October 2011

BENEFITS INFORMER
Your Source for Los Rios Employee Benefits

FLEXIBLE SPENDING ACCOUNTS

As the Open Enrollment deadline for the 2012 Medical (FSA) and Dependent Care (DCAP) Flexible Spending Accounts is November 18, 2011, now is a good time to start planning what you’d like to contribute in 2012.

The FSA and DCAP Accounts allow you to reimburse yourself for certain allowable expenses on a pre-tax basis. That means your taxable income is reduced and you save money!

Let’s take a closer look at how this works. The annual amount that you elect is divided by the number of pay periods in the year (let’s say 12). If you elect $3,000 annually for the FSA and $4,000 for the DCAP, that comes out to a monthly deduction of $250 for the FSA and $333.33 for the DCAP. That means your taxable income is reduced by $583.33 each month! And better yet, your full annual election to the Medical FSA is available January 1st! Dependent Care account funds are available at the beginning of each month once funds have posted to your account.

The annual maximum that you can elect for the FSA is $6,000 and $5,000 for DCAP. Keep in mind that due to Health Care Reform, the annual limit for Medical FSAs is going to be $2,500 starting in 2013 so if you are planning a costly medical procedure (such as Lasik eye surgery or orthodontial), you might want to do it in 2012 before the annual limit is reduced.

Examples of other reimbursable medical expenses are acupuncture, co-pays, eye glasses and exams, prescriptions, and hospital expenses, just to name a few. You do not need to have Los Rios health insurance to open such an account.

And as always, child care or day-care for a disabled or elderly dependent are eligible for Dependent Care Reimbursement.

GRACE PERIOD ADDED! Remember the use-it-or-lose-it provision that makes you a little nervous? Well, we have added a GRACE PERIOD so you have an extra 2 1/2 months into the next year to incur expenses and until March 31st to file claims.

Please contact Employee Benefits for any questions you may have on the FSA or DCAP Accounts.

Join Us for the FIRST District-Wide Health Fair

For our health fair this year, we are taking the show on the road! In addition to our District Office, we are bringing the health fair to each college.

Just a few of the vendors who will be in attendance at some or all of our locations are fitness clubs, natural food stores, Delta Dental, and Sutter will be there with free grip strength and blood pressure testing.

And because health isn’t all about the physical, other local vendors such as STRS will be on site to provide information on financial planning, retirement planning, counseling services, and more. And make sure not to miss the raffle! Please see times and locations below—hope to see you there!

Health Fair Schedule
Tuesday, November 1st, FLC, 1:30-4:00pm
Wednesday, November 2nd, CRC, 8:30-11:00am
Wednesday, November 2nd, DO, 1:30-4:00pm
Thursday, November 3rd, SCC, 8:30-11:00am
Thursday, November 3rd, ARC, 1:30-4:00pm

DID YOU KNOW...

CalPERS has a “Special Power of Attorney” form which is specifically designed for CalPERS retirement issues. Having a CalPERS Special Power of Attorney on file ensures that your designated attorney-in-fact will be able to perform important duties concerning your CalPERS business such as address changes, endorsing checks, beneficiary designations, or retirement benefit elections should you become unable to act on your own behalf.

Other power of attorney forms may not contain the necessary language required. Call 1-888-Cal-PERS and ask for Publication 30 to find out more.

CalSTRS has a similar form and they may be reached at 1-800-228-5453.
Los Rios is offering Long Term Care Insurance beginning in February 2012 for a May 1st effective date to full time employees and retirees who are eligible for retiree medical. Adjunct faculty will be eligible Fall 2012.

Before you stop reading because you think you’re too young and too healthy for Long Term Care Insurance, consider this:

Family members of active employees (parents or siblings, for example) can sign up and they will be covered with the same rich benefit and groups rates offered to Los Rios employees. As far as payment goes, if a family member signs up, the bill is sent directly to them.

And while looking at the glass as half-full is always a good thing, it is also good to be prepared. Part of being prepared is planning for unforeseen circumstances. Sometimes things happen that leave us unable to care for ourselves (illness, accident). Even if we do have loved ones around to help, sometimes they don’t have the resources and time available. That is where Long Term Care comes in. And the good news is that if you lock in a low rate when you’re young, it will stay low for the life of the policy.

Here’s a closer look at the plan and some of the plan features that are available to you and your family members if you chose to sign up. All of the plans offered have a $3,000 to $9,000 monthly benefit. This amount can be paid for two years, five years or the duration of a lifetime depending on what you select. For active employees who sign up during this roll-out in February, up to $6,000/mo and 5 years is guaranteed regardless of insurability!

This plan is offered through Unum with education provided by AGIS. More information will be coming January 2012, so stay tuned! Informational seminars will be offered in February at every location so make sure to attend one of those if you can. And of course, feel free to contact the Employee Benefits Department if you have any questions.

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**DENTAL EXPENSES IN SELF-FUNDED PROGRAM**

Did you know that the Los Rios dental plan is a self-funded plan? That means we not only pay for administration of the plan, but we cover every dollar of every claim. This differs from a fully-insured plan where the insurance company charges us a premium which they hope will cover their expenses, including their overhead.

Keeping individual dental costs down helps the plan and the Los Rios budget.

How can you help? Preventative care is one of the best ways to avoid costly dental procedures. Our plan covers 4 cleanings per calendar year!

Utilizing an in-network dentist as opposed to the “premier,” or out-of-network dentists, also keeps costs down because in-network dentist are contracted to write off more of the bill than the others. Your money stretches farther, too—you get $2,200 annual maximum instead of $2,000 for premier or out-of-network dentists.

Visit the Delta Dental table at the Health Fair to find out more ways to save and keep your teeth, and you, healthy!
**403(b) & 457 — What’s the difference?**

It’s never too early to start saving for retirement. That’s why Los Rios offers two separate tax-deferred savings programs: a 403(b) and 457. Are you unsure what the differences are between the two plans? Below are some of the basics.

**Annual Contribution Limit:** The annual limit is $16,500 for both plans, including an additional catch-up amount of $5,500 for those over 50. And the good news is that if you elect both plans, you can double your contributions—that’s $33,000 that you can put away for retirement on a pre-tax basis ($44,000 for those over 50).

**Investment Options:** For the 403(b), employees may invest in either mutual funds or annuities, selecting from over 30 companies offering these investments. For 457, employees may invest in a savings account, CDs or several mutual fund families. You have the choice of School’s Financial Credit Union, TIAA CREF and CalPERS.

**Distributions:** For a 403(b) plan, you may take a distribution if you are age 59-1/2 or older, upon separation of service, become disabled or in the case of a financial hardship. Loans may also be available depending on your provider. For a 457 plan, you may take a distribution upon separation of service or in the case of an unforeseeable emergency. For the criteria pertaining to financial hardship or an unforeseeable emergency, please contact Envy or Employee Benefits.

**Penalty for Early Withdrawal:** For a 403(b), there is a 10% penalty tax for withdrawal before age 59 1/2. There is no penalty tax for early withdrawals from a 457.

**Minimum Distribution Requirements:** You must take a distribution from both plans when you reach age 70-1/2 or upon retirement, whichever is later.

**Federal & State Income Tax Treatment:** Both plans are taxable when distributed.

For any questions on these plans, please contact Envy at (800) 248-8858, or stop by their booth at the Health Fair.

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**Healthy Living Starts with Wellness Habits: Options for Kaiser Permanente Members**

Kaiser provides a wealth of information on wellness and healthy living—in fact, an entire portion of their website is dedicated to it. Below is just some of the information Kaiser provides to help you get started down the path to a healthier you.

Kaiser offers a wide array of information on **fitness** such as how to get a routine started, how to keep the routine going, how to even fit it into your busy day in the first place, and some common sports injuries and how to prevent them. There’s even an interactive tool where you can calculate how many calories you burn from activities such as walking, running, or cleaning your house (yes, cleaning your house is considered exercise, too!)

If you’re interested in **nutrition**, Kaiser has information on that as well. You can find out about foods that can prevent diseases, how to set healthy eating goals, some healthy recipe and meal ideas, and more.

Ready to take some action? Kaiser offers free online programs which help you set goals toward smoking cessation, weight loss, stress reduction and more, as well as discounted rates on the 10,000 Steps program and certain alternative care providers and fitness clubs.

Visit www.kp.org to find out more information or to sign up for an online program.

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**Web Resources — Easy Access to Benefit Information**

Did you know that the answers to many of your Employee Benefit related questions are no further away than the click of a mouse? To see what we’re talking about, just go to www.losrios.edu and from Quick Links, select Employee Benefits.

From there you can access forms that enable you to enroll in or change your contribution in a 403(b) or 457 plan, designate or change a life insurance beneficiary, or claim reimbursement from your FSA or DCAP and more!

The Employee Benefits page also provides answers to some of the most common questions regarding your benefits. Do you want to know how much your Kaiser co-pay is? What about prescriptions? May be you or your spouse is having a baby and you want to know about that various leave of absences available to you. And because we know that retirement is fun but navigating your way through all the processes and steps involved in doing so is not, we also provide you with an easy to follow retirement planning guide.

We try to make the Employee Benefits page as informative as possible so you should be able to find the answers to almost any question. Unless you want to know the meaning of life—we can’t help you there. But EAP might be able to...

www.losrios.edu

Select “Employee Benefits” from Quick Links
Health Net has good news — you can access your Evidence of Coverage / Certificate of Insurance online at www.healthnet.com. It’s easy to do:

- Log on to www.healthnet.com with your assigned user name and password. If you have not logged in before, the site will prompt you to register. Follow the steps and you will be logged in within a few minutes.
- Click on “Get things Done” to retrieve the Evidence of Coverage / Certificate of Insurance.

If you have any questions, call Health Net’s customer service team.

HMO 800-522-0088 / PPO 800-676-6976

Health Net and Kaiser make it easy for you to tell the flu to get lost with their easy and free flu shots for members. If you are a Kaiser member, you can get a free flu shot at a Kaiser facility beginning October 1st. Just call 1-800-KP-FLU-11 for flu shot clinic locations and hours—shots are provided on a drop-in basis making it easy and convenient.

For Health Net members, all you need to do is contact your doctor’s office to check on the availability of flu shots and times. As a flu shot is considered preventative care, there should be no charge for the flu shot if you get it at your doctor’s office.

According to Kaiser, “Everyone 6 months and older should get vaccinated every year. Even healthy people need to get vaccinated.”

In addition to getting the flu shot, some other ways to stay healthy and prevent the flu are washing your hands, eating healthy, getting enough sleep and exercising.

For more information about flu shots, please contact:

Kaiser Member Services:
800-464-4000

Health Net Member Services:
800-676-6976