



May 26,  
2015

IN THIS ISSUE

In last week's edition of the *benefitsFOCUS*, we explained that **effective October 1, 2015, spouses who have access to "affordable" medical coverage under their own employer's plan will no longer be eligible for coverage on our medical plan.\*** **The only spouses who will be eligible for coverage on our medical plan next year are those who:**

- Do not have access to "affordable" coverage that provides "minimum essential value" *through their own employers* (see more information [HERE](#)); or
- Are spouses who are employed by Albemarle County Schools or Local Government divisions

*\*Please note that **this does NOT apply** to our dental plan, to any eligible dependent children you wish to cover on your medical plan, or spouses who are Medicare-eligible and do not have other employer coverage*

***This change to spouse eligibility rules is an important part of our ongoing efforts to continue to offer high quality healthcare at an affordable price to our employees, their spouses who do not have other access to quality medical coverage, and their dependent children.***

### ***What do I need to do?***

If you haven't already done so, visit our easy to use calculator [HERE](#)

- If your spouse's plan is determined to be "not affordable" OR if the plan does not offer "minimum essential value," you **may** cover your spouse on the medical plan next year.
- If it is calculated to be "affordable" AND it also offers "minimum essential value", then you **may not** cover your spouse next year and you **MUST** remove him/her during the Open Enrollment period. Please remember that if you drop your spouse from your medical plan during Open Enrollment, he/she would need to line up coverage on his/her employer plan as of **October 1st**.

**Be sure to contact your spouse's employer NOW if it looks like your spouse will not be eligible to remain on our plan after September 30, 2015.** This loss of coverage would be a "qualifying event" that should allow a mid-year enrollment on an employer plan, in accordance with IRS guidelines for pre-tax employer plans. However, *not all employers have to meet IRS guidelines, so **the best way to ensure that your spouse will have a smooth transition to his/her employer's plan is to contact the employer to confirm their rules and be sure to comply with any deadlines they may have.*** The Human Resources Department will provide any documentation your spouse's employer may require in order to complete their enrollment process. Please contact us if you need assistance.

### ***What else do I need to know about this?***

After the Open Enrollment period closes, we will contact all employees who still have spouses on our medical plan. You will be asked to sign and submit an affidavit confirming that your spouse does not have access to “affordable” medical coverage that meets “minimum essential value” through his/her own employer. ACPS/Local Government division employees whose spouses are also ACPS/Local Government division employees will also need to complete this affidavit. **You MUST submit this form to the Human Resources Department in order to maintain spousal coverage next year.** Failure to provide this form will result in termination of your spouse’s coverage September 30, 2015.

***Psssst: want to know how can you save some tax dollars AND have a way to cover your medical plan deductible IF you need to meet one next year?***

***Try a medical Flexible Spending Account (FSA)!***

## ***What is a Flexible Spending Account (FSA)?***

A Flexible Benefit Program that allows Albemarle County employees to take a voluntary pre-tax monthly salary reduction and then use those pre-tax dollars to pay for medical and dependent care expenses that would otherwise be paid for with after-tax dollars. We offer two FSA options: a medical FSA and a dependent care FSA; you can do either, or both. \*

**What does it do for me?**

- Reduces your taxable salary. Most participants will realize a tax reduction ranging from .28 to .42 cents for each dollar included in the program.
- Increases your spendable income, as the funds you contribute are never taxed!
- Helps you have instant funds that you could use toward your medical insurance deductible (\$500/individual and \$1,000/family) or other medical expenses, as your account is **fully funded at the start of the plan year** – you **don’t have to wait** until later to use those funds
- The medical FSA (only) comes with a convenient debit card that you can use instead of submitting reimbursement requests

**Limits for the 2015-2016 plan year are:**

- \$2,550 Medical
- \$5,000 Dependent Care

**Remember that FSA contracts DO NOT roll into the next plan year. If you wish to participate in a flexible spending account in the next plan year, you MUST enroll/re-enroll during the Open Enrollment period.**

\* To learn more about flexible spending accounts, please click [HERE](#)

## ***Why is this year a GREAT time to enroll in a medical Flexible Spending Account?***

In response to popular demand, we now offer you the ability to roll up to \$500 from one medical FSA plan year to the next, effective the 2015-2016 FSA plan year, which begins September 1, 2015. *Please note that this takes the place of our current “grace period,” which allows you to incur expenses beyond the end of any given plan year.* **This rollover would be capped at \$500.** Because the rollover is limited to \$500, it is important for you to understand that **any funds in excess of \$500 left in your FSA account as of 8/31/2016 would no longer be available for your use** (please note that you would still have a 30-day run out period to submit requests for reimbursement of any expenses incurred on/before 8/31). So, **if you have \$500 or less in your account at the end of your run out period, those funds WILL roll over into the next year’s account**, effective 9/1; if you have more than \$500 in your account at that time, **ONLY \$500 will roll over into the new plan year.**

## ***So WHY is this so great?***

Because the account is **fully funded at the beginning of your plan year**, AND you have the comfort of knowing you can roll over up to \$500 into a new plan year (rather than risk forfeiting if you don’t use the funds by the end of a plan year), contributing

into a medical FSA is a great way to have available funds in case you need to meet a deductible when using your medical benefits. Click [HERE](#) for information about deductibles on our health plan.

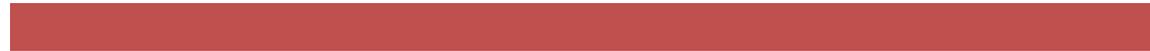
***I think I will try a medical FSA next year! When can I enroll in one?***

During the upcoming Open Enrollment period! **June 1st through June 15th**

***IN OUR NEXT benefitsFOCUS:***

- **Mandatory Open Enrollment:** why we need **YOU** to log in (and why you'll *want to* do this)
- How you can find information about Open Enrollment and where/when to access the online Open Enrollment system
- When/where you can get expert assistance with your Open Enrollment questions
- Tips for assessing your medical and dental plan options in order to make the choices that are best for **YOU**

***Have questions? Human Resources staff are available to answer questions and help you through this process! Please don't hesitate to contact us if you need assistance.***



For more information about your employee benefits, our web pages are always available when you are at:  
<http://www.albemarle.org/departments.asp?department=hr&relpage=3553>