

options

2011 enrollment highlights guide

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enroll online:

mylacountybenefits.com

enroll by phone:

888-822-0487

questions?

Benefits Hotline representatives are available
Monday through Friday,
8 a.m. to 4 p.m. 213-388-9982

Extended hours during annual enrollment
Monday through Friday, 8 a.m. to 5 p.m.
Saturday, October 30, 8 a.m. to 5 p.m.
Sunday, October 31, 8 a.m. to 5 p.m.



your benefits

The County of Los Angeles cares about you and your family. That's why we offer benefits that provide for your needs today and in the future. Through a comprehensive benefit program that includes medical, dental, life, and LTD health insurance, we help you enrich your life while protecting your future and your loved ones.

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more options about your prescription drug coverage. Please see the Medicare notice on page 7 for more details.



Summary Plan Description

Your enrollment materials often refer to the *Options* Summary Plan Description (SPD). The SPD is a valuable resource containing detailed plan information. You may download a copy of the *Options* SPD at mylacountybenefits.com.

OPTIONS 2011 BENEFITS AT A GLANCE

Medical

- Kaiser HMO
- PacifiCare HMO
- UnitedHealthcare Choice Plus PPO

Dental

- SafeGuard HMO-style plan
- DeltaCare HMO-style plan
- Delta Dental PPO-style plan

Life Insurance

- Basic term life insurance
- Optional group term life insurance
- Dependent term life insurance

Accidental Death and Dismemberment (AD&D) Insurance

Medical Coverage Protection (Long-Term Disability Health Insurance)

Flexible Spending Accounts (FSAs)

- Health Care Spending Account
- Dependent Care Spending Account

Choose Carefully — Your Elections Are Binding

Once you make your final enrollment selections (or if you miss the deadline), you will not be able to change your benefits until next annual enrollment.

The only exception to this rule is for a qualified change in status, such as a change in your family or work situation that affects your coverage needs. For example, if you experience an event such as the birth/adoption of a child, marriage or divorce, you may be allowed to change your benefit elections.

Refer to pages 13-16 of the Summary Plan Description (SPD) for details.

Waiving Medical Coverage

To waive medical coverage for 2011, you must certify your waiver and provide proof of other coverage even if you have done so in the past. If you do not recertify your waiver, you will automatically be enrolled in the Pacificare HMO and you will not be allowed to waive coverage again until 2012. You must take action if you do not want medical coverage in 2011. Refer to page 8 of the *Options* SPD, found online at mylacountybenefits.com for more details.

medical plans

Your *Options* benefit program offers three medical plan options:

- Kaiser HMO
- PacifiCare HMO
- UnitedHealthcare Choice Plus PPO.

How the HMO Plans Work

A Health Maintenance Organization (HMO) generally costs less money in annual deductibles and copays than a PPO plan. An HMO requires you to receive all of your care from members of a network of participating providers. If you choose an HMO:

- You must access medical care through your primary care physician (PCP).
- Most of your medical care is covered in full — you generally pay only a copayment at the time you receive care.
- There are no deductibles to meet.

- There are no out-of-network benefits — you must obtain your care from the HMO network.

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the SPD, which can be found online at mylacountybenefits.com.

How a PPO Plan Works

The UnitedHealthcare Choice Plus PPO provides comprehensive medical coverage with the freedom to choose any doctor or hospital at any time. The PPO plan includes a network of participating doctors, hospitals and other health care providers. Your out-of-pocket expenses will be lower and you will receive a higher level of coverage when you use PPO network providers. If you choose the PPO plan:

- You have the flexibility to see any doctor or specialist of your choice, even if he or she is not in the PPO network.

- There is generally a deductible before the plan pays benefits, but this deductible is waived for preventive care when you use network providers.

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the SPD, which can be found online at mylacountybenefits.com.

To Find a Network Provider:

Kaiser HMO

- Go to www.kp.org/countyofla
- Select “clinical staff directory” in the “Get Started Now” section

PacifiCare HMO

- Go to healthyatcola.com
- Select “Doctor Search” located in the left-side navigation bar

UnitedHealthcare Choice Plus PPO

- Go to healthyatcola.com
- Select “Doctor Search” located in the left-side navigation bar



dental plans

Your *Options* program offers two HMO-style dental plan options:

- SafeGuard
- DeltaCare

In addition, you have a PPO-style dental plan option:

- Delta Dental

The HMO-style dental plans require that you receive all of your dental care from members of a network of participating dental offices. When you enroll, you choose a dental office, which becomes your “primary care office,” and you must go to this office for all of your dental care.

The PPO-style dental plan option offers two different networks of participating dentists and dental care providers:

- Delta Preferred Provider Option (PPO) network: Using this network offers the highest benefit. Most preventive services are covered at 100%; many other services are covered at 85%. You pay no deductible.
- Delta Participating Dentist network: Delta pays benefits based on a fee agreement with the network’s dentists. Most routine services are covered at 85%.

When you enroll in a PPO-style dental plan, you can go to any dentist in either network, or to an out-of-network dentist.

When you use network providers, the plan pays higher benefits (you pay less).

For more details, review the Medical and Dental Plans Comparison Chart you received with this guide or the SPD, which can be found online at **mylacountybenefits.com**.

To Find a Network Dentist:

SafeGuard

- Go to www.safeguard.net
- Select “Dental and Vision Directories” and follow the instructions

DeltaCare and Delta Dental

- Go to www.deltadentalins.com
- Select “Dentists” located in the upper left-side navigation bar
- Select “Dentist Search”



prescription drug benefits

Your medical coverage also includes prescription drug coverage to help pay for prescription medications. It is important to remember that you can save money when you use the generic form of a drug instead of the brand-name version. Generic drugs become available when the patent owned by the manufacturer expires and other manufacturers begin producing a generic equivalent. So when you are prescribed a brand-name drug, it’s

wise to ask your health care provider if there is a generic drug available that will provide the same benefits.

In addition, if you are taking “maintenance medication” — such as for high blood pressure, cholesterol, thyroid conditions, or birth control, for example — using your plan’s mail-order service will generally save you money. Plus, you get the convenience of having your medications delivered to you rather

than having to pick them up at the pharmacy.

See page 7 of this guide for more information about your prescription drug coverage and Medicare.

For more details about your prescription drug benefits, review the Medical and Dental Plans Comparison Chart you received with this guide or contact your medical plan.

additional protection

Sometimes, the unexpected happens and it affects not just your own life, but also the lives of those you care about. What would happen to those who depend on you if something were to happen to you? Your *Options* program offers life insurance, accidental death and dismemberment insurance, and LTD health insurance to protect you and your family.

Life Insurance

The County gives you basic term life insurance at no cost to you.

- General Members of Retirement Plan A, B, C, or D:
You are insured for \$2,000.
- Members of Retirement Plan E:
You are insured for \$10,000.

You may buy optional group term life insurance of one to eight times your annual salary at low monthly group rates. You may only increase your insurance amount by one times your annual salary each year. Remember, the County pays 15% of the monthly premium.

If you buy optional group term life insurance for yourself, you may also buy a limited amount of life insurance for your spouse/domestic partner and dependent children. The Personalized

Enrollment Worksheet in your enrollment packet shows how much you can buy and the monthly premium rates (your cost). See the *Options* SPD or go to mylacountybenefits.com for more information.

Accidental Death and Dismemberment Insurance

You can buy accidental death and dismemberment (AD&D) insurance at low monthly group rates. If you die in an accident, become paralyzed, or lose a limb, eyesight, speech, or hearing because of an accident, your AD&D insurance pays benefits. Review your Personalized Enrollment Worksheet for AD&D coverage costs.

If you have AD&D coverage under *Options*, you may also buy coverage for your eligible spouse/domestic partner and dependent children. See the *Options* SPD or go to mylacountybenefits.com for more information.

Medical Coverage Protection (LTD Health Insurance)

If you are a General Member of Retirement Plan A, B, C, D, or E of the Los Angeles County Employees Retirement Association (LACERA) and are enrolled in a County-sponsored

medical plan, you are eligible to participate in the LTD health insurance plan. This plan is designed to help you continue your medical insurance coverage if you are eligible for long term disability and become totally and permanently disabled.

For new disabilities incurred on or after January 1, 2008, all *Options* participants who meet the eligibility requirements will be covered under the LTD health insurance provisions at no cost to them. LTD health insurance pays 75% of your monthly medical premium and you pay the remaining 25%. Beginning January 1, 2008, eligible employees could elect to “buy-up” to 100% LTD health insurance at a cost of \$3.00 per month. Under this optional coverage, LTD health insurance pays 100% of the monthly medical plan premium while you receive LTD benefits.

Keep in mind, if you do not elect to purchase (or you cancel) the optional 100% LTD health insurance coverage for a Plan Year, you cannot elect this coverage for the next Plan Year. You must wait two calendar years before you again have the option to elect this coverage. See the *Options* SPD or go to mylacountybenefits.com for more information.

spending accounts

What if you could reduce your out-of-pocket health care expenses by 10% to 30%? How about reducing the cost to provide care for your kids or adult dependents while you work? If that sounds good, consider enrolling in a Flexible Spending Account (FSA). With an FSA you never pay federal or state taxes on the money you contribute.

Options offers two types of FSA: a Health Care Spending Account and a Dependent Care Spending Account. You may enroll in one or both spending accounts.

How the Spending Accounts Work

1. Determine how much you want to contribute using the spending account calculators in the “my tools” section of mylacountybenefits.com or use the estimation worksheets found on pages 30 and 37 of the *Options* SPD.
2. Enroll in the Health Care Spending Account, the Dependent Care Spending Account, or both. When you enroll, you decide how much to contribute to each account. You

Important Reminder!

You must reenroll in the spending accounts each year during annual enrollment if you wish to participate. Current spending account elections will not carry over to the next year.

may contribute a maximum of \$400 a month to each account in 2011. If you are eligible (and enroll), depending on your annual base pay, the County will contribute up to \$375 monthly to your Dependent Care Spending Account. The maximum you may contribute to the Dependent Care Spending

spending accounts, continued

Account is \$4,800 a year if married and filing jointly, or \$2,500 if married and filing separately. The County's contribution to the Dependent Care Spending Account counts toward these limits.

- Once you enroll, your contributions will be taken out of your paycheck on a before-tax basis — before federal, state and local taxes are withheld — beginning with your first paycheck in January. These before-tax dollars are deposited into a recordkeeping account in your name, where you can use them to pay eligible expenses.
- You pay eligible health care and/or dependent care expenses and submit a claim form to the spending account administrator. The spending account administrator reimburses you and debits the amount from your recordkeeping account. You effectively pay your expenses with tax-free dollars!

Important Considerations

Health Care Spending Account

Your account may be used for “eligible expenses” incurred by you, your spouse (as defined by federal tax law*), and your other dependents. Eligible expenses include those often not covered by your health plans, such as **medical and dental deductibles and copayments**; routine physical exams; orthodontia; vision care (including prescription eyeglasses and sunglasses, contact lenses and solution, laser eye surgery, and nonprescription reading glasses); hearing aids; smoking-cessation programs; and over-the-counter (OTC) medications with a physician's prescription.

See the *Options* SPD or go to mylacountybenefits.com for more information.

Dependent Care Spending Account

You may contribute up to \$400** per month. “Eligible expenses” include out-of-pocket expenses for the care of your child(ren) under age 13, or a spouse (within the meaning of federal law*) or dependent parent who is incapable of self-care, so that you (and your spouse, if you are married) can work or attend school full-time. Eligible dependents, including parents, must live with you for at least half of the year. Eligible expenses include child and adult **day care provided at your home**; nursery schools and preschools (if the cost of schooling cannot be separated from the cost of care); properly licensed day care centers that care for six or more children (including summer day camps); **care outside the home for children and adult dependents**; and the **cost of**

transportation of a qualifying individual by the care provider to or from the place care is provided.

County Contribution to the Dependent Care Spending Account

If you are eligible and enroll in the Dependent Care Spending Account, the County will make a nontaxable monthly contribution based on your annual base pay. And you don't even need to contribute to get this! See the chart below to find out how much the County will contribute in 2011. Please note that you can make contributions in addition to those made by the County — you just have to be sure that the combined contribution doesn't exceed IRS limits. **Remember, you must enroll in the Dependent Care Spending Account to be eligible for the County contribution.**

YOUR ANNUAL BASE PAY	COUNTY'S MONTHLY CONTRIBUTION (Subject to Annual Cap on Contribution)
Less than \$30,000	\$375
\$30,000 to \$34,999	\$300
\$35,000 to \$39,999	\$275
\$40,000 to \$44,999	\$200
\$45,000 to \$49,999	\$125
\$50,000 or more	\$75

Important Note: SEIU Local 721 and the plan sponsor, the County of Los Angeles, agreed to an annual maximum dollar amount the County will spend for this benefit in 2011 and how this benefit will be administered. This benefit will be monitored on a monthly basis. If the dollar maximum is reached in any month in 2011, the contribution you receive from the County will be reduced that month and will be suspended for the remainder of the Plan Year. In addition, you may be allowed to make other changes that are consistent with a qualifying change in status, cost, or coverage (for example, revoking your election if your dependent care provider quits or terminates its contract with you). See the *Options* SPD or go to mylacountybenefits.com for more information.

Use It or Lose It

Before you decide whether to participate in a spending account, it's important that you carefully consider how much you should contribute. You must use the money in these accounts by a certain date. An IRS rule states that any money in your spending accounts that isn't spent by the end of the specified period must be forfeited. But don't let that stop you from taking advantage of the great tax benefits spending accounts offer. Just take a little time to plan, and don't put more in your account than you think you need to spend for the year.

Expenses for both types of spending accounts must be incurred by December 31, 2011, and submitted for reimbursement by June 30, 2012. Under the County's program, some expenses (such as insurance premiums) are not eligible for reimbursement under the Health Care Spending Account.

Be sure to read the spending account section of the *Options* SPD before you enroll.

* A “spouse” is defined uniformly for all federal laws as a person of the opposite sex who is a husband or wife.

** The County's contribution reduces the amount you can contribute, but that means you are spending even less on dependent care.

important notice from the County of Los Angeles about your prescription drug coverage and medicare

Please read this notice carefully and keep it where you can find it.

This notice provides information about your current prescription drug coverage under the County of Los Angeles (County) Options Plan, the prescription drug coverage that will be provided under Options as of January 1, 2011, and prescription drug coverage available for individuals with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether you want to enroll in this coverage. If you are considering enrolling in a Medicare prescription drug plan, you should compare your current coverage, including which drugs are offered and associated costs for those drugs, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

There are two important facts 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 through Medicare prescription drug plans and Medicare Advantage Plans (such as an HMO or PPO) that offer prescription drug coverage. All Medicare prescription 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.
2. The County has determined that the prescription drug coverage currently offered under the Kaiser HMO and PacifiCare HMO and PPO plans, and the coverage that will be offered under these plans as of January 1, 2011, is on average for all plan participants who participate in any of these health plans expected to pay out as much as the standard Medicare prescription drug coverage will pay, and that such coverage is considered Creditable Coverage. Because all of the health plans available under Options provide Creditable Coverage, you may elect any of these coverage options for the 2011 plan year and not pay a higher premium (a penalty) if you decide to enroll in a Medicare prescription drug plan on a later date, provided that you do not experience a 63-day break in coverage (as discussed in more detail below).

When Are You Eligible to Enroll in a Medicare Prescription Drug Plan?

You may enroll in a Medicare prescription drug plan when you first become eligible for Medicare and thereafter during each calendar year from November 15th through December 31st.

If you lose your Creditable Coverage under Options through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period to enroll in a Medicare prescription drug plan.

What Happens to Your Current Creditable Coverage if You Decide to Enroll in a Medicare Prescription Drug Plan?

If you participate in **Kaiser or any of the PacifiCare plans**, you may: (1) keep your existing coverage without enrolling in a Part D plan; (2) keep your existing coverage and enroll in a Part D plan as a supplement to that coverage; or (3) drop your existing coverage and enroll in a Part D plan. If you elect Medicare Part D coverage as a supplement to your **Kaiser** coverage, your current coverage will not be affected. Alternatively, if you elect Medicare Part D coverage through **Kaiser** and also assign Medicare Parts A and B to Kaiser, you will be placed in the Kaiser Sr. Advantage Plan, which will coordinate with Medicare. If you elect Medicare Part D coverage as a supplement to your **PacifiCare** coverage, **PacifiCare** will coordinate with Medicare.

If you do decide to join a Medicare drug plan and drop your current coverage, you and your dependents would be able to reenroll in the future during an Options open enrollment period.

Please contact the County of Los Angeles Benefit Plan Administrator for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.

When Will You Pay a Higher Premium (a Penalty) to Join a Medicare Prescription Drug Plan?

It is important to note that if you drop or lose your coverage with the County and, although you are eligible to do so, you do not enroll in a Medicare prescription drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to enroll in a Medicare prescription drug plan on a later date.

If you go 63 continuous days or longer without Creditable Coverage, when you enroll in Medicare 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 such coverage. For example, if you go nineteen months without Creditable Coverage, your premium under Medicare may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) for as long as you have Medicare prescription drug coverage. Additionally, you may have to wait until the beginning of the next enrollment period for Medicare prescription drug plans (i.e., November 15th) to enroll in the Medicare coverage.

For More Information About this Notice or Your Current Prescription Drug Coverage...

Please contact the **County of Los Angeles Benefit Plan Administrator** at the address listed below or the **Benefits Hotline** at the phone number listed below for further information.

NOTE: You will receive this notice at other times in the future indicating that you may enroll in Medicare prescription drug coverage. For example, you will receive this notice prior to the next annual enrollment period during which you may enroll in Medicare coverage and you will also receive a notice if your current prescription drug coverage with the County changes. You may request a copy of this notice by contacting the **County of Los Angeles Benefit Plan Administrator** at the address or phone number listed on this page.

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. If you are eligible for Medicare, you will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit www.medicare.gov,
- 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, or
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you may call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember to keep this notice. If you enroll in a Medicare drug plan, you may be required to provide a copy of this notice when you join to show that you maintained creditable coverage and that you are not required to pay a higher premium amount for coverage (a penalty).

Date: **September 15, 2010**

Entity providing this Notice: **County of Los Angeles**

Contact: **Benefit Plan Administrator**

Address: **3333 Wilshire Boulevard, Suite 1000, Los Angeles, CA 90010**

Benefits Hotline: **1-213-388-9982**



Contact Information

Contact	Phone Number	Fax Number	Web Site
BENEFIT SYSTEM			
Benefit Enrollment	888-822-0487	310-788-8775	www.mylacountybenefits.com
COUNTY DEPARTMENT OF HUMAN RESOURCES			
Benefits Hotline	213-388-9982	N/A	http://dhr.lacounty.info/
MEDICAL			
PacifiCare HMO	800-367-2660	N/A	www.healthyatcola.com
UnitedHealthcare Choice Plus PPO	800-367-2660	N/A	www.healthyatcola.com
Kaiser Permanente	800-464-4000	N/A	www.kp.org/countyofla
DENTAL			
SafeGuard	800-880-1800	N/A	www.safeguard.net
DeltaCare	800-422-4234	N/A	www.deltadentalins.com
Delta Dental	888-335-8227	N/A	www.deltadentalins.com
SPENDING ACCOUNTS			
Administrator (Ceridian)	866-300-2303	888-367-3305	www.mylacountybenefits.com
LIFE AND AD&D			
CIGNA Life	800-842-6635	N/A	www.cigna.com

Your *Options* benefit program is a joint effort of the County of Los Angeles and SEIU Local 721. They work together to negotiate the benefits that are offered, the amount of the monthly benefit allowance, and other details of the program.

This Highlights Guide is not an official Summary Plan Description (SPD) or official plan document. If you need a copy of an official plan document, contact the plan's customer service department directly. If there is a difference between what you read in this guide and what you read in an official plan document, the official plan document will rule.



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