

Your Benefits News

City of Tacoma Employees and Family Members,

Choosing your benefit plans is an important decision for you and your family. This Open Enrollment newsletter highlights the benefit changes taking place in 2025, and information on how to complete your Open Enrollment elections.

Did You Receive This Information? In anticipation of Open Enrollment, we recently emailed you a Benefits Confirmation Statement to help you review your current enrollments, verify the accuracy of your covered dependents and beneficiaries, and make plans for Open Enrollment. We hope you found this useful. Look for an email from batch_hr@cityoftacoma.org.

What is the Purpose of Open Enrollment? Open Enrollment is the one special time of year when you can make changes to your plan options and dependents outside of experiencing a qualifying life event (e.g., marriage, birth of a child, loss of other coverage, etc.). Even if you do not wish to make changes to your benefit plan selections or the dependents enrolled on your plans for 2025, **we strongly encourage you to review your current information for accuracy.** Additionally, if you are interested in enrolling in a Section 125 Flexible Spending Account (FSA) for 2025, you must make a new annual election during Open Enrollment.

Questions? If you have questions, or need additional assistance, please contact the Human Resources Benefits Office at benefits@cityoftacoma.org or (253) 573-2345.



Kari L. Louie
Assistant Human Resources Director

City of Tacoma
2025
Open Enrollment
November 12
Through
November 26
Active Rail
BLET

Benefit Rates in 2025

Although the City will pay more for some benefit plans in 2025, there will be no monthly premium contribution changes for full-time employees. If you met the 2025 Wellness Program incentive requirements, your employee premium for the health insurance will be reduced. (See page 6 for details.)

Benefit Plan	2024 City Plan Cost	2024 Premium (Individual/Family)	2025 City Plan Cost	2025 Premium (Individual/Family)*
Medical Plans				
Regence PPO	\$1,980.71	\$40/\$80	\$2,014.38	\$40/\$80
Regence High-Deductible	\$1,283.76	\$40/\$80	\$1,283.55	\$40/\$80
Kaiser Permanente HMO	\$1,528.21	\$40/\$80	\$1,609.89	\$40/\$80
Dental Plans				
Delta Dental of Washington	\$124.95	\$0/\$0	\$124.95	\$0/\$0
Willamette Dental	\$155.80	\$0/\$0	\$168.10	\$0/\$0
Vision Plans				
Vision Service Plan (VSP)	\$11.68	\$0/\$0	\$11.68	\$0/\$0
Kaiser Permanente	Included in the HMO Medical Plan		Included in the HMO Medical Plan	

*Note: Part-time employees regularly scheduled to work between 20-29 hours can refer to the Benefits webpage at cityoftacoma.org/benefits for the new 2025 prorated benefit rates.



ESS Enrollment Questions & Help
7:30 a.m. - 5:00 p.m.
benefits@cityoftacoma.org
(253) 573-2345

Tacoma Municipal Building
Human Resources Department
Benefits Office
747 Market Street, Rm 1420
Tacoma, WA 98402

Benefit Plans
Open Enrollment Tools
cityoftacoma.org/benefits

Open Enrollment Changes
Log in to Employee Self Service
cityoftacoma.org/ESS

Need login or password help?
IT Service Desk
(253) 591-2057
Monday - Friday
7:30 a.m. - 5:30 p.m.

See page 8 or the Benefits webpage for instructions on how to access the Employee Self Service (ESS) web portal and complete Open Enrollment.

Benefit Changes for 2025

Medical Plan Changes

There are several changes taking place with the Kaiser Permanente and Regence BlueShield medical plans offered by the City **effective January 1, 2025**, which are highlighted below. You can visit the Benefits webpage under **Plan Information** to review current summaries for the Regence BlueShield (PPO and High-Deductible Health Plans) and Kaiser Permanente (HMO Health Plan). New 2025 plan booklets will be available in the first quarter of 2025.

Kaiser Permanente Medical Plan Changes

State Mandated Changes

Prescription Drugs—Outpatient

- Members will not pay more than \$35 for a 30-day supply of at least one inhaled corticosteroid or at least one two-pack of epinephrine autoinjectors
- One regimen of HIV postexposure prophylaxis will be covered at no member cost share

Balance Billing—Ground Ambulance - Balance billing will no longer apply to out-of-network ambulance providers

Kaiser Policy Changes

Closure of Medical Facilities in Western Washington - Effective December 14, 2024, Kaiser Permanente will be closing three medical facilities (Gig Harbor, Poulsbo, and Ballard). Members who have used these facilities in the past year will be lettered mid-November, which will include details on the clinic closure, transition of care, where they member’s clinician will be relocating as well as the closest clinic options.

Discontinuation of Advanced Care at Home Program - Effective December 31, 2024, the Advanced Care at Home Program will end. This is a voluntary patient-centered program that launched in 2023, that provided hospital-level acute care and clinical service to members with certain diagnoses at home as an alternative to hospitalization at no co-pay. The services provided under Advanced Care at home care will return to being provided by Kaiser Permanente or a referred provider. The plan’s applicable cost shares will apply to billed services.

New Dialysis (Home and Outpatient) Program - Effective January 1, 2025, Kaiser Permanente will provide a new home and outpatient dialysis program for members who are undergoing End-Stage Renal Disease (ESRD) treatment, who qualify and enroll in Medicare coverage. Members must be actively enrolled in Medicare Part B and the City of Tacoma’s Health Plan to receive coverage at no cost for Medicare Eligible services and to receive reimbursement of original Medicare Part B premiums.

Emergency Ambulance Service - Coverage will clarify services are covered when transport is to the nearest facility including behavioral health emergency services providers.

Regence BlueShield Plan Changes

Increase to Annual Deductible and Employer Contributions for the High-Deductible Health Plan

The City of Tacoma negotiated changes to the high-deductible health plan in response to the Internal Revenue Service (IRS) released guidance on updated limits for Health Savings Account (HSA) qualified high-deductible health plans for 2025. The new annual deductibles and employer contributions to the HSA for this plan will be increasing as follows:

	HDHP Annual Deductible		HSA Employer Annual Contributions			
	2024	2025	With Wellness		Without Wellness	
	2024	2025	2024	2025	2024	2025
Individual	\$1,600	\$2,000	\$1,250	\$1,650	\$500	\$825
Family	\$3,200	\$4,000	\$2,500	\$3,300	\$1,000	\$1,650

Quartet Replaced with Headway - Effective January 1, 2025, Regence BlueShield will discontinue the Quartet Care Connections service that connects members 18+ through self-referral to behavioral health providers. Effective immediately in 2024, members will now have access to Headway, which offers a self-referral tool that has personalized matching for members looking for a behavioral health provider by filtering providers based on a members’ clinical needs and personal preferences. They also can provide immediate availability and same-day matching with providers who have openings in 48 hours. Both in-person and virtual care is offered. See the benefits webpage for more details on the new Headway program cityoftacoma.org/benefits. For matching support visit headway.co or scan the QR code below.

How it works

1

Scan this QR code



2

Filter for your preferences, such as race/ethnicity, gender and language to find the right provider

3

Add your insurance details and select an appointment slot - we'll handle the rest

Health Savings Account Contribution Limits

The Internal Revenue Service (IRS) has increased the Health Savings Account (HSA) annual limits for 2025. This means you are able to put more money into your HSA account on a pre-tax basis. The High-Deductible Health Plan (HDHP) with an HSA is very different from the traditional medical plans the City offers, and may not be the right fit for everyone.

The IRS may not allow you to use your HSA account to pay for qualified health expenses for some of your dependents (e.g., domestic partners and adult children) unless they are claimed on your tax return and meet requirements of Internal Revenue Code (IRC) Section 152.

If you are considering enrolling in this plan for next year, we recommend you visit the Benefits webpage to review the Frequently Asked Questions (FAQ) for the HDHP/HSA. You can also speak to our Plan Administrator, HealthEquity, 24/7, 365 days a year with your questions toll-free at (866) 346-5800 or healthequity.com/HSAlearn.

(Note: See the Tacoma Employee Wellness Program article on page 6 on the City’s contributions to an HSA for employees with a HDHP.)

Coverage	2024	2025
Single	\$4,150	\$4,300
Family	\$8,300	\$8,550
Catch-Up (Age 55-65)	\$1,000	\$1,000

Are you eligible to establish an HSA?

The Internal Revenue Service has established rules for health savings accounts (HSAs) that restrict who can establish an account and make contributions:

- ✓ You must be enrolled in a qualified high-deductible health plan (HDHP)
- ✓ You cannot be covered by another health insurance plan (such as a spouse’s plan), unless it is a qualified HDHP
- ✓ You cannot be enrolled in a general purpose flexible spending account (FSA) or have coverage through a spouse’s FSA*
- ✓ You cannot be enrolled in a health reimbursement arrangement (HRA) or have coverage through a spouse’s HRA*
- ✓ You cannot be covered by other health insurance through Medicare, TRICARE, or Indian Health Services
- ✓ You cannot be claimed as a dependent on someone else’s tax return. You can be listed as a spouse filing jointly.

*Individuals can be enrolled in or covered through a spouse’s limited purpose FSA or HRA. The City of Tacoma currently offers a general purpose FSA. Employees who sign up for the HDHP will not be able to sign up for the Health Care FSA benefit. However, you can still participate in the Dependent Care FSA.

Flexible Spending Account (FSA)

Basics of Section 125 FSA Options

Annual Elections are REQUIRED during Open Enrollment if you want to participate in a Flexible Spending Account plan. Otherwise, the only time you can sign up for this benefit or change your contribution mid-year is if you experience a qualifying life event change (e.g., marriage, birth, divorce, loss of other coverage, etc.).

The City of Tacoma’s Flexible Spending Account Plan includes both a **Health Care FSA** option (which is for you and your eligible family members’ health care expenses) and a **Dependent Care FSA** option (which is for eligible childcare or eldercare expenses). These programs allow you to lower your taxable income and be reimbursed for qualified out-of-pocket health care or dependent care expenses. Refer to the current FSA summary online on the Benefits webpage under **Plan Information** for more information about how these two programs work and the type of out-of-pocket expenses that can be submitted for reimbursement.



Annual Contribution Limits

The Internal Revenue Service (IRS) has increased the Health Care FSA annual plan limit for 2025. The Dependent Care FSA annual plan limit will remain the same.

DON’T FORGET: If you want to be enrolled in either FSA plan option for 2025, you MUST make a new election in ESS during Open Enrollment. The IRS requires you to elect these plans annually.

Plan Type	2025 Annual Contribution Limits
Health Care FSA	\$3,300
Dependent Care FSA	\$5,000

Important Information if You Have the Health FSA Now and Want to Sign Up for a High-Deductible Plan

If you are currently signed up for the Health Care FSA through the City and want to sign up for the Regence High-Deductible Health Plan (HDHP) with an HSA for 2025, you will need to spend down your FSA funds to zero prior to December 31, 2024. **This means claims should already have been submitted to Trusteed Plan Services Corporation, the FSA administrator, and processed before this deadline.**



If these funds are not spent by the deadline, your HSA account cannot be funded until April 1, 2025.

This is due to the design of the City’s Health FSA plan, which has a grace period and allows an employee to incur health claims in the new plan year (January 1st – March 15th) which can be applied toward the prior year’s FSA funds. This would mean that although you’re signed up for an HDHP, you would not be able to accumulate City or employee voluntary HSA contributions until April.

Did You Know?

Our FSA administrator, Trusteed Plan Service Corporation (TPSC), has a secure website available with many tools such as an FSA calculator, Dependent Care Tax Credit information, tables of common eligible expenses, forms, and more!

Visit www.trustedplans.com and click on the RESOURCES tab.

If you are enrolled in one of the FSA plans, you can log-in to their secure website to submit a claim, view your reimbursement statements, check claim status, check your account balances, and email TPSC’s member services.

Deferred Compensation 457(b) Plan Annual Contribution Limits

The Internal Revenue Service (IRS) has increased the 457(b) Deferred Compensation Plan annual contribution limits for 2025. Additionally, there is a new catch-up contribution limit starting in 2025. Read below for more details.

Contribution Category	2025 Annual Contribution Limits
Regular Deferral	\$23,500
Age 50+ Catch-Up	\$31,000
Age 60-63 Catch-Up (NEW for 2025)	\$34,750
Pre-Retirement Catch-Up	\$47,000

Participants Age 50 and Over

If you are currently enrolled in the Deferred Compensation plan, and will turn 50 sometime during 2025, you will be automatically enrolled in the Age 50+ Catch-Up option. This allows you to make the higher Age 50+ annual contribution, if you so choose. If you do not make a change, your deduction amount will stay the same.

Participants Age 60 to 63 - New Catch-Up Provision



The SECURE 2.0 Act of 2022 will allow employees who will reach the age of 60-63 sometime during 2025 to make increased catch-up contributions to their 457(b) deferred compensation retirement plans. This new catch-up provision will be the greater of \$10,000 or 150% of the regular catch-up contribution limit for those aged 50 and older.

If you are currently enrolled in a deferred compensation plan and will turn 60-63 sometime during 2025, you will automatically be enrolled in the Age 60-63 Catch-Up option. This will allow you to make the higher annual contribution, if you so choose. If you do not make a change, your deduction amount will stay the same. Participants will automatically be reverted back to the Age 50+ Catch-Up option in the year they will turn 64.

Making Changes to Your Deferred Compensation Plan Elections

Employees do not have to make any kind of changes to their contribution elections during Open Enrollment. However, we do encourage employees to review all their benefit election information during Open Enrollment, and many employees like to make changes to their deferred compensation contribution elections at this time for the new calendar year if the IRS changes the annual contribution limits.

Employees now handle enrollment and contribution changes directly through our vendors. Access options include the vendors' website, mobile app, or by calling their customer service line. Staff from the Benefits Office process enrollment and change information from the vendor websites to coordinate payroll contributions for the plan.

If you would like to make a change effective for 2025, make your deferral changes from the vendor website between December 16, 2024 and December 29, 2024. Any changes made during this period will be effective for the first paycheck in 2025, received on January 3, 2025.

Note: Special activities like pre-retirement catch-up enrollment/calculations, employee changes due to separations and retirements, and leaves of absence issues will still be coordinated directly with the Benefits Office.

For complete details on how to enroll or make changes to your contribution elections with MissionSquare or Nationwide, please refer to the City of Tacoma Benefits webpage at cityoftacoma.org/benefits under Plan Information and Deferred Compensation. If you have questions about these changes, please contact the Benefits Office at benefits@cityoftacoma.org or (253) 573-2345, or contact your plan representative at MissionSquare or Nationwide:

MissionSquare:	Gabe Zamacona	gzamacona@missionsq.org	(202) 759-7284 (Cell)
Nationwide:	Mike Ferguson	m.ferguson@nationwide.com	(509) 385-7825 (Fire: Local 31 employees only)



Personal Time Off (PTO) Open Enrollment for Converting to PTO

Non-represented City employees who are currently accruing vacation and sick leave, and employees represented by a union agreement that includes a PTO conversion option, are invited to make a choice between keeping their current Vacation and Sick Leave plans or converting to the City's PTO plan.

Employees electing to convert to Personal Time Off during this open enrollment period will accrue PTO hours with the pay period beginning on **December 16, 2024**.

To review more detailed information on converting to the PTO plan, such as which union agreements include a provision for this change, how the conversion works, what the benefit levels are, and how to make a conversion election during Open Enrollment, please visit the Benefits webpage at cityoftacoma.org/benefits, and go to the **Open Enrollment** section.



Note: Eligible Rail employees were notified of their conversion opportunity in the month of October.

Questions can also be directed to the Human Resources HRMS Team at HRMSTeam@cityoftacoma.org or call:

- Kathy Emerson (253) 591-5407
- Athena Meisenheimer (253) 573-2482
- Nicole Ratliff (253) 433-4705

Information regarding the Annual PTO Cash Out will be communicated to City of Tacoma employees in January 2025, and Tacoma Public Library employees in March 2025.

Note: Library staff should refer to their Human Resource Office for information on PTO enrollment or cash out.

Tacoma Employee Wellness Program

The 2025 incentive period has ended, which ran from October 1, 2023 through September 30, 2024.

A letter will be mailed to your home in early November indicating whether or not you earned the wellness incentive for next year. If you successfully met the requirements (25,000 points), the chart below explains the incentives you will be eligible for based on the health plan you select for 2025. Employees who did not qualify for the incentive, but feel as though they should have, are welcome to submit an **appeals form** to wellness@cityoftacoma.org by December 15, 2024.



2025 Wellness Incentive		
Credit on the Monthly Premium for the Medical Plans: \$20 per month credit toward the employee premium contribution for the medical insurance coverage under the Regence BlueShield or Kaiser Permanente traditional plan; OR \$40 per month credit toward the premium contribution for coverage under the Regence BlueShield High-Deductible Health Plan (HDHP) with a Health Savings Account (HSA).		
Contributions to HSA Accounts: Employees who elect the HDHP with HSA plan option will additionally receive contributions to an HSA from the City, which will be prorated per pay period throughout the plan year. (See the increased rates below).		
	NEW—City Contributions With Wellness	NEW— City Contributions Without Wellness
Employee Coverage	\$1,650/year	\$825/year
Family Coverage	\$3,300/year	\$1,650/year

The 2026 Incentive Period is Here!

The incentive period runs from **October 1, 2024 through September 30, 2025**. Our platform offers fun challenges, helpful content, engaging social options, and tools to encourage us to make wellbeing a priority. Most importantly, it allows you to get credit for all of the healthy activities that you already practice! The Virgin Pulse (VP) platform goes beyond physical wellness by helping us make healthy, long-lasting behavior changes for more energy, focus, and drive.

Download the Virgin Pulse App Today To simplify the process of participating, you are encouraged to go to your Apple or Google app store to download the free app so that all of the VP tools are in one easily accessible place - your smartphone or tablet.

Save Time and Effort by Syncing a Device/App Would you like to spend less time entering activities? Then consider syncing a device or app! This way you will automatically earn points for the healthy, everyday habits that you are already practicing.

Get Started Today Sign up at join.virginpulse.com/cityoftacoma. The monthly wellness incentive/credit will be tied to your participation in the wellness program and there are an abundance of ways for you to earn points! Visit wellness.cityoftacoma.org/wellness-incentives to view the full list of qualifying activities.

Get Ready! Virgin Pulse—the company that powers your employee platform — is becoming Personify Health

What does this mean for you?

- Starting January 1, you will use a new web address: app.personifyhealth.com.
- Your programs, account history and all the features you love will continue to be available—now with a vibrant new look and feel.
- Your app will automatically switch over during an app update. Your username and password will stay the same.



Questions? Please visit wellness.cityoftacoma.org to learn more about the 2026 incentive requirements, sync options, appeals process, and other program components.

The Importance of Keeping Your Beneficiary Designations Up-to-Date

You are entitled to great benefits through your employment with the City of Tacoma. Some of these benefit programs are administered by the City, some are through other agencies or third-party administrators, and some are through a union affiliation. It is important to keep them all up-to-date. Don't forget that you may also have some personal life insurance policies or retirement accounts outside of the City that you will need to update. With information listed across these various benefit programs, you may need to go multiple places to review the information and make any needed changes.

Review the "Beneficiary Change Resources" document for details on the various beneficiary designations you have with your City benefits, how to verify your information is accurate, and make changes if needed at cityoftacoma.org/benefits under **Open Enrollment**.



Who Can I Cover on my Benefits?

- **Spouse:** Your current legal spouse.
- **Domestic Partner:** Your grandfathered domestic partner who met the requirements of the City of Tacoma Affidavit of Domestic Partnership and was registered and on file with the City of Tacoma as of December 31, 2016; OR, after January 1, 2017, is registered with the State of Washington under chapter 26.60.030 RCW.
- **Child under age 26:** Your children up to age 26 may include: a natural child, adopted child, or a child legally placed with you for adoption, including a child for whom you have assumed a total or partial legal obligation for support in anticipation of adoption, a stepchild or domestic partner's child, or a child for whom you have legal guardianship or court-ordered custody.
- **Child age 26 and over:** Your, your spouse's, or your domestic partner's otherwise eligible child who is age 26 or over and incapable of self-support because of physical, mental, or developmental disability that prevents the child from establishing or maintaining consistent employment or independence that began before their 26th birthday, if you complete and submit the affidavit of dependent eligibility form, with written evidence of the child's incapacity, within 30 days of the later of the child's 26th birthday or your effective date and either:
 - They are a dependent immediately before their 26th birthday; or
 - Their 26th birthday preceded your effective date and he or she has been continuously covered as your dependent on group, individual, or other insurance plan (including public programs) coverage since that birthday.
 - Newly hired employees wishing to enroll an eligible dependent must also be able to demonstrate that the dependent child has been covered on a group, individual, or other insurance plan (including public programs) immediately prior to enrollment on this plan.

Note: You are required to contact the Benefits Office **immediately** to report any dependents on your plans that no longer meet the above definitions. Visit the Benefits webpage at cityoftacoma.org/benefits for more information on what to do when you have a family status change under the Dependents section.

Do You Need to Add a Dependent To Your Benefit Coverage During Open Enrollment?

If you ADD a new dependents to your benefit plans during Open Enrollment you need to do the following:

- 1) **ENROLL** them in all the appropriate benefit plans online at the Open Enrollment Self Service (ESS) web portal, see page 8 for details
- 2) **COMPLETE and SUBMIT** a "Dependent Eligibility Verification Form" available from the Benefits webpage at cityoftacoma.org/benefits and provide supporting backup documents (e.g. marriage certificate, birth certificate, etc.) to the Benefits Office
- 3) **DEADLINE** is no later than November 26, 2024

Instructions for Completing Open Enrollment Online

To review your current benefit elections and make any changes to your coverage choices for 2025, log in to Employee Self Service from home or work.

If you have difficulty logging in to ESS, contact the IT Service Desk at (253) 591-2057.

Per City of Tacoma Policy 4.1 Technology Acceptable Use, technology users should protect and not share login information, passwords, and Multi-Factor Authentication (MFA) security codes

- ✓ Log in at cityoftacoma.org/ESS or access via the City's SharePoint HUB, under Quick Links
- ✓ Select the **Benefits** link
- ✓ Select the **COT Open Enrollment** link and remember to **Review and Save** when you are done

See detailed instructions for logging into ESS and completing Open Enrollment on the Benefits webpage at cityoftacoma.org/benefits under **Open Enrollment**.

Washington Increases PFML Rates and Weekly Benefit for 2025

Effective January 1, 2025, the premium rate for Washington State's Paid Family and Medical Leave (PFML) will increase to 0.92% (from 0.74% in 2024) of each employee's gross wages up to the 2025 Social Security cap (\$176,100). Employers with 50 or more employees working in the state of Washington will pay 28.48% of the 0.92% premium and employees will pay 71.52%.

Why the premium rate is changing?

Premiums, collected from employees and employers through quarterly reporting, fund the Paid Leave program. By law, the Employment Security Department (ESD) recalculates the Paid Leave premium rate annually on September 30. The premium rate is adjusted based on contributions from premiums and benefits paid during the previous year. The maximum PFML weekly benefit will also increase to \$1,542 for leaves beginning in 2025 (from \$1,456 in 2024).

City of Tacoma Resources

Information pertaining to the PFML program that is specific to City employees is available on the City's PFML resource website at cityoftacoma.org/benefits.

Questions?

Please direct your questions to the City's Disability and Leave Management (DLM) Office at DLM@cityoftacoma.org or (253) 591-5452.

Open Enrollment Employee Benefit Presentation and Vendor Q & A Event

Open Enrollment Virtual Benefit Recorded Presentation

We will be providing a pre-recorded employee Open Enrollment presentation this year through a link that will be emailed to all employees. To learn more about the benefit changes taking place in 2025, and how to complete Open Enrollment, employees are invited to review this recording. This recording will also be available on the Benefits webpage at cityoftacoma.org/benefits under **Open Enrollment**.



Virtual Benefit Vendor Q & A



In order to continue to provide an opportunity for employees to speak directly to our benefits vendors during Open Enrollment, we will be hosting two live Q&A sessions via Zoom with our medical, dental, vision, FSA, life and disability, EAP, and deferred compensation providers. We will also have staff from the Benefits Office as well as our Wellness Coordinator available to answer questions. Calendar appointments for call-in and login information will be emailed to all employees.

Drop in Virtual Vendor Q & A Sessions via Zoom
(Access information will be emailed to employees)

November 20, 2024 9 a.m. - 10 a.m. & 2 p.m. - 3 p.m.