

RISK MANAGEMENT NEWS

Lubbock ISD— Risk Management

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What is the difference between a FSA and a HSA?

FSA's and **HSA's** are pre-tax accounts you can use to pay for healthcare related expenses. To qualify for an **HSA** you must have a high deductible health plan. With both **FSA's** and **HSAs** you can pay for things like co-pays, medical bills, and vision expenses. An **FSA** is like a line of credit.

Enrollment into our **FSA** is through First Financial and that enrollment period ended in October 2020. However, it is not too late to enroll into a 2021 LISD **HSA** (if you participate in the BCBS Bronze HMO or PPO medical insurance plan). This may be accomplished via annual enrollment processes by logging into your Employee Service Center Account, My Benefits Information, Benefits Enrollment, and follow the enrollment requirements/prompts accordingly. Enrollment ends November 30, 2020 for 2021 benefits. *For the HSA, LISD matches the first \$500 contribution by each employee!*

(FYI—you can only participate in one of these accounts at a time — FSA or HSA)

Annual Enrollment—ENROLLMENT ENDS NOVEMBER 30, 2020

- ⇒ Medical Benefits (insurance) - it is essential that all employees go to the Employee Service Center to confirm his/her health plan or make changes for the 2021 medical plan year. Should an employee wishes to waive medical coverage for 2021, he/she are to enroll into the Hospital Income Plan at no cost as a record of their waiver of medical coverage with Lubbock ISD. **CHANGES ARE EFFECTIVE 1/1/2021**
- ⇒ Dental Benefits—for CHANGES, go to the Employee Service Center to confirm coverage or changes to be made for the 2021 dental plan year (there is a 90 day waiting period to file dental claims for any dependents not covered in 2020). **CHANGES ARE EFFECTIVE 1/1/2021**
- ⇒ Health Savings Account (H.S.A) - Employees enrolled in the BRONZE Medical Plans and wish to CHANGE their contributions in 2021 should elect a monthly amount—this is accomplished by going to the Employee Service Center and following the instructions to make changes for 2021 H.S.A.—**CHANGES ARE EFFECTIVE 1/1/2021**
- ⇒ Beneficiary Designation—Lubbock ISD automatically provides employees with a Life and Accidental Death/Dismemberment policy—a Beneficiary designation is required. **CHANGES ARE EFFECTIVE 1/1/2021.**
- ⇒ Employees are responsible for making sure their benefits are correct for the 2021 benefit plan year.

Risk Management

Department:

- **Lisa Thompson,**
Executive Director
(ext. 0235)
- **Vaun Murphrey,**
Specialist (ext. 0283)
- **Lucinda Lucero,**
Secretary (ext. 0280)
- **Ursula Ramirez, Clerk**
(ext. 0282)

Call Us—We Are Happy to Help!

Frequently Asked Questions

- **Can I go ahead and add my fiancé to my insurance plan as we are getting married in June 2021?** A fiancé does not qualify as an eligible person to be covered under our current plan(s). Only a legal spouse is eligible for coverage or you must have proof/copy of the filed (with the county clerk) declaration of informal marriage certificate. Texas requires that in order to file for a declaration of informal marriage, the couple must provide proof of cohabitation for at least 2 years.
- **What if I have two (2) insurance policies, which one is primary?** If you're covered by your health insurance and your spouse's, your own insurer is always the primary for your own medical bills. For your kids, the usual rule is that whichever parent has the first birthday of the year is the primary.
- **What is a deductible and how much do I have to spend to meet mine?** A deductible is the amount of expenses paid out of pocket before an insurer will pay any expenses. If an employee enrolls in the 2021 HMO or PPO Bronze Medical Plans the individual deductible is \$6,650 and the family deductible is \$13,300. The 2021 HMO & PPO Silver Medical Plans have a \$4,000 individual deductible and \$8,000 family deductible.
- **Is it too late to set up my FSA account, my eye insurance account, etc. with First Financial?** Yes, annual enrollment for 2021 ended in October 2020; however, if you are a newly hired employee who meets eligibility requirements, you may enroll in any benefits within the first 30 days of your hire date.
- **How long can I carry my dependent children on my insurance?** Dependent children may be carried on insurance through the end of the month that they turn 26 years of age unless they turn 26 on the first day of a month (example, DOB 5/1/1995 - coverage ends 5/1/2021).
- **How long do I have to complete the insurance papers/enrollment information for my newborn child?** A newborn child is automatically covered under the employee's medical insurance policy for the first thirty-one (31) days of life; within that thirty-one (31) days, the employee must complete the required forms to add the newborn to the insurance policy to ensure coverage after thirty-one (31) days thereafter. Contact the Risk Management Office or go to the Risk Management website for forms/information.

Claims Processing Reminder:

Dental Claims go to: Lucinda.Lucero@LubbockISD.org

Living Better Diabetes & Bronze Maternity Reimbursement Claims go to: Vaun.Murphrey@LubbockISD.org

Gym Reimbursement Claims & Hospital Income Plan Claims go to: Ursula.Ramirez@LubbockISD.org