://www.ACCESSNebraska.ne.gov<br>Phone: (855) 632-7633<br>Lincoln: (402) 473-7000<br>Omaha: (402) 595-1178 | Website: http://www.eohhs.ri.gov/<br>Phone: 855-697-4347, or 401-462-0311 (Direct RIte Share Line) |

| NEVADA – Medicaid | SOUTH CAROLINA – Medicaid |
|---|---|
| Medicaid Website: https://dhcfp.nv.gov<br>Medicaid Phone: 1-800-992-0900 | Website: https://www.scdhhs.gov<br>Phone: 1-888-549-0820 |
| **SOUTH DAKOTA - Medicaid** | **WASHINGTON – Medicaid** |
| Website: http://dss.sd.gov<br>Phone: 1-888-828-0059 | Website: https://www.hca.wa.gov/<br>Phone: 1-800-562-3022 ext. 15473 |
| **TEXAS – Medicaid** | **WEST VIRGINIA – Medicaid** |
| Website: http://gethipptexas.com/<br>Phone: 1-800-440-0493 | Website: http://mywvhipp.com/<br>Toll-free phone: 1-855-MyWVHIPP (1-855-699-8447) |
| **UTAH – Medicaid and CHIP** | **WISCONSIN – Medicaid and CHIP** |
| Medicaid Website: https://medicaid.utah.gov/<br>CHIP Website: http://health.utah.gov/chip<br>Phone: 1-877-543-7669 | Website: https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf<br>Phone: 1-800-362-3002 |
| **VERMONT– Medicaid** | **WYOMING – Medicaid** |
| Website: http://www.greenmountaincare.org/<br>Phone: 1-800-250-8427 | Website: https://wyequalitycare.acs-inc.com/<br>Phone: 307-777-7531 |
| **VIRGINIA – Medicaid and CHIP** | |
| Medicaid Website: http://www.coverva.org/programs_premium_assistance.cfm<br>Medicaid Phone: 1-800-432-5924<br>CHIP Website: http://www.coverva.org/programs_premium_assistance.cfm<br>CHIP Phone: 1-855-242-8282 | |

To see if any other states have added a premium assistance program since July 31, 2019, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
**www.dol.gov/agencies/ebsa**
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
**www.cms.hhs.gov**
1-877-267-2323, Menu Option 4, Ext. 61565

## Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately seven minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Employee Benefits Security Administration, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email ebsa.opr@dol.gov and reference the OMB Control Number 1210-0137.

# ** Continuation Coverage Rights Under COBRA**

## Introduction

You're getting this notice because you recently gained coverage under a group health plan (the Plan). This notice has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

**You may have other options available to you when you lose group health coverage.** For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

## What is COBRA continuation coverage?

COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a "dependent child."

Sometimes, filing a proceeding in bankruptcy under title 11 of the United States Code can be a qualifying event. If a proceeding in bankruptcy is filed with respect to Arlington Public Schools, and that bankruptcy results in the loss of coverage of any retired employee covered under the Plan, the retired employee will become a qualified beneficiary. The retired employee's spouse, surviving spouse, and dependent children will also become qualified beneficiaries if bankruptcy results in the loss of their coverage under the Plan.

## When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- The end of employment or reduction of hours of employment;
- Death of the employee;
- Commencement of a proceeding in bankruptcy with respect to the employer;]; or
- The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both).

**For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. The employee must provide supporting documentation along with a current address of the ex-spouse or dependent child losing coverage. You must provide this notice to:**

Arlington Public Schools
Attn: Human Resources Department
2110 Washington Blvd., 4th Fl
Arlington, VA 22204

## How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

### *Disability extension of 18-month period of COBRA continuation coverage*

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage. The notice of disability must be submitted within 60-days along with documentation from a physician certifying the disability and mailed to:

Arlington Public Schools
Attn: Human Resources Department
2110 Washington Blvd., 4th Fl
Arlington, VA 22204

### *Second qualifying event extension of 18-month period of continuation coverage*

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

## Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at **www.healthcare.gov**.

## If you have questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit **www.dol.gov/ebsa**. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit **www.HealthCare.gov**.

## Keep your Plan informed of address changes

To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

## Plan contact information

Arlington Public Schools
Attn: Human Resources Department
2110 Washington Blvd., 4th Fl
Arlington, VA 22204
Phone: 703-228-6105

# New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved
OMB No. 1210-0149
(expires 5-31-2020)

## PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by your employer.

### What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

### Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

### Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.[1]

**Note:** If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution -as well as your employee contribution to employer-offered coverage- is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

### How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact Human Resources Department / Benefits Office at 703-228-6105 .

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

[1] An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.

# PART B: Information About Health Coverage Offered by Your Employer

This section contains information about any health coverage offered by your employer. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

| | | | |
|---|---|---|---|
| 3. Employer name<br>Arlington Public Schools | | | 4. Employer Identification Number (EIN)<br>54-6001128 |
| 5. Employer address<br>2110 Washington Blvd., 4th Fl | | | 6. Employer phone number<br>703-228-6000 |
| 7. City<br>Arlington | 8. State<br>VA | 9. ZIP code<br>22204 | |
| 10. Who can we contact about employee health coverage at this job?<br>Human Resources Department / Benefits Office, Attn: Ann Irby | | | |
| 11. Phone number (if different from above)<br>703-228-6105 | 12. Email address<br>Ann.Irby@apsva.us | | |

Here is some basic information about health coverage offered by this employer:

- As your employer, we offer a health plan to:
  - ☐ All employees. Eligible employees are:
  - ☒ Some employees. Eligible employees are:
    - -- Full-time employees scheduled to work 30+ hours per week.
    - -- Part-time employees scheduled to work 15+ hours per week.
- With respect to dependents:
  - ☒ We do offer coverage. Eligible dependents are:
    - -- Legal spouse
    - -- Biological children, legally adopted children, stepchildren, children assumed under legal guardianship, up to age 26
  - ☐ We do not offer coverage.

☒ If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

** Even if your employer intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If, for example, your wages vary from week to week (perhaps you are an hourly employee or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, HealthCare.gov will guide you through the process. Here's the employer information you'll enter when you visit HealthCare.gov to find out if you can get a tax credit to lower your monthly premiums.

The information below corresponds to the Marketplace Employer Coverage Tool. Completing this section is optional for employers, but will help ensure employees understand their coverage choices.

13. **Is the employee currently eligible for coverage offered by this employer, or will the employee be eligible in the next 3 months?**

☐ **Yes** (Continue)
13a. If the employee is not eligible today, including as a result of a waiting or probationary period, when is the employee eligible for coverage?_____ (mm/dd/yyyy) (Continue)
☐ **No** (STOP and return this form to employee)

14. Does the employer offer a health plan that meets the minimum value standard*?
☒ Yes (Go to question 15) ☐ No (STOP and return form to employee)

15. For the lowest-cost plan that meets the minimum value standard* **offered only to the employee** (don't include family plans): If the employer has wellness programs, provide the premium that the employee would pay if he/ she received the maximum discount for any tobacco cessation programs, and didn't receive any other discounts based on wellness programs.
a. How much would the employee have to pay in premiums for this plan? $ 60.20 for 2019 for full-time employee
b. How often? ☐ Weekly ☐ Every 2 weeks ☒ Twice a month ☐ Monthly ☐ Quarterly ☐ Yearly

If the plan year will end soon and you know that the health plans offered will change, go to question 16. If you don't know, STOP and return form to employee.

16. What change will the employer make for the new plan year? Premium Change for 2020
☐ Employer won't offer health coverage
☒ Employer will start offering health coverage to employees or change the premium for the lowest-cost plan available only to the employee that meets the minimum value standard.* (Premium should reflect the discount for wellness programs. See question 15.)
a. How much would the employee have to pay in premiums for this plan? $ 65.76 for 2020 for full-time employee
b. How often? ☐ Weekly ☐ Every 2 weeks ☒ Twice a month ☐ Monthly ☐ Quarterly ☐ Yearly

• An employer–sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs (Section 36B(c)(2)(C)(ii) of the Internal Revenue Code of 1986)

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