



## 2018 HEALTH INSURANCE

Eligible City employees may choose one of the two health insurance plan options available. A summary of each plan is below.

1. **City of Fort Dodge Plan A HDHP PPO  
Alliance Select – HDHP (High Deductible Health Plan)**

Deductible = Max out-of-pocket: \$2500/\$5000 single/family.  
***(The deductible and max-of-pocket are the same.)***

All costs, including prescription costs, are first applied to the deductible/max out of pocket until that deductible/max out of pocket limit is reached at which time the plan covers all additional costs in full.

**Total monthly premium costs effective January 1, 2018:**

**Single = \$433.29**

**Family = \$1091.40**

***For Plan A the employee pays \$0 towards the monthly premium.***

In conjunction with the HDHP is a **Health Savings Account (HSA)**. This is an account that the plan holder can use to pay for medical expenses. The HSA works much like a personal checking account specifically set up for medical expenditures. The City is placing 50% of the deductible or \$1250/\$2500 for single/family plan holders into the HSA. For the 2017 plan year, one-fourth of the employer contribution will be put into the HSA at the start of each quarter. Employees are also able to place money into the HSA on a pre-tax basis. Deductions for employee contributions will be done similar to how we have done FSA deductions with the employees deduction being divided into 24 equal amounts taken out each paycheck except for the middle paycheck of the month in those months in which a third paycheck occurs. This money is then placed into the HSA and used for medical expenses on a tax free basis. There are significant penalties if the money is used for non-medical expenditures. Typical examples of medical expenditures include prescriptions, office visits, emergency room visits and x-rays. Any money not used during the plan year is retained in the HSA and accumulates from year to year. These funds remain with the employee even when the employee leaves employment.



2. **City of Fort Dodge Plan B PPO**

**Alliance Select - \$500 Deductible Plan**

Deductible: \$500/\$1000 single/family

Max out-of-pocket: \$1000/\$2000 single/family

Co-insurance: 80/20

Prescription co-pay: \$5/\$20 for generic/non-generic will continue. There is also a specialty drug co-pay of \$85.

**Total monthly premium effective January 1, 2018:**

**Single = \$581.63**

**Family = \$1485.98**

***For Plan B the employee contribution is 8% of the total monthly premium, which is:***

**Single = \$46.53**

**Family = \$118.88**

This employee contribution will be deducted on a pre-tax basis with one half of the contribution amount being deducted each paycheck except for the middle paycheck in those months with three pay checks.

You may elect to participate in a **Flexible Spending Account (FSA)**, as in previous years. An FSA allows you to set aside a portion of your salary before taxes to pay primarily for medical expenses and dependent care costs not covered by insurance. Once you pay for the expense, you are reimbursed by your plan. This deduction comes out of your paycheck twice per month.

The total amount you elect for your FSA will be available any time of the year, even if the funds have not yet been withheld from your pay. For dependent care reimbursement accounts, qualified expenses are reimbursed up to the amounts you have contributed throughout the plan year. Employees are allowed to carry over \$500 from one year to the next. Anything beyond the \$500 remaining at the end of the year is forfeited.

If you have any questions regarding benefits please contact Human Resources at (515) 576-6869.