



2017

Benefits Guide



PARKER
COLORADO

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What You Need to Do

- **Read this Benefits Guide carefully** for details on the benefit plans.
- **Complete the enrollment forms.**
- **Complete the flexible spending account (FSA) enrollment form** if enrolling in the health care FSA and/or dependent care FSA. FSA elections do not carry over from year to year.
- **Complete the health savings account (HSA) application** if you want to fund a health savings account.
- **Provide a beneficiary designation** for the company-provided life and accidental death and dismemberment (AD&D) insurance, voluntary life and AD&D insurance, FPPA, and retirement plans.
- **Submit all forms to Human Resources:**
Town of Parker
Attn: Human Resources
20120 E. Mainstreet
Parker, CO 80138

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Employee Benefits Overview



Benefits Eligibility

Full-time employees are eligible for benefits on the first day of the month following 30 days of employment.

Many of the plans offer coverage for eligible dependents, including:

- Your legal spouse
- Your children to age 26, regardless of student, marital, or tax-dependent status (including a stepchild, legally-adopted child, a child placed with you for adoption, or a child for whom you are the legal guardian)
- Your dependent children of any age who are physically or mentally unable to care for themselves

Enrollment

You can sign up for benefits or change your benefit elections at the following times:

- Within 30 days of your initial eligibility date (as a newly-hired employee)
- During the annual benefits open enrollment period
- Within 30 days of experiencing a qualifying life event

The choices you make at this time will remain the same through December 31, 2017.

If you do not sign up for benefits during your initial eligibility period or during the open enrollment period, you will not be able to elect coverage until the following plan year.

Changing Your Benefits During the Year

Town of Parker allows you to pay your portion of the medical, dental, and vision plan costs, and fund the flexible spending accounts, on a pre-tax basis. Thus, due to IRS regulations, once you have made your elections for the plan year, you cannot change your benefits until the next annual open enrollment period. The only exception is if you experience a qualifying life event. Election changes must be consistent with your life event.

To request a benefits change, notify Human Resources within 30 days of the qualifying life event. Change requests submitted after 30 days cannot be accepted.

Benefits are an integral part of the overall compensation package provided by Town of Parker. Within this Benefits Guide you will find important information on the benefits available to you for the 2017 plan year (January 1, 2017–December 31, 2017). Please take a moment to review the benefits Town of Parker offers to determine which plans are best for you.

Qualifying life events include, but are not limited to:

- Marriage, divorce, or legal separation
- Birth or adoption of an eligible child
- Death of your spouse or covered child
- Change in your spouse's work status that affects his or her benefits
- Change in your child's eligibility for benefits
- Qualified Medical Child Support Order

Medical Insurance Plans



Medical Insurance Plans

Town of Parker offers two medical plan options through Cigna: a high-deductible health plan (HDHP) and the Basic POS plan. Both plans offer in- and out-of-network benefits, providing you the freedom to choose any provider. However, you will pay less out of your pocket when you choose a Cigna Open Access Plus network provider. Locate a Cigna Open Access Plus network provider at www.mycigna.com.

The table below summarizes the key features of the medical plans. The coinsurance amounts listed reflect the amount you pay. Please refer to the official plan documents for additional information on coverage and exclusions.

	Cigna HDHP		Cigna Basic POS	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Plan Year Deductible Individual/Family	\$1,500/\$4,500*	\$3,000/\$9,000*	\$750/\$2,250	\$1,500/\$4,500
Out-of-Pocket Maximum Individual/Family	(Includes deductible, coinsurance, and copays) \$4,500/\$9,000*		(Includes deductible, coinsurance, and copays) \$2,250/\$4,500	
Preventive Care	Plan pays 100%	50% after ded.	Plan pays 100%	50% after ded.
Physician Services				
Primary Care Physician	20% after ded.	50% after ded.	\$25 copay	50% after ded.
Specialist	20% after ded.	50% after ded.	\$50 copay	50% after ded.
Urgent Care	20% after ded.	50% after ded.	\$75 copay	50% after ded.
Lab/X-Ray				
Diagnostic Lab/X-Ray	20% after ded.	50% after ded.	Plan pays 100%	50% after ded.
High-Tech Services (MRI, CT, PET)	20% after ded.	50% after ded.	\$150 copay	50% after ded.
Hospital Services				
Inpatient	20% after ded.	50% after ded.	20% after ded.	50% after ded.
Outpatient	20% after ded.	50% after ded.	20% after ded.	50% after ded.
Emergency Room	20% after ded.		\$250 copay	
Chiropractic Care (Limit of 20 visits per calendar year)	20% after ded.	50% after ded.	\$25 copay	50% after ded.
Vision Exam (Limit of 1 exam every 24 months)	Plan pays 100%	Not covered	Plan pays 100% up to \$60 maximum	Not covered
Prescription Drugs				
Tier 1	Ded., then \$10 copay		\$15 copay	
Tier 2	\$20 copay	Not covered	\$45 copay	Not covered
Tier 3	\$40 copay		\$60 copay	
Mail Order (up to 90-day supply)	2.5x retail copay		2.5x retail copay	

*For individual HDHP coverage, the individual deductible is the amount the member must pay each plan year before the plan begins paying toward covered services. If electing dependent coverage, the individual deductible does not apply. The family deductible must be met, either by one individual or by a combination of family members, before the plan begins to pay. The same rule applies to the out-of-pocket maximum. However, no individual will pay more out-of-pocket than \$6,850 for covered services.



Preventive Care

The Cigna medical plans cover in-network preventive care at 100%. This includes routine screenings and checkups, as well as counseling to prevent illness, disease, or other health problems. Talk to your primary care physician to find out which screenings, tests, and vaccines are right for you, when you should get them, and how often. Please be aware that you will be responsible for the cost of any non-preventive care services you receive at your preventive care exam.

Learn more about
preventive care at
www.mycigna.com.

You won't have to pay anything—no deductible, copay, or coinsurance—for preventive services when:

- You get them from a doctor or other health care provider in the Cigna network, and
- The main purpose of your visit is to get preventive care.

Women's Preventive Care Services

Due to Health Reform, both the medical plans offer additional no-cost preventive care/services for women.

Health Reform Law Individual Mandate

You and your family members are required to have health insurance or pay a penalty to the government. The 2017 penalties have not yet been released. In 2016, the penalties are \$695 per adult and \$347.50 per child or 2.5% of your income, whichever is greater. Beginning in 2017, the penalties may increase by the cost-of-living adjustment. Some people may qualify for an exemption to this fee.

The Town of Parker medical plans meet all of the health reform law requirements to satisfy your individual mandate.

If you are covered by any of the following in 2017, you may meet the individual mandate requirements: a Town of Parker medical plan, your parent's or spouse's employer plan, an individual policy, a government plan such as Medicare, Medicaid, CHIP, TRICARE, or veterans coverage, student health coverage, state high-risk pool coverage, or coverage for non-U.S. citizens provided by another country. Learn more about the health reform law requirements at www.healthcare.gov.

Health Savings Account

Health Savings Account

If you enroll in the Town of Parker high-deductible health (HDHP) plan, you may be eligible to open and fund a health savings account (HSA).

An HSA is a personal health care savings account that you can use to pay out-of-pocket health care expenses with pre-tax dollars. Your contributions are tax free, and the money remains in the account for you to spend on eligible expenses no matter where you work or how long it stays in the account.

Town of Parker will contribute \$500 annually to your HSA as a lump sum at the beginning of the plan year.

Contributions to a health savings account (including the Town of Parker contribution) cannot exceed the annual IRS contribution maximums.

2017 IRS HSA Contribution Maximums

Employee Only	\$3,400
All other tiers	\$6,750

Employees age 55+ by 12/31/17 may contribute additional funds to their HSA (up to \$1,000 in 2017).

HSA Eligibility

You are eligible to open and fund an HSA if:

- You are enrolled in the Cigna HDHP.
- You are not covered by a non-HSA plan, health care FSA, or health reimbursement arrangement.
- You are not eligible to be claimed as a dependent on someone else's tax return.
- You are not enrolled in Medicare or TRICARE for Life.
- You have not received Veterans Administration Benefits in the last three months.

Use Your HSA to Pay for Qualified Medical Expenses

- You can use your HSA money to pay for eligible expenses now or in the future.
- Funds in your HSA can be used for your expenses and those of your spouse and eligible dependents, even if they are not covered by the Cigna HDHP.
- Eligible expenses include deductibles, doctor's office visits, dental expenses, eye exams, prescription expenses, and LASIK eye surgery.
- A complete list of eligible expenses can be found at www.irs.gov/pub/irs-pdf/p502.pdf.

Accessing Your HSA Funds

Two easy ways to access your HSA money:

- Debit card—Draws directly from your HSA and can be used to pay for eligible expenses at your doctor's office, pharmacy, or other locations where you purchase health-related items or services.
- Checkbook (optional)—Works just like your personal checkbook, with the exception that it draws from your HSA, and can be used to pay for eligible expenses or to reimburse yourself for expenses you've paid out of your pocket.

Your HSA is an Individually Owned Account

- You own and administer your HSA.
- You determine how much you will contribute to your account and when to use the money to pay for eligible health care expenses.
- Like a bank account, you must have a balance in order to pay for eligible health care expenses.
- Keep all receipts for tax documentation.
- An HSA allows you to save and "roll over" money from year to year.
- The money in the account is always yours, even if you change health plans or jobs.
- There are no vesting requirements or forfeiture provisions.
- You can change your contribution through payroll during the plan year if you experience a qualifying life event.

Maximize Your Tax Savings

- Contributions to an HSA are tax-free, and can be made through payroll deduction on a pre-tax basis when you open an account through Optum Bank.
- If you open an account through an institution other than Optum Bank, Town of Parker cannot deduct pre-tax contributions from your paycheck; you will need to make post-tax contributions directly to the institution and take an "above the line" deduction on your federal income tax filing for any amounts you contribute to your HSA.
- The money in your HSA (including interest and investment earnings) grows tax free.
- As long as you use the funds to pay for qualified medical expenses, the money is spent tax free.

If you fund an HSA, you cannot contribute pre-tax dollars to the traditional health care flexible spending account.

Dental Insurance Plan

Dental Insurance Plan

Town of Parker offers a dental insurance plan through MetLife. The plan offers in- and out-of-network benefits, providing you the freedom to choose any provider. However, you will pay less out of your pocket when you choose a network provider. Expenses from non-network providers are reimbursed based on reasonable and customary charges (R&C) charges. Any charges over the R&C amount will be your responsibility. Locate a MetLife network provider at www.metlife.com/mybenefits.

The table below summarizes the key features of the dental plan. The coinsurance amounts listed reflect the amount you pay. Please refer to the official plan documents for additional information on coverage and exclusions.

	MetLife Dental	
	In-Network	Out-of-Network
Plan Year Deductible Individual/Family	\$50/\$150	
Plan Year Benefit Max	\$1,000	
Preventive Care	Plan pays 100%	Plan pays 100% of R&C
Basic Services (including endodontic and periodontic treatment)	20% after ded.	20% of R&C after ded.
Major Services	50% after ded.	50% of R&C after ded.
Orthodontia Services	50%	50% of R&C
Orthodontia Lifetime Max	\$1,000	

Open Enrollment

Employees who do not enroll in the dental plan when first eligible must wait to enroll during a subsequent annual enrollment period. Refer to the official plan documents for additional details about coverage and exclusions.

Voluntary Vision Insurance Plan

Town of Parker provides you the option to purchase a voluntary vision insurance plan through Vision Service Plan (VSP). **The vision plan is 100% paid by you.** You have the freedom to choose any vision provider. However, you will maximize the plan benefits when you choose a network provider. If you choose a non-network provider, you may be responsible for paying in full at the time of service and submitting a claim to VSP for reimbursement. Locate a VSP network provider at www.vsp.com.

The table below summarizes the key features of the vision plan. Please refer to the official plan documents for additional information on coverage and exclusions.

	VSP Vision Plan	
	In-Network	Out-of-Network
Eye Exam (every 12 months)	\$20 copay	Reimbursement up to \$35
Lenses (every 12 months) Single/Bifocal/Trifocal	Plan pays 100% after \$20 copay	Reimbursement up to \$25/\$40/\$55
Frames (every 24 months)	\$130 allowance + 20% off balance	Reimbursement up to \$45
Contact Lenses Medically Necessary Elective	Plan pays 100% \$130 allowance	Reimbursement up to \$210 Reimbursement up to \$105
Laser Correction	Discounts available	N/A

Note: If you enroll for 2017, you must remain on the plan at the same level of coverage for a year, unless you experience a qualifying event.

Flexible Spending Accounts



Flexible Spending Accounts

Town of Parker offers two flexible spending account (FSA) options—the health care FSA, and the dependent care FSA—which allow you to pay for eligible health care and dependent care expenses with pre-tax dollars. The FSAs are administered by Rocky Mountain Reserve. Log in to your account at www.rockymountainreserve.com to: view your account balance(s), calculate tax savings, view eligible expenses, download forms, view transaction history, and more.

How Does an FSA Work?

You decide how much to contribute to each FSA on a plan year basis up to the maximum allowable amounts. Your annual election will be divided by the number of pay periods and deducted evenly on a pre-tax basis from each paycheck throughout the year.

You will receive a debit card from Rocky Mountain Reserve, which can be used to pay for eligible health care expenses at the point of service. If you do not use your debit card or if you have dependent care expenses to be reimbursed, submit a claim form and a bill or itemized receipt from the provider to Rocky Mountain Reserve. Keep all receipts in case Rocky Mountain Reserve requires you to verify the eligibility of a purchase.

Health Care FSA (not available if you fund an HSA)

The health care FSA allows you to set aside money from your paycheck on a pre-tax basis (before income taxes are withheld) to pay for eligible out-of-pocket expenses, such as deductibles, copays, and other health-related expenses, that are not paid by the medical, dental, or vision plans. Over-the-counter (OTC) medications are not eligible for reimbursement without a prescription.

The health care FSA maximum contribution is \$2,600 for the 2017 plan year.

Dependent Care FSA

The dependent care FSA allows you to set aside money from your paycheck on a pre-tax basis for day care expenses to allow you and your spouse to work or attend school full time. Eligible dependents are children under 13 years of age, or a child over 13, spouse, or elderly parent residing in your house who is physically or mentally unable to care for himself or herself. Examples of eligible expenses are day care facility fees, before- and after-school care, and in-home babysitting fees (income must be reported by your care provider).

You may contribute up to \$5,000 to the dependent care FSA for the 2017 plan year if you are married and file a joint return or if you file a single or head of household return. If you are married and file separate returns, you can each elect \$2,500 for the 2017 plan year.

Things to consider before contributing to an FSA:

- Be sure to fund the accounts wisely as the IRS requires you forfeit any unused funds left in your account at the end of the year.
- You cannot take income tax deductions for expenses you pay with your FSA(s).
- You cannot stop or change your FSA contribution(s) during the plan year unless you experience a qualifying life event.

Life and AD&D Insurance

Basic Life and AD&D Insurance

Life and accidental death and dismemberment (AD&D) insurance is an important element of your income protection planning, especially for those who depend on you for financial security. For your peace of mind, Town of Parker provides basic life and AD&D insurance to all eligible employees automatically and at no cost through Lincoln Financial Group. If you die as a result of an accident, your beneficiary would receive both the life benefit and the AD&D benefit. You also have the option to purchase voluntary life and AD&D insurance. **Please be sure to keep your beneficiary designations up to date.**

- **Employee life and AD&D benefit:** \$50,000



Voluntary Life and AD&D Insurance

Town of Parker provides you the option to purchase additional life and AD&D insurance for yourself, your spouse, and your dependent children through Lincoln Financial Group. You must purchase voluntary coverage for yourself in order to purchase coverage for your spouse and/or dependents. Benefits will reduce to 65% at age 65 and to 50% at age 70.

You and your spouse may elect or increase coverage up to two benefit levels on a guaranteed acceptance basis during the annual open enrollment period, provided you have not previously been declined for coverage. Evidence of insurability (EOI) is required if you elect more than the guarantee issue amount.

- **Employee:** \$10,000 increments up to \$500,000 or 5x annual salary, whichever is less
Guarantee issue: \$140,000 if under age 60
- **Spouse:** \$5,000 increments up to 100% of the employee's election or \$250,000, whichever is less
Guarantee issue: \$30,000 if under age 60
- **Dependent Children:** \$2,500, \$5,000, or \$10,000 not to exceed 50% of the employee election
Guarantee issue: \$10,000

Disability Insurance

Short-Term Disability Insurance

Town of Parker provides short-term disability insurance to all eligible employees automatically and at no cost through Lincoln Financial Group. Disability insurance is designed to help you meet your financial needs if you become unable to work due to an illness or injury.

- **Benefit:** 60% of base salary up to \$1,000 per week
- **Elimination period:** 14 days
- **Benefit duration:** Up to 11 weeks

Long-Term Disability Insurance

Town of Parker provides long-term disability insurance to all eligible employees automatically and at no cost through Lincoln Financial Group. Long-term disability insurance is designed to help you meet your financial needs if your disability extends beyond the short-term disability period.

- **Benefit:** 60% of base salary up to \$5,000 per month
- **Elimination period:** 90 days
- **Benefit duration:** Social security normal retirement age

Retirement Savings Plans



401(a) Plan (Social Security Replacement)

- **Employee Contribution:** You are required to contribute 8% of your gross earnings.
- **Employer Contribution:** Town of Parker contributes 10% of your gross earnings.
- **Vesting Schedule:** 1 year = 20%, 2 years = 40%, 3 years = 60%, 4 years = 80%, and 5 years = 100%.

457(b) Deferred Compensation Plan

- **Employee Contribution:** You may contribute up to 100% of your pay on a pre-tax basis up to the annual maximum. The 2017 maximum contribution is \$18,000. There is no match from Town of Parker.
- **Catch-Up Contribution:** Employees age 50+ by 12/31/16 may contribute an additional \$6,000.
- **Commissioned Police Officers:** Employee Contribution: 9.5% of gross earnings to FPPA. Employer Contribution: 8% of gross earnings to FPPA 2% to 457(b) plan.

Employee Assistance Program

Employee Assistance Program

As your employer, we are interested in your total well-being, which is why we offer an employee assistance program (EAP). The MINES and Associates EAP provides counseling to help you manage problems before they adversely affect your personal life, health, and/or job performance.

All benefit-eligible employees and their household members are eligible for the EAP. The EAP is a free, strictly-confidential service that includes telephonic counseling and/or up to five face-to-face visits, per year per household family member, with a licensed professional counselor.

Assistance is available for the following personal and work life situations:

- Marital and family problems
- Work-related difficulties
- Emotional problems
- Relationship difficulties
- Alcohol and substance abuse
- Domestic violence
- Health and wellness resources
- Personal financial management
- Legal and financial resources and counseling
- Child and eldercare services
- Parenting
- Older adults counseling
- Midlife and retirement counseling
- Managing people

Contact the EAP by telephone at 800-873-7138 or 303-832-1068, or on the web at www.minesandassociates.com.

Additional Benefits

Paid Holidays

- January 2, New Year's Day
- January 16, Martin Luther King Jr. Day
- February 20, Presidents' Day
- May 29, Memorial Day
- July 4, Independence Day
- September 4, Labor Day
- November 10, Veterans Day
- November 23, Thanksgiving Day
- November 24, Day After Thanksgiving Day
- December 25, Christmas (observed)
- December 26, Christmas (observed)

Paid Vacation Time

Regular, full-time employees accrue vacation time as outlined below.

Upon completion of:	Hours accrued/ pay period	Hours accrued/year
1 year of service	4.62	120.00
2 years of service	5.23	136.00
5 years of service	6.15	160.00
10 years of service	6.77	176.00
15 years of service	7.69	200.00
20 years of service	8.31	216.00

Paid Sick Leave

Regular, full-time employees earn paid sick leave at the rate of 12 days per year, accruing 3.7 hours per pay period. Sick leave may be used for regular, full-time employees or their immediate family member's illness, injury, temporary disability, medical circumstances, or medical appointment.

Approval must be granted by the Department Director if an employee wishes to utilize sick leave beyond 3 days for the illness or injury of an immediate family member.

Banking Benefits

Town of Parker employees can apply for membership to several financial institutions. The participating institutions listed below offer savings such as free checking and no annual fees for ATM cards.

Air Academy Federal Credit Union:

800-223-1983 www.aafcu.com

BBVA Compass: 720-851-1515 www.compassweb.com

Credit Union of Colorado:

303-832-4816 www.cuofco.org

Recreation Center Membership

As a Town of Parker employee, you, your spouse, and your dependent children receive a free membership to the Parker Recreation Center and/or Fieldhouse. You will need to fill out a membership enrollment form, which can be obtained on the Town of Parker's Intranet, in Human Resources, or at the Recreation Center or Fieldhouse.

Plan Costs

Medical, Dental, and Voluntary Vision Plan Costs

Listed below are the per pay period costs for medical, dental, and voluntary vision insurance. The amount you pay for coverage is deducted from your paycheck on a pre-tax basis.

	Medical Insurance		Dental Insurance	Voluntary Vision Insurance
	Cigna HDHP	Cigna Basic POS	Metlife Dental	VSP Vision
Employee Only	\$0.00	\$0.00	\$0.00	\$5.47
Employee + Spouse (+1)	\$104.77	\$124.10	\$9.18	\$11.75
Employee + Children (2+)	\$96.40	\$114.17	\$23.02	\$11.75
Family	\$199.07	\$235.79	\$23.02	\$11.75

Important Contact Information



If you have any questions regarding your benefits or the material contained in this guide, please contact Human Resources.

Town of Parker Human Resources Department

Phone: 303-805-3333

	Policy Number	Contact Number	Website/Email
Medical —Cigna	612155	866-494-2111	www.mycigna.com
Health Savings Accounts —Optum Bank	612155	800-791-9361	www.optumbank.com
Dental —MetLife	KM05730672	800-942-0854	www.metlife.com
Voluntary Vision —VSP	120-743-001-001	800-877-7195	www.vsp.com
Flexible Spending Accounts —Rocky Mountain Reserve	N/A	888-722-1223	www.rockymountainreserve.com
Life and Disability Insurance —Lincoln Financial Group	Basic Life: 10138353 Vol Life: 00040001000-12840 STD: 10138355, LTD: 10138354	800-423-2765	www.lfg.com
Employee Assistance Program —Mines and Associates	N/A	800-873-7138	www.minesandassociates.com
401(a) and 457(b) Retirement Savings Plans —Empower/Great West	N/A	303-737-7710 or 800-701-8255	www.gwrs.com
Human Resources Director —Melisa Geringer	N/A	303-805-3120	mgeringer@parkeronline.org
Benefits & Wellness Administrator —Bobbi Bishop	N/A	303-805-3109	bbishop@parkeronline.org
Human Resources Technician	N/A	303-805-3110	
Recruitment Specialist —Sheryl Lavell	N/A	303-805-3189	slavell@parkeronline.org
Organizational Development Specialist	N/A		
Organizational Development Manager —Tara Moore	N/A	303-805-3329	tmoore@parkeronline.org
Risk Manager —Steve Bedard	N/A	303-805-3119	sbedard@parkeronline.org

This guide is a brief summary of your benefits and does not constitute a policy. Town of Parker may amend the benefit program at any time. Your certificate booklets contain the actual detailed provisions of your benefits. If there are any discrepancies between the information in this brochure and the official plan documents, the official plan documents will prevail.

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