



## Fact Sheet

### Insurance #1 Benefits

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The information presented is intended to be an overview and general. For specific details, refer to your Health and Dental Care Plan Benefit Book.

**1. What type of insurance benefits do we have?**

We have:

- Health insurance
- Dental Insurance
- Long-Term Disability insurance and
- Term Life insurance

**2. Where can we find specific information about our Health Insurance and Dental Plan?**

Begin by reading Article 6.6, page 12 in our contract on insurance. It outlines our insurance participation costs. Your insurance plan booklet is an excellent source of specific information. If you still have questions, you can call BPA at 1-800-435-5694 Monday through Friday between 7:30 am and 4:30 pm. You may also contact them at [www.pbaclaims.com](http://www.pbaclaims.com)

**3. What does our long-term disability plan cover?**

The Long-term disability plan will pay a maximum of 70% of your salary if you become disabled. The benefits come from TRS retirement, Fortis (a District policy) and Social Security. Benefits provided by this disability plan must be coordinated with any other disability plan that you may be utilizing. This plan can not be utilized until all of your sick days are used. Forms from all 3 organizations must be completed to attain the 70%.

**4. How much life insurance coverage do we have?**

Our life insurance is for \$50,000.

**5. What are Flex benefits? Is it a type of insurance?**

A flex or flexible benefit is not a type of insurance; however, it is a benefit. We have two (2) Flex benefits plans that you can take advantage of, medical and childcare/custodial care. The medical plan shelters from taxes, your medical costs that are not covered under our insurance plan. The childcare/custodial care plan shelters from taxes your expenses for these costs. The federal Government (IRS) strictly regulates both plans.

**6. Tell me more about the Flexible medical benefit.**

Under the Flexible Medical benefit, you can shelter from tax, expenses such as the cost for eyeglasses, contacts, saline solution dental expenses and more that are not covered by insurance. Insurance premiums and deductible are also covered by this benefit.

Sounds too good to be true? Well, there is a catch – you need to estimate what your expenses will be for the year. Let's say you shelter \$1000.00. This money will be deducted from your paycheck before your taxes are calculated in equal amounts for 13 pay periods. Changes to this amount

can only be made at the beginning of the plan year or if there is a major life change such as a death, marriage or divorce.

This helps you in two ways, first by reducing your taxable income and second you don't pay tax on the money you use for your medical expenses. Here's the catch, if you don't have a \$1000.00 in expenses that year that are not covered by insurance then you will lose that money you have left over in your Flex account. Federal Law requires the plan to operate in this manner.

**7. What if I need glasses, do I have to wait all year until my Flex medical Account has enough money to cover the expense?**

No, another advantage to the Flex Medical Account is you don't have to wait all year to use the account. You can buy your glasses in October (the beginning of the plan year), have the insurance pay its portion and then draw the balance from your Flex Account. Your account will run in the negative until your payroll deductions cover your expenses. You can not draw more from the account than what you authorized to have deducted from your salary.

**8. Tell me more about the Flexible childcare/custodial care Account.**

The Flex childcare/custodial care account functions differently from your Medical Account. As in the Medical Account you need to estimate your child care or custodial care expenses for the year and this amount will be deducted from your paycheck in equal increments of all 26 paychecks.

However, with child care and custodial care you must provide the tax ID number or the Social Security number of your provider. In other words, your provider must be reporting the child or custodial money as income. Also, in these accounts, you cannot run the account in the negative as in the Medical Accounts. You will only receive reimbursement of money that you have in the account at the time of the request. This may generate lag times between when you have to pay your provider and when you get your money back from the Flex account. Again, Federal Law requires the plan to operate in this manner.

**9. Does the "use it or lose it" apply to child care/ custodial care accounts?**

Yes, with all Flex Accounts – medical or child/custodial care – you must use all the money you authorized for the account or you lose the money. Any money that you lose is turned over to the District and is used to help pay for the costs of running these programs. Again, Federal Law requires that these accounts function in this manner.

• **Important Numbers:**

- **PBA** *Medical, Dental and Flex* **1-800-435-5694**
- **PHCS** *PPO Information* **1-800-240-1940**
- **Hines & Assoc.** *Hospital Pre-certification*  
**1-800-944-9401**
- **Serve You** *Prescription Service* **1-800-759-3203**