

**CITY OF FLAGSTAFF HOUSING AUTHORITY  
OPEN ENROLLMENT  
MAY 1 – 31, 2011**

Dear Participant,

It is time for annual Open Enrollment. Coverage changes will be effective July 1, 2011.

**PLEASE NOTE: Increases to the medical plan premiums will be effective August 1, 2011. This is due to a premium holiday allowed by NAPEBT.**

The deadline to submit enrollment changes to Human Resources is 5:00 pm May 31<sup>st</sup>. **If you do not wish to make changes, no action is required on your behalf with the exception of the Flexible Spending Account. If you wish to continue or enroll in the Flexible Spending Account, you must complete the necessary enrollment form.**

Now is the time to make changes to your current elections such as changing your medical plan options, purchase additional eye care coverage and join the Flexible Spending Account for medical expenses and child care reimbursement. As a reminder, changes may be made to your Health Savings Account at any time. Open Enrollment is also the time to enroll or remove dependents. A domestic partner of same or opposite gender and his/her eligible dependents may also be enrolled in City of Flagstaff Housing Authority-provided group benefits. Certain criteria apply to enrollment of a domestic partner and his/her eligible dependents. Please visit Deborah Beals or Daniel Faith for more information.

Please note that the method of calculating the health care subsidy provided by the Housing Authority will change as of July 1, 2011. In the past, it has been our policy to pay for the entire cost of health, dental and vision coverage for employees, and 60% of the premium for family coverage on the base plan. Beginning July 1, 2011, we will continue to pay for the entire cost of employee coverage, and the amount of family coverage subsidy will be equal to the amount offered for family coverage in plan year 2011 (ie the amount we have been paying this year.) The subsidy for family health coverage is \$405.78 per month, dental is \$32.56 per month and vision is \$4.80 per month.

**Please see the attached announcement regarding enrollment or continuation of coverage for an adult child up to age 26. Additionally, if you or a previously enrolled dependent lost coverage by reason of reaching the lifetime limit of the medical plan, you or the previously enrolled dependent may enroll in the medical plan during Open Enrollment.**

Please be advised that the base medical plan will experience an 8.1% increase in premiums as well as an addition of a \$100 access fee for hospital admission per visit. The dental plan will experience a 3% increase in premiums effective July 1, 2011. We will return to offering only one dental plan. The vision plan premiums and benefits remain unchanged. Please see the enclosed

2011-2012 Contributions Sheet for costs of applicable elections effective July 1, 2011 through June 30, 2012.

**The Rx Mail Order program will now be administered by CVS Caremark.** You will receive information from CVS Caremark regarding your new prescription benefit program. You may also obtain the mail order form from Human Resources. You may obtain a 90-day prescription supply through the mail order for 2 times the co-payment, or for your convenience you may obtain a 90-day supply through your local participating network pharmacy at 2½ times the co-payment. Please visit [www.Caremark.com](http://www.Caremark.com) for a list of network pharmacies.

### **Voluntary Term Life Insurance**

The Basic life, AD & D and Voluntary Term life coverage will experience an increase effective July 1, 2011. If you took advantage of the 2008 special enrollment, you may increase your coverage in \$10,000 increments each open enrollment, to the maximum guaranteed amount of \$100,000. You will need to complete the Minnesota Life Insurance enrollment form. If you are uncertain of your eligibility, please contact Deborah Beals or Daniel Faith.

Please visit [www.NAPEBT.com](http://www.NAPEBT.com) Flagstaff Housing Authority for a summary/description of your group health benefits, our forms and a copy of our open enrollment presentation power point. You may also wish to visit the City's website at [www.flagstaff.az.gov/openenrollment](http://www.flagstaff.az.gov/openenrollment). While FHA benefit contribution rates are different, the City's web site does a great job of concisely presenting open enrollment options and forms. If you need help with forms, please contact Deborah or Daniel.

Please take a moment to read the enclosed notices that must be provided as required by federal regulations.

Should you have any questions or need clarification of the open enrollment materials, please contact employee benefits at (928) 779-7698, extension 7208 or visit the Human Resources Division.

Sincerely,



Deborah S. Beals  
Finance Director