City of Dover

FLEXIBLE BENEFITS

Plan Year 2024 - 2025

*Disclaimer: This document summarizes benefit options offered through the City of Dover, HealthTrust, Inc., and all other insurers in **fiscal year 2025**. It is not a complete statement of the terms and conditions under which benefits are available. This booklet is intended to describe as accurate as possible benefits that are offered. Benefits are set forth in and governed by all applicable coverage certificates, endorsements and riders. Some benefits described in this booklet are determined by collective bargaining agreements (CBAs). Any discrepancy between plan offerings in this booklet and the CBA, the CBA will govern.*

In the event of any discrepancy between this booklet and the actual terms and conditions of those documents, the documents will govern. This booklet does not constitute a contract, or an offer to form a contract and is not binding on any party.

Your Flexible Benefits

This booklet describes the benefits the City offers, how they work, and how you can take full advantage of what is available to you. You are strongly encouraged to read through this booklet and compare the plans to choose the benefits that best fit your needs.

Your benefits are an important part of your total compensation package, which includes far more than your paycheck. The City invests significant money and resources into providing you with a benefit package that is valuable and cost-effective for everyone. That's why the City has focused on providing a flexible benefit package—one that allows you to have a greater voice in how your benefit dollars are spent and that can be tailored to meet your individual needs.

For example, each year you have the opportunity to change your benefits based on your and your family's needs for the coming year. With a flexible benefits plan, you can choose to:

- Keep the same benefit package you had last year
- Enroll in additional benefits, or
- Opt out of selected benefits

A Range of Benefits

The City is offering you benefits in each of the following areas:

- Health plans (including prescription drug coverage for medications purchased at a CVS Caremark participating retail pharmacy and through the CVS Caremark Mail Service Pharmacy)
- Health management programs
- Dental plans
- Life insurance
- Disability insurance
- Healthcare flexible spending account and dependent care reimbursement account

Eligibility

All regular full-time city employees working more than 32.5 hours per week are eligible for participation in the flexible benefit plan beginning on the first day of the month following the date of hire as an eligible employee.

Proof of Relationship Requirement

Dover's benefit programs provide coverage for City employees as well as specific members of their families. In order to enroll your eligible dependents in benefit offerings, you are required to submit proof of relationship.

In order to provide proof of relationship, you must have a certified copy—with the embossed seal or official stamp of the certifying entity— of one of the following documents:

- State-issued birth certificates
- State-issued marriage certificates

The following documents are considered *unacceptable* proof of relationship:

- Birth certificates issued by a hospital
- Baptismal records
- Communion records
- Marriage certificates issued by a church
- Marriage licenses, which do not reflect that a marriage actually took place

Coverage for a Spouse

If you would like to cover your spouse through your city-sponsored medical and/or dental plan, you must provide a copy of your marriage certificate.

Coverage for Children

If you would like to cover your dependent child(ren) through your city-sponsored medical and/or dental plan, the required documents depend on your relationship to the child(ren).

- ***Natural children:*** You must provide a copy of each child's certified birth certificate reflecting you as a parent of the child.
- ***Stepchildren:*** You must provide a copy of:
  - Each child's certified birth certificate reflecting your spouse as a parent of the child, and
  - A certified copy of your marriage certificate reflecting your marriage to one of the natural parents of the child.
- ***Adopted children:*** You must provide a copy of the adoption papers reflecting you as an adoptive parent of the child.
- ***Any other child:*** You must provide a copy of guardianship papers or other legal documentation reflecting that you are both legally and financially responsible for the child.

If the Birth Certificate Does Not Reflect a Father's Name. In the case of "John Doe" birth certificates — that is, a certificate of birth that does not reflect a father's name:

- If the mother identified on the birth certificate is the City employee, such a certificate is acceptable.
- If the City employee is male, the male employee can add the child only by providing an amended birth certificate reflecting the male employee to be the father of the child.

Coverage Begins

If the documentation described in this section is not provided at the time you request the coverage for your spouse or children, such coverage will be extended for a period of three months.

If the required documentation is not provided within three months, coverage for the spouse and/or child(ren) will be terminated as of the last day of the three-month period. A spouse or child who is removed from coverage may be added at the next open enrollment period, provided the applicable documentation is submitted at that time.

Annual Open Enrollment

Each year, you will have the opportunity to re-enroll in the flexible benefit plan, called the annual open enrollment period, this is the time when you can change your benefits for the coming year (July 1 through June 30).

Along with this booklet, you will receive information for the various health and dental programs available through the City. Any changes you make must be received by the open enrollment deadline; otherwise, the benefits you had the year before will carry forward. The exception is with the healthcare flexible spending account and the dependent care reimbursement account. You must re-enroll in either or both accounts each year; re-enrollment is not automatic.

Once you make your benefit elections for the coming year, they go into effect at the start of the plan year (July 1) and remain in effect until the plan year ends (June 30). For the healthcare flexible spending account and dependent care reimbursement account, plan elections remain in effect until the grace period ends, 2 ½-months after the close of the plan year.

You ***may not*** change your elections during the plan year unless you experience a qualified change in family status, as described on page 4. In the event of a change in family status, the HR Assistant should be notified immediately.

Cash Benefit in Lieu of Participation in Health and Dental Plans

If you choose to "opt out" of the City-sponsored health and/or dental plan, you may receive a fixed dollar amount as identified in your applicable collective bargaining agreement based on the type of coverage you are eligible for. For example, if you are eligible for family coverage, you will receive the fixed dollar amount identified in your CBA for family coverage.

You can make the decision to opt out of the City plans each year during the annual open enrollment period, generally held each spring. New employees can make that decision at the time of hire.

In order to opt out, you must provide proof of coverage—for yourself and any family members who would have been eligible for coverage through the City plans—in a non-City health and/or dental insurance plan. In addition, you must submit a signed health and/or dental insurance election waiver, available from the HR Assistant.

If you choose the cash benefit, you will receive it as a weekly amount in your paycheck. Payments to new employees will be pro-rated, based on when coverage would have begun.

If you opt out and experience a qualified change in status during the year, you may enroll in the applicable City plan. To enroll, you must complete and return an application to the HR Assistant 30 days before the status change. Your coverage will become effective on the first of the month following the date of the change.

If you have any questions relating to the "opt-out" please contact the HR Assistant.

Plan Year

The plan year runs from July 1 through June 30.

Qualified Changes in Family Status

After you enroll, your benefit elections generally stay in effect for the entire plan year. If you experience a qualified change in family status, you ***may*** be eligible to make changes to some of your benefits. Note that not all qualified changes will allow you to make changes to your health plan; see the HR Assistant for more information. Generally, qualified changes in family status include:

- Marriage
- Divorce or legal separation
- Birth of a child, adoption, or placement for adoption
- A court-issued decree requiring you or your spouse to provide coverage for a child—or absolving you from providing coverage—following a divorce, legal separation, annulment, or change in legal custody
- Death in the immediate family
- Change in your or your spouse's employment status (e.g., going from full-time to part-time status and losing your benefits eligibility, or taking an unpaid leave of absence)
- Dependent no longer qualifies as benefits-eligible by reaching age 26
- Change of your home address to outside the medical plan service area for which you are enrolled
- Your spouse's employer holds open enrollment at a time other than your employer—and, as a result of its benefit offerings, you would like to make a change (if this affects you, first check with your employer to ensure this scenario is recognized as a qualified change in status)
- You or your spouse becomes eligible or ineligible for Medicare
- The premium amount for a healthcare plan significantly increases, and your employer makes available another health plan with similar coverage
- The coverage under a health plan is significantly curtailed or ends, and your employer makes available another health plan with similar coverage
- Changes made pursuant to the special enrollment rules of the *Health Insurance Portability and Accountability Act of 1996* (HIPAA)

It is ***your*** responsibility to make any changes to your benefit elections within 30 days in advance of the date of the status change. Your change will be in effect for the remainder of the plan year.

Any changes you make must be consistent with your change in family status. For example, if you have a child, you may add your child to your medical plan, but you may not change medical plans.

Health Care Options

Summary of Benefits & Coverage (SBC)

Under the Federal Healthcare reform law, employers are required to provide eligible employees with a uniform, easy-to-read "Summary of Benefits and Coverage" (SBC). The aim of the SBC is to provide plan information in such a way that you will be able to easily compare it with other plans.
If you are currently enrolled in a health insurance plan with the City of Dover, you will find a copy of your SBC attached. To see the full list of SBC documents, please visit Cityweb under Human Resources\Employee Information.

There you will find SBCs for:

Blue Choice
Access Blue 15IPded
Access Blue Site of Service

If you would like a hard copy of one or all of the SBCs or have any questions regarding the SBCs, please contact HR Assistant.

Retiree Health Coverage
State law requires that all retirees be eligible for enrollment—at their own cost—in a City group health or dental plan. Like active employees, retirees are eligible to change their plan option each year during the annual open enrollment period.

Health coverage is provided at a reduced cost or at no cost for a retiree who:

- Was employed as of the eligibility date specified in the applicable collective bargaining agreement, and
- Has 20 years of continuous regular full-time service with the City, and
- Is under a qualifying union agreement that has a provision allowing for reduced-cost or no-cost coverage for retirees, and that coverage will remain effect until the retiree's death.

Any spouse or dependents covered by the retiree's health benefit at the time of the retiree's death can continue coverage at their own expense as long as they remain eligible for a HealthTrust-sponsored plan. Please note that dependent children are not eligible for continued coverage once the retiree and surviving spouse are both deceased.

The City will continue to pay the supplemental portion of the health coverage for retirees who become eligible for Medicare, but the City is not responsible for the federal Medicare portion.

Employees who are hired after the eligibility date specified in their applicable collective bargaining agreement have the option of participating in an employer-sponsored 457 program, which allows for an incentive payment of up to a 50 percent match from the City, to the maximum amount specified in the applicable collective bargaining agreement.

All current employees eligible for the paid retiree health coverage may instead choose to enroll in the employer-sponsored 457 savings program and receive an incentive payment of up to a 50 percent match from the City, to the maximum amount specified in the applicable collective bargaining agreement.

Summary of Retiree Health Coverage

The following is a summary overview of retiree health benefits. For more information, please contact the HR Assistant or HealthTrust at (800) 527-5001.

In addition to providing active employees and their families with health benefits coverage, HealthTrust also provides retiree medical and dental benefits to enrollees of participating HealthTrust groups (i.e. groups that offer benefits through HealthTrust).

To be eligible for any of these benefits, you must meet eligibility guidelines. If you qualify for retiree coverage, your spouse and dependent children will also be eligible for coverage. You may qualify as a retiree in any of the following four ways. Either:

1. You end your employment with the City of Dover and are immediately eligible for benefits from the New Hampshire Retirement System (NHRS). Receipt of Social Security benefits or income from personal retirement accounts, such as an individual retirement account, does not qualify for this definition; or
2. You end your employment with the City of Dover and you are entitled to a deferred vested retirement benefit (a benefit that will begin at a later date) through the NHRS. In this case, you will be considered a retiree when your pension payment begins; or
3. You end your employment with the City of Dover when you are at least 60 and you no longer are actively employed; or
4. You end your employment with the City of Dover when you are at least age 50, you had worked for one or more local government units for 10 or more years, and you are no longer actively employed.

As a general rule, to be eligible for retiree health benefits, you must be enrolled in a HealthTrust-sponsored medical or dental plan offered by the city at the time of your retirement. ***In addition, it is important to note that employees who retire on or after July 1, 2000, will be eligible for only those benefits they were enrolled in at the time they retired.*** For example, if you retired on or after July 1, 2000, and as an active employee were enrolled in medical coverage but not dental coverage, you will be eligible only for retiree medical coverage—not retiree dental coverage. (There are exceptions to this rule for disability retirement. Please contact HealthTrust at (800) 527-5001 for more information.)

Retiree participants younger than age 65—including your enrolled spouse and eligible dependent children, as well as yourself—generally are eligible for the same health benefit plans as active employees.

Retiree participants age 65 and older as well as other Medicare-eligible retirees must enroll in the HealthTrust Medicare Supplemental Plans offered by the City.

The Medicare Supplemental Plans are designed to supplement the benefits available to you through Medicare Parts A and B. There is a Medicare Supplemental Plan with prescription drug coverage, and for those who wish to enroll in the Medicare Part D prescription drug program, there is a Medicare Supplemental Plan without prescription drug coverage. Your covered spouse will have these same plan options available when he/she turns 65 and/or becomes eligible for Medicare coverage.

Note to Employees Working Past the Age of 65: If you are actively employed with the City at age 65 and beyond, you will continue to be covered the same as any other active employee.

In this case, you should decline coverage for Medicare Part B. If you do not, you may automatically be enrolled and charged the monthly premium. At the time you do retire, you should be certain to contact the Social Security Administration promptly and enroll in Medicare Part B.

Failure to enroll within certain timeframes may subject you to significant penalties. Contact your local branch office of the Social Security Administration for further information.

Vision Discount Program

Routine eye care is an important part of your overall health. That's why Northeast Delta Dental includes a vision discount program as part of all HealthTrust dental plans. You and your family can receive discounts on exams, frames, lenses, contact lenses, and vision-correctional surgery.

There is no need to enroll, coverage is automatic when you enroll in a HealthTrust-sponsored dental plan.

In addition, most products don't have annual limits—in other words, you can use the vision discount on frames, plastic lenses, and contact lenses each and every time you purchase them.

To take advantage of the available discounts, simply visit an EyeMed provider and present your dental identification card. Participants include private optometrists, ophthalmologists, and opticians, as well as national chain retailers Target Optical®, LensCrafters®, Pearle Vision®, and Sears Optical® (note that not all independent franchises may participate; be sure to confirm a provider's participation before receiving services). To find an EyeMed provider near you, simply call (866) 939-3633 or visit www.eyemedvisioncare.com.

In addition, you may choose to purchase replacement contact lenses online at competitive prices and have your order delivered to your doctor.

For more information about the Delta Dental vision discount program, contact HealthTrust at (800) 527 -5001 or send an email to enrolleeservices@healthtrustnh.org.

Dental Care Options

If you are enrolling your dependents in a dental plan, all dependents over age 2 must be enrolled. Two-person coverage can be selected only by a married employee with no dependent children or by a single-parent employee with one dependent child. Any employee with dental coverage must notify the city HR Assistant within 31 days of the second birthday of any dependent child.

You may visit the dentist of your choice. If you select a participating dentist, the dental office will bill Delta Dental (the dental carrier) directly and will accept Delta Dental's maximum allowance as the fee for your dental procedure. Please note that the deductibles, if applicable, and the maximum annual benefits associated with the plans are applied on a July 1 through June 30 plan year.

You may choose from three dental plans: Base, Mid, and Supreme Options. With all options, Coverage A services (diagnostic and preventive) are fully paid, at 100 percent of the maximum allowance, and Coverage B services are paid at 80 percent after deductible. Under Mid and Supreme Options, Coverage C services are paid at 50 percent after deductible. Under the Supreme Option only, Coverage D services (orthodontia) are paid at 50 percent up to a lifetime maximum of $1,000.

What the Plans Cover

As described above, coverage is offered for four types of services: Coverage A (diagnostic and preventive), Coverage B (restorative), Coverage C (prosthodontics), and Coverage D (orthodontia). This section explains what services are covered.

Coverage A Services

- ***Diagnostic***:
  Evaluations twice in a plan year; full-mouth/panorex x-rays once in a three-year period; bitewing x-rays once each 12-month period; x-rays of individual teeth as necessary.
- ***Preventive***
  Cleaning four times in a plan year; fluoride twice in a 12-month period through age 18; space maintainers through age 15; sealants for children through age 18.

Coverage B Services

- ***Restorative***
  Amalgam (silver) and resin (white) fillings (anterior and posterior teeth).
- ***Oral surgery***
  Surgical and routine extractions.
- ***Endodontics***
  Root canal therapy.
- ***Periodontics***
  Treatment of gum disease; periodontal prophylaxis (cleaning). Only four cleanings are covered in a plan year. These can be routine (Coverage A) and/or periodontal (Coverage B) but are limited to a total of four cleanings.
- ***Denture repair***
  Repair of removable dentures.
- ***Emergency treatment***

Coverage C Services

- ***Prosthodontics***
  Bridges, partial and complete dentures; rebase and reline; crowns; onlays; implants. Delta Dental will replace teeth missing before the effective date of a Delta Dental Plan. Full contract benefits are provided.

Coverage D Services

- ***Orthodontics***
  Correction of crooked teeth for dependent children to age 19. Coverage D has a separate lifetime maximum. Delta Dental allows coverage for orthodontic cases in progress when the patient becomes eligible for Coverage D, as long as the patient is still under active treatment (bands).

How the Plans Work

The following chart shows how each available plan—the Base Option, Mid Option, and Supreme Option—pays benefits.

It's important to remember that this information is presented in summary form. Once you enroll, you will receive more detailed information about the plan.

Services	Low Option	Mid Option	Supreme Option
Coverage A services	100%	100%	100%
Coverage B services	80%	80%	80%
Coverage C services	not a benefit	50%	50%
Coverage D services	not a benefit	not a benefit	50%*
Coverage B&C annual deductible per person	$ 25	$ 25	$ 0
Coverage B&C annual deductible per family	$ 75	$ 75	$ 0
Maximum annual benefit per person	$750	$1,000	$2,000

** Coverage D has a separate lifetime maximum of $1,000 per eligible dependent child.*

Retiree Dental Coverage

State law requires that all retirees be eligible for enrollment—at their own cost—in a city group dental plan. Like active employees, retirees are eligible to change their plan option each year during the annual enrollment period. Please note that if a retiree cancels dental coverage, it cannot be reinstated at a later date.

Life Insurance

The City offers a life insurance program as part of your benefits package.

The City pays 100 percent of the cost of a basic amount of life insurance protection for all full-time employees. Refer to your individual or union contract for more information about the coverage provided to you.

In addition, the plan carries an accidental death and dismemberment (AD&D) policy that increases your benefit if you die as the result of an accident. Refer to your individual or union contract for more information about the coverage provided to you.

Premiums on life benefits in excess of $50,000 are subject to social security and Medicare taxes. For more information, see your tax advisor.

Short-Term Disability Coverage

The primary documents explaining benefits associated with short-term disability plan coverage through HealthTrust include the Short-Term Disability Plan Summary and the Schedule of Benefits.

The Short-Term Disability Plan Summary describes the benefits, terms and conditions of the short-term disability plans offered through HealthTrust. The Schedule of Benefits describes the specific benefits associated with an employer's short-term disability program and is provided directly to covered enrollees upon initial enrollment and upon plan updates.

Enrollees and Member groups currently participating in HealthTrust's short-term disability coverage can request copies of the Schedule of Benefits by contacting HealthTrust's Enrollee Services at (800) 527- 5001 or enrolleeservices@healthtrustnh.org. Individuals covered under a HealthTrust short-term disability plan should carefully review these documents in order to understand how coverage is provided under the plan. See the HR Assistant if you need more information.

Long-Term Disability Coverage

HealthTrust's Long-Term Disability plan can pick up where short-term disability leaves off or can be offered on its own.

HealthTrust's Long-Term Disability plans are provided in partnership with National Insurance Services and Madison National Life Insurance Company.

For more information about HealthTrust's disability coverage, contact us at (800) 527- 5001. See the HR Assistant if you need more information.

Voluntary Supplemental Insurance Benefits

The City offers additional insurance choices through payroll deduction. You pay the full cost of any of these benefits you enroll in. In some cases, your contributions can be deducted from your paycheck on a pre-tax basis.

American Family Life Assurance Company (Aflac)

Aflac offers plans that pay you cash in the event you or a family member suffers an injury, sickness, or illness. Aflac benefits are paid regardless of the amount that any health coverage or workers' compensation plans cover. All Aflac plans are portable, and you receive guaranteed renewable coverage for the rest of your life—at today's premiums.

- ***Personal Income Protector Plan*** (paycheck insurance)—Aflac will replace about 60 percent of your wages if you become disabled due to an off-the-job injury, sickness, or illness. The plan also covers complications due to pregnancy and provides benefits for the six or eight weeks after delivery. To be eligible, you must work 30 or more hours per week and earn a minimum of $12,000 per year.
- ***Personal Accident Indemnity Plan***—Aflac's accident plan covers you and your family members 24 hours a day, seven days a week—on or off the job.
- ***Maximum Difference Cancer Plan***—This plan offers a wide range of benefits; including treatment, hospitalization, surgical, home health care and much more.
- ***Specified Health Event*** —This plan covers heart attacks, coronary artery bypass surgery, stroke, kidney failure, coma, paralysis, major burns and organ transplants.

To learn more about any of these plans, contact the City's Aflac representative, Mark Shafer, at (603) 749-5753 or mark_shafer@us.aflac.com.

Flexible Spending Accounts

These accounts offer a tax-effective way for you to pay for certain healthcare and dependent care expenses. Two types of accounts are available:

Healthcare flexible spending account
Pays for eligible healthcare expenses

Dependent care reimbursement account
Pays for eligible dependent care or eldercare expenses

Each year, you can choose to enroll in either or both accounts — enrollment is not automatic.

Your account contributions are deducted from your pay before federal income or Social Security taxes are withheld.

The amount you elect is then deducted from your paycheck in equal installments throughout the year. These pre-tax deductions are deposited in your account(s). After you incur an eligible expense, you request reimbursement from your account or debit card and turn in receipts.

How the Accounts Work
You may enroll in one or both accounts each year. You must re-enroll for each year that you wish to participate. The accounts have contribution limits, as shown in this chart:

Account	Maximum Contribution
Healthcare	$3,200
Dependent care	The lesser of the following: $5,000 if you are married and file joint tax returns, or if you are single $2,650 if you are married and file separately

If your spouse is a full-time student or is disabled, special rules apply.

During the year, you cannot make contribution changes to either account unless you experience a qualified change in status, as described earlier in this booklet. For more information about a qualified change in status, please contact HealthTrust at (800) 527-5001 or email benefitadvantage@healthtrustnh.org

Healthcare Flexible Spending Account

Your healthcare flexible spending account can be used to reimburse qualifying healthcare expenses that were incurred during the plan year (or during the 2 ½-month grace period immediately following the plan year). A healthcare expense is incurred at the time the service is furnished and not when you are billed, charged for, or pay for the service.

To qualify, the expense:

- Must be medically necessary,
- Must be incurred by the employee or a qualified Internal Revenue Service (IRS)-defined dependent (note that the employee and/or a qualified IRS- defined dependent is not required to be enrolled in an HealthTrust-sponsored health plan in order to receive reimbursement for qualified healthcare expenses through the healthcare flexible spending account), and
- Cannot be reimbursable through a group medical plan or any other source.

Examples of Qualifying Healthcare Expenses

Here is a partial list of expenses eligible for reimbursement through a healthcare flexible spending account:

- The healthcare plan deductible.
- The percentage of covered expenses that your health plan doesn't pay (your coinsurance responsibilities).
- Prescription expenses not covered by your health plan, including copayments.
- Dental expenses not reimbursed under your dental plan.
- Vision expenses, including examinations, lenses, and frames.
- Contact lenses (including solutions)
- LASIK eye surgery.
- Seeing Eye® dogs.
- Hearing expenses, including examinations and hearing aids.
- Physical examinations.
- Chiropractic expenses.
- Psychoanalysis and psychiatric therapy, as well as services provided by a qualified, licensed psychologist not covered by your health plan.
- Learning disability counseling by a licensed professional.
- Inpatient care and treatment (including special schooling, if necessary) for a mental or physical handicap.
- Acupuncture.
- Midwife expenses.
- Special medical equipment, such as wheelchairs, crutches, and orthopedic shoes required because of a medical problem.
- Medicine or other drugs prescribed by a doctor and not covered by your health plan.
- Costs for transportation essential to medical care, such as ambulance service.
- Over-the-counter (OTC) supplies and equipment, such as bandages, cold-hot packs for injuries, nasal strips and reading glasses will still be considered eligible expenses. For complete information on eligible and ineligible OTC expenses, contact the Internal Revenue Service (IRS) at *www.irs.gov*.
- Other medical expenses qualifying as legitimate deductions for federal income tax purposes, except health premiums.

You can view a complete list of eligible healthcare expenses by following the FSA links at *www.healthtrustnh.org*.

Dependent Care Reimbursement Account

Your dependent care reimbursement account can be used only to reimburse qualifying dependent care expenses that were incurred during the plan year (or during the 2 ½-month grace period immediately following the plan year). A dependent care expense is incurred at the time the service is furnished and *not* when you are billed, charged for, or pay for the service.

To qualify, the expense must:

- Be incurred for the care of your qualifying dependent or for related household services,
- Be paid or payable to a qualified provider, and
- Enable a single parent or both spouses to work or attend school on a full- time basis.

A *qualifying dependent* is:

- Someone who qualifies as an eligible dependent for tax purposes and is under the age of 13, or
- A spouse or dependent physically or mentally incapable of self-care and who spends more than one-half of the calendar year in your household.

A *qualifying provider* is an individual providing dependent care services inside or outside your home as long as the individual *is not*:

- Someone you or your spouse may claim as a dependent for federal tax purposes, or
- A dependent care center (such as a summer camp; an after-school, full-time, or adult daycare center; or a nursery school) that is not in compliance with state and local law.

You will be required to furnish the tax identification number (or Social Security Number) of your provider in order to receive pre-tax treatment for his/her fees.

Ineligible Expenses

Examples of expenses that are ineligible for reimbursement through a dependent care reimbursement account include:

- Kindergarten expenses,
- Costs for sending a child to an overnight camp, and
- Costs for transporting a qualifying person to or from your home to the care location.

If you have any questions about eligible or ineligible expenses, contact HealthTrust at (800) 527-5001 or email benefitadvantage@healthtrustnh.org

Important Considerations for FSA and Dependent Care Reimbursement Accounts

The IRS allows your employer to offer the tax-advantaged reimbursement accounts but has imposed several restrictions, as highlighted on the next page:

- ***Use-or-lose rule.*** Each year, you must use all the money set aside in both your accounts or forfeit the money left over. Therefore, it is very important to plan carefully when you decide how much money you want to set aside in each account.

- *Grace period.* **The City has elected to offer the IRS-allowed extension to the reimbursement deadline—known as the *grace period*. The grace period allows you to use any money remaining in either a healthcare flexible spending account and/or dependent care reimbursement account for up to 2 ½ months after the close of the plan year. In other words, you can receive reimbursement for qualified expenses incurred during the plan year *and* during the grace period. After that date, any money remaining in your account(s) is forfeited. You have 90 days after the end of the grace period to submit claims for reimbursement.**

- ***You cannot claim the same expenses as deductions on your income taxes.*** You cannot pay for services through one of these tax-advantaged accounts and also deduct the same services on your income taxes. In addition, if you pay for child or dependent care expenses through a dependent care reimbursement account, you cannot also take the Child and Dependent Care Tax Credit for those same expenses. Your maximum allowable expenses for the federal tax credit will be reduced by the amount you are reimbursed through your account. You are strongly encouraged to speak with your tax advisor before enrolling in either or both accounts.

- ***You cannot make changes during the year.*** After you enroll in either or both accounts, you cannot change the amount of your payroll deduction until the next open enrollment period. The only exception is if you experience a change in family status.

- ***Reimbursement accounts affect your Social Security earnings.*** Finally, because you reduce your taxable income by setting aside money in either or both accounts, your Social Security earnings for the year may be reduced. Over time, this may reduce your Social Security benefits. However, the tax savings you receive now should more than make up for the difference.

Before enrolling in either or both accounts, you are strongly encouraged to speak with your tax advisor to discuss how these restrictions can affect you and your family.

Receiving a Payment from Your Flexible Spending Account(s)

When you have an eligible expense, you can apply for a reimbursement from your account in one of three ways. To receive reimbursement, simply:

1. ***Submit a* Flexible Spending Account Reimbursement Form *to HealthTrust.*** Forms are available from the HR Assistant or online at *www.healthtrustnh.org* (just follow the FSA - Enrollees links).
2. ***Use the Benny™ Prepaid Benefits card.*** You may elect to receive a Benny Prepaid Benefits card. The City will pay for you to receive two cards. Additional cards cost $5 annually, which will be deducted from your account. **The debit card can be used *only* to pay for eligible expenses. If you misuse the card, it will be permanently revoked and you will be required to repay any reimbursements you received for ineligible expenses.**
3. ***Submit your claim online.*** Visit *www.healthtrustnh.org* and follow the FSA - Enrollees link. Instructions are provided to submit required information and to scan, mail or fax related receipts.

When you submit a* Flexible Spending Account Reimbursement Form*, paper substantiation is required. In other words, you must provide an itemized bill or receipt that shows the date the expenses were incurred, the service provided or item purchased, the name of the provider, and the amount you were responsible for. For reimbursement from a dependent care account, you must also include the name and taxpayer identification or Social Security Number of the care provider. Please note that cancelled checks are not acceptable as proof of your expense.

If you use your Benny™ Prepaid Benefits card, documentation is *not* required if:

- The amount you paid is equal to the copayment for a doctor's visit required by a City of Dover-sponsored medical plan,
- The amount you paid is equal to the copayment for a prescription required by a City of Dover-sponsored prescription drug plan, or
- The retailer you purchased your eligible expense from uses the Inventory Information Approval System to verify that your purchase qualifies as an eligible expense for flexible spending accounts, as determined by the IRS.

If your expense does not meet these criteria, paper substantiation is required, as described above.

Mail or fax your *Flexible Spending Account Reimbursement Form* and/or any required paper substantiation to HealthTrust at:

HealthTrust
Benefit Advantage
(603) 226-2861

PO Box 617
Concord, NH 03302
benefitadvantage@healthtrustnh.org
Incomplete forms may be delayed or returned.

Reimbursement is provided on a weekly basis, and the minimum check amount is $20 unless it is the last claim of the plan year. Reimbursement requests are limited to expenses incurred during the plan year and may be submitted for up to 90 days after the plan year ends.

Please note that dependent care expenses will be reimbursed only up to your account balance at the time of your request. Any expenses claimed in excess of your account balance will be carried over and reimbursed when additional funds are credited to your account.

HealthTrust and the City of Dover will try to help you use the reimbursement accounts only for eligible expenses. However, neither bears any responsibility for your taxes. You remain fully accountable to the IRS to prove the eligibility of any expenses you submit.

457 Deferred Compensation Plan

All employees are eligible for a 457 Deferred Compensation Plan through Mission Square Retirement. Deferred compensation is an Internal Revenue Service (IRS)-approved method for deferring federal and (in most cases) state income taxes on savings until your assets are withdrawn, usually during retirement when you may be in a lower tax bracket.

Under Section 457 of the Internal Revenue Code, each year you may defer a maximum of 100 percent of your pre-deferral taxable income or an annual dollar limit, whichever is less. For 2024, the amount you can contribute is limited to $23,000.

The IRS also offers two provisions that allow participants to contribute more than the normal maximum contribution amount. These provisions differ substantially and may not be used in the same calendar year.

- ***The Age 50 Catch-Up Provision.*** This allows participants who are age 50 or older during the year to contribute an additional dollar amount annually. This additional contribution is not dependent on your prior years' deferrals to a deferred compensation plan. For 2024, you can contribute up to $7,500 as part of the age 50 catch-up provision.
- ***The Normal Catch-Up Provision.*** This allows participants to make up for eligible contributions not deferred in prior years, permitting contributions up to double the normal maximum in effect for that year. For 2024, you can contribute up to $46,000 as part of the normal catch-up provision.

With the plan, you are allowed to increase, decrease, stop, and restart contributions as often as you wish, without fees or penalties, subject to your employer's approval.

The City retains ownership of your tax-deferred savings until you are eligible to receive benefits. Federal legislation requires 457 assets to be held in trust for the exclusive benefit of plan participants and/ or beneficiaries. This protects your savings from any outside creditors of the employer.

Benefits of Mission Square Retirement

Investing through Mission Square Retirement provides you with many convenient features to help you manage your account. These include:

- No early withdrawal penalty.
- 24-hour access to account information via toll-free telephone (800) 669-7400 and online at ***www.missionsq.org.***
- The ability to transfer assets and allocate future contributions over the phone and the internet.
- Free fund-to-fund transfers among investment options.
- A quarterly combined account statement and performance summary.
- A quarterly newsletter.

How You Invest

Mission Square Retirement offers a wide array of investment options. You may choose from Mission Square Funds or other popular funds offered in the Mutual Fund Series.

Actively managed funds are based on a multi-management approach. By diversifying across styles, a multi-management approach is designed to produce superior long-term returns, with greater consistency than a single-manager approach.

Withdrawing Your Money

You can withdraw assets from your account under the following conditions:

- When you retire,
- When you leave your job, for any reason,
- If you have a "severe financial hardship," resulting from sudden illness, disability, or accidental property loss, subject to strict IRS guidelines, or
- If you or your employer are eligible to initiate a one-time disbursement of your account, if the balance is $5,000 or less and neither you nor your employer contributed to the account for at least two years.

Upon Retirement

When you retire, you determine the benefit payment schedule that's right for you and your family. You can choose from:

- A lump-sum payment,
- Periodic payments (monthly, quarterly, etc.) over a specified number of years,
- Periodic payments (monthly, quarterly, etc.) over your determined life expectancy,
- Periodic payments of a specified amount per month or per year until the account is exhausted, or
- The purchase of a lifetime annuity.

In addition, you may choose to include an annual automatic cost-of-living adjustment (COLA).

Roth IRA

A Roth IRA is a savings vehicle that complements your employer retirement plans by allowing for tax-free earnings and, if needed, flexible withdrawals. The City of Dover's Payroll Roth IRA allows you to make convenient contributions directly from your paycheck.

Why a Roth IRA?

Boost your savings; what are your savings goals?

A Roth IRA can help you:

- Earn additional retirement income
- Set aside money in retirement for travel, gifts or medical care
- Make a down payment on a home
- Pay for a child's college education
- Build an emergency fund

Diversify Your Taxes with Tax-Free Earnings

A Roth IRA helps you manage your tax bill because withdrawals, including all earnings, may be tax-free. This can help offset withdrawals of traditional employer plan and 457 assets which will be subject to taxes. A Roth IRA may also help minimize taxation of Social Security benefits or surcharges on Medicare premiums.

Control and Flexibility

While the longer your Roth IRA is invested the larger the potential tax-free growth, you always retain the full access to your assets. And contributions can always be withdrawn without taxes or penalties.

Summary of the New Hampshire Retirement System (NHRS) Plan

For information regarding NHRS, please contact the HR Assistant or visit the NHRS website, *www.nhrs.org*. You can also contact NHRS by phone at (877) 600-0158, or via email at info@nhrs.org.

Other Benefits

In addition to the benefits described in this booklet, the City of Dover also offers the following programs.

Dover Recreation Facility Passes

You and your immediate family members can receive Dover Recreation facility passes. To receive this benefit, you must complete a form and have it signed by your department head.

When applying for the benefit, employees understand that they must get individual passes through the Dover Recreation office before visiting the facilities.

The passes are to be used only during open public times at the Indoor Pool, Jenny Thompson Pool, Butterfield Gym, and Public Skating at the Dover Arena. The passes are only to be used as long as you are on city payroll and covered by association contract provisions.

The Works Health Club

You are eligible for a group rate at The Works Health Club. To sign up, bring your Dover employee ID or a recent pay stub. For more information, contact The Works at (603) 742- 2163 or www.theworkshealthclub.com.

Library Card

You are eligible for a City of Dover Public Library card.

Clear Advantage for Lasik

Clear Advantage Vision Correction Center in Portsmouth NH is proud to offer all City of Dover employees a 20% discount off Bladeless LASIK or PRK procedures. Employees can schedule their free initial evaluation by calling Clear Advantage at 603-501-5000 or by scheduling their appointment on line at **www.ClearAdvantageLaser.com**. This benefit is available to all City employees, regardless of their participation in City benefit plans and regardless of full or part-time employment. Utilize your Flexible Spending Plan (FSA) or take advantage of 24 months of no-interest payments through **www.CareCredit.com.**

Names of plans	City of Dover, flexible benefit plan City of Dover, healthcare flexible spending account plan City of Dover, dependent care reimbursement account plan
Plan sponsor and administrator	City of Dover Municipal Building 288 Central Ave. Dover, NH 03820 603.516.6004
Employer identification number	02-6000230
Plan numbers	501 — Flexible benefit plan 502 — Healthcare flexible spending account plan 503 — Dependent care reimbursement account plan
Type of plan	The flexible benefit plan is under Section 125 of the Internal Revenue Code, allowing a choice between cash and certain qualified benefits.
Plan effective date	July 1, 1992
Plan year	July 1, 2024, through June 30, 2025
Funding	Medical, dental, life, and disability benefits are provided through insurance contracts. Healthcare flexible spending account and dependent care reimbursement account benefits are entirely self-funded by the employer.
For questions or service of legal process, contact	Human Resources Department HR Assistant City of Dover (603) 516- 6004

This booklet is intended to summarize the benefits provided pursuant to the plan and is not the legally controlling document. All determinations regarding benefit entitlement and plan provisions are based upon the actual plan document(s) and/or collective bargaining agreements.