CITY OF KANNAPOLIS

EMPLOYEE BENEFITS SUMMARY

July 1, 2020 – June 30, 2021

The City of Kannapolis is pleased to offer the following benefits to our employees. Please review the benefits summary completely to assist you in electing your benefits.

What You Need to Do

Before Open Enrollment:

1. Review the Summary of Benefits
2. Review your current benefit elections by: paycheck stub, ESS (Employee Self Service) Paycheck Simulator, or the Open Enrollment Election Form with Changes or email *(only after you have looked at the prior 3 options)* Wendy Hartsell at whartsell@kannapolisnc.gov for a list of your current benefits.
3. Gather dependent information - full names, dates of birth and social security numbers.

During Open Enrollment:

Open Enrollment will be conducted a little differently this year due to COVID-19 and the current restrictions on large gatherings and social distancing.

If you are **NOT** making any changes:

1. Complete the No Changes & Section 125 Form
2. Send the form to Wendy Hartsell by **inter-office mail**, email or regular mail.
3. ***IN PERSON MEETINGS ARE BY APPOINTMENT ONLY. CALL 704-920-4318 FOR AN APPOINTMENT.***

If you **ARE** making changes:

1. Complete the Open Enrollment Election Form with Changes & the Section 125 Form
2. Fill out all sections of both forms completely
3. Send the forms to Wendy Hartsell by **inter-office mail**, email or regular mail.
4. ***IN PERSON MEETINGS ARE BY APPOINTMENT ONLY. CALL 704-920-4318 FOR AN APPOINTMENT.***

Questions? Email Wendy Hartsell at whartsell@kannapolisnc.gov. This is the preferred method of contact due to limited office hours and working from home. If email is not an option call (704) 920-4318 or the main HR number (704)920-4300.

After Open Enrollment:

*Review the benefit deductions on your July 6th, 2020 paystub to verify they are correct.

*If you elected to participate in the Wellness Program, the health risk assessments are on hold while COVID-19 social distancing requirements are in place. Health risk assessment dates will be announced at a later date.

BlueCross BlueShield of North Carolina

Medical Plans

Medical Plan	Deductible	Coinsurance	Coinsurance Maximum	Hospital	ER	Urgent Care	Primary Care/ Specialist	RX
PPO Plan	Single - $1,500 Family- $3,000	80%	Single - $3,000 Family - $6,000	80% after deductible	$150 co-pay (waived if admitted)	$50 co-pay	$30 co-pay/ $60 co-pay	$100 deductible $10/$35/$55 co-pays
HSA Plan	Single - $2,000 Family - $4,000	80%	Single - $2,000 Family - $4,000	80% after deductible	80% after deductible	80% after deductible	80% after deductible	$10/$35/$55 co-pays After Deductible
123 Plan	Single - $1,750 Family - $3,500	60% - 80% depends on level (1, 2 or 3) of benefit	Single - $4,850 Family - $9,700	$250 per admission co-pay then 80% after deductible	60% after deductible	$60 co-pay	$30 co-pay/ 60% after deductible	$100 deductible $10/$35/$50 Diabetic Supplies 75% after RX deductible

Please note that all 3 plans offered cover Preventive Care at 100% with no co-pay or deductible

MEDICAL – Premiums

Medical Insurance Premiums	Employee Only	Employee & Spouse	Employee & 1 Child	Employee & 2 or more Children	Family
	Per Pay	Per Pay	Per Pay	Per Pay	Per Pay
PPO	$14.84	$290.47	$100.77	$191.61	$535.47
HSA	$0	$246.36	$75.00	$150.00	$467.81
123 Plan	$0	$220.00	$75.00	$150.00	$400.00

NON-WELLNESS - add $50 per pay for each premium listed above

Dental

NC League of Municipalities – Medcost Benefit Services

	Dental Plan II	Dental Plan III
Deductible	$50	$50
Family Deductible	$100	$100
Annual Maximum	$1,000	$1,500
Services:		
Preventive (no deductible)	100%	100%
Basic	80%	80%
Major	50%	80%
Child Ortho	50%	50%
Child Ortho Lifetime Maximum	$1,000	$1,000

Monthly Deduction	Dental Plan II	Dental Plan III
Employee Only	$0.00	$10.00
Employee + Child(ren)	$56.00	$84.00
Employee + Spouse	$31.00	$52.00
Family	$68.00	$97.00

Per Pay Deduction	Dental Plan II	Dental Plan III
Employee Only	$0.00	$5.00
Employee + Child(ren)	$28.00	$42.00
Employee + Spouse	$15.50	$26.00
Family	$34.00	$48.50

Vision

200 Plan

One routine eye examination every 12 months	**($15 co-pay)**
A $200 allowance for eyewear every 12 months	**($15 co-pay)**
A contact lens fitting, re-fit or evaluation every 12 months	**($15 co-pay)**

The allowance can be applied to frames, spectacle lenses, contact lenses, special lens options, or any combination. Provided the member selects eyewear having a retail price that's less than or equal to the allowance, they incur no out-of-pocket expense at the time of service except for the eyewear co-pay. If the selected eyewear has a retail price that exceeds the plan allowance ($200), the member is responsible only for the balance (i.e., retail minus the allowance), plus the eyewear co-pay. In addition, for the purchase of glasses (frames and /or lenses), members who exceed their allowance are eligible for a 20% discount on the balance. For the purchase of contact lenses, members who exceed their allowance are eligible for a 10% discount on the balance.

Members who obtain exams and eyewear from a non-credentialed provider still receive their full benefit. Such encounters are not treated as "out-of-network" in the traditional sense. The member simply submits a claim to Community Eye Care and is reimbursed for the full cost of their exam (minus the exam co-pay) and for the cost of their eyewear, up to the amount of the allowance (minus the eyewear co-pay)

Members can save up to 50% (relative to national averages) at any one of more than 900 QualSight LASIK providers.

For vision plan members, seeing the doctor they want is a top priority. With CEC's expansive network of optometrists and ophthalmologists, members can easily find a doctor who meets their needs. In addition, CEC offers the largest national network of retail optical chains, making it easy to find a provider in all 50 states.

Visit www.CECvision.com to find a provider, download a claim form and get information on the plan.

	Monthly	**Per Pay**
EMPLOYEE ONLY	$11.16	$5.58
EMPLOYEE & Children	$21.80	$10.90
EMPLOYEE & Spouse	$23.21	$11.61
FAMILY	$34.58	$17.29

Term Life and Disability Insurance

Basic Term Life Insurance and Accidental Death & Dismemberment (AD&D) Coverage: Standard Insurance Company

A completed Medical History Statement Form must be submitted to Standard Insurance Company when requesting new or increased coverage approval. The form can be downloaded from ESS and must be completed and sent to Standard Insurance Company (address at top of form) by May 29th, 2020.

Full time employees receive a basic term life and accidental death & dismemberment (AD&D) benefit equal to one times the annual base earnings, up to a maximum of $100,000.

Optional Employee Term Life: Standard Insurance Company

Employees may elect from $10,000 to $100,000 in additional term life insurance as shown below. Employee will need to complete medical questionnaires to apply for increased coverage.

Benefit Levels	Monthly Deduction	Per Pay
$10,000	$2.40	$1.20
$20,000	$4.80	$2.40
$30,000	$7.20	$3.60
$40,000	$9.60	$4.80
$50,000	$12.00	$6.00
100,000	$24.00	$12.00

Optional Dependent Term Life: Standard Insurance Company

Employees may elect $2,500 in coverage for their spouse and dependent children for a flat rate of $1.06 per month.

Short Term Disability: Standard Insurance Company

Members eligible but not enrolled under the prior plan, members requesting reinstatement in the plan, and late enrollees will not be required to submit evidence of insurability. They will instead be subject to a 60-day benefit waiting period for physical disease, pregnancy or mental disorder during their first 12 months in the plan.

The short-term disability plan pays 60% of your gross weekly income up to a maximum of $500 per week. Benefits begin on the first day after an accident or the eighth day of an illness.
Benefits are payable up to 13 (90 Days) or 26 (180 Days) weeks after sick time had been exhausted, depending upon which option you choose. Benefits are paid tax-free.

Employees can elect Short Term Disability without completing the EOI (Evidence of Insurability).

Long Term Disability: Standard Insurance Company

A completed Medical History Statement Form must be submitted to Standard Insurance Company when requesting new or increased coverage approval. The form can be downloaded from ESS and must be completed and sent to Standard Insurance Company (address at top of form) by May 29th, 2020.

If you have less than 5 years of service, you have no disability coverage.
Employees with 5+ years of service have retirement disability through the NC Retirement System; however, the benefit pays between 37% and 74% of your income (taxable).
Standard now offers a Long-Term Disability program that provides benefits to all employees.

- Benefits start after 180 days of disability.
- Employees with less than 5 years of service receive 60% benefit up to $5,000 per month.
- More than 5 years of service would receive a non-integrated 30% benefit. This means you can receive retirement disability (taxed) and 30% from Standard (non-taxable) up to 100% of your current income.
- Should an employee with more than 5 years of service not qualify for retirement disability, you would receive the 60% benefit (non-taxable).

Employees can choose from the following:
2-year Plan
5-year Plan
Up to age 65 or Social Security Retirement Age Plan

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Optional Insurances

<u>Other Optional Insurance Plans:</u> Creative Worksite Solutions

NOTE: YOU MUST CONTACT CREATIVE WORKSITE SOLUTIONS TO ELECT OR CHANGE ANY OF THE FOLLOWING BENEFITS

The plans listed below are voluntary and subject to approval by the provider. Evidence of insurability must be provided for each. To enroll please contact Creative Worksite Solutions by May 29th, 2020.

1-866-971-9715
Email: customerservice@creativeworksitesolutions.com

Allstate Cancer Plan
Allstate Accident Plan
Transamerica Cancer Plan
Unum Universal Whole Life

Assurity Cancer Plan (Available only to those employees currently enrolled in the plan)
Transamerica Accident Plan (Available only to those employees currently enrolled in the plan)

MEDICAL SPENDING ACCOUNTS

Flores
Better Benefits Starts Here.

FSA

Flexible Spending Accounts (FSA): FLORES & ASSOCIATES

NOTE: YOU MUST COMPLETE THE BENEFITS ENROLLMENT WITH CHANGES FORM TO ELECT FSA BENEFITS FOR THE NEW PLAN YEAR. YOU CANNOT COMPLETE THE NO CHANGE FORM.

Flores & Associates administers the medical and dependent flexible spending accounts. You will need to make an annual election each year for these accounts. All payroll deductions are made with pre-tax dollars.

Dependent Care Reimbursement Account ($5000 Maximum)
You can deduct on a pre-tax basis for dependent care payments. Different from Medical Reimbursements, you can only use what you have deducted. Be conservative because similar to Medical Reimbursements, you lose what you do not use!

Medical Reimbursement Account (FSA) ($2,500 Maximum)
You can deduct on a pre-tax basis for the reimbursement of your family's out-of-pocket qualifying medical expenses. Budget your expenses carefully as you lose any funds not used.

The plan year is July 1, 2020 – June 30, 2021. Eligible expenses must be incurred during the plan year and claims must be filed within 60 days of the end of the plan year.

You can reach Flores customer service department at1-800-532-3327 or www.flores247.com
Claims can be submitted via fax to 1-800-762-9982 or via mail:

Claims Processing
PO Box 31397
Charlotte, NC 28231-1397

HRA

Health Reimbursement Accounts (HRA): FLORES & ASSOCIATES

Flores & Associates also administers the HRA benefit.

NOTE: 2017 Regulation Updates

Individual, Spouse, and/or Dependent Coverage:
To receive tax free benefits under your HRA Plan, an individual (including a spouse and/or dependent) must also be enrolled in employer-sponsored group health plan coverage (not applicable to Qualified Small Employer HRA). You may not extend HRA benefits to anyone not covered under an employer-sponsored group health plan. (Do so, and your HRA Plan will not qualify as "integrated coverage," excise penalties may result.)

You may roll over a maximum of $3,500 per year. Rollover amounts will be available after October 1st.

If you are changing from the PPO medical plan to the HSA medical plan*, federal tax laws require that any balance remaining in your HRA account as of 6/30/20 will be suspended. For this reason, we recommend that you spend the existing balance before 6/30/20. If you do not use these funds, they will remain in your account should you decide to switch back to the PPO plan for a future plan year.*

You can reach Flores customer service department at1-800-532-3327 or www.flores247.com
Claims can be submitted via fax to 1-800-762-9982 or via mail:

Claims Processing
PO Box 31397
Charlotte, NC 28231-1397

HSA

Health Savings Accounts (HSA):

The IRS allows you to make contributions to your HSA tax free up to the following allowable amounts:

	2020	2021
Individual	$3,550	IRS has not released 2021 amounts
Family	$7,100	IRS has not released 2021 amounts

It is your responsibility to maintain your Health Savings Account and the contributions made to it. Amounts listed above include any contributions made by employer.

If you have elected the HSA Plan and have not provided HR with your Health Savings Account information previously please do so by June 15th, 2020. You may open a Health Savings Account at the bank of your choice. The Local Government Employees Credit Union that operates inside the State Employees Credit Union offers the HSA with no fees.

Medical Spending Contributions

The City makes an employer contribution to a Health Reimbursement Account (HRA) or a Health Savings Account (HSA) as approved by City Council with adoption of the annual budget. Please plan accordingly as the money will be deposited to the accounts during the month of July 2020. The medical spending contributions are provided tax free and must be used for qualifying medical expenses only. You may find a complete list of qualifying expenses at https://www.irs.gov/pub/irs-pdf/p502.pdf. New Hires will receive a prorated amount based on the start date of their benefits.

Employee Assistance Program

The City of Kannapolis Employee Assistance Program (EAP) is provided through McLaughlin Young Employee Services. With this partnership with McLaughlin Young, all employees and their immediate family members have access to free, confidential, short-term counseling and personal consultative services that are located near your home or work location.

Some examples of concerns that the EAP addresses include:

- Family conflict
- Relationship issues
- Grief and loss
- Stress
- Depression and anxiety
- Communication breakdowns
- Alcohol or drug use
- Work related Issues

In addition, EAP providers can work other providers to make referrals when long-term assistance is more appropriate.

Through your EAP, McLaughlin Young Employee Services, you and your family have access to hundreds of articles, various elder care and childcare locators, a savings center, health and wellness tools, and many other interactive services through the Work-Life web site.

To access the Work-Life website, go to www.mygroup.com.

Click on Work-Life Login.

Username: myeap
Password: guest

To contact EAP, call 704-529-1428 or 1-800-633-3353.
6 free visits per year per issue - Unlimited number of issues

Employee Health Clinic

Synergy Healthcare will manage and staff the Employee Health Clinic. Participants who complete the Health Risk Assessment and are compliant with their recommended healthy life plan can utilize the clinic. Most services are provided at no charge; however, some visits may be covered with a minimal charge in accordance with the HSA medical plan benefit summary.

Health Clinic Services Extended to Covered Spouses

Spouses covered by the city's medical plan can use the Employee Health Clinic. **To use the services of the health clinic, spouses must complete the Health Risk Assessment.**

The Employee Health Clinic is staffed by a licensed, certified Nurse Practitioner. Each appointment will be scheduled for 15-20 minutes.

She can:

- ✓ Treat minor medical conditions
- ✓ Write prescriptions
- ✓ Lab work
- ✓ Conduct basic physical examinations
- ✓ Monitor ongoing medical concerns
- ✓ Provide referrals for physician visits and/or diagnostic services
- ✓ Provide personal education and advice

Appointments can be scheduled online at www.timecenter.com/cityofkannapolis. Appointments can also be made by calling the Synergy Healthcare Scheduling Line at (980)505-8401 Monday –Friday between the hours of 8:30am – 4:30pm. You will receive additional information on how to schedule your Health Risk Assessment.

HOURS FOR APPOINTMENTS are as follows:

Monday	8am - 2:30pm
Wednesday	8am - 11am
Thursday	8am - 2:30pm

Kelli's Contact Information:

Kelli Miller, DNP, APRN, FNP-BC
Family Nurse Practitioner
Employee Health Clinic (Fire Station 1, 300 Firehouse Dr. Kannapolis
Online Scheduler: https://www.timecenter.com/cityofkannapolis/
980-505-8401 (appointments)
704-920-4223 (clinic)
kmiller@kannapolisnc.gov

Healthy Life Wellness Program

To thank employees for partnering with the City of Kannapolis to keep our healthcare costs down, employees who participate in and continue to meet the requirements of the **Healthy Life Wellness Program** are eligible to receive a medical insurance premium discount through June 30, 2020.

Additionally, Wellness Program participants enjoy the opportunity to utilize the onsite Synergy Healthcare Clinic and Dietitian/Nutritionist services at no charge and are not required to use personal paid leave time for visits. **Eligible employees are allowed one hour with pay per pay period to attend appointments with the onsite clinicians when appointments occur during the employee's scheduled workday.**

FY 2021 Compliance

Premium Discount:

1. Healthy Life wellness program participants who were compliant with program requirements at June 30, 2020 will continue to receive the premium discount through September 1, 2020.
2. Employees who elected not to participate or who did not complete the program requirements will not receive the premium discount until **Step 1** of the compliance requirements is met.
3. Employees who elect to participate must remain compliant with the program requirements to continue to receive the premium discount.

Healthy Life – Compliance Requirements:

It's so easy to comply with the Healthy Life Wellness program components, which are:

1. Complete a new health risk assessment **before** August 31, 2020.
2. Achieve and maintain a Total Health Score that is 80 points or greater.
3. If the previous year's score was 79 points or less, improve your Total Health Score by 5 points from the previous year, or
4. Improve BMI by 1 point from the previous year.
5. If the new Total Health Score is 79 points or less, meet with the onsite clinician at least once prior to December 31st, 2019.
6. If the new Total Health Score is 79 points or less, meet with the onsite clinician at least once prior to May 31, 2021.

You may request a retest 30 days after your last assessment. **Retests are performed with the City's on-site clinician.** In accordance with the Americans with Disabilities Act, other exceptions may apply with approval of the City's on-site clinician.

The Total Health Scores are based on the **Know Your Number** risk report. A sample Total Health Score follows. The Total Health Score determines how many points a participant has based on the most recent health risk assessment. Your FY 2020 Total Health Score will need to meet one of the criteria noted above under "FY 2020 Compliance" in order to receive the medical insurance premium discount.

Please see Kelli Miller, FNP at the Synergy Healthcare clinic if you have any question about the program or to understand how you can best improve or maintain your score for your specific situation.

To schedule an appointment with Kelli, please visit the online scheduler at: www.timecenter.com/cityofkannapolis.

SYNERGY Healthcare

SAMPLE Total Health Score Card

Test Patient – 1/1/87
Height: 6’ 3.0”
Weight: 203.6 lbs.

Screening Test	Normal	Intermediate	High	Extreme	2017 Results	2018 Results
Body Mass Index	<25	25-29	30-35	>35	**23.10**	**25.40**
	15	10	5	0	15	10
Nicotine Use	Not used 2 + Years	Quit 1-2 Years Ago	Quit 1 Month-1 Year Ago	Using or Quit 1 Month Ago	**Not Used 2+ Years**	**Not Used 2+ Years**
	15	10	5	0	15	15
Systolic Blood Pressure	<121	121-140	141-160	>160	**128**	**128**
	10	7	3	0	7	7
Diastolic Blood Pressure	<81	81-89	90-99	>99	**76**	**78**
	10	7	3	0	10	10
Glucose	<101	101-115	116-126	>126	**67**	**54**
	15	10	5	0	15	15
Total Cholesterol	<201	201-239	240-260	>260	**123**	**138**
	10	7	3	0	10	10
LDL Cholesterol	<101	101-140	141-160	>160	**62**	**73**
	10	7	3	0	10	10
Triglycerides	<151	151-250	251-300	>300	**62**	**88**
	15	10	5	0	15	15
PSA *males 45+	<4.0	-	>4.0	-	0.0	0.4
				Total Points	**97**	**92**

You **have** qualified for the medical insurance premium discount based on your Total Health Score.

*If you have “N/A” or “0” in the 2017 Results column, we do not have a 2017 HRA on file for you.

Dietician

Dietician/Nutritionist: MDD (My Diabetes Dietician)

MDD (My Diabetes Dietician) will continue to manage and staff the Personal Nutrition Counseling Service providing employees, retirees, and spouses covered by the city's medical plan with an educated and professional evidenced based approach to nutrition. Participants can receive personalized meal planning based on their lifestyle along with education, support and motivation for continued success.

To make an appointment contact: Judy Fischer (704) 846-7105

The Registered Dietician can provide the following services:

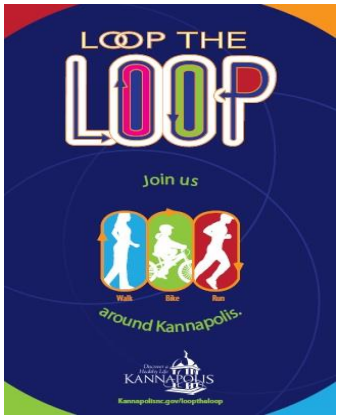
- ✓ Healthy Meal Planning
- ✓ Diabetes Education
- ✓ Proper Weight Loss &/or Gain
- ✓ Blood Pressure Control
- ✓ Gluten Free Diets
- ✓ Diabetes Prevention
- ✓ Individualized Meal Plans
- ✓ Food Allergies
- ✓ Blood Sugar Control
- ✓ Cholesterol Control

On-Site Fitness Facilities

The City of Kannapolis offers employees access to fitness facilities located in City Hall/Police Headquarters and each Fire Stations. Police and Fire personnel have dedicated facilities within their own department and stations.

All other employees utilize the fitness facility located on the third floor of City Hall. All employees must complete a training session and sign a release prior to being given access to the fitness facilities. The fitness facilities are for employee use only at your own risk. The facilities are not available for use by family members.

Loop the Loop



Loop the Loop is a fun way to track the distance of your walk, run, or bike ride. Route distances are designated by different colors. Signage and sidewalk markers will aid you as you complete the loops around the downtown core of the City and each of the Kannapolis School sites. You can also print the map on the website to help you orient your way around the loops. This year we are excited to include your dog. You are welcome to register your dog for Loop Prizes. Just register your dog's name and put “Dog” beside of the name. You can earn great people prizes and your pet can earn prizes they will love.

You can track your miles by registering for our free program:
https://apm.activecommunities.com/kannapolisnc/Activity_Search/1923

The goal is for you to complete 150 miles by the end of the year. At the end of each quarter, you are eligible to earn prizes. If eligible for prizes you will receive an email confirming your mileage and how to pick up your prize at city hall.

Loop the Loop is part of the City's Discover a Healthy Life Initiative and the Cabarrus Health Alliance REACH program. The City is a place where you can live a good life. A healthy holistic life. A community that welcomes new people, new ideas and new businesses. A place where there is a balance between work, family, and social living. A unique place where health, nutrition, science and education are becoming the business of the City and where a significant investment of the business sector has already been made. We hope you enjoy Loop the Loop.

Earn prizes by meeting these deadlines:

March 30, 2020: 50 miles
June 30, 2020: 75 miles
September 30, 2020: 100 miles
December 30, 2020: 150 miles

ONCE YOU'VE REGISTERED & TO LOG YOUR MILES: All you need to do is sign back in to the account you created using your log in and password you created when you registered and add the program to your cart again, proceed to check-out and you'll be asked each time how many miles you're logging.

For quick reference, bookmark the program registration/log site address, which is: https://apm.activecommunities.com/kannapolisnc/Activity_Search/1923

You can track miles daily, weekly, monthly or quarterly - it's up to you - we'll track them all.

POST EMPLOYMENT BENEFITS

Separation Allowance

The City of Kannapolis is required by law to pay a separation allowance to sworn law enforcement that meet the requirements of the policy. The City offers this same benefit to all employees who meet the requirements of the policy. We are one of only 3 entities in the state to offer this benefit to all employees!

Separation Allowance Policy

An annual separation allowance equal to eighty-five one hundredth percent (0.85%) of current base pay for each year of creditable service is payable by the City to the employee. This formula (last salary multiplied by .0085 multiplied by number of years creditable service) will be used to calculate annual separation allowance of employees who:

1) have (a) completed thirty or more years of creditable service or, @) attained age 55 years of age and completed five or more years of creditable service; and
2) have not attained 62 years of age; and have completed at least five years of continuous service as an employee of the City prior to retirement.

Any breaks in continuous service because of disability retirement or disability salary continuation benefits shall not adversely affect an employee's qualification to receive this allowance, provided that, the employee returns to service within 45 days after the disability benefits cease.

Annual allowance will be paid bi-weekly in twenty-six equal payments until age 62 unless employee dies or is reemployed in any capacity by a city, town, county or state government.

As defined by G.S. 143-166.41 (b), "creditable service" means the service for which credit is allowed under the applicable retirement system at time of retirement.

Retiree Continuation of Medical and Dental Coverage

The City offers continuation of group medical and dental coverage to all employees who retire from service and who are qualified to receive benefits due to normal retirement as follows:

Law Enforcement Employees

1. Attainment of age 50 and have completed 15 years of creditable service; or
2. Attainment of age 55 and have completed 5 years of creditable service; or
3. Completed 30 years of creditable service at any age.

Non-Law Enforcement Employees

1. Attainment of age 50 and have completed 20 years of creditable service; or
2. Attainment of age 60 (age 55 for firefighters) and have completed 5 years of creditable service, or
3. Completed 30 years of creditable service at any age.

REGULAR COVERAGE

Coverage will be continued under the type coverage (Individual, Family) as was in effect immediately preceding retirement date, and benefits will be the same as for all other members. Coverage will be available only to those eligible dependents of the member covered on the day immediately preceding the date of retirement. The addition or removal of dependents will be allowed only as permitted by the group plan document that is in effect. Future changes to benefit coverage, including addition or removal of dependent coverage, may be made only within 30 days of a change in family status or during annual open enrollment.

Coverage for eligible retirees will continue until:

Retiree ceases to be eligible as a retired employee as specified under the Retirement System;
Retiree fails to pay any applicable fees on or before the date due;
Retiree becomes eligible for benefits under Title XIX (Medicaid) of the Social Security act; Whichever occurs first.

MEDICARE SUPPLEMENT

All retirees and their dependents who are Medicare eligible must be covered by the Medicare Supplement as provided by the City's Group Plan to continue under the City's Group Plan. If the spouse or dependent is not yet Medicare eligible, that individual can remain under the regular plan if the retiree is enrolled in the Medicare Supplement.

PAYMENT OF PREMIUMS

If continuation of coverage is elected, medical and dental premiums for the retiree, including the Medicare Supplement premium, are payable by the City of Kannapolis according to the following schedule. An employee is eligible for this benefit provided that at the time of retirement the final five (5) years of service are years of employment with the City of Kannapolis.

20 or more years of creditable service:	75% of total premium
10 but less than 20 years of creditable service:	50% of total premium
Less than 10 years of creditable service:	0% of total premium

Medicare Supplement

The City of Kannapolis offers a Medicare Supplement to all retirees that turn 65 years old and are actively on the current medical plan with the city. At age 65 retirees are no longer eligible to remain on the City's medical plan and must go on the Medicare Supplement Retiree Medical and Rx Plan. The city will continue to pay a portion of the premium (0%, 50% or 75%) based on the retiree's years of creditable service at retirement. AmWINS Group Benefits currently manages the plan. If a retiree terminates their medical coverage or Medicare supplement coverage with the city coverage cannot be reinstated and they no longer qualify for the city to pay a portion of the premiums.

Annual Notices

CONTINUATION COVERAGE RIGHTS UNDER COBRA

Introduction

You are receiving this notice because you have recently become covered under the City of Kannapolis group health plan(s), collectively known as the "Plan." This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it. When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.** The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator. **You may have other options available to you when you lose group health coverage.** For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage. If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens: your hours of employment are reduced or your employment ends for any reason other than gross misconduct. If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because of any of the following qualifying events happens: your spouse dies; your spouse's hours of employment are reduced; your spouse's employment ends for any reason other than his or her gross misconduct; your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); you become divorces or legally separated from your spouse. Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events: the parent-employee dies; the parent-employee; s hours of employment are reduced; the parent-employee's employment ends for any reason other than his or her gross misconduct; the parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both); the parents become divorced or legally separated; or the child stops being eligible for coverage under the plan as a "dependent child." Sometimes, filing a proceeding in bankruptcy under title 11 of the United States Code can be a qualifying event. If a proceeding in bankruptcy is filed with respect to City of Kannapolis, and that bankruptcy results on the loss of coverage of any retired employee covered under the plan, the retired employee will become a qualified beneficiary with respect to the bankruptcy.

The retired employee's spouse, surviving spouse, and dependent children will also become qualified beneficiaries if bankruptcy results in the loss of coverage under the Plan.

When is COBRA Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- End of employment or reduction of hours of employment, death of the employee (RETIREE)
- Commencement of a proceeding in bankruptcy with respect to the employer
- The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both),

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide written notice to: Tina Cline, City of Kannapolis, 401 Laureate Way, Kannapolis, NC 28081.

How is COBRA Coverage Provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children. COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage. There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage. A copy of the Social Security Administration determination notice must be provided within 60 days of the date of the determination and prior to the end of the 18th month on continuation coverage and sent to: Tina Cline, City of Kannapolis, 401 Laureate Way, Kannapolis, NC 28081.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. the second qualifying event. This extension may be available to the spouse and any dependent children receiving C O B R A continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicare, Medicaid, Children's Health Insurance Program(CHIP), or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at **www.healthcare.gov.**

Can I enroll in Medicare instead of COBRA continuation coverage after my group health plan coverage ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the Medicare initial enrollment period, you have an 8-m,onth special enrollment period to sign up for Medicare Part A or B, beginning on the earlier of: the month after your employment ends or the month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and later enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage. If you enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA continuation coverage will pay second. Certain plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare. For more information visit **https:www.medicare.gov/medicare-and-you.**

If You Have Questions

Questions concerning your Plan, or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under ERISA, including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit **www.HealthCare.gov.**

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Plan Contact Information

Plan Administrator:
Tina Cline, City of Kannapolis, 401 Laureate Way, Kannapolis, NC, 28081, (704) 920-4302

Plan Contacts:
Please review your Summary Plan Description for contact names, addresses and phone numbers or contact the Plan Administrator for further information.

Annual Notices

NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Our Company's Pledge to You

This notice is intended to inform you of the privacy practices followed by the ***City of Kannapolis*** (the Plan) and the Plan's legal obligations regarding your protected health information under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The notice also explains the privacy rights you and your family members have as participants of the Plan. It is effective on October 11, 2013.

The Plan often needs access to your protected health information in order to provide payment for health services and perform plan administrative functions. We want to assure the participants covered under the Plan that we comply with federal privacy laws and respect your right to privacy. The City of Kannapolis requires all members of our workforce and third parties that are provided access to protected health information to comply with the privacy practices outlined below.

Protected Health Information

Your protected health information is protected by the HIPAA Privacy Rule. Generally, protected health information is information that identifies an individual created or received by a health care provider, health plan or an employer on behalf of a group health plan that relates to physical or mental health conditions, provision of health care, or payment for health care, whether past, present or future.

How We May Use Your Protected Health Information

Under the HIPAA Privacy Rule, we may use or disclose your protected health information for certain purposes without your permission. This section describes the ways we can use and disclose your protected health information.

Payment. We use or disclose your protected health information without your written authorization in order to determine eligibility for benefits, seek reimbursement from a third party, or coordinate benefits with another health plan under which you are covered. For example, a health care provider that provided treatment to you will provide us with your health information. We use that information in order to determine whether those services are eligible for payment under our group health plan.

Health Care Operations. We use and disclose your protected health information in order to perform plan administration functions such as quality assurance activities, resolution of internal grievances, and evaluating plan performance. For example, we review claims experience in order to understand participant utilization and to make plan design changes that are intended to control health care costs.

However, we are prohibited from using or disclosing protected health information that is genetic information for our underwriting purposes.

Treatment. Although the law allows use and disclosure of your protected health information for purposes of treatment, as a health plan we generally do not need to disclose your information for treatment purposes. Your physician or health care provider is required to provide you with an explanation of how they use and share your health information for purposes of treatment, payment, and health care operations.

As permitted or required by law. We may also use or disclose your protected health information without your written authorization for other reasons as *permitted* by law. We are *permitted* by law to share information, subject to certain requirements, in order to communicate information on health-related benefits or services that may be of interest to you, respond to a court order, or provide information to further public health activities (e.g., preventing the spread of disease) without your written authorization. We are also permitted to share protected health information during a corporate restructuring such as a merger, sale, or acquisition. We will also disclose health information about you when *required* by law, for example, in order to prevent serious harm to you or others.

Pursuant to your Authorization. When required by law, we will ask for your written authorization before using or disclosing your protected health information. Uses and disclosures not described in this notice will only be made with your written authorization. Subject to some limited exceptions, your written authorization is required for the sale of protected health information and for the use or disclosure of protected health information for marketing purposes. If you choose to sign an authorization to disclose information, you can later revoke that authorization to prevent any future uses or disclosures.

To Business Associates. We may enter into contracts with entities known as Business Associates that provide services to or perform functions on behalf of the Plan. We may disclose protected health information to Business Associates once they have agreed in writing to safeguard the protected health information. For example, we may disclose your protected health information to a Business Associate to administer claims. Business Associates are also required by law to protect protected health information.

To the Plan Sponsor. We may disclose protected health information to certain employees of The City of Kannapolis for the purpose of administering the Plan. These employees will use or disclose the protected health information only as necessary to perform plan administration functions or as otherwise required by HIPAA, unless you have authorized additional disclosures. Your protected health information cannot be used for employment purposes without your specific authorization.

Your Rights

Right to Inspect and Copy. In most cases, you have the right to inspect and copy the protected health information we maintain about you. If you request copies, we will charge you a reasonable fee to cover the costs of copying, mailing, or other expenses associated with your request. Your request to inspect or review your health information must be submitted in writing to the person listed below. In some circumstances, we may deny your request to inspect and copy your health information. To the extent your information is held in an electronic health record, you may be able to receive the information in an electronic format.

Right to Amend. If you believe that information within your records is incorrect or if important information is missing, you have the right to request that we correct the existing information or add the missing information. Your request to amend your health information must be submitted in writing to the person listed below. In some circumstances, we may deny your request to amend your health information. If we deny your request, you may file a statement of disagreement with us for inclusion in any future disclosures of the disputed information.

Right to an Accounting of Disclosures. You have the right to receive an accounting of certain disclosures of your protected health information. The accounting will not include disclosures that were made (1) for purposes of treatment, payment or health care operations; (2) to you; (3) pursuant to your authorization; (4) to your friends or family in your presence or because of an emergency; (5) for national security purposes; or (6) incidental to otherwise permissible disclosures.

Your request to for an accounting must be submitted in writing to the person listed below. You may request an accounting of disclosures made within the last six years. You may request one accounting free of charge within a 12-month period.

Right to Request Restrictions. You have the right to request that we not use or disclose information for treatment, payment, or other administrative purposes except when specifically authorized by you, when required by law, or in emergency circumstances. You also have the right to request that we limit the protected health information that we disclose to someone involved in your care or the payment for your care, such as a family member or friend. Your request for restrictions must be submitted in writing to the person listed below. We will consider your request, but in most cases are not legally obligated to agree to those restrictions.

Right to Request Confidential Communications. You have the right to receive confidential communications containing your health information. Your request for restrictions must be submitted in writing to the person listed below. We are required to accommodate reasonable requests. For example, you may ask that we contact you at your place of employment or send communications regarding treatment to an alternate address.

Right to be Notified of a Breach. You have the right to be notified in the event that we (or one of our Business Associates) discover a breach of your unsecured protected health information. Notice of any such breach will be made in accordance with federal requirements.

Right to Receive a Paper Copy of this Notice. If you have agreed to accept this notice electronically, you also have a right to obtain a paper copy of this notice from us upon request. To obtain a paper copy of this notice, please contact the person listed below.

Our Legal Responsibilities

We are required by law to maintain the privacy of your protected health information, provide you with this notice about our legal duties and privacy practices with respect to protected health information and notify affected individuals following a breach of unsecured protected health information.

We may change our policies at any time and reserve the right to make the change effective for all protective health information that we maintain. In the event that we make a significant change in our policies, we will provide you with a revised copy of this notice. You can also request a copy of our notice at any time. For more information about our privacy practices, contact the person listed below.

If you have any questions or complaints, please contact:

Tina Cline, Human Resource Director
City of Kannapolis
401 Laureate Way
Kannapolis, NC 28081
(704) 920-4302 or tcline@kannapolisnc.gov

Complaints If you are concerned that we have violated your privacy rights, or you disagree with a decision we made about access to your records, you may contact the person listed above. You also may send a written complaint to the U.S. Department of Health and Human Services — Office of Civil Rights. The person listed above can provide you with the appropriate address upon request or you may visit www.hhs.gov/ocr for further information. You will not be penalized or retaliated against for filing a complaint with the Office of Civil Rights or with us.

This form does not constitute legal advice and is provided "as is." This form is based upon current federal law and is subject to change based upon changes in federal law or subsequent interpretive guidance. This form must be modified to reflect the user's privacy practices and its state law where the state law is more stringent.

Annual Notices

Important Legal Notices Affecting Your Health Plan Coverage

Notice Regarding Wellness Program

The City of Kannapolis Healthy Life Wellness Program is a voluntary wellness program available to all full-time employees who work at least 30 hours weekly. The program is administered according to federal rules permitting employer-sponsored wellness programs that seek to improve employee health or prevent disease, including the Americans with Disabilities Act of 1990, the Genetic Information Nondiscrimination Act of 2008, and the Health Insurance Portability and Accountability Act, as applicable, among others. If you choose to participate in the wellness program you will be asked to complete a voluntary health risk assessment or "HRA" that asks a series of questions about your health-related activities and behaviors and whether you have or had certain medical conditions (e.g., diabetes, heart disease or stroke/TIA). You will also be asked to complete a biometric screening, which will include a blood test for cholesterol (full lipid panel), glucose serum, A1C (diabetics) and PSA (for males). You are not required to complete the HRA or to participate in the blood test or other medical examinations.

However, employees who choose to participate and are compliant in the City of Kannapolis Fresh Start Wellness Program will receive an incentive of a premium discount for their medical insurance. Although you are not required to complete the HRA or participate in the biometric screening, only employees who do so will receive the medical premium discount.

The information from your HRA and the results from your biometric screening will be used to provide you with information to help you understand your current health and potential risks and may also be used to offer you services through the wellness program, such as individual health risk reduction plan and health education information. You also are encouraged to share your results or concerns with your own doctor.

Protections from Disclosure of Medical Information

We are required by law to maintain the privacy and security of your personally identifiable health information. Although the wellness program and the City of Kannapolis may use aggregate information it collects to design a program based on identified health risks in the workplace, the program will never disclose any of your personal information either publicly or to the employer, except as necessary to respond to a request from you for a reasonable accommodation needed to participate in the wellness program, or as expressly permitted by law. Medical information that personally identifies you that is provided in connection with the wellness program will not be provided to your supervisors or managers and may never be used to make decisions regarding your employment.

Your health information will not be sold, exchanged, transferred, or otherwise disclosed except to the extent permitted by law to carry out specific activities related to the wellness program, and you will not be asked or required to waive the confidentiality of your health information as a condition of participating in the wellness program or receiving an incentive. Anyone who receives your information for purposes of providing you services as part of the wellness program will abide by the same confidentiality requirements. The only individual(s) who will receive your personally identifiable health information is (are) "a nurse practitioner," a physician assistant," or "a doctor" in order to provide you with services under the wellness program.

In addition, all medical information obtained through the wellness program will be maintained separate from your personnel records, information stored electronically will be encrypted, and no information you provide as part of the wellness program will be used in making any employment decision. Appropriate precautions will be taken to avoid any data breach, and in the event a data breach occurs involving information you provide in connection with the wellness program, we will notify you immediately.

You may not be discriminated against in employment because of the medical information you provide as part of participating in the wellness program, nor may you be subjected to retaliation if you choose not to participate.

If you have questions or concerns regarding this notice, or about protections against discrimination and retaliation, please contact Tina Cline, Human Resource Director at (704)920-4302 or tcline@kannapolisnc.gov.

WOMEN'S HEALTH AND CANCER RIGHTS NOTICE

The Women's Health and Cancer Rights Act of 1998 requires this notice. This Act is effective for plan year anniversaries on or after October 21, 1998. The benefit may already be included as part of your coverage.

In the case of a covered person receiving benefits under their plan in connection with a mastectomy and who elects breast reconstruction, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

1. Reconstruction of the breast on which the mastectomy was performed;
2. Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
3. Prostheses and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

Deductibles, coinsurance and co-payment amounts will be the same as those applied to other similarly covered medical services, such as surgery and prostheses.

Please refer to the U.S. Department of Labor website for further information.
http://www.dol.gov/dol/topic/health-plans/womens.htm

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 **www.healthcare.gov**.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

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**. If you have questions about enrolling in your employer plan, contact the Department of Labor at **www.askebsa.dol.gov** or call **1-866-444-EBSA (3272)**.

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of July 31, 2016. Contact your State for more information on eligibility –

Alabama - Medicaid
Website: http://myalhipp.com/
Phone: 1-855-692-5447

Florida - Medicaid
Website: http://flmedicaidtplrecovery.com/hipp/
Phone: 1-877-357-3268

Alaska - Medicaid
The AK Health Insurance Premium Payment Program
Website: http://myakhipp.com/
Phone: 1-866-251-4861
Email: CustomerService@MyAKHIPP.com
Medicaid Eligibility:
http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx

Georgia - Medicaid
Website: http://dch.georgia.gov/medicaid
- Click on Health Insurance Premium Payment (HIPP)
Phone: 404-656-4507

Arkansas - Medicaid
Website: http://myarhipp.com/
Phone: 1-855-MyARHIPP (855-692-7447)

Indiana - Medicaid
Healthy Indiana Plan for low-income adults 19-64
Website: http://www.hip.in.gov
Phone: 1-877-438-4479
All other Medicaid
Website: http://www.indianamedicaid.com
Phone 1-800-403-0864

Colorado - Medicaid
Medicaid Website: http://www.colorado.gov/hcpf
Medicaid Customer Contact Center: 1-800-221-3943

Iowa - Medicaid
Website: http://www.dhs.state.ia.us/hipp/
Phone: 1-888-346-9562

Kansas - Medicaid
Website: http://www.kdheks.gov/hcf
Phone: 1-785-296-3512

New Hampshire - Medicaid
Website:
http://www.dhhs.nh.gov/oii/documents/hippapp.pdf
Phone: 603-271-5218

Kentucky - Medicaid
Website: http://chfs.ky.gov/dms/default.htm
Phone: 1-800-635-2570

New Jersey - Medicaid
Medicaid Website:
http://www.state.nj.us/humanservices/dmahs/clients/medicaid/
Medicaid Phone: 609-631-2392
CHIP Website: www.njfamilycare.org/index.html

CHIP Phone: 1-800-701-0710

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Louisiana - Medicaid
http://dhh.louisiana.gov/index.cfm/subhome/1/n/331
Phone: 1-888-695-2447

New York - Medicaid
Website:
http://www.nyhealth.gov/health_care/medicaid/
Phone: 1-800-541-2831

Maine – Medicaid
Website:
http://www.maine.gov/dhhs/ofi/publicassistance/index.html
Phone: 1-800-442-6003
TTY: Maine relay 711

North Carolina
Website: http://www.ncdhhs.gov/dma
Phone: 919-855-4100

Massachusetts – Medicaid & CHIP
Website: http://www.mass.gov/MassHealth
Phone: 1-800-462-1120

North Dakota - Medicaid
Website:
http://www.nd.gov/dhs/services/medicalserv/medicaid/
Phone: 1-844-854-4825

Minnesota – Medicaid
Website: http://mn.gov/dhs/ma/
Phone: 1-800-657-3739

Oklahoma - Medicaid
Website: http://www.insureoklahoma.org
Phone: 1-888-365-3742

Missouri – Medicaid
Website:
www.dss.mo.gov/mhd/participants/pages/hipp.htm
Phone: 573-751-2005

Oregon – Medicaid
Website: http://healthcare.oregon.gov/Pages/index.aspx
http://www.oregonhealthcare.gov/indexes.html
Phone: 1-800-699-9075

Montana – Medicaid
Website:
http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP
Phone: 1-800-694-3084

Pennsylvania – Medicaid
Website: http://www.dhs.pa.gov/hipp
Phone: 1-800-692-7462

Nebraska – Medicaid
Website:
http://dhhs.ne.gov/Children_Family_Services/AccessNebraska/Pages/accessnebraska_index.aspx
Phone: 1-855-632-7633

Rhode Island – Medicaid
Website: http://www.eohhs.ri.gov/
Phone: 401-462-5300

Nevada – Medicaid
Medicaid Website: http://dwss.nv.gov/
Medicaid Phone: 1-800-992-0900

South Carolina – Medicaid
Website: http://www.scdhhs.gov
Phone: 1-888-549-0820

South Dakota - Medicaid
Website: http://dss.sd.gov
Phone: 1-888-828-0059

Washington - Medicaid
Website: http://www.hca.wa.gov/free-or-low-costhealth-care/program-administration/premiumpayment-program
Phone: 1-800-562-3022 ext. 15473

Texas - Medicaid
Website: http://gethipptexas.com/
Phone: 1-800-440-0493

West Virginia - Medicaid
Website:
http://www.dhhr.wv.gov/bms/Medicaid%20Expansion/Pages/default.aspx
Phone: 1-877-598-5820, HMS Third Party Liability

Utah – Medicaid and CHIP
Website:
Medicaid: http://health.utah.gov/medicaid
CHIP: http://health.utah.gov/chip
Phone: 1-877-543-7669

Wisconsin – Medicaid and CHIP
Website:
https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf
Phone: 1-800-362-3002

Vermont - Medicaid
Website: http://www.greenmountaincare.org/
Phone: 1-800-250-8427

Wyoming - Medicaid
Website: https://wyequalitycare.acs-inc.com/
Phone: 307-777-7531

Virginia – Medicaid and CHIP
Medicaid Website:
http://www.coverva.org/programs_premium_assistance.cfm
Medicaid Phone: 1-800-432-5924
CHIP Website:
http://www.coverva.org/programs_premium_assistance.cfm
CHIP Phone: 1-855-242-8282

To see if any other states have added a premium assistance program since July 31, 2016, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Menu Option 4, Ext. 61565

Paperwork Reduction Act Statement
According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately seven minutes per
respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this
collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Employee
Benefits Security Administration, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue,
N.W., Room N-5718, Washington, DC 20210 or email ebsa.opr@dol.gov and reference the OMB Control Number 1210-0137.

New Health Insurance Marketplace Coverage Options and Your Health Coverage

PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: The Health Insurance Marketplace. To assist you as you evaluate 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.

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 November each year for coverage starting as early as the immediately following January 1.

Can I save money on my Health Insurance Premiums in the Marketplace? You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on our premium that you're eligible for depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace? Yes. If you have an offer of health coverage form your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of the plan form you employer would cover you (and not any other member of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution- as well as your employee contribution to employer-offered coverage- is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

Annual Notices

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact Human Resources (704) 920-4300

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Pease 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.

PART B: Information About Health Coverage Offered by Your Employer

This section contains information about any health coverage offered by your employer. 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.

Employer Name: City of Kannapolis
EIN: 56-1452469
401 Laureate Way
Kannapolis, NC 28081
(704) 920-4300
Tina Cline – HR Director
(704) 920-4302
tcline@kannapolisnc.gov

Here is some basic information about health coverage offered by this employer:
As your employer, we offer a health plan to:
All Employees. Eligible employees are Employees who are active and assigned to FULL-TIME positions. Employees who work an average of 30 or more hours per week and are considered FTE (Full Time Equivalent) per ACA regulations.
With respect to dependents:
We do offer coverage. Eligible dependents are: Spouse, Dependent Children
This coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.
** Even if your employer intends your coverage to be affordable, 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, for example, your wages vary from week to week (perhaps you are an hourly employee, or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, 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.
Here's the employer information you'll enter when you visit HealthCare.gov to find out if you can get a tax credit to lower your monthly premium.

Important Notice from City of Kannapolis About Your Prescription Drug Coverage and Medicare

The key purpose of this notice is to advise you that the prescription drug coverage you have under your City of Kannapolis group medical plan is expected to pay out, on average, at least as much as the standard Medicare prescription drug coverage will pay in 2018 (this is known as "creditable coverage."). The reason this is important is that if you or a covered dependent are or become eligible for Medicare and you decide to enroll in a Medicare prescription drug plan during a subsequent annual enrollment period, you will not be subject to a late enrollment penalty as long as you had creditable coverage within 63 days of your Medicare prescription drug plan enrollment. You should keep this notice with your important records.

Notice of Creditable Coverage

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with City of Kannapolis 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, 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 your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. **Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.**

The City of Kannapolis has determined that the prescription drug coverage offered by the Blue Cross Blue Shield Blue Options PPO, HSA and 123 Group Insurance Plans are, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage

1. **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.**

2. **Read this notice carefully - it explains the options you have under Medicare's prescription drug coverage and can help you decide whether or not you want to enroll.**

When Can You Join a Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan).

What Happens to Your Current Coverage If You Decide to Join a Medicare Drug Plan?

1. If you decide to join a Medicare drug plan, your current City of Kannapolis coverage will not be affected. City of Kannapolis has determined that the prescription drug coverage offered by our benefit plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is considered Creditable Coverage. *See* pages 7- 9 of the CMS Disclosure of Creditable Coverage To Medicare Part D Eligible Individuals Guidance (available at http://www.cms.hhs.gov/CreditableCoverage/), which outlines the prescription drug plan provisions/options that Medicare eligible individuals may have available to them when they become eligible for Medicare Part D.]

If you decide to join a Medicare drug plan and drop your current City of Kannapolis coverage be aware that you and your Dependents will not be able to get this coverage back.

When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?
You should also know that if you drop or lose your current coverage with City of Kannapolis 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 nineteen 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 November to join.
For more information about this notice or your current prescription drug coverage:

Contact the person listed below. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through City of Kannapolis changes. You also may request a copy of this notice at any time.
Wendy Hartsell
Human Resource Analyst
401 Laureate Way
Kannapolis, NC 28081
704-920-4318
You may receive this notice at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, or if this coverage changes, or upon your request.

For More Information About Your Options Under Medicare 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.
For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov for personalized help.
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov or call them at 1-800-772-1213 (TTY 1-800-325-0778).
- ***Remember: Keep this Creditable Coverage Notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).***

DATE: October 8, 2019
NAME OF ENTITY/SENDER: City of Kannapolis
CONTACT – POSITION/OFFICE:
Tina Cline, Human Resources Director
ADDRESS: 401 Laureate Way
Kannapolis, NC 28081
PHONE NUMBER: 704-920-4300

Contact Information

Blue Cross Blue Shield:
Customer Service 1-877-275-9787
www.bcbsnc.com

Dental – MedCost Benefit Services:
Customer Service 1-800-795-1023
cscustsvc@medcost.com
www.medcost.com

Vision – CEC (Community Eye Care):
Customer Service 1-888-254-4290
info.cecvision.com
www.cecvision.com

Flores – HRA (Health Reimbursement Account), FSA (Flexible Spending Account):
Customer Service1-800-532-3327
www.flores247.com
Claims can be submitted via fax to 1-800-762-9982 or
via mail: Claims Processing
PO Box 31397
Charlotte, NC 28231-1397

Creative Worksite Solutions – Assurity Cancer, Allstate Cancer & Accident, Transamerica Cancer & Accident, Unum Universal Whole Life:
1-866-971-9715
Claims can be faxed to (843) 971-9015 or
Emailed to customerservice@creativeworksitesolutions.com

Employee Health Clinic (Synergy):
Customer Service 980-505-8401
Appointments: 980-505-8401
www.timecenter.com/cityofkannapolis
Clinic: 704-920-4223
Kelli Miller, DNP, APRN, FNP-BC
Family Nurse Practitioner
kmiller@kannapolisnc.gov

401(k) Prudential:
1-866-627-5267
www.NCPLANS.prudential.com

Human Resources:
Tina Cline – HR Director 704-920-4302
tcline@kannapolisnc.gov
Wendy Hartsell – HR Analyst 704-920-4318
whartsell@kannapolisnc.gov
Andy Yoos – Risk Manager 704-920-4312
ayoos@kannapolisnc.gov
Barbara Black – HR Technician 704-920-4315
bblack@kannapolisnc.gov
Brenda Lewis – Executive Office Assistant 704-920-4301
blewis@kannapolisnc.gov