



2020 New Employee Benefit Guide

For Extended Part-time and Temp Full-time Positions

Welcome to the City of Edina!

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We are happy to have you as a member of our team. The City of Edina works hard to offer benefits that allow us to recruit and retain the best employees, like you. Please review the information and contact a member of the HR team if you have any questions.

All non-union Extended Part time and Temporary Full Time positions (those who are approved to work 30+ hours per week) are eligible for health insurance, Paid Time Off, and Holiday leave pay.

You have 30 days from your hire date/status change date to elect a health insurance plan that best suit your needs. These benefits will be in effect the first of the month on or following your hire/status change date.

These benefits will remain in effect through December 31, 2020. You will have the opportunity to change your benefits before then if you experience a qualifying life event such as marriage, birth/adoption, divorce, or spouse and/or dependent obtaining/losing other group coverage. Please keep in mind that if you experience such an event, you must contact HR to make plan changes within 30 days of the event.

If you do not experience a qualifying event mid-year, you will have the opportunity to change your benefits during open enrollment for benefits effective 1/1/2021.

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CITY CONTRIBUTION

All Extended Part-time and Temporary Full Time positions are eligible for health insurance benefits. The City of Edina makes a monthly contribution toward the cost of benefits, as shown below:

City Contribution toward Health Insurance	
Ext. Part Time/Temp FT Contribution	\$725.00
Opt Out Contribution	\$0 if opt out

Health Insurance Plans and Networks—Health Partners

There are two steps to selecting your health plan:

Step 1: Select your plan design (HSA or HRA)

Step 2: Select your network (Open Access, Perform, Achieve)

2020 Health Insurance Rate Information						
2020 Health Insurance Rates	\$2800/\$5600 Deductible w/HSA			\$2500/\$5000 Deductible w/HRA		
	Open Access	Perform	Achieve	Open Access	Perform	Achieve
Single	\$739.50	\$725.00	\$710.00	\$824.50 *	\$808.00*	\$791.50*
EE+ Spouse	\$1,554.00	\$1,523.00	\$1,492.00	\$1,731.50 *	\$1,697.00*	\$1,662.50 *
EE+ Children	\$1,480.00	\$1,450.50	\$1,421.00	\$1,649.00*	\$1,616.00 *	\$1,583.50*
Family	\$1,924.00	\$1,885.50	\$1,847.00	\$2,144.00*	\$2,101.50*	\$2,058.50*

*If you choose the HRA plan, the City will contribute \$1250 for single coverage, and \$2500 for family coverage into an HRA at the start of employment (pro-rated), and in January of each year. This amount is deducted from the City Contribution (\$104.17/mo. for single and \$208.34/mo. for family.)

PLANS

For 2020, the City of Edina will offer health insurance through **Health Partners**. Employees have the option of the following 2 plans:

- \$2700 Single/\$5400 Family Deductible with a Health Savings Account (HSA)
- \$2500 Single/\$5000 Family Deductible with a Health Reimbursement Account (HRA)

NETWORKS

Each plan includes three network options:

- The **Open Access** network is the largest and includes both the Mayo Clinic Rochester location as well as Mayo Clinic Health Systems locations. Approx. 98% of physicians and 100% of hospitals in MN participate in this network.
- The **Perform** network is a subset of Open Access which excludes a small number of high cost providers such as Mayo Clinic and Health Systems.
- The **Achieve** network includes Health Partners and Park Nicollet Clinics, several independent clinics, and many area hospitals.

By seeing an in-network provider, you'll receive the highest level of benefit and pay the least amount..

At a Glance Benefits (in-network)

	\$2800/\$5600 Deductible w/HSA	\$2500/\$5000 Deductible w/HRA
Deductible	\$2,800 Single; \$5,600 family	\$2,500 Single; \$5,000 family
Out of Pocket Max	\$2,800 Single; \$5,600 family	\$2,500 Single; \$5,000 family
Preventative Care	100% coverage	100% coverage
Office Visits & Urgent Care	100% covered after deductible	100% covered after deductible
Emergency Room	100% covered after deductible	100% covered after deductible
In and Out Patient Care	100% covered after deductible	100% covered after deductible
Diagnostic X-Ray , Lab Tests	100% covered after deductible	100% covered after deductible
Prescriptions	100% covered after deductible	You pay 20% (Min \$10, Max \$25)
Prescriptions—Specialty	100% covered after deductible	You pay 20% (Max \$200)
HSA/HRA Info	Employees can choose how much they want to put into an HSA (\$3,550/\$7,100 max/year). See pages 6-7 for more details.	The city will contribute 1/2 of the deductible (\$1250/\$2500) into an HRA from the City Contribution. See pages 6-7 for more details.

This is only a summary. Read your Certificate of Coverage for more information about what is and isn't covered. Services that aren't covered include those that are cosmetic, investigative, not medically necessary, or covered by Worker's Compensation or non-fault insurance.

For more information, visit www.healthpartners.com or call Health Partners Member Services at 952-883-5000 and 1-800-883-2177.



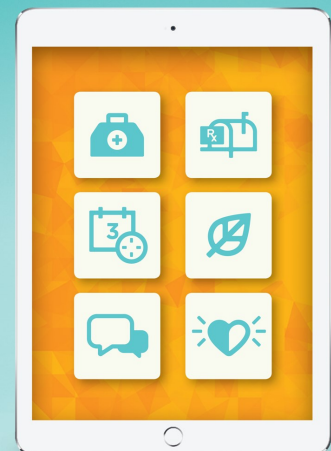
Health Partners Online Tools and Mobile App

Sign up for a myHealthPartners account and manage your plan at home, at work or on the go. You can find the following tools online:

- Doctor search made easy
- Cost estimates for your care, including pharmacy comparisons
- Texts with your plan balances
- Chat with Member Services
- Go paperless with plan documents online

Get started at healthpartners.com/getmyinfo and/or download the myHP mobile app for both Apple and Android phones.

Tools at your fingertips



Health Savings Account (HSA)

A Health Savings Account (HSA) is an individually owned, tax-advantaged account that is used to pay for current or future medical expenses, for you, yourself, and your tax dependents.

This is an account that is managed by you as the individual, so you decide when and how to use your HSA dollars for eligible expenses.

The City has chosen *Select Account* as the administrator of the account.

For 2020, employees may contribute an annual maximum of **\$3,550** (for single coverage) or **\$7,100** (for family coverage) and an additional catch up of \$1,000 to individuals age 55 and older. Contributions are made on a pre-tax basis through payroll deductions or after-tax money directly into their HSA from savings, etc. Employees can begin, change, or stop payroll deductions at anytime during the year.

When funds in the HSA are used for medical tax qualified expenses the funds are tax free. *(Please refer to IRS publication 502 for a list of eligible medical expenses).* The

employee will receive a debit card to use for paying for medical expenses or for reimbursing themselves from their account. Any funds left in your HSA account at year-end will automatically roll over from year to year. The HSA account is yours to keep even when you change jobs, health plans or retire.

Health Reimbursement Accounts (HRA)

The Health Reimbursement Arrangement (HRA) account is intended to provide pre-tax contribution and tax free interest growth to either pay qualified out-of-pocket medical expenses and/or save for qualified medical expenses after retirement.

Money is contributed by the City on behalf of the employee to a tax exempt, trust account called a VEBA. This is an account that is funded only

by the employer, no employee contributions. **The City contributes half of the employee's deductible into the HRA at the start of employment (prorated), and in January each year.**

HRA plans are not "use it or lose it", but claims must be submitted within one year of the date they were incurred in order to be reimbursed.

The City has chosen *Select Account* as the administrator of the account. Employees have the choice of a Debit Card, or Manual Reimbursement.

Due to an IRS change in 2017, if you choose to cover dependents that are not on your health plan, you must fill out an extra form. Please see HR for more details.

Flexible Savings Accounts (FSA)

Employees have their choice of two Flexible Spending Accounts (FSA):

- Medical FSA
- Dependent Care Expense Reimbursement Account.

Both offer participating employees a convenient way to use pretax dollars to pay for healthcare and dependent care expenses. Both accounts are "use it or lose it" meaning that ex-

penses must be incurred during the plan year and can only roll over up to \$500.

The maximum medical FSA contribution for 2020 is \$2,750. The maximum dependent care FSA contribution is \$5,000.

Employees that have an HRA can also contribute to an FSA. Payments will be withdrawn from the FSA first, since it is "Use it or Lose it". Employees that have an HSA can also have a Medical FSA, however it is

"limited" to reimbursement of dental, vision, or pays only after minimum HDHP deductible is satisfied, or coverage is suspended during HSA participation. In most cases employees with an HSA will not want a medical FSA, unless looking to set aside more than the IRS limit on HSA contributions for the year.

	HSA Plan	HRA Plan
Premium Cost	Cheaper Premiums	9% Higher Premiums
Prescription Costs	Employee pays 100% of prescriptions (counts towards deductible)	Copay for Prescriptions
Out of Pocket Costs	Deductible <u>and</u> Out of Pocket Max = \$2800 single \$5600 family/dependent	Deductible <u>and</u> Out of Pocket Max = \$2500 single \$5000 family/dependent
Account Funding	Employee decides how much to contribute up to: \$3,550 Single / \$7,100 Family Add. \$1000 for employees 55+	City Contributes ½ the Deductible (Deducted from City Contribution) \$1250 single / \$2500 family
Whose expenses can be reimbursed?	You, your spouse, and your <u>tax</u> dependents.	Anyone covered on your HRA health insurance plan (or any dependents with an extra
What can I withdraw \$ for?	Withdraw for anything, but taxes / penalty applies to non-qualified expenses if under 65.	Withdraw for qualified healthcare expenses only
Can it be used to pay for insurance premiums?	Can only be used for insurance premiums under COBRA/continuation, Long-term care, Medicare (B&D).	Can be used for most health insurance premiums after separation from employment.
What happens to the \$ if I die?	Can designate any beneficiary.	Spouse and dependents can continue to access account for qualified reimbursements.

Which might you consider?

HSA	HRA
You want the cheapest premiums.	You are willing to pay more premiums for Prescription Copays.
You want to choose how much to contribute to your health account.	You want to be able to access the HRA dollars up front.
You want to withdraw your money for non-medical expenses. (Note: there is a tax penalty for this).	You already have an HRA from a previous job or conflicting coverage through a spouse.
You want to be able to designate a beneficiary.	You want to be able to use the money for spouse and children, even if they are non-tax dependents.

PERA (Public Employees Retirement Association)

The Minnesota Legislature created the **Public Employees Retirement Association (PERA)** in 1931. PERA administers several retirement plans, including two plans which include City of Edina employees: the Police & Fire Plan (sworn police and fire employees) and Coordinated Plan (non-police and fire employees).

PERA eligibility is automatic for employees who meet certain position eligibility requirements, including extended part time employees. This may vary for Temporary Full Time Employees.

Both the employee and employer contribution into PERA based on the guidelines set by the State Legislature. For 2020, those rates are shown below. Contributions to PERA are tax deferred and therefore most of your PERA benefits will be taxable when they are received.

Each plan has different rules to determine the eligibility for full and reduced retirement benefits. Your pension is paid as equal monthly payments for your lifetime

with annual adjustments. **Your benefit is a product of your age, average salary, and your years of credited service.** These factors vary from member to member and PERA is available to assist employees as they near retirement.

This information was compiled from the PERA website.

Please visit www.mnpera.org for more specific plan information or contact HR.

2020 Rates	Employee	Employer
Coordinated Plan	6.5%	7.5%
Police and Fire Plan	11.8%	17.70%

Deferred Compensation for Retirement (457 plan)

If you are just starting your career, or if you are nearing the end, its never too early or too late to save for retirement! The City of Edina offers 3 options for deferred compensation for Extended Part-time employees. You can contact the companies below at any time to set up an account, or to change your deductions/investments. You can also get an informational booklet from Human Resources on the plan of your choice at any time.

MN DCP	VOYA	ICMA-RC
Steve Eilen	Steve Olsonoski	Alvin Floyd
651-756-0429	952-225-0348	1-800-729-4457 opt 3
Www.msrs.state.mn.us	Www.voyaretirementplans.com	Www.icmarc.org
Plan: 650251	Plan: 664015	Plan: 300370

You can make pre-tax contributions to the plan through the above options. The funds become taxable income when withdrawn in retirement. You can also enroll or make changes to this plan at any time—there is not “open enrollment for Deferred Compensation. You have the option of investing your contributions in a variety of mutual funds, cash accounts, and stocks or bonds through the provider.

Total annual contributions to the plan cannot exceed limits set by the IRS. In 2020 the limits are: \$19,000 (normal deferral), \$25,000 (Age 50 Catch up limit), \$38,000 (Pre-retirement Catch up limit). Contact HR/Payroll to determine if you are eligible for the catch up provision.

Paid Time Off (PTO)

Extended Part Time and Temporary Full Time non-union employees accrue PTO leave according to the following schedule:* *For union employees, please consult your union contract.*

- 1-5 years 2.31 hrs/pay period
- 6-10 years 3.46 hrs/pay period
- 11 years 3.69 hrs/pay period
- 12 years 3.92 hrs/pay period
- 13 years 4.15 hrs/pay period
- 14 years 4.38 hrs/pay period
- 15 years 4.62 hrs/pay period
- 16+ years 4.85 hrs/pay period

*Maximum accrual of 360 hours



Holidays

Extended Part Time and Temporary Full Time non-union employees receive paid holidays (6 hours each day) on: New Year’s Day, Martin Luther King Jr Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the Friday after Thanksgiving Day, Christmas Eve, Christmas Day, Floating Holiday. *For union employees, please consult your union contract.*



Questions? We’re here to help!

If you have any questions or need assistance with your benefits, please contact:

Or anyone in Human Resources:

Terri Wilson, Staffing Specialist, Ext. 406

Sarah Carlson, HR Generalist, Ext. 415

Kelly Curtin, HR Director, Ext. 402

Betsy Soderlund, Payroll Specialist, Ext. 418



Cassi McMayer

HR Generalist

952-826-0404

cmcmayer@edinamn.gov

Complete benefit plan information, forms, and websites can be found on **Edinet**.
Click on the **Benefits Portal** under the Benefits & Wellness tab!



Reminder:
Keep your Information Updated
It is important for the City to have up-to-date employee contact, emergency contact, and beneficiary information from employees.
If you move, get married/divorced, have children, etc. please contact HR.