

# What Are My Plan Choices?

## Flexible Benefit Plan options include:

- A. Pre-Tax Health Insurance Premiums
- B. Flexible Spending Account (FSA) Plans  
(these plans require a new enrollment form each year)
  - 1. Health Care
  - 2. Dependent/Child Care
- C. Optional Group Term Life Insurance
- D. Personal Accident Insurance

**FSA/HSA Rollover Option for 2009** – If you currently have a Health Care FSA and had an FSA in September 2006, you may be eligible to start an HSA with your 2008 year end FSA balance.

■ See the HSA plan information on page 7 of this brochure.

No enrollment form is needed to continue your current pre-tax health deductions or life & accident coverage.

## Medical Plan options include:

### Aetna Plans (available to all areas):

- HMO Plans:** Low Option & High Option
- POS:** Point of Service – hybrid HMO & PPO
- PPO Plans:**

1. Open Access Plan, a traditional PPO
2. High Deductible PPO – the higher deductible qualifies an employee to set up a Health Savings Account (HSA) and receive County contributions to the account

### Kaiser Plans (available to Ventura County only):

- HMO Plans:** Low Option & High Option

## Dental Plan options include:

- Self-Funded Dental Plan** and
- Golden West Pacesetter Dental HMO Plan**

## Question & Answer Meetings

Employee Benefits staff & Health Insurance reps will be available to answer your questions, distribute plan materials and help you enroll.

### Open Enrollment Meetings

<b>Santa Barbara</b>	Wednesday, Nov. 5...noon to 3:00 pm	Board of Supervisors Hearing Room, 105 E. Anapamu Street
	Wednesday, Nov. 12...9:00 am to noon	Social Services Training Room, 234 Camino Del Remedio
	Tuesday, Nov. 18...9:00 am to noon	Public Health Auditorium, 300 N. San Antonio Road
	Tuesday, Nov. 18...2:00 to 4:00 pm	Planning Commission Hearing Room, 123 E. Anapamu Street
<b>Santa Maria</b>	Thursday, Nov. 6...noon to 3:00 pm	Board of Supervisors Hearing Room, 511 E. Lakeside Parkway
	Wednesday, Nov. 19...1:00 to 3:00 pm	Workforce Resource Center, Sutter Room, 1410 S. Broadway
<b>Lompoc</b>	Tuesday, Nov. 4...10:00 am to noon	Social Services, Endeavor Room, 1100 W. Laurel Avenue
	Thursday, Nov. 20...noon to 2:00 pm	Administration Building 1st floor Conference Room, 401 E. Cypress Avenue

### Health Savings Account Meetings

<b>Santa Barbara</b>	Wednesday, Nov. 5...noon to 3:00 pm	HR Basement Conference Room, 105 E. Anapamu Street
	Wednesday, Nov. 12...9:00 am to noon	Social Services, QC Room, 234 Camino Del Remedio
	Tuesday, Nov. 18...2:00 to 4:00 pm	Public Health, Room C-3, 300 N. San Antonio Road
<b>Santa Maria</b>	Thursday, Nov. 6...noon to 2:00 pm	BOS Conference Room, 511 E. Lakeside Parkway
	Wednesday, Nov. 19...1:00 to 3:00 pm	Work Force Resource Center, Mariposa Room, 1410 S. Broadway
<b>Lompoc</b>	Tuesday, Nov. 4...10:00 am to noon	Social Services, Apollo Room, 1100 W. Laurel Avenue
	Thursday, Nov. 20...noon to 2:00 pm	Administration Building 1st floor Conference Room, 401 E. Cypress Avenue

## Why Should I Enroll in the Flexible Benefits Plan?

### Who Is Eligible to Participate?

All regular full and part-time employees are eligible to participate. Sorry, extra help and contractors are not eligible for this program.

### Tax Advantages

This is a cafeteria tax-savings program under Internal Revenue Service Code Section 125 which allows you to pay for a variety of health, dependent care, life, and accident insurance expenses with pre-tax dollars. Any pre-tax item you select through this program costs you less because the salary and benefit allowance dollars you use to pay for it are not taxed (federal, state, or social security taxes). The Flexible Benefits Plan options you select will be taken out of your earnings before federal income and social security taxes are deducted. This allows you to reduce your taxable income and, at the same time, continue to meet your dependent care and medical expenses.

### Here's an example of how pre-tax dollars work –

Let's take the case of a single employee who makes \$40,000 a year. This employee puts \$500 in the Health Care FSA to pay for expenses that are not covered by his/her health plan. Look at the chart on the right to see the savings created by paying for these expenses with pre-tax dollars.

Single Employee (using 2008 tax rates)	WITHOUT PRE-TAX DOLLARS	WITH PRE-TAX DOLLARS	TAX SAVINGS
Gross Pay	\$40,000	\$40,000	
Salary Reduction for Health Care Expenses	-0-	- \$500	
ADJUSTED SALARY	\$40,000	\$39,500	
Federal Taxes	- \$5,824	- \$5,699	\$125
State Taxes	- \$1,507	- \$1,467	\$40
FICA Taxes	- \$2,480	- \$2,449	\$31
TOTAL NET INCOME	\$30,189	\$29,885	
Health Care Expenses (after taxes)	- \$500	-0-	
SPENDABLE INCOME	\$29,689	\$29,885	\$196

Because this employee chose to set up a Health Care Flexible Spending Account for \$500 in 2009 and paid for health care expenses with pre-tax dollars, his/her taxable income was reduced and \$196 in taxes was saved. **This represents a 39% savings in out-of-pocket health care costs.**