



IMPORTANT BENEFITS INFORMATION

Summary of Benefits and Coverage (SBC)

Under the law, insurance companies and group health plans must provide consumers with a concise document detailing, in plain language, simple and consistent information about health plan benefits and coverage. This summary will help consumers better understand the coverage they have and allow them to easily compare different coverage options. It summarizes the key features of the plan and coverage limitations and exceptions. For a copy of the SBC of the City's medical plans, visit austintexas.gov/benefits, or call the Employee Benefits Division at **512-974-3284**.

ADA Compliance

The City is committed to complying with the Americans with Disabilities Act (ADA). Reasonable accommodation, including equal access to communications, will be provided upon request. For more information, call the Human Resources Department at **512-974-3284**, use the Relay Texas TTY number **800-735-2989** for assistance, or visit austintexas.gov/ada.

Governing Plan

Your rights are governed by each plan instrument (which may be a plan document, evidence of coverage, certificate of coverage or contract), and not by the information in this Guide. If there is a conflict between the provisions of the plan you selected and this Guide, the terms of the plan govern. City of Austin employees have access to benefits approved by the City Council each year as part of the budget process. The benefits and services offered by the City may be changed or terminated at any time. These benefits are not a guarantee of your employment with the City.

The Health Insurance Portability & Accountability Act of 1996 (HIPAA)

Group health plans sponsored by State and local governmental employers must generally comply with Federal law requirements in title XXVII of the Public Health Service Act. However, if the employer's group health plan is self-funded rather than provided through an insurance policy, these employers are permitted to elect to exempt their group health plan from the requirements listed below. The City of Austin has elected to exempt all its self-funded medical plans, CDHP, PPO, and HMO, from all the following requirements. However, while exempt from these provisions, the City of Austin medical plans do provide benefits to employees that are comparable to those required by the Public Health Service Act:

1. Protection against limiting hospital stays in connection with the birth of a child to less than 48 hours for a vaginal delivery, and 96 hours for a cesarean section.
2. Protections against having benefits for mental health and substance use disorders be subject to more restrictions than apply to medical and surgical benefits covered by the plan.
3. Certain requirements to provide benefits for breast reconstruction after a mastectomy.
4. Continued coverage for up to one year for a dependent child who is covered as a dependent under the plan solely based on student status, who takes a medically necessary leave of absence from a postsecondary educational institution.

The exemption from these Federal requirements will be in effect for the plan year beginning January 1, 2025 and ending December 31, 2025. The City of Austin may renew this election for subsequent plan years.

The Women's Health and Cancer Rights Act of 1998

This law was enacted on October 21, 1998. It provides certain protections for breast cancer patients who elect breast reconstruction in connection with a mastectomy. Specifically, the act requires that health plans cover post-mastectomy reconstructive breast surgery if they provide medical and surgical coverage for mastectomies. Coverage must be provided for:

- ◆ Reconstruction of the breast on which the mastectomy has been performed.
- ◆ Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- ◆ Prosthesis and physical complications of all stages of mastectomy, including lymph edemas.
- ◆ Secondary consultation, whether such consultation is based on a positive or negative initial diagnosis.

The benefits required under the **Women's Health and Cancer Rights Act of 1998** must be provided in a manner determined in consultation with the attending physician and the patient. These benefits are subject to the health plan's regular copays and deductibles.

Patient Protection and Affordable Care Act

As part of the Patient Protection and Affordable Care Act (Health Reform) effective January 2013, medical plans which exceed a threshold level established by the federal government will have to pay a 40% excise tax. The City of Austin is committed to designing a medical plan that is below the threshold level. However, if the threshold is reached, the cost of the excise tax will be passed on to employees and retirees.

COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), as amended, is a federal law that requires employers to offer qualified beneficiaries the opportunity to continue medical coverage, vision coverage, dental coverage, or participation in the Health Care FSA at their own cost in the case of certain qualifying events. Continuation of your life insurance, short term disability, long term disability, Dependent Care FSA, and group legal plan is not available under COBRA.

COBRA Notice Requirements: Each employee or qualified beneficiary is required to notify the Employee Benefits Division of the Human Resources Department within 60 days of a divorce, legal separation, a child no longer meeting the definition of dependent, or entitlement to Medicare benefits. Erisa, the City's COBRA administrator, will then notify all qualified beneficiaries of their rights to enroll in COBRA coverage. Notice to a qualified beneficiary who is the spouse or former spouse of the covered employee is considered proper notification to all other qualified beneficiaries residing with the spouse or former spouse at the time the notification is made.

Continuation of Coverage for Domestic Partners

The City offers covered individuals the opportunity to continue medical coverage, vision coverage, and dental coverage at their own cost in the case of certain qualifying events. Continuation of life insurance is not available under Continuation of Coverage for Domestic Partners.

Each employee or covered individual is required to notify the Employee Benefits Division of the Human Resources Department within 31 days of dissolution of the Domestic Partnership, a child no longer meeting the definition of dependent, or entitlement to Medicare benefits. Erisa, the City's administrator, will then notify all covered individuals of their rights to enroll in Continuation of Coverage for Domestic Partners coverage. Notice to a covered individual who is the Domestic Partner or former Domestic Partner of the covered employee is considered proper notification to all other covered individuals residing with the Domestic Partner or former Domestic Partner at the time the notification is made.

USERRA Continuation of Coverage

The Uniformed Services Employment and Reemployment Rights Act (USERRA) provides that if you are required to be absent from work for a period of time due to voluntary or involuntary military service or training, you have certain reemployment and medical benefits continuation rights during your absence. You and your family members have the opportunity to continue your benefits from the date coverage otherwise would end, provided you pay the premium. However, for absences of less than 31 days, you may continue benefits while paying only your usual share of the cost. When you return to work, no exclusions or waiting periods will apply.

Surviving Dependent Coverage

Your dependent may be eligible for Surviving Dependent medical, dental, and vision coverage only if you meet one of the following requirements and your dependent completes a Surviving Dependent Benefits Enrollment Form within 31 days from

- ◆ You are a City retiree under the City of Austin Employees' Retirement System, Austin Fire Fighters Relief and Retirement Fund, or City of Austin Police Retirement System.
- ◆ You are an active City employee who is eligible to retire with the City but chose to continue to work for the City.
- ◆ You are a City retiree who has returned to active employment with the City.

If eligible, your dependent will be able to continue his or her coverage through the City after your death, provided your dependent was enrolled in medical, dental, and vision coverage at the time of your death. The coverage offered is the same coverage offered to City retirees.

Surviving Family/Work-Related Coverage

If you are a Police Officer, Firefighter, or EMS employee and are killed in the line of duty (your accident must be considered compensable under the City's Workers' Compensation program) while working for the City, your dependents who are enrolled in a City medical or dental plan at the time of your death are allowed to continue their coverage, if they complete a Surviving Family Benefits Enrollment Form and pay the premium within 90 days from the date of your death. The City will continue to subsidize the premium.

Surviving Family/Work-Related Coverage is not available to active employees who are also City retirees who have returned to work for the City and have declined active employee benefits. The City will notify your surviving dependents of their eligibility for Surviving Family/Work-Related Coverage.

For more information or to receive a Surviving Family/Work-Related Benefits Guide, call the Employee Benefits Division at **512-974-3284**.

Your Prescription Drug Coverage and Medicare

Beneficiary Creditable Coverage Disclosure Notice

This notice has information about your current prescription drug coverage with the City of Austin and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining a Medicare drug plan, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in this area. There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. On January 1, 2006, new prescription drug coverage became available to individuals with Medicare Part A. This coverage is available through Medicare prescription drug plans, also referred to as Medicare Part D. All such plans provide a standard, minimum level of coverage established by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The City of Austin has determined that prescription drug coverage offered through City health plans is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

Other Important Considerations

- ◆ If you currently have prescription drug coverage through a City health plan, you may choose to enroll in Medicare Part D annually between October 15 and December 7, or when you first become eligible for Medicare Part D.
- ◆ If you decide to join a Medicare drug plan, your current City of Austin medical coverage will not be affected.
- ◆ If you do decide to join a Medicare drug plan and drop your current City of Austin coverage for your dependents, you may be able to get this coverage back during an Open Enrollment period.
- ◆ You should also know that if you drop or lose your current coverage with the City of Austin and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later. If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go 19 months without Creditable Coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium.
- ◆ You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.
- ◆ If you are enrolled in Medicare Part D or a Medicare Advantage Plan and are also enrolled in the City health plan, you may have duplicate prescription coverage. If you would like to review your coverage or for more information, call the Employee Benefits Division of the Human Resources Department at **512-974-3284**.

More information about Medicare Part D prescription drug coverage

More detailed information about Medicare plans that offer prescription drug coverage is in the *Medicare & You* handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans. You can also:

- ◆ Visit [medicare.gov](https://www.medicare.gov) for personalized help.
- ◆ Call the **Health and Human Services Commission of Texas** toll free at **888-834-7406**, local number **800-252-9330**.
- ◆ Call **800-MEDICARE (800-633-4227)**.
- ◆ TTY users should call **877-486-2048**.

Financial assistance may be available for individuals with limited income and resources through the **Social Security Administration (SSA)**. For more information, visit the SSA website at [socialsecurity.gov](https://www.socialsecurity.gov) or call **800-772-1213**. TTY users should call **800-325-0778**.

Health Insurance Marketplace

PART A: General Information

The Health Insurance Marketplace is a new way to purchase health insurance in the United States. As you evaluate health insurance 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, the City of Austin.

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 for coverage starting as early as January 1.

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

Regular full-time employees will not experience savings because the City pays the entire premium for the CDHP and the majority of the PPO and HMO premium. Part-time employees may realize savings by going to the Marketplace.

Temporary employees with less than 12 months of service are not eligible for City-provided medical coverage. Temporary employees and their dependents can purchase health insurance through the Health Insurance Marketplace, designed to provide affordable health insurance.

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

Yes. The City of Austin offers coverage that meets government standards. If you are in a regular budgeted position and work full-time, you will not be eligible for a tax credit at the Marketplace.

If you are in a regular budgeted position working part-time, and the premium you would pay for the City's lowest cost medical plan (Employee Only) is more than 9.5% of your household income for the year, you may be eligible for a tax credit at the Marketplace. If you are a temporary employee, and therefore not eligible for medical coverage under a City medical plan, you are eligible for medical coverage through the Marketplace and may also qualify for a tax credit.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by the City of Austin, then you may lose the City's contribution (if any) to the employer-offered coverage. Also, the City's contribution as well as your employee contribution to City offered coverage is usually 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 the City of Austin, review this guide, or visit austintexas.gov/benefits for your summary plan description, or call the Human Resources Department at **512-974-3284**.

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.

Health Insurance Marketplace

PART B: Information About Health Coverage Offered by the City

This section contains information about health coverage offered by the City of Austin. 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: City of Austin		4. Employer Identification Number: 74-6000085	
5. Employer address: P.O. Box 1088		6. Employer phone number: 512-974-3284	
7. City: Austin	8. State: Texas	9. ZIP code: 78767	
10. Who can we contact about employee health coverage at this job? Human Resources Department, Employee Benefits Division			
11. Phone number: 512-974-3284		12. Email address: Benefits.HRD@austintexas.gov	

Basic Health Care Coverage Information

As your employer, the City of Austin offers a health plan to all employees in regular budgeted positions and to temporary employees with more than 12 months of continuous service.

The City of Austin offers dependent coverage to eligible dependents. Eligible dependents (spouse, domestic partner, children, dependent grandchildren) are detailed in this guide.

The City's coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

Note: Even though the City of Austin offers affordable coverage, 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 you are an hourly employee, or have previously been unemployed, 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.

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 healthcare.gov.

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.

You may be eligible for assistance paying your employer health plan premiums. The following is current as of January 31, 2022. For more information on eligibility visit gethiptexas.com/ or call **877-440-0493**.

To see if any other states have added a premium assistance program since January 31, 2022, or for more information on special enrollment rights, contact:

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
cms.hhs.gov

877-267-2323, Menu Option 4, Ext. 61565