

# EMPLOYEE BENEFITS GUIDE

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## 2023-2024 PLAN YEAR

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# YOUR CITY OF LUCAS BENEFITS

Welcome to your benefits at the City of Lucas for the 2023-2024 plan year. The City of Lucas views our benefits package as a valuable addition to your overall compensation package. We are dedicated to providing and advocating for employees to receive a high-quality comprehensive benefits package. We aim to help you live a healthy life and maintain a productive work-life balance.

We understand that choosing the right benefit plans and options is important. We have created this benefits guide as a summary of your benefits package to help you make informed decisions at enrollment and in the future. This guide is an overview and does not provide a complete description of all benefit provisions. We encourage you to review this guide carefully and let Human Resources know if you have any questions.

## 2023-2024 PLAN YEAR

The City continues to be a member of the TX Health Benefits Pool (formerly TML Health Benefits Pool) in which Blue Cross Blue Shield of Texas acts as the third party administrator. TX Health is continuing to make healthcare better for you and your families.

The City's new plan year will begin October 1, 2023. The City's plan year runs concurrently with the fiscal year (October 1 through September 30). You will continue to have access to all the benefits and most cost-effective network that Blue Cross and Blue Shield of Texas offers.

In addition to Blue Cross and Blue Shield of Texas, TX Health Benefits Pool continues to provide prescription drug benefits, vision benefits, and dental benefits. TX Health's Pharmacy Benefit Manager is Navitus which comes with improvements designed to make your life easier and allow you to easily take care of your health and your family's health. TX Health has also partnered with EyeMed to provide vision benefits which has a broad network of local optical providers and online options. TX Health also offers dental coverage through BlueCare Dental to give you access to a national network dedicated to your smile.

The City continues to provide life insurance coverage through TX Health by The Standard Insurance. The City sets a benefit amount for life insurance and you can also increase by choosing to pay an additional monthly fee.

The City offers a Health Reimbursement Account (HRA) and the ability to contribute to a Flexible Spending Account (FSA) through TX Health. The City will contribute to the employee's HRA and employees have the option to elect an amount to their FSA. The combined funds of the HRA and FSA will allow employees flexibility to use their pre-tax funds for qualifying medical expenses.

The City of Lucas is thrilled to announce the arrival of our latest employee benefit, the Dependent Care Flexible Spending Account (DCFSA), empowering our valued staff with a convenient and cost-effective solution for managing childcare expenses. This tax-advantaged account is designed to provide invaluable support for working parents and their families.

# ELIGIBILITY & ENROLLMENT

The City of Lucas classifies employees for the purpose of employment status and benefit eligibility. The City defines a regular full-time employee as an employee that is permanent in nature with a scheduled work week of 40 hours or more (except for non-exempt 24-hour shift Lucas Fire-Rescue employees who work 159 hours during a 21-day period). Generally, regular full-time employees are eligible for the City's full benefits package, subject to terms, conditions, and waiting periods of each benefit program.

Eligible employees are provided the opportunity to enroll in the following benefits: Medical, Dental, Vision, Life, and Accidental Death and Dismemberment (AD&D). Eligible employees also have the opportunity to enroll in additional benefits such as Voluntary Life, Voluntary Accidental Death and Dismemberment (AD&D), and a 457(b) Deferred Compensation Plan.

## WHEN DO MY BENEFITS START?

### NEW EMPLOYEES

If you are a new full-time employee and enroll within 30 days following your date of hire, you and your dependents (if applicable) will be eligible as of your date of hire depending on the benefit program.

### CURRENT EMPLOYEES

If you are a current full-time employee and enroll during the open enrollment period, you and your dependents (if applicable) will be eligible as of October 1, 2023.

## WHAT IF I ALREADY HAVE COVERAGE?

If you have coverage under another group health, dental and/or vision plan, the benefits you receive through the City are subject to coordination of benefits (COB) rules, which prevent double payment of eligible expenses. Primary coverage will be responsible for payment first.

## DEPENDENT ELIGIBILITY

If you are eligible to enroll in benefits, you may elect coverage for your dependents under the Medical, Dental, Vision, Voluntary Life and AD&D plans. Your dependents are eligible on your eligibility date or the date your dependent is acquired. Your dependents include your:

- Legal spouse
- Dependent children up to age 26
- Dependent children may be covered beyond age 26 if mentally or physically disabled, living with the employee and primarily dependent upon the employee for support
- Any child who is required by law to be covered as the employee's dependent under a qualified medical child support order (QMCSO)

# ELIGIBILITY & ENROLLMENT

## ELECTING OR MAKING CHANGES TO BENEFITS PLAN

As a full-time employee, the City of Lucas covers 100% of insurance coverage for Medical, Vision, Dental, Basic Life, Accidental Death and Dismemberment (AD&D), Long Term Disability (LTD), and Teladoc. The City also offers dependent medical, dental, vision, and other supplemental coverage on a pre-tax basis. The payroll deduction for your dependent benefits reduces your taxable income, creating a tax savings and increased take home pay for you. However, once an election is made on a pre-tax basis, it cannot be changed until the next annual enrollment unless you have a qualifying family status change.

**During Initial Enrollment:** You may enroll for benefits by completing your enrollment form within 30 days from your date of hire or when first eligible for benefits.

**During Annual Enrollment:** You have until the end of the designated enrollment period to make changes. If you do not take advantage of enrolling in the benefits program when you are initially eligible, you may be eligible to enroll at a later date (subject to “Special Enrollment” provisions set forth by the IRS). For voluntary life insurance, evidence of insurability may be required.

**When Your Family Status Changes:** Major life-changing events can generate a qualifying family status change and allow you to make changes to your benefit plan elections outside of the annual open enrollment period.

These family status changes include but are not limited to:

- Marriage
- Divorce
- Birth or adoption of a child
- Qualified Medical Child Support Order (QMCSO)
- Loss or gain of other coverage
- Death of a spouse or dependent
- Disqualification or requalification of a dependent
- Gain or loss of spouse’s employment or coverage



**If you have a family status change, you must notify Human Resources within 30 days of the event. Requests received after the deadline will be denied and changes will not be made until the next open enrollment period.**

# MONTHLY COSTS

The City of Lucas contributes 100% to the cost of employee coverage for Medical, Vision, and Dental. The City’s new plan year will be from October 1, 2023 to September 30, 2024. Employees can voluntarily add dependents and supplemental coverage to their plan. Your contribution for the dependent or additional premium cost will be taken out of each pay period on a pre-tax basis based on your selection.

The monthly premium cost for employee and dependent coverage for medical, vision, and dental is listed below.

<b>MEDICAL PLAN</b>			
	<b>Employee Cost</b>	<b>City of Lucas Cost</b>	<b>Total Cost</b>
Employee Only	\$0.00	\$986.64	\$986.64
Employee + Spouse	\$1,016.20	\$986.64	\$2,002.84
Employee + Child(ren)	\$749.86	\$986.64	\$1,736.50
Employee + Family	\$1,923.88	\$986.64	\$2,910.52
<b>VISION PLAN</b>			
	<b>Employee Cost</b>	<b>City of Lucas Cost</b>	<b>Total Cost</b>
Employee Only	\$0.00	\$6.16	\$6.16
Employee + Spouse	\$5.54	\$6.16	\$11.70
Employee + Child(ren)	\$6.16	\$6.16	\$12.32
Employee + Family	\$9.55	\$6.16	\$15.71
<b>DENTAL PLAN</b>			
	<b>Employee Cost</b>	<b>City of Lucas Cost</b>	<b>Total Cost</b>
Employee Only	\$0.00	\$40.66	\$40.66
Employee + Spouse	\$42.80	\$40.66	\$83.46
Employee + Child(ren)	\$47.08	\$40.66	\$87.74
Employee + Family	\$84.14	\$40.66	\$124.80

# MEDICAL PLAN

The City of Lucas provides a medical plan for employees through the TX Health Benefits Pool (formerly TML Health Benefits Pool) and the third-party administrator Blue Cross and Blue Shield of Texas. TX Health has partnered with Blue Cross and Blue Shield of Texas to expand your access to providers through a larger network and save you money with better rates.



**BlueCross BlueShield  
of Texas**

The medical plan uses a preferred provider network through Blue Cross and Blue Shield of Texas. While you can use any doctor, clinic, hospital, or healthcare facility you want; you save money when you use providers in the Blue Cross and Blue Shield of Texas Blue Choice PPO network. For more details about your benefits, please refer to the individual summary plan descriptions (SPDs), plan document, or certificate of coverage for each plan which will be available on TX Health Online after you have completed enrollment.

The benefits summary of the medical plan is below.

BENEFIT COVERAGE	IN-NETWORK	OUT-OF-NETWORK
<b>Deductible</b> <i>(per plan year)</i>		
Individual	\$500	\$1,000
Family	\$1,000	\$2,000
<b>Out of Pocket Maximum</b> <i>(per plan year; includes deductible, copays and coinsurance)</i>		
Individual	\$2,000	Unlimited
Family	\$4,000	Unlimited
<b>Coinsurance</b>	20%	50%
<b>Office Visits</b>		
Primary Care	\$30 copay	50% after deductible
Specialist	\$60 copay	50% after deductible
<b>Preventive Care</b>	No Charge	50% after deductible
<b>Telehealth</b>	No Charge	Not Covered
<b>Diagnostic Lab/X-Ray</b> <i>(when associated with an office visit)</i>	No Charge	50% after deductible
<b>Major Imaging</b> <i>(CT scan, PET scan, MRI, nuclear medicine)</i>	20% after deductible	50% after deductible
<b>Inpatient Hospital</b> <i>(Prior Authorization required)</i>		
Facility Charges	20% after deductible	50% after deductible
Physician Charges	20% after deductible	50% after deductible
<b>Emergency Room</b>		
Facility Charges	\$500 copay	\$500 copay
Physician Charges	20% after deductible	20% after deductible
<b>Urgent Care</b>	\$75 copay	50% after deductible
<b>Outpatient Surgery</b>	20% after deductible	50% after deductible

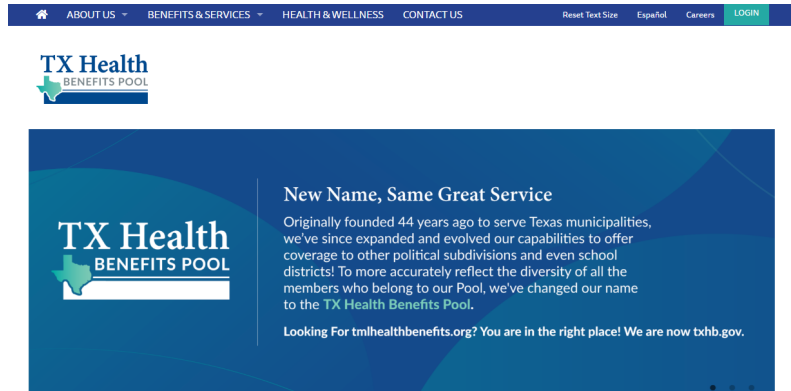
# MEDICAL PLAN

## TX HEALTH ONLINE ACCESS

Employees can access information online about their plan benefits and claim information through TX Health Online. TX Health Online is an online portal to help you easily manage and track your benefits information on your computer through a secured online account. Through TX Health Online, you can find an in-network provider in the Blue Cross and Blue Shield of Texas network, view your ID card, check claims, deductibles and out of pocket balances.

### Log in to TX Health Online

1. Go to [txhb.gov](http://txhb.gov)
2. Click on **Login** then click on **Login as a Member** or **Login as a Dependent** (if applicable).
3. Click on **Register**.
4. Read the License Agreement and click **Agree**.
5. Create a username, password, and enter answers to your security questions.



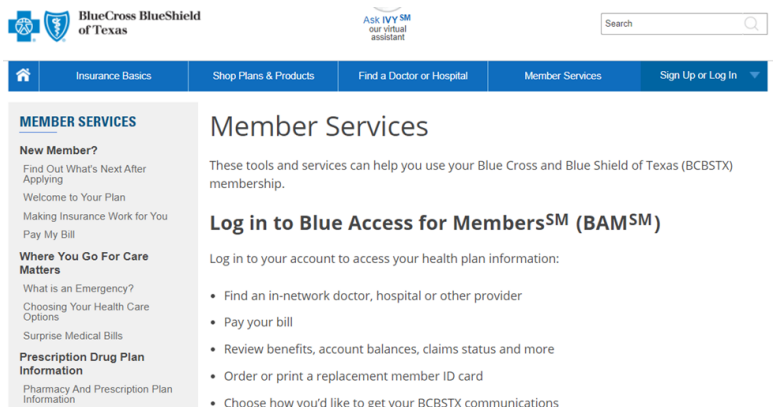
## BLUE ACCESS FOR MEMBERS

Blue Cross and Blue Shield of Texas will help you get the most out of your healthcare benefits with Blue Access for Members (BAM). You and your covered dependents (age 18 and up) can create a BAM account. With BAM, you can:

- Use the Provider Finder tool to search for a healthcare provider, hospital, or pharmacy.
- Request or print your ID card.
- Check the status or history of a claim.
- View or print Explanation of Benefits statements.
- Use the Cost Estimator tool to find the price of hundreds of tests, treatments, and procedures.
- Download the app.
- Sign up for text or email alerts.

### Log in to Blue Access for Members

1. Go to [www.bcbstx.com/member](http://www.bcbstx.com/member).
2. Under **Log into My Account**, click **New Member? Register Now**.
3. Use the information on your BCBSTX ID card to sign up.
4. Text BCBSTXAPP to 33633 to get the BCBSTX App that lets you use BAM while you're on the go.
5. You can also download the BCBSTX App on your mobile phone from the Apple App Store or Android Google Play.





# VISION PLAN

The City of Lucas provides a vision plan for employees through EyeMed offered by TX Health. EyeMed's national network of vision providers includes familiar names such as TSO, EyeMart, Target, LensCrafters, Pearle Vision, and many local providers. The benefits summary of the vision plan is below.



VISION CARE SERVICES	IN-NETWORK	OUT-OF-NETWORK - Reimbursed Up To:
Exam with Dilation as Necessary	\$0 Copay	\$65
Retinal Imaging	Up to \$39	N/A
<b>Exam Options</b>		
Standard Contact Lens Fit and Follow-up	Up to \$40	N/A
Premium Contact Lens Fit and Follow-up	10% off retail price	N/A
<b>Frames</b>		
Any available frame at provider location	\$175 allowance, 20% off balance over \$175	\$125
<b>Standard Plastic Lenses</b>		
Single Vision	\$10 Copay	\$30
Bifocal - Lined	\$10 Copay	\$50
Trifocal - Lined	\$10 Copay	\$70
Standard Progressive Lens	\$65 Copay	\$50
Premium Progressive Lens	<b>Fixed Pricing</b> Includes lens copay Tier 1 - \$95 Tier 2 - \$105 Tier 3 - \$120 Tier 4 - \$185	\$50
<b>Lens Options</b>		
UV Treatment	\$15	N/A
Tint (Solid and Gradient)	\$15	N/A
Standard Plastic Scratch Coating	\$15	N/A
Standard Polycarbonate - Adults	\$40	N/A
Standard Polycarbonate - Kids under 19	\$0	\$5
Standard Anti-Reflective Coating	\$45	\$5
Premium Anti-Reflective Coating	Tier 1 - \$57 Tier 2 - \$68 Tier 3 - \$85	\$5
Photochromatic/Transition - Plastic	\$75	N/A
<b>Contact Lenses</b>		
Elective Contact Lenses	\$175	\$125
Medically Necessary	Covered in full	\$210
<b>Frequency</b>		
Examination	Once every plan year	
Lenses or Contact Lenses	Once every plan year	
Frame	Once every plan year	

# DENTAL PLAN

The City of Lucas provides a dental plan for employees from BlueCare Dental Connections through Blue Cross and Blue Shield of Texas offered by TX Health. BlueCare Dental gives you access to a national network and a broad choice of dentists with low out of pocket rates. This plan also includes access to the Dental Wellness center for a library of tools and information to help you make the best dental health decisions. The benefits summary of the dental plan is below.

BENEFIT COVERAGE	IN-NETWORK	OUT-OF-NETWORK
<b>Deductible</b> <i>(per individual)</i>		
Tier 1	\$0 per Plan Year	\$0 per Plan Year
Tiers 2 & 3 (combined)	\$50 per Plan Year	\$50 per Plan Year
Tier 4	\$50 per Lifetime	\$50 per Lifetime
<b>Benefit Maximum</b> <i>(per individual)</i>		
Tiers 1, 2 & 3 (combined)	\$2,000 per Plan Year	\$2,000 per Plan Year
Tier 4	\$3,000 per Lifetime	\$3,000 per Lifetime
<b>Tier 1</b>		
Oral exams	No Charge	No Charge after Reasonable and Customary Charges
Prophylaxis treatments		
Fluoride treatments		
Sealants		
Bitewings X-rays		
Full mouth X-rays		
Periapical/Intraoral X-rays		
Space Maintainers		
<b>Tier 2</b>		
Emergency oral exams	20% after deductible	20% of Reasonable and Customary after deductible
X-rays (non-preventive)		
Fillings		
Crowns		
Extractions		
Anesthesia		
Endodontics		
Periodontics		
Oral Surgery		
<b>Tier 3</b>		
Mouth guards / appliances	50% after deductible	50% of Reasonable and Customary Charges after deductible
Inlays/Onlays - repair/replacements		
Crowns - repair/replacements		
Dentures/partial dentures		
<b>Tier 4</b>		
Orthodontia (Children to age 19 only)	No Charge after Reasonable and Customary Charges after deductible	No Charge after Reasonable and Customary Charges after deductible

# PRESCRIPTION DRUG PLAN

The City of Lucas medical plan includes a prescription drug plan managed by Navitus through TX Health. Navitus uses a network of participating pharmacies. To receive benefits, you must use a participating pharmacy. You can get your medicines from either a retail network pharmacy or through the Navitus mail order program. The summary of the prescription drug plan is below.

PRESCRIPTION DRUG PLAN (Per 30-day/60-day/90-day supply/ Retail or Mail Order)	IN-NETWORK			OUT-OF-NETWORK
	30 day supply	60 day supply	90 day supply	
<b>Disease Management Maintenance</b> (generic)	\$0 copay	\$0 copay	\$0 copay	Not Covered
<b>Tier 1</b> (lowest-cost generics and some brand names drugs)	\$10 copay	\$20 copay	\$30 copay	
<b>Tier 2*</b> (includes most brands and some higher cost generics)	\$45 copay	\$90 copay	\$135 copay	
<b>Tier 2*</b> (covered Insulins)	\$25 copay	\$50 copay	\$75 copay	
<b>Tier 3*</b> (non-preferred drugs)	\$90 copay	\$180 copay	\$270 copay	
<b>Tier 4</b> (specialty drugs)	\$150 copay	N/A	N/A	
<b>Tier 5</b> (cost share drugs)	\$175 copay	\$350 copay	\$525 copay	

\* If a participant obtains a brand-name drug when a preferred generic equivalent is available, they are responsible for the brand copay plus the cost difference between the brand-name drug and the preferred generic drug.

## NAVITUS PORTAL ACCESS

To make the most of your prescription drug benefits, you can access your prescription benefits using the Navitus web portal or mobile app to:

- Compare medication prices to find the lowest cost option for you.
- Locate the most convenient in-network pharmacies.
- Save your preferred pharmacies for quick and easy access.
- See medication and benefit information.
- View your member ID card.



### Log in to Navitus Portal

1. Beginning on your effective date, go to the Navitus website at [www.navitus.com](http://www.navitus.com).
2. Select **Portal Login**.
3. Select **Member Portal Login**.
4. Select the link for **New Registration**.

For mobile app account assistance, contact Navitus customer care (855) 673-6504. Navitus customer care is available 24 hours a day, 7 days a week.

# SPECIAL SERVICES

## BENEFITS VALUE ADVISOR (BVA)

As a TX Health member, you have access to the Benefits Value Advisor (BVA) which is a personal customer service concierge dedicated to getting you the best deals on any medical expense in Texas. The trained advisors maximize your savings by keeping you up to date on all of the best options and costs for procedures by:

- **Using the “Member Liability Estimator” (MLE)** - A price comparison tool that has more than 1,600 procedures you can search for the best price on. You can search by doctor, hospital, or procedure.
- **Being Your Personal Medical Secretary** - Finding a better option that can save you money, canceling or rescheduling with a more cost-efficient provider and informing your primary care provider of the change. Your BVA will provide you with after-call summaries to ensure you have a written breakdown of how you can get the best price on your procedure.
- **Located in Texas** - Every BVA is located at a call center which means you can pick up the phone and you’ll be talking to a fellow Texas that knows the area and which doctors to point you to.



## 24/7 NURSELINE

The 24-hour Nurse Advice Line is here to answer your health care questions any time you need it. The 24 Hour Nurseline has highly trained nurses that can help you decide what to do to get your family feeling better fast. If an unexpected medical situation arises, a nurse can help you decide if you should call your doctor, visit the ER or urgent care, or treat the problem yourself. A nurse can also let you know if you can wait to see the doctor the next day. You can talk to a nurse in your own language about any health problem.

### Get Your Health Questions Answered with the 24/7 Nurseline:

1. **Call (877) 351-8392** to reach a nurse who can speak with you in your language of choice.
2. If you have hearing or speech loss, you can **call (800) 386-4424**.

# SPECIAL SERVICES

## SURGERYPLUS



# Surgery Plus

The City of Lucas medical plan includes an additional medical benefit that provides you with access to excellent and affordable care for many planned non-emergency surgical procedures. The SurgeryPlus service provides you with a personalized concierge experience through a dedicated Care Advocate as well as access to quality care through a network of credentialed health providers. By using the SurgeryPlus benefit, you may be able to save money through waived deductibles and coinsurance. In partnership with TX Health, SurgeryPlus covers the most expensive costs associated with your surgery so you don't have to.

### Steps to using SurgeryPlus:

- **Contact Surgery Plus** - When your doctor recommends surgery, contact SurgeryPlus at 855) 715-1684.
- **Assigned a Care Coordinator** - A personalized Care Coordinator will help you find a high-quality, board-certified surgeon. The Care Coordinator will then assist you throughout the entire process, from scheduling the initial consultation all the way to the post-procedure follow-up.
- **Negotiations** –SurgeryPlus negotiates all the costs before you have surgery, and handles the payment process for you.

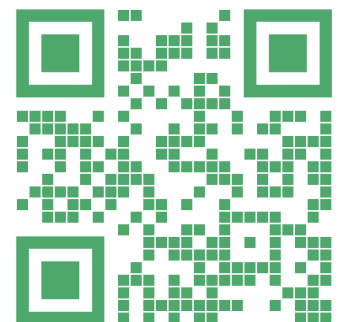
## HEADWAY



The easiest way to get quality in-network mental health care. Headway will connect you with a licensed therapist or psychiatrist to support you in your mental health journey. Whether you know what you're looking for or aren't sure where to start, we make it easy for you to find and schedule an appointment with the right mental health provider for you —covered by BCBS Texas.

### How it works:

- **Find the right fit in seconds on Headway.co.** - Share your preferences and insurance details. Our personalized matching process will find the right providers for your unique needs within seconds — and calculate the exact cost for your session.
- **Schedule your appointment immediately in one-click.** - Book directly on Headway, and we'll take it from there. You'll only be billed after your session.



Scan and find care at Headway.co

# WELLNESS PROGRAMS

TX Health membership also provides you with access to two wellness programs: TX Health’s TX HB Well and Blue Cross and Blue Shield of Texas’s Well onTarget. Between the two programs, you will have access to a robust collection of benefits that are completely free for you to use.

## TX HEALTH’S TX HB WELL



**\$150 Wellness Incentive** - Employees and spouses can earn rewards each year by taking a wellbeing survey and completing either a biometric screening, and individual or group wellness challenges.

**Online Wellness Video Library** - TX HB Well gives you access to a wealth of online material to learn about mental and behavioral health. Videos cover subjects such as depression, schizophrenia, tobacco cessation, nutrition, and more. Designated video courses can count towards your annual \$150 Wellness Incentive.

## BLUE CROSS AND BLUE SHIELD OF TEXAS’ WELL ONTARGET

**Blue Points** - Earn rewards with Blue Points by regularly participating in healthy activities. Blue Points can be redeemed in an online rewards store through BCBSTX’s Well onTarget program.



**Ovia Health** - Get support from Ovia Health’s complete app suite to provide support from pre-pregnancy to delivery all the way through parenting. Ovia Health also helps manage both the children’s and the mother’s health, including support for postpartum depression.

**Airrosti** - Airrosti is an outcome-based program, dedicated to quick recovery from common conditions or injuries through physical therapy for those who wish to avoid surgeries or other unnecessary invasive care options. You have the option to choose in-office care or virtual and remote treatment to start feeling like yourself in as little as 3-4 visits.

**Fitness Gym Program** - The program gives you access to a nationwide network of fitness locations available exclusively to you and your covered dependents.

Gym Options	Digital Only	Base	Core	Power	Elite
Monthly Fee	\$10	\$19	\$29	\$39	\$99
Gym Network Size	Digital Access	3,000	7,500	12,000	12,400

# TELEMEDICINE

## MDLIVE

Your TX Health membership provides you with MDLIVE through the Blue Cross and Blue Shield of Texas network. MDLIVE allows you to remotely connect with a board-certified doctor via online video, mobile app or phone, 24 hours, 7 days a week. Virtual visits can address a variety of non-emergency medical conditions and can substitute for a doctor's office, urgent care clinic, or emergency room visit for common conditions like the cold, flu, or pink eye. It is also a great tool for behavioral health concerns as well. MDLIVE doctors can also send prescriptions to nearby pharmacies for many common medical conditions.

### Access Your MDLIVE Benefit

1. Log in to TX Health Online at [txhb.gov](http://txhb.gov).
2. Go to the **Benefits Center** tab.
3. Click on **Blue Access for Members (BAM)**.
4. Log in to your BAM account to schedule a remote checkup.

# MDLIVE®



## TELADOC

The City of Lucas also provides employees with a free account with Teladoc. Teladoc gives you access 24 hours, 7 days a week to a board-certified doctor through the convenience of phone, video or mobile app visits. It's an affordable option for quality medical care. Teladoc provides access to primary care providers, family doctors, dermatologists, therapists, psychiatrists, registered dietitians and medical experts who are ready to help you from wherever you are, 24/7. The City will provide you with a Teladoc card which includes your ID and information on how to access your Teladoc account. Your Teladoc account may be used by your entire household at no charge.

# TELADOC®

# INSURANCE COVERAGE FOR LIFE, ACCIDENTAL DEATH & DISMEMBERMENT (AD&D), AND LONG TERM DISABILITY (LTD)

The City of Lucas provides insurance coverage in the amount of \$50,000 to employees for Life and Accidental Death & Dismemberment (AD&D) which is administered by The Standard Insurance through TX Health. The City sets the benefit amount which you can also increase by choosing to pay an additional fee for supplemental.

## SUPPLEMENTAL LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT (AD&D)

Employees may select up to three times their annual salary for Supplemental Life and AD&D insurance for their individual coverage. The costs for supplemental individual coverage are based on an individual's age and the amount of coverage requested per \$1,000 of the employee's annual salary.

Age of Employee	Employee Cost per \$1,000 of Individual
Under 30	\$0.041
30-34	\$0.052
35-39	\$0.091
40-44	\$0.129
45-49	\$0.198
50-54	\$0.332
55-69	\$0.595
60-64	\$0.913
65-69	\$1.513
70 and over	\$2.431

Employees can also add supplemental coverage for dependents. The supplemental coverage amount for a spouse is \$20,000 (\$10,000 guaranteed/\$10,000 with required Medical History Statement) and child(ren) is \$5,000 at the all-inclusive price of \$5.40 per month.

## LONG TERM DISABILITY (LTD)

Basic Long Term Disability (LTD) insurance is provided to all eligible employees at no cost. This insurance provides you with coverage in the event you cannot work because of an illness or injury. If you remain totally disabled and unable to work for more than 180 days, you may be eligible for LTD benefits. The City of Lucas automatically provides this benefit to replace 66 2/3% of your pre-disability salary up to a \$6,000 a month maximum. There is a 60-day elimination period upon hire.



# HEALTH REIMBURSEMENT ACCOUNT (HRA) & FLEXIBLE SPENDING ACCOUNT (FSA)

For the 2023-2024 plan year, the City of Lucas will continue to provide employees with a Health Reimbursement Account (HRA) and the ability to contribute to a Flexible Spending Account (FSA). A health reimbursement account (HRA) is a pre-tax employer-funded plan that allows employees to utilize the funds toward eligible healthcare expenses. A flexible spending account (FSA) allows the employee to set aside pre-tax dollars into an account to be used for eligible medical, dental, and vision expenses. Your contributions to any FSA options are not counted as income when you calculate your income tax.

## HRA CONTRIBUTION & FSA ELECTION

The City will contribute a prefunded annual amount of \$300 to an employee's HRA. During open enrollment, employees may choose to elect up to \$3,050 to their FSA. The FSA total elected amount will be deducted evenly out of each paycheck, pre-tax. You cannot change your FSA election during the plan year unless you experience a qualifying life event like marriage, divorce, or birth of a child.

Your HRA and FSA will be prefunded, so you can pay for qualifying medical expenses earlier in the plan year. Unused HRA funds will rollover from year to year. The FSA annual maximum rollover amount is \$610.

## HRA/FSA DEBIT CARD

Employees will be issued a single debit card that will have access to the combined funds of both the HRA and FSA accounts. You can use your HRA/FSA debit card at locations such as doctor and dentist offices, pharmacies, and vision service providers for qualifying expenses. The card cannot be used at locations that do not offer services under the plan, unless the provider has also complied with IRS regulations. The swipe transaction will be denied if you attempt to use the card at an ineligible location.

You should always retain a receipt for your records. While FSA debit cards allow you to pay for services at point of sale, they do not remove the IRS regulations for substantiation. This means that you must always keep receipts and Explanation of Benefits (EOBs) for any debit card charges. If you don't provide proof that an expense was valid, it can result in your card being turned off and your expense being deemed taxable.

## GENERAL RULES AND RESTRICTIONS

In exchange for the tax advantages that HRAs and FSAs offer, the Internal Revenue Service (IRS) has imposed the following rules and restrictions for Health Care HRA/FSAs such as expenses must be incurred during the 2023-2024 plan year, dollars cannot be transferred from one FSA to another, and all unused FSA funds over the \$610 limit will be forfeited at the end of the plan year.


# HEALTH REIMBURSEMENT ACCOUNT (HRA) & FLEXIBLE SPENDING ACCOUNT (FSA)

## QUALIFYING EXPENSES

Health Reimbursement Accounts (HRAs) and Flexible Spending Accounts (FSAs) can be great cost-savings tools. You can use them to pay for qualified medical expenses (QME) for health care, dental, and vision. It is important to know which expenses can be reimbursed and are considered qualified medical expenses. Each year, the Internal Revenue Service (IRS) publishes a list of services that they consider to be qualified medical expenses and thus can be reimbursed using your FSA or HRA account.

Below is a summary list of qualifying medical expenses for 2023:

- Acupuncture
- Ambulance
- Annual Physical Examination
- Artificial Teeth
- Bandages
- Chiropractor
- Contact Lenses
- Crutches
- Dental Treatment
- Disabled Dependent Care Expenses
- Eye Exam and Surgery
- Eyeglasses
- Hearing Aids
- Hospital Services
- Insurance Premium
- Laboratory Fees
- Medicines
- Nursing Services
- Physical Examination
- Psychologist
- Therapy
- Weight-Loss Program
- Wheelchair
- X-ray



Department of the Treasury  
Internal Revenue Service


**Publication 502**  
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## Medical and Dental Expenses

For use in preparing  
**2022** Returns

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Get forms and other information faster and easier at:

- [IRS.gov](https://www.irs.gov) (English)
- [IRS.gov/Korean](https://www.irs.gov/korean) (한국어)
- [IRS.gov/Spanish](https://www.irs.gov/spanish) (Español)
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- [IRS.gov/Vietnamese](https://www.irs.gov/vietnamese) (Tiếng Việt)

Feb 6, 2023

### Future Developments

For the latest information about developments related to Pub. 502, such as legislation enacted after it was published, go to [IRS.gov/Pub502](https://www.irs.gov/pub502).

### What's New

**Standard mileage rate.** The standard mileage rate allowed for operating expenses for a car when you use it for medical reasons is 18 cents a mile from January 1, 2022, through June 30, 2022, and 22 cents a mile from July 1, 2022, through December 31, 2022. See [Transportation](#) under *What Medical Expenses Are Includible*, later.

**Health coverage tax credit (HCTC).** The HCTC was not extended. The credit is not available after 2021. If you are an eligible trade adjustment assistance (TAA) recipient, an alternative TAA recipient, a reemployment TAA recipient or a Pension Benefit Guaranty Corporation payee, then you will no longer use Form 8885 before completing Schedule A, line 1.

# DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT (DCFSA)

For the 2023-2024 plan year, the City of Lucas is thrilled to announce the arrival of our latest employee benefit, the Dependent Care Flexible Spending Account (DCFSA), empowering our valued staff with a convenient and cost-effective solution for managing childcare expenses. This tax-advantaged account is designed to provide invaluable support for working parents and their families.

## HOW DOES A DEPENDENT CARE FSA WORK?

A dependent care FSA is a flexible spending account that allows you to set aside pre-tax dollars for dependent care expenses, such as daycare, that allow you to work or look for work. You choose an annual election amount, up to \$5,000 per family. The money is placed in your account via payroll deduction, in equal installments, and then used to pay for eligible dependent care expenses incurred during the plan year. You must have funds in your dependent care FSA before you can spend them. Any unused funds that remain in your account at the end of the year will be forfeited.

## WHY SHOULD I ENROLL IN A DEPENDENT CARE FSA?

Child and dependent care is a large expense for many families. Millions of people rely on child care to be able to work, while others are responsible for older parents or disabled family members. If you pay for care of dependents in order to work, you'll want to take advantage of the savings this plan offers. Money contributed to a dependent care account is free from federal and state taxes and remains tax-free when it is spent on eligible expenses. On average, participants enjoy a 30% tax savings on their annual contribution. This means you could be saving up to \$1,500 per year on dependent care expenses.

## Qualifying Expenses

### What qualifies?

**Dependent care FSA funds can cover costs for:**

- Before school or after school care for children 12 and
- Custodial care for dependent adults
- Licensed day care centers
- Nanny/ Au Pair
- Nursery schools or preschools
- Summer of holiday camps

### What doesn't qualify?

**Certain expenses are NOT eligible, for instance:**

- Expenses incurred in a prior plan year
- Expenses for non-disabled children 13 and older
- Educational expenses including kindergarten or private school tuition fees
- Food, clothing, sports lessons, field trips, and entertainment
- Overnight camp expenses
- Late payment fees for child care

# TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)

The City of Lucas participates in the Texas Municipal Retirement System (TMRS) which provides retirement benefits to municipal full-time employees. Employees contribute 7% of their gross salary to the TMRS account. The City matches the contributions and interest at retirement using a 2 to 1 match. The City's contributions to fund its match of your contributions and interest are held in the City's TMRS account. When you retire, the City's contributions become part of your benefit.

Contributions are deducted from your pay before taxes, so you are not taxed on your member deposits or the interest they earn until you receive them from TMRS as a benefit payment. You cannot borrow from your member account, nor can you use it as collateral for a loan.

## VESTING

Employees are vested when you have five years of service credit. "Vesting" means you have worked enough years and established enough service credit to meet the minimum length-of-service requirement for retirement. Once vested, even if you leave city employment, you may leave your deposits with TMRS and retire with a TMRS retirement benefit when you reach age 60 (or meet other retirement requirements that may be necessary).

## RETIRING

Employees can retire when you have at least five years of service credit and are at least age 60. You may also retire at any age if you have 20 years of service credit. Your monthly benefit at retirement is based on your member deposits and interest, the City's matching funds, other credits, your life expectancy (and your beneficiary's, if you choose certain options), future account interest assumptions as set by law, and the monthly payment plan you choose. At retirement, you will choose a monthly payment option to receive your benefit. Besides the Retiree Life Only benefit, six payment options are available that can provide payments to your beneficiary if you die.

## COUNSELING SESSIONS

You can schedule a 30 minute FREE counseling session with a TMRS representative to answer your questions about your TMRS benefits, estimate your monthly retirement benefit, or discuss your retirement options. TMRS offers both in-person counseling in office and online counseling from the privacy of your home or anywhere. For online counseling, all you need is a computer or mobile device. A webcam or phone camera is not required but will allow you to see your representative and any documentation they share with you. Your family members and financial advisor are welcome to attend. Spanish-speaking staff are available.



# 457 Retirement Programs

The City of Lucas offers all employees the additional opportunity to contribute to their retirement future with an optional 457(b) plan and a Roth 457(b) plan administered by Corebridge Financial (formerly AIG/VALIC). You may select any amount to be deducted from your paycheck up to the maximum election of \$22,500 annually. If you are 50 years or older,

the plan allows for an additional catch-up contribution in addition to the \$22,500 maximum. Employees may sign up for a 457(b) account at anytime throughout the plan year and changed their elections at anytime.



## 457(b) AND ROTH 457(b) PLANS

The City of Lucas offers a chance for all employees to put pre-tax and post-tax dollars from your paycheck into an account to save for retirement. You may select your deferral as a flat amount or a percentage of your paycheck. This amount can be changed through-out the year at anytime by contacting Human Resources. You are always 100% vested in employee contributions and rollover contributions, plus any earnings they generate.

## FINANCIAL ADVISOR

Your Corebridge Financial account includes a licensed financial advisor to assist you with your retirement planning and goals at no charge. Our financial advisor is an expert at contributions, savings strategies, and helping you define future goals. Our advisor is available throughout the year via phone, in person, or virtually.

## ADDITIONAL ENHANCEMENTS:

Loans	Loans shall be made available to participants as limited by tax law
Withdraws for birth or adoption of a child	Our plan allows a withdraw up to \$5,000 for the birth or adoption of a child without penalty
In-service Distributions	A participant may withdraw all or any portion of his/her vested account balance upon the attainment age of 59 1/2
Unforeseeable Emergency Withdraws	A participant may apply to receive the part of value that is reasonable needed to satisfy the emergency need

# ADDITIONAL CITY BENEFITS

BENEFIT	DESCRIPTION
Holidays	11 Paid Holidays
Vacation Leave	<p>Full-Time Employees Annual Maximum Total Carryover - 80 hours Annual Accrual: &lt; 5 years - 80 hours 5 to 10 years - 128 hours &gt; 10 years - 160 hours</p> <p>Non-exempt Firefighters Annual Maximum Total Carryover - 120 hours Annual Accrual: &lt; 5 years - 120 hours 5 to 10 years - 192 hours &gt; 10 years - 240 hours</p>
Sick Leave	<p>Maximum Accrual Employees - 480 hours Non-exempt Firefighters - 720 hours</p>
Bereavement Leave	The City provides full-time employees paid time off (up to three workdays).
Compensatory Time	Non-exempt employees can request compensatory time in lieu of overtime and must be used within 90 days of earning the time.
Military Leave	Employees will be paid for military absences of up to a maximum of 15 workdays per fiscal year.
Jury Duty	The City provides paid leave to regular full-time employees required to serve on jury duty.
Longevity Pay	\$4 per month upon completion of a full year of service.
Certification Pay	The City may provide certification pay to full-time employees in the Public Works and Fire-Rescue Departments.
Length of Service Award Program (LOSAP)	The City of Lucas contributes to LOSAP for volunteer emergency responders.
Workers' Compensation	All employees and volunteers of the City are covered by workers' compensation.

# IMPORTANT CONTACTS

VENDOR/SERVICE	RESOURCES	PHONE	WEBSITE
Blue Cross and Blue Shield of Texas	Medical benefits, medical procedures, major imaging, cost estimates, claims, deductibles, copayments, coinsurance, Blue Access for Members (BAM)	(855) 762-6084	<a href="http://www.bcbstx.com">www.bcbstx.com</a>
SurgeryPlus	Surgical procedures, cost estimates	(855) 715-1684	<a href="https://www.txhb.gov/Forms/public/SurgeryPlus.aspx">https://www.txhb.gov/Forms/public/SurgeryPlus.aspx</a>
EyeMed	Vision benefits, eyecare, provider network	(844) 225-3107	<a href="https://individual.eyemed.com/">https://individual.eyemed.com/</a>
MDLIVE	Non-emergency symptoms, prescriptions, behavioral health	(800) 400-6354	<a href="https://mdlnext.mdlive.com/home">https://mdlnext.mdlive.com/home</a>
Medical Preauthorization Helpline	Medical procedures requiring prior approval	(800) 441-9188	
Mental Health/Chemical Dependency (SUD) Preauthorization Helpline	Mental health and substance use prior authorization	(800) 528-7264	
Navitus	Prescription drugs covered, costs, mail-order pharmacy, network, plan benefits	(855) 673-6504	<a href="http://www.navitus.com">www.navitus.com</a>
Teladoc	Non-emergency symptoms, prescriptions, behavioral health	(800) 835-2362	<a href="http://www.teladoc.com">www.teladoc.com</a>
TX Health Benefits Pool (Formerly TML Health Benefits Pool)	Benefits enrollment and changes, spending accounts, insurance, access to benefits books, health and wellness resources, general questions	(800) 282-5385	<a href="http://www.txhb.gov">www.txhb.gov</a>
Corebridge Financial (formerly VALIC/AIG)	Deferred compensation plan	(800) 448-2542	<a href="http://www.corebridgefinancial.com">www.corebridgefinancial.com</a>
24/7 Nurseline	Healthcare options and decisions, teen health, diabetes, blood pressure, and behavioral health	(877) 351-8392  (800) 386-4424 for Hearing/Speech	
Headway	Mental Healthcare		<a href="http://Headway.co">Headway.co</a>