

**Benefit
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For Your Benefit

JOINT LABOR-MANAGEMENT BENEFITS COMMITTEE

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HRA Continues 2 More Years

LACCD active employees and early retirees will receive two (2) more years of the Health Reimbursement Account (HRA) benefit following deliberations with the Board of Trustees. The decision came following several months of negotiation by the Joint Labor-Management Benefits Committee.

To qualify or be eligible for the HRA, you must be actively employed (hired or reinstated on or before March 1), and be enrolled in a PERS medical plan, or otherwise qualified as an early retiree (a retiree of PERS, STRS, or PARS; cur-

rently receives a retirement allowance, and not yet Medicare-eligible). The District's contribution of



A young family — mother, son and father, outdoors for a healthy walk.

\$1,500 annually on a HRA debit card will continue until December 31, 2016. Employees can use the HRA card to pay for qualified out-of-pocket expenses

such as deductibles, co-insurance, co-pays, orthodontia, prescription eyeglasses, sunglasses and contact lenses, and even long-term care insurance. Unused balances may be carried over from prior years, subject to the maximum IRS limits. Consequently, if you started employment at the District after March 1, you will have to wait until the new calendar year to be eligible. Additionally, if you are not an LACCD early retiree receiving a retirement allowance, or you are currently Medicare eligible, you do not qualify to receive this benefit.

JLMBC Welcomes A New Chairperson and District Risk Manager

Join the Joint Labor-Management Benefits Committee (JLMBC) in welcoming Paulina Palomino as the new chairperson and David Serrano as our new Risk Manager who directly supervises the

LACCD Health Benefits unit.

Paulina began serving as chairperson of the JLMBC in July of 2014 and David began serving as Risk Manager in March 2015. They

work tirelessly to move the health benefits and wellness program forward in meeting the health care needs of District employees and their families.

What Changed in Your Medical Plan Coverage this year?



Four typical employees happy with LACCD benefit coverage.

“Your CalPERS-sponsored health plan had some changes in 2015. For more information about CalPERS Medical Plan changes in 2015, go to <http://www.calpers.ca.gov/eip-docs/about/video-web-center/videos/health-benefits/2015-plan-questions-answers.pdf>.”

Stacked stones, minerals, and a brown bottle—peaceful meditative images.



CalPERS health plans serve those who serve California. And that covers a large spectrum of different things, whether you’re an active employee, a retiree, whether you work for a public agency or a state agency. The CalPERS-sponsored health plan for LACCD had some changes in 2015. All changes de-

scribed below are effective January 1, 2015.

Acupuncture and Chiropractic: For plans that did not offer acupuncture and chiropractic benefits, 20 annual visits for acupuncture and chiropractic services (combined), will now be provided without regard to medical necessity.

High Performance Generic Step Therapy: Kaiser and Blue Shield have been doing the High Performance Generic Step Therapy for some time. It’s basically a way to save on prescription costs by using the generic equivalent whenever medically feasible. So those, in some ways, won’t change.

For more information about Medical Plan changes in 2015, go to <http://www.calpers.ca.gov/eip-docs/about/video-web-center/videos/health-benefits/2015-plan-questions-answers.pdf>

This benefit encourages clinically-appropriate prescribing at the lowest cost, without sacrificing clinical outcomes, by steering members to more cost effective first-line generic medications, and provides coverage for one preferred select brand in some classes.

Will you still be able to get brand name medications? The answer is Yes! There are grandfather

provisions in place. CVS/ CareMark mailed out information about this benefit change at the start of year.

Blue Shield no longer requires the use of Centers of Excellence for knee and hip replacements. This medical plan also removed the \$250 outpatient hospital copay for upper endoscopies, colonoscopies, cataract surgery and knee injections.

the maximum out of pocket was \$1,500 for a single person and \$3,000 for a family. In 2015, this increased to \$6,600 for a single and \$13,200 for a family. The main difference, though, is that this out-of-pocket limit now includes both medical and pharmacy. Whereas, in 2014 the amount was covered medical cost and pharmacy had no limit at all.

What changes occurred in the maximum out-of-pocket limits this year? **Maximum out-of-pocket limits** is another Affordable Care Act requirement or compliance. In 2014,

How the HRA and FSA Work Together



Woman with piggy bank saving for her future.

When you have eligible expenses, you must use your HRA before any money can be withdrawn from your FSA. So, if you want to use both accounts, here's what you

- need to do:
1. Estimate your annual expenses.
 2. If you expect to spend less than your HRA balance (\$1,500 + your prior years' balance), do not contribute to your Health Care FSA.
 3. If you expect to spend more than your HRA balance, then it's a good idea

- to contribute to your FSA.
4. Use your debit card to pay for eligible expenses. Once your accumulated HRA balance is exhausted, accumulated funds will be withdrawn from your Health Care FSA.
 5. If you plan carefully, the two accounts are easy to use together and you can drastically reduce your out-of-pocket health care costs!

Your HRA/FSA Debit Card Receipts

LACCD employees are asking why they are sometimes required to provide itemized receipts for out of pocket expenses even though they successfully swiped their debit card .

What is the Problem?

When you swipe your debit card, the IRS requires back-up information about the transaction to be included in the debit.

The swipe system at some points-of-service (POS) is not set up to provide the detailed information required by the IRS.

What you need to do:

Always request an itemized receipt from your provider— medical, dental, pharmacy etc. You can then provide a copy of that itemized receipt to ADP if ADP

sends you a Statement of “Ineligible Expenses”, “Potentially Ineligible Expenses”, or a “Validation Request” .”

How can I get more information?

There is a great deal more information about both HRA and FSA as well as the ability to track your own individual spending at the ADP website. Please go to <https://myspendingaccount.adp.com> or call 1-800-964-6165.

Thinking About Enrolling in Medicare?

If you are an active employee, neither you nor your dependents enrolled in the CalPERS medical health benefits plan for LACCD are required to sign up for Medicare at age 65. However, you do have the option when you become Medicare eligi-

ble, at age 65, to enroll in Medicare Part A through Social Security and request to defer Medicare Part B until you are no longer an active employee and officially retire from LACCD. See table on page 4 and link on LACCD website



An older man and a woman thinking of enrolling in Medicare.

Per CalPERS Health Benefits Manual, Section 13 (Medicare):

Working Status	Medicare Eligible Employee	Medicare Eligible Dependent	Plan Type
Active	No	Yes or No	Basic
Active	Yes (65 yrs+)	Yes or No	Basic until retirement; enroll in Part A and defer Part B
Active	Yes - End Stage Renal Disease (ESRD)	Yes	Supplement to Medicare or Medicare Advantage
Active	Yes (ESRD)	No	Combination
Retired	No	No	Basic until Medicare Eligible
Retired	Yes	Yes	Supplement to Medicare or Medicare Advantage
Retired	No	Yes	Combination
Retired	Yes	No	Combination

The mission of the Joint Labor-Management Benefits Committee is to select and review the District's health benefits plans and providers to contain costs while maintaining the quality of the benefits available to employees. The cooperation between representatives of labor and management has resulted in the ability of our employees to enjoy an outstanding benefits program. The Committee welcomes your input and inquiries.

JOINT LABOR/MANAGEMENT BENEFITS COMMITTEE		
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