



Open Enrollment is Nov. 11–Dec. 1, 2015

Open Enrollment is the annual period when you make benefits elections or changes for the new benefit year, which begins January 1, 2016. **All benefit-eligible employees must take action.** During this time, you will:

- ▶ Change or continue your medical or dental plan
- ▶ Add or drop eligible dependents from your medical or dental plan
- ▶ Enroll in a Health Savings Account (HSA) if you elect the High Deductible Health Plan and are eligible for an HSA
- ▶ Enroll in a Healthcare Flexible Spending Account (FSA) or limited FSA if enrolling in an HSA
- ▶ Enroll in a Dependent Care Flexible Spending Account—used for child care expenses and adult care expenses—not for medical care
- ▶ Employees on a union-sponsored benefit plan can also elect an FSA

How to Make Your Open Enrollment Elections

Open enrollment is completed electronically through HCM (the HR/Payroll system), and requires that you take action. **If you do not log into HCM to make benefits elections during the open enrollment period, you will be enrolled in the default coverage for 2016.** The default coverage will be employee-only coverage for the Cigna High Deductible Health Plan, no dental coverage, no FSA, and no HSA. Open enrollment will be available from Wednesday, November 11 through Tuesday, December 1. Changes after that date will not be accepted and default coverage will apply.

Step-by-step instructions for enrolling in your benefits are available on the Compass Healthcare site or you may drop in during one of the assistance sessions listed in the table below, where an HR representative be available to guide you through the process in HCM.

Open Enrollment HCM Assistance Sessions

Date:	Time:	Location:
Thu., November 12	11:00 am–2:00 pm	AOB, ICT Training Room
Tue., November 17	11:00 am–2:00 pm	AOB, ICT Training Room
Wed., November 18	11:30 am–1:30 pm	P69, ICT Training Room
Thu., November 19	11:00 am–2:00 pm	AOB, ICT Training Room
Wed., November 25	11:00 am–1:30 pm	AOB, ICT Training Room
Mon., November 30	11:00 am–2:00 pm	AOB, ICT Training Room

Eligible Family Members

Spouses or domestic partners, children, step-children, domestic partner's children, and children for whom you are a legal guardian are eligible for enrollment. Children are eligible for medical and dental coverage through the month in which they turn age 26. Tax dependency, marital and student status are not considered in determining eligibility for children.

Eligibility and age requirements for the FSA and HSA plans are different. See IRS Publication 969, "Health Savings Accounts and other Tax-Favored Health Plans" for information regarding individuals for whom you can submit qualified expenses.

For More Info...

Visit the Healthcare site on Compass to find medical and dental rate sheets, plan comparisons and summaries, step-by-step instructions for enrolling in your benefits in HCM, and much more. Access the site from any computer connected to the Port network at: <http://compass.portseattle.org/corp/hr/Pages/Health-Care.aspx>.

The following disclosure notices are also available on Compass. Summaries of Benefits and Coverage for the associated plans are coming soon.

- ▶ Prescription Drug Coverage and Medicare (also enclosed with this mailing)
- ▶ Premium Assistance under Medicaid and the Children's Health Insurance Program (CHIP)
- ▶ Women's Health and Cancer Rights Act of 1998 (WHCRA)

If you need additional assistance, contact a member of the benefits team listed on page 3.



What's New in 2016

All three healthcare plans available in 2015—Cigna Deductible, Cigna High Deductible Health Plan (HDHP), and Group Health—will be available in 2016.

Medical Plans

- ▶ Group Health Alliance Plan will expand in 2016 to include Swedish Medical Centers (First Hill and Cherry Hill campuses) in addition to all of the providers in the current (2015) Alliance networks, including Virginia Mason Medical Center.

Beginning the third week in January 2016, Group Health primary care and specialty care providers will begin the transition to Swedish and will no longer treat patients at Virginia Mason. At that time, Group Health providers will begin providing services to their patients at Swedish First Hill/Cherry Hill. Transitions of care will be handled on a case-by-case basis, focused on what's best for the patient.

- ▶ The **out-of-network** deductible for the Cigna Deductible plan increases to \$600 per person to a maximum of \$1,800 for families (up from \$400 and \$1,200 in 2015). The in-network deductibles are not changing.
- ▶ The **out-of-network** deductible for the Cigna High Deductible Health Plan increases to \$2,100 for employee-only coverage and to \$4,200 for families (up from \$1,400 and \$2,800 in 2015). The in-network deductibles are not changing.

Prescriptions

- ▶ The Cigna Deductible pharmacy plan for a 30-day supply is changing from a two-tier copay arrangement to a three-tier copay arrangement: \$5 for generic; \$35 for preferred brand-name; and \$50 for non-preferred brand name. Mail-order prescriptions will be two times the applicable copay. No deductible will apply.

- ▶ For both Cigna plans, two classes of drugs for which over-the-counter (OTC) alternatives are available will not be covered in 2016: proton pump inhibitors (PPIs) such as Prilosec and Nexium, and allergy medications such as Claritin and Zyrtec. You can still be reimbursed from your Healthcare FSA if you have a prescription for the OTC medication.
- ▶ For both Cigna plans, certain high cost drugs such as Enbrel (anti-inflammation) and Ventolin (asthma) will not be covered without an approved exception and alternative medications will be available.

Flexible Spending Accounts

- ▶ Employees with unused funds in their 2015 Healthcare Flexible Spending Accounts will have these funds, up to a maximum of \$500, automatically carried over into their 2016 FSA. This applies only to the Healthcare FSA, not the Dependent Care FSA.

Health Savings Accounts

- ▶ The maximum combined employee-employer contribution limit for HSAs will be \$3,350 for employee-only plans and \$6,750 for family plans (up from \$6,650 for family plans in 2015). The additional \$1,000 contribution catch-up rate for those who are at least age 55 has not changed.

Updated Plan Comparison Tool

- ▶ The plan comparison tool on compass will be updated prior to the start of open enrollment to allow you to model potential scenarios for your healthcare in 2016. This can help you decide which plan might work the best for you and your family given your unique healthcare needs.

2016 vs. 2015 Monthly Employee Premium Share Rates

with Wellness Reward Incentive

without Wellness Reward

	2016	2015	Change
Cigna Deductible PPO			
Employee Only	\$ 38.22	\$ 38.22	\$ 0.00
Employee & Spouse/Partner	\$ 227.04	\$ 227.04	\$ 0.00
Employee & Child(ren)	\$ 200.66	\$ 200.66	\$ 0.00
Couple & Child(ren)	\$ 313.02	\$ 313.02	\$ 0.00
Cigna High Deductible Health Plan*			
Employee Only	\$ 0.00	\$ 0.00	\$ 0.00
Employee & Spouse/Partner	\$ 65.72	\$ 65.72	\$ 0.00
Employee & Child(ren)	\$ 58.08	\$ 58.08	\$ 0.00
Couple & Child(ren)	\$ 90.60	\$ 90.60	\$ 0.00
Group Health			
Employee Only	\$ 27.56	\$ 26.22	\$ 1.34
Employee & Spouse/Partner	\$ 164.48	\$ 157.36	\$ 7.12
Employee & Child(ren)	\$ 153.88	\$ 147.14	\$ 6.74
Couple & Child(ren)	\$ 236.72	\$ 226.82	\$ 9.90

	2016	2015	Change
Cigna Deductible PPO			
Employee Only	\$ 114.66	\$ 114.66	\$ 0.00
Employee & Spouse/Partner	\$ 454.08	\$ 378.38	\$ 75.70
Employee & Child(ren)	\$ 401.34	\$ 334.44	\$ 66.90
Couple & Child(ren)	\$ 626.08	\$ 521.72	\$ 104.36
Cigna High Deductible Health Plan*			
Employee Only	\$ 0.00	\$ 0.00	\$ 0.00
Employee & Spouse/Partner	\$ 65.72	\$ 65.72	\$ 0.00
Employee & Child(ren)	\$ 58.08	\$ 58.08	\$ 0.00
Couple & Child(ren)	\$ 90.60	\$ 90.60	\$ 0.00
Group Health			
Employee Only	\$ 82.66	\$ 78.68	\$ 3.98
Employee & Spouse/Partner	\$ 328.96	\$ 262.26	\$ 66.70
Employee & Child(ren)	\$ 307.74	\$ 245.24	\$ 62.50
Couple & Child(ren)	\$ 473.46	\$ 378.02	\$ 95.44

*HDHP enrollees receive a \$500–\$1,000 contribution to their HSA as a Wellness incentive.

2016 Wellness Rewards Program

Healthy Program Changes Coming!

Your active participation in healthy living has many benefits for you and your loved ones. While participation is voluntary, we hope you will join. Employees who completed the program requirements for 2015 can look forward to receiving these rewards in 2016:

- ▶ Discounted premium shares for those enrolled in the Cigna Deductible or Group Health plans
- ▶ An HSA contribution for those enrolled in the Cigna HDHP; \$500 for individuals and \$1000 for families

The 2016 Wellness Program features a new partnership with Aduro, Inc., who are creating an exciting and engaging program geared just for us. Everyone will have the opportunity to take an online Well-Being Assessment that measures the six dimensions of wellness, participate in targeted activity challenges and events, and create personal health and wellness goals. All aspects of this program are designed to facilitate healthy, balanced living while having fun.

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A Quick Guide to Flexible Spending Accounts

Flexible Spending Accounts (FSAs) can help you save money on eligible expenses by putting aside pre-tax income to pay these costs. The Port offers two types of FSA: a healthcare FSA to cover out-of-pocket healthcare costs for you and your eligible dependents, and a dependent care FSA to cover eligible costs for child or elder care.

Please note that if you enroll in the Port-sponsored Cigna High Deductible Health Plan (HDHP) and elect to have a Health Savings Account (HSA), you will be ineligible to enroll in a general-purpose healthcare FSA. Instead, you may enroll in a limited-purpose FSA. Details about limited-purpose FSAs are available below.

Any, benefit-eligible regular Port employee, including represented employees, may participate in an FSA.

Healthcare FSA

A general-purpose healthcare FSA covers eligible medical, dental, and vision costs incurred by you or a qualified person (as defined in IRS Publication 969) that are not covered by health plans. Examples of reimbursable expenses include deductibles, copays for office visits and prescription drugs, and coinsurance. Premiums are not eligible healthcare expenses. You may elect to deduct up to an annual maximum of \$2,500 for your Healthcare FSA, and you may submit reimbursement requests for up to your full annual election before you have completed all of your payroll deductions.

If you have not used all of your FSA funds by the end of the year, up to \$500 of your unused funds will automatically be carried forward into your healthcare FSA for the next year. Read the FSA Carryover article below for more information.

Limited-Purpose FSA

Employees enrolled in the Cigna HDHP who contribute to an HSA are not eligible for a general-purpose healthcare FSA. Instead, you may enroll in what is known as a limited-purpose FSA. Because both the HSA and the FSA are tax-advantaged plans, there are some rules. You may only use your limited-purpose FSA for eligible vision and dental costs until you meet your health plan deductible. After you meet your deductible you then may use your FSA dollars to pay for other eligible healthcare costs.

The general-purpose and limited-purpose healthcare FSAs also cover eligible medical, dental, and vision costs incurred by your children so long as they are under the age of 27 through the end of 2016; they do not have to qualify as tax-dependents. Read IRS Publication 969 for other eligible persons for whom you can submit qualified expenses.

About FSA Carryover

An exciting rule change for people with healthcare flexible spending accounts (including limited FSAs) went into effect in 2015. Up to \$500 of unused medical FSA funds will automatically carry over from one year to the next. While this is great news for many employees, you still need to carefully estimate your qualifying medical expenses to minimize the possibility that you will lose any of your contributions. Here are some other important facts to keep in mind:

- ▶▶ The carryover applies only to healthcare FSAs, not dependent care FSAs.
- ▶▶ Funds carried over do not reduce the \$2,500 annual contribution limit
- ▶▶ Carried-over funds are available immediately and all throughout 2016
- ▶▶ All unused funds in your 2015 healthcare FSA can still be used to reimburse your 2015 expenses through the run-out period that expires on March 31, 2016
- ▶▶ Any unused funds contributed in 2015 above \$500 when the deadline for submitting 2015 expenses has lapsed will still be forfeited

Flexible spending accounts are more flexible than ever. If you have any additional questions about FSAs, please visit HR's Compass site, contact a member of the HR Benefits Team, or contact WageWorks directly.

Dependent Care FSA

A dependent care FSA is separate from a healthcare FSA, and is available to any regular, benefit-eligible Port employee, including represented employees, and those with an HSA. Funds in a dependent care FSA may be used to pay for eligible 2016 child care expenses for dependent children under age 13, or adult care expenses for a person who qualifies as your dependent if he or she is physically or mentally incapable of self-care and such care is needed so that you are able to go to work.

You may elect to contribute up to an annual maximum of \$5,000 from your pay for a Dependent Care FSA. However, unlike a healthcare FSA, you cannot be reimbursed for more than you have in your account at the time, and no unused funds will carry forward from year to year.

A Word of Caution

To avoid complications down the road, as you proceed through the open enrollment process, if you are only enrolling in one type of FSA, please double check your enrollment to be sure you enroll in the appropriate account. A healthcare FSA is used to reimburse medical, dental and vision expenses for you and eligible individuals. A dependent care FSA is used to reimburse child day care or adult day care expenses. You should also ensure that you have a qualified dependent before enrolling in the Dependent Care FSA. More details about who is considered a qualified dependent are available on the IRS website (<http://www.irs.gov>).

To learn more about HSAs and FSAs, including details about eligibility, eligible expenses, and reimbursement, contact WageWorks at 1-877-924-3967 or visit their website at <https://www.wageworks.com/> (or see the HR Compass site).

Is a Health Savings Account Right for You?

Health Savings Accounts (HSAs) are available only to those who enroll in the High Deductible Health Plan (HDHP) and meet the eligibility criteria. Like an FSA, you can use an HSA to reimburse your eligible out-of-pocket health care expenses that aren't covered by your high-deductible health plan, like amounts you pay toward meeting the deductible, or other out-of-pocket costs. You also can use the HSA to pay for eligible health care expenses incurred by qualified persons as defined in IRS Publication 969.

Unlike an FSA, you cannot be reimbursed for more than you have in your account at the time. However, you can enroll, stop, increase or decrease contributions on a monthly basis. HSAs also have no limit to the amount of funds that can roll over from year to year.

An HSA is individually owned—it is yours to keep no matter the circumstance, regardless of your employment status. The money contributed into your HSA is tax-free, grows tax-free through interest and potential investment earnings, and withdrawals are tax-free if they are for qualified medical expenses. For this reason, some people use HSAs to save for healthcare in retirement.

Annual Maximum Contributions

The 2016 maximum contribution to your HSA is \$3,350 for an individual account and \$6,750 for a family account. This includes both your contributions and the Port contribution if you earned your wellness rewards points. If you are age 55 or older on December 31, 2016 you may contribute an extra \$1,000 as a catch-up.

Don't forget, if you earned your 2015 wellness incentive, in January 2016, the Port will contribute \$500 for an individual with employee-only coverage and \$1,000 for employees with family coverage to your HSA. That's tax-free money in the bank to help you pay for out of pocket medical costs!

Remember that you must elect the HSA plan to receive the Port contribution even if you elect to contribute nothing by payroll deduction.

When contributing to your HSA through pay deduction, please note that HCM has a per paycheck limit (your annual maximum ÷ 24). The annual maximum varies based on three factors: whether the account is for an individual or family, whether or not you earned the wellness reward, and if you are age 55 or older. For example, the maximum per paycheck contribution for an employee-only account with an

(continued on page 7.)



Your 2015 Port-offered Plan Options

All three plans available in 2015—Cigna Deductible, Cigna High Deductible Health Plan (HDHP), and Group Health—will be available in 2016. Employees of the Port can be covered on a Port-sponsored plan as either an employee or a dependent—but not both.

The Port of Seattle's Total Rewards philosophy provides that benefits should be slightly better than the market average, provide choices to employees, and be managed in a fiscally responsible way that is sustainable over time. The philosophy encourages employees to take an active role in understanding and utilizing their benefits responsibly, and states that employees should share in the cost of their health care.

Healthcare Vendor Contacts

Cigna

Pre-enrollment customer service line:
1.800.564.7642

Current Cigna member customer
service line: 1.800.244.6224
www.cigna.com

Delta Dental

Customer service line:
1.800.554.1907
www.deltadentalwa.com

Group Health

Customer service line:
1.888.901.4636
www.ghc.org

WageWorks

Customer service line:
1.877.924.3967
www.wageworks.com

Cigna Deductible Plan Out-of-Pocket Costs

Employee Monthly Premium Share		
	w/ Wellness	w/o Wellness
Employee Only	\$ 38.22	\$ 114.66
Employee and Spouse/Partner	\$ 227.04	\$ 454.08
Employee and Child(ren)	\$ 200.66	\$ 401.34
Couple and Child(ren)	\$ 313.02	\$ 626.08
Deductible	in-network	out-of-network
Per Person	\$ 400	\$ 600
Family Maximum	\$ 1,200	\$ 1,800
Out-of-Pocket Maximum*	in-network	out-of-network
Per Person	\$ 1,800	\$ 4,050
Employee and Family	\$ 5,400	\$ 12,150
Coinsurance	20%	40%
Preventive Care	Covered in full	Not covered

Cigna High Deductible Health Plan Out-of-Pocket Costs

Employee Monthly Premium Share**		
Employee Only		\$ 0
Employee and Spouse/Partner		\$ 65.72
Employee and Child(ren)		\$ 58.08
Couple and Child(ren)		\$ 90.60
Employer HSA Contribution (with Wellness Reward):		
Employee Only Coverage		\$ 500
Employee and Family Coverage		\$ 1,000
Deductible:	in-network	out-of-network
Employee Only Coverage	\$ 1,400	\$ 2,100
Employee and Family Coverage	\$ 2,800	\$ 4,200
Out-of-Pocket Maximum*	in-network	out-of-network
Employee Only Coverage	\$ 3,000	\$ 5,000
Employee and Family Coverage	\$ 6,000	\$ 10,000
Coinsurance	20%	40%
Preventive Care	Covered in full	Not covered

*Includes deductible, copays, and coinsurance

**Those enrolled in the HDHP receive a \$500–\$1,000 contribution to their HSA as a Wellness incentive rather than a premium discount.

Group Health Plan Out-of-Pocket Costs

Employee Monthly Premium Share	w/ Wellness	w/o Wellness
Employee Only	\$ 27.56	\$ 82.66
Employee and Spouse/Partner	\$ 164.48	\$ 328.96
Employee and Child(ren)	\$ 153.88	\$ 307.74
Couple and Child(ren)	\$ 236.72	\$ 473.46
Deductible	None	
Out-of-Pocket Maximum*		
Employee Only Coverage		\$ 1,500
Family Coverage		\$ 3,000
Coinsurance	20%	
Copay	\$35 per outpatient visit; plus 20% coinsurance	
Preventive Care	Covered in full	

Delta Dental Service Rates

Employee Monthly Premium Share	
Employee Only	\$ 1.00
Employee and Spouse/Partner	\$ 9.24
Employee and Child(ren)	\$ 7.85
Couple and Child(ren)	\$ 12.71
Deductible	None
Annual Maximum Benefit Per Person	\$ 2,000

Pharmacy Copays

Prescription	Cigna Deductible*	Cigna High Deductible*^	Group Health
Retail Generic (30 day)	\$ 5	100%, 20%	\$ 15
Preferred Brand (30 day)	\$ 35	100%, 20%	\$ 30
Non-Preferred Brand (30 day)	\$ 50	100%, 20%	N/A
Mail Generic (90 day)	\$ 10	100%, 20%	\$ 30
Mail Preferred Brand (90 day)	\$ 70	100%, 20%	\$ 60
Mail Non-Preferred (90 day)	\$ 100	100%, 20%	N/A

* Some generic preventative drugs are available with no copay, deductible or coinsurance.

^ Those enrolled in the HDHP pay the full cost of prescriptions until they have met their annual deductible. Then their copay is 20%. An exception is made for certain generic and preventative drugs, for which the member pays only 20% before meeting the deductible.

Is an HSA Right for You? (continued from page 5)

earned wellness reward is \$118.75. The maximum for a family account for a 55-year-old eligible employee with wellness reward is \$281.25.

If you think you may need more money in your account earlier in the year, you have the option to write a check to BNY Mellon for deposit to your HSA account. Please note that you will need to keep track of your direct contributions to your HSA and ensure that your total contributions do not exceed the annual limit. Remember to include these direct contributions when you file your taxes to get the appropriate deduction.

HSA Eligibility

You are NOT qualified when you are:

- » Covered by any other non HSA-compatible health plan, for example through your spouse
- » Covered by a general-purpose healthcare FSA or health reimbursement account (HRA), including your spouse's
- » Claimed as a dependent on another person's tax return (excluding spouses per IRC)
- » Enrolled in Medicare
- » Receiving health benefits under TRICARE
- » Have received Veterans Administration (VA) benefits within the past three months

See IRS Publication 969 for details. If you enroll in the HDHP and you are not eligible for an HSA, you may still enroll in a general-purpose FSA.

Comparison of Coverage

This is a summary of the benefits available under your health care plan's contract. Please see Benefits Booklets for complete detail. This summary does not include all covered items, limitations and exclusions

Type of Coverage	Group Health	Cigna HDHP	Cigna Deductible
Providers	You must use Group Health, Swedish Health Services, Virginia Mason, or the Everett Clinic providers.	You must use a Cigna Open Access Plus (OAP) network provider to receive maximum benefits. It is the subscriber's responsibility to ensure the chosen providers are in the Cigna OAP network. <i>If out-of-network providers are used</i> , coverage will be significantly less, balance billing may occur, and in some cases, services will not be covered.	
Alternative Providers	May self-refer to an acupuncturist for up to 8 visits and naturopath for up to 3 visits per condition per calendar year—additional visits may be approved. Self-refer to nutritionist	May use acupuncturist, nutritionist, naturopath, massage therapist.	
Routine Vision Exam and Hardware	One exam every 12 months. \$35 copay in-network. Hardware covered at 100% up to \$150 per 24 months. Out of network not covered and coinsurance is waived.	Exam: One per calendar year. \$30 copay in-network, up to \$45 covered out-of-network. Hardware & Frames: Covered at 100% up to \$200 every two calendar years in-network, up to \$128 every two calendar years out-of-network.	
X-Ray and Lab Charges	Paid at 80%	Paid at 80% in network, 60% out-of-network*	
Hospital Services	Inpatient: Paid at 80% Outpatient: \$50 copay, plus 20% coinsurance	Inpatient: Paid at 80% in network, 60% out of network* Outpatient: Paid at 80% in network, 60% out of network*	
Emergency Room	\$100 copayment per visit (waived if admitted from emergency room), plus 20% coinsurance.	Paid at 80% in-network and out-of-network*	\$75 copay (waived if admitted from the emergency room), plus 20% coinsurance in-network and out-of-network*
Mental Health Care	Outpatient: \$35 copay per visit, plus 20% coinsurance. Inpatient: Paid at 80%.	Outpatient and inpatient: Paid at 80% in-network, 60% out-of-network*	
Chemical Dependency	Outpatient: \$35 copay per visit, plus 20% coinsurance Inpatient: Paid at 80%.	Outpatient and inpatient: Paid at 80% in-network, 60% out-of-network*	
Rehabilitative Care	Benefit limits: 60 outpatient visits and 60 inpatient days per calendar year. Outpatient: \$35 copay per visit, plus 20% coinsurance. Inpatient: Paid at 80%.	Physical, occupational, speech and massage therapy. Benefit limits: 45 outpatient visits and 30 inpatient days per calendar year. Cardiac & pulmonary rehabilitation: 36 days. Outpatient and inpatient: Paid at 80% in-network, 60% out-of-network*	
Chiropractic Care / Manipulative Therapy	Self-refer for up to 10 visits per year, subject to \$35 copay, plus 20% coinsurance. Additional visits when approved.	12 spinal adjustments per calendar year. Paid at 80% in-network and 60% out-of-network*	
Routine Hearing Exam	\$35 copay plus 10% coinsurance.	1 exam per calendar year. Paid at 80% in-network, 60% out-of-network*	
Hearing Hardware	Covered up to \$1,000 per year, limited to one aid per year, every 36 months.	In-network and out-of-network: 80% of allowable charges, up to a maximum benefit of \$3,000 per enrollee in a period of three (3) consecutive calendar years.	

*Services are subject to the deductible