



City of Hendersonville
Tennessee

Employee Benefits Manual

FY 2017 - 2018

Employee Benefits Manual

FY 2017 - 2018

This Employee Benefit Manual is provided as a quick reference guide and describes benefits currently offered for the 2017-2018 Fiscal Year. The City of Hendersonville reserves the right to change or omit any of the benefits and/or policies referenced at any time. This manual should not be construed as a ‘contract’ and employees are cautioned to review applicable Personnel rules and regulations, ordinances, insurance benefit booklets, policies and/or contracts. Any discrepancies between the information contained in this booklet and any prevailing policies, contracts, ordinances or rules and regulations are inadvertent. Contact the Personnel office for assistance or questions.

TABLE OF CONTENTS

BASIC BENEFITS – INSURANCE IN GENERAL

WHO IS COVERED?.....	6
WHEN IS COVERAGE EFFECTIVE.....	6
WHEN DOES COVERAGE END.....	6
COBRA-CONTINUATION OF COVERAGE.....	7
RETIREE'S MEDICAL COVERAGE.....	8
BENEFITS THE CITY PAYS FOR.....	9
BENEFITS EMPLOYEE PAYS FOR.....	9
VOLUNTARY PAYROLL DEDUCTION OPTIONS.....	9
ELIGIBILITY PERIOD FOR ENROLLMENT.....	10
TO FILE CLAIMS.....	10
CLAIM INFORMATION.....	11
ELIGIBLE DEPENDENTS.....	11
TO CHANGE BENEFICIARIES.....	11

MEDICAL BENEFITS.....	12
NON-SMOKER/TOBACCO DISCOUNT.....	18
DENTAL.....	18
VISION.....	19
LIFE INSURANCE.....	20
SHORT TERM DISABILITY.....	20
LONG TERM DISABILITY.....	21
EMPLOYEE ASSISTANCE PROGRAM.....	22
TUITION REIMBURSEMENT.....	22
RETIREMENT.....	23
LONGEVITY PAY.....	24
CREDIT UNION.....	24
OPTIONAL PAYROLL DEDUCTIONS.....	25
VOLUNTARY LIFE INSURANCE.....	25
VOLUNTARY LIFE RATE CHART.....	26
DEFERRED COMPENSATION 457.....	27
TAX SAVINGS.....	28

LEAVES

HOLIDAYS.....29
VACATION.....30
SICK LEAVE.....30
VOTING LEAVE.....31
SICK LEAVE FUND.....31
FAMILY MEDICAL LEAVE.....32
MATERNITY LEAVE.....33
MILITARY LEAVE.....33
MEDICAL LEAVE OF ABSENCE W/OUT PAY.....33
FUNERAL LEAVE.....33

PAYROLL

GENERAL.....34
DIRECT DEPOSIT.....34
OVERTIME.....35
GARNISHMENTS.....36
IRS TAX LIENS.....36
BANKRUPTCIES, CHILD SUPPORT.....36

WORKERS' COMPENSATION

PROCEDURES.....37
PRESCRIPTIONS.....38
LIGHT DUTY POLICY.....39
BLOOD BORNE PATHOGEN EXPOSURES.....39
WORK COMP PANEL PROVIDERS.....40

WELLNESS REWARDS PROGRAM41
WELLNESS LEAVE.....41

SAFETY INCENTIVE PROGRAM.....42
SAFETY DAY LEAVE.....42

USEFUL PHONE NUMBERS.....42
EMPLOYEE ACCESS TO ONLINE DOCUMENTS42
TITLE VI LANGUAGE.....43
LANGUAGE LINE.....43

BASIC BENEFITS

INSURANCE IN GENERAL

WHO IS COVERED?

Coverage is provided for Full-Time employees only.

WHEN IS COVERAGE EFFECTIVE?

Coverage begins on the first day of the month following the first complete month of service.

Example: You begin work October 12, 2017; your insurance coverage goes in effect December 1, 2017.

WHEN DOES COVERAGE END?

Coverage ends at the conclusion of the month in which you terminate. (Exception: Disability and life insurance policies which terminate on the date of your termination).

Example: You terminate October 27, 2017. Dental, medical and vision Coverage ends October 31, 2017.

COBRA

CONTINUATION OF COVERAGE

In most instances you will be eligible for COBRA benefits. COBRA is a federal law which allows you to stay on your employer's benefit plan for an additional 18 months. (36 months for divorced spouses, your spouse if you die, and dependents who reach the age limit.) You pay all costs, including what the city previously paid on your behalf. Benefits eligible for COBRA continuation are medical, dental and vision only. You have 60 days after the qualifying event: termination, divorce, death of subscriber, birthday of dependent child to notify the city that you wish to COBRA. You are then given an additional 45 days if needed to make your payments. Your coverage is then made retroactive such that you have no gap in your insurance coverage. Once your initial payment has been made, you will make monthly payments to Personnel by the first of each month you wish to continue your insurance coverage.

The spouses and/or dependents of retirees, who remain on our plan prior to the retired employee's eligibility for Medicare, are eligible for COBRA.

Employees are responsible for notifying Personnel for dependents who no longer qualify because of divorce, children reaching the limiting age or who are no longer considered a dependent per IRS.

For dependents obtaining the dependent age limit for medical coverage, a letter will be sent from our carrier to the employee and Personnel advising them of the same and a COBRA notice will be sent.

***RETIREE'S MEDICAL COVERAGE
CONTINUATION***

The City currently has contract provisions with medical, dental, and vision carriers which allow employees eligible for retirement the privilege of remaining covered under the City's plan until they are eligible to receive Medicare. The benefits of this arrangement are that employees can receive coverage at group rates. Employees hired after June 30, 2008 must pay the full cost of the coverage for each month they wish to continue the plan through the city.

Employees hired prior to July 1, 2008 and who are either age 60 or have 30 years of service with the City of Hendersonville and who are vested in TCRS are eligible to receive a City-paid portion of their Health insurance if the employee elects to continue on the plan. The portion of the premium paid will be the dollar amount the City pays for the individual employee coverage multiplied by the applicable amount percentage as shown:

<i>Retirement age</i>	<i>City Years of Service</i>	<i>Multiplier</i>
Any age	30 or more	100%
60 and over	30 or more	100%
60 and over	25-29	75%
60 and over	20-24	50%
60 and over	15-19	25%

BENEFITS THE CITY PAYS FOR

The City pays for all costs associated with the following employee benefits:

- \$551 - \$574 per month towards Employee Medical insurance*
- \$1,200 - \$1,204 per month towards Family Medical insurance*
- Dental/Vision insurance
- Short term disability
- Long term disability
- Life Insurance
- Employee Assistance Program
- Retirement through TCRS (Tennessee Consolidated Retirement System)
- Tuition Reimbursement (if applicable)
- Longevity

*These amounts will vary depending on which plan the employees chooses.

BENEFITS THE EMPLOYEE MUST PAY FOR

The employee pays the costs for any of the following elective benefits:

- Their share of employee Medical
- Their share of family Medical
- Dependent Dental and Vision

VOLUNTARY PAYROLL DEDUCTION OPTIONS

- Additional life insurance for employee, spouse and/or children
- Credit Union
- 457 Plan through VOYA
- Union Dues

ELIGIBILITY PERIOD FOR ENROLLMENT

Guaranteed coverage is provided as long as employees and dependents enroll within the initial eligibility period.

This means within 31 days of hire date, birth of a dependent or marriage. If you miss your initial enrollment period, you will need to wait until the next open enrollment period which is usually late May for the new plan year which starts in July. There are certain qualifying events which allow exceptions to the above such as dependent loss of coverage under another plan.

Late entrants to the dental plan have limited services the first year on the plan. Late entrant is defined as someone who did not enroll when initially eligible.

TO FILE CLAIMS

Medical - Health care provider files

Drugs - Pharmacy files online with BCBS at time of purchase

Vision - Network Provider files; Non-network provider you file

Dental - Care provider files

Disability - Contact Personnel

Life - Contact Personnel

Retirement - Contact Personnel

CLAIM INFORMATION

- Medical - 1-800-565-9140 www.bcbst.com
- Dental - 1-800-244-6224 www.cigna.com
- Vision - 1-800-877-7195 www.ameritas.com

ELIGIBLE DEPENDENTS

As a general rule, unmarried dependents will be covered to age 24 provided they are considered a dependent according to IRS. Under the American Health Care Act (AHCA), dependents up to the age of 26 regardless of marital status can be covered by your medical insurance. This only applies to medical. In situations of divorce, stepchildren or guardianship, the insurance company may ask for court documents which stipulate that coverage be provided by the employee.

TO CHANGE BENEFICIARIES

Life Insurance - contact Human Resources at City Hall

Retirement - go online:

Tennessee Consolidated Retirement System (TCRS)

Forms and Publications

Forms

Active Member tab

Account Maintenance

TCRS Phone: (800) 922-7772

MEDICAL BENEFITS

The City offers a choice of three medical plans through BlueCross BlueShield. Plans 1 and 2 are in the P Network. Plan 3 is in Network S.

This is a brief summary of some of the **IN NETWORK** benefits of these plans for comparison purposes. It is important that you select an in network provider for your medical services as there are significant penalties if you don't. The benefit amounts for out of network providers are provided in the contract and certificate booklet as well as more specific and detailed information on each of the plans.

During enrollment periods or other qualifying events, you have the option of opting out of our medical plan. Our plan year is July 1 – June 30. Open Enrollment is usually conducted in May for the coming plan year. You and your dependents must be on the same plan.

Options 1 and 3 offer drug cards. Option 3, the lowest priced option, has the highest deductible; however, this plan is offered with a reimbursement for a portion of the deductible as well as co pays for office visits. Option 3 is the only plan with a co pay for office visits. Option 2 also has a reimbursement for a portion of its deductible.

Plan 1 (base plan) and Plan 2 (buy up plan) are both in the Network P. This is a fairly broad network with most hospitals.

Plan 3 (buy down) is in a more restricted network. This Network S includes Vanderbilt, St. Thomas and Sumner Regional. It DOES NOT include any of the TRISTAR facilities.

BCBS IN NETWORK	Option 1 (Base Plan) * P Network	Option 2 (Buy Up Plan) * P Network	Option 3 (Buy Down Plan) * S Network
Monthly cost for Employee ONLY	\$67.38	\$189.44	\$35.00
Monthly cost for Family (includes Employee Cost)	\$554.20	\$890.15	\$402.76
Deductible			
Individual	\$600	\$350 net***	\$750 net**
Family	\$1,200	\$700 net***	\$1,500 net**
Co-insurance	80%	90%	80%
Annual Out of Pocket Max			
Individual	\$2,400	\$1,350 net***	\$2,250 net**
Family	\$4,900	\$2,700 net***	\$4,500 net**
Life time Maximum	No limit	No limit	No limit
Office Visit Co-Pay	N/A subject to deductible and co-insurance	N/A subject to deductible and co- insurance	\$30 primary care \$45 specialist
Walk in Clinic Some may bill as urgent care resulting in \$120 ER co-pay check with facility	subject to deductible and co-insurance See side note	subject to deductible and co-insurance See side note	\$30 primary care \$45 specialist See side note
Preventative Services	Covered at 100%	Covered at 100%	Covered at 100%

BCBS IN NETWORK	Option 1 (Base Plan) * P Network	Option 2 (Buy Up Plan) * P Network	Option 3 (Buy Down Plan) * S Network
Chiropractor 30 visit limit	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance
Routine diagnostic procedures such as X ray and lab work in conjunction with office visit	Same as above	Same as above	100%
Wellness Office visit	100%	100%	100%
Immunizations	100%	100%	100%
Routine well child exams and immunizations	Same as above	Same as above	Same as above
Routine well woman exam	Same as above	Same as above	Same as above
Routine mammogram, cervical cancer, and prostate screening	Same as above	Same as above	Same as above
Other well care screenings such as Colonoscopy and Sigmoidoscopy (age 50 and above)	Same as above	Same as above	Same as above
Routine adult physical	Same as above	Same as above	Same as above
Allergy testing, allergy injections, and extracts	Subject to deductible and co insurance	Subject to deductible and co insurance	100%

BCBS IN NETWORK	Option 1 (Base Plan) * P Network	Option 2 (Buy Up Plan) * P Network	Option 3 (Buy Down Plan) * S Network
Maternity Prenatal and postnatal Delivery	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance 1 st visit \$30 or \$45 depending on physician status
Prescription Drugs not specialty-check plan documents for details on specialty drugs	\$15/\$40/\$60 co-pay Home delivery 90-day supply 2 times co-pay Co-pay does not apply to deductible	Subject to deductible and co-insurance Counts towards out of pocket max and deductible	\$15/\$40/\$60 co-pay Home Delivery 90-day supply Two times co-pay. Co pay does not apply to deductible
Hospital and related includes In and Out-patient services; non routine diagnostic (MRI, Cat scan, etc) <i>prior approval required</i>	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance
Emergency Room Services	\$120 co-pay waived if admitted to hospital	\$120 co-pay waived if admitted to hospital	\$120 co-pay waived if admitted to hospital
Hospice	100%	100%	100%
Ambulance	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance
Durable medical equipment	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance

BCBS IN NETWORK	Option 1 (Base Plan) * P Network	Option 2 (Buy Up Plan) * P Network	Option 3 (Buy Down Plan) * S Network
<p>Outpatient Rehabilitation (Short Term)</p> <p>Physical, speech, occupational, and manipulative therapy limited to 30 visits per therapy type per Annual Benefit Period</p> <p>Cardiac and pulmonary rehab therapy limited to 36 visits per therapy type per Annual Benefit Period</p>	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance
Outpatient Mental Health - Outpatient Substance Abuse	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance
In-Patient Mental Health and Substance Abuse Requires prior authorization	Subject to deductible and co-insurance	Subject to deductible and co-insurance	Subject to deductible and co-insurance
Emergency Services Co-Pay	\$120 (waived if admitted)	\$120 (waived if admitted)	\$120 (waived if admitted)
Mental Health and Substance Abuse Services	Treated the same as other illnesses	Treated the same as other illnesses	Treated the same as other illnesses

*All above represent IN NETWORK only. Significant penalties apply for non-network utilization.

**Individual deductible reimbursed by City \$751-\$1,200; \$1,501-\$2,400 Family

***Individual deductible reimbursed by City \$351-\$500; \$701-\$1,000 Family

NON-SMOKER / TOBACCO DISCOUNT

Employees who are non-smokers or non-tobacco users are eligible for a \$10 per month discount on their insurance premiums provided they have not smoked or used tobacco within the past 12 consecutive months prior to open or new hire enrollment. Employees who pledge to complete a city approved smoking cessation program will qualify.

DENTAL INSURANCE

Cigna Dental

The dental plan is an incentive plan with benefits on many procedures from 70% to 100%. When you begin employment, your benefits on these procedures start at 70%. As long as you visit your dentist regularly and have necessary services completed during the year, the following July, your benefit will improve by 10%. This plan applies to most routine procedures and there is no deductible. However, should you fail to go to the dentist in any fiscal year, your benefit either stays at 70% or falls back to 70%. Preventative benefits at 100%.

The City pays for Full-Time employees' Dental coverage.

The cost to insure a family is \$57.94/month.

Certain procedures are only paid at 50%. These include:

- Crowns and cast restorations
- Orthodontics (50% to age 19 and \$1,000 Lifetime maximum)
- prosthodontics (dentures and bridges)

Dental benefits are limited to \$1,000 maximum per person per benefit year.

Go to www.cigna.com for information on providers in the network, claims status, and other available benefits.

NOTE: You are not required to go to a network Dentist.

VISION INSURANCE

Ameritas/Vision Service Plan (VSP)

The City pays for Full-Time employees' Vision insurance.

The cost to insure a family is \$10.96/month.

Vision Service Plan (VSP) - as long as you utilize doctors in the VSP network, you are entitled to:

- One exam every 12 months subject to \$20 annual deductible
- Lenses every 12 months
- Frames every 24 months
- Contacts every 12 months (\$105)

Go to www.ameritas.com for information on benefits, network providers and out of network claim forms.

Should you utilize the services of a non-network provider, follow these steps:

- 1.) Pay the provider the full amount of the bill and request a copy of the bill that shows the amount of the eye examination, lens type and frame.
- 2.) Send a copy of the itemized bill(s) to VSP at the address below. The following information must be included in your documentation:

- Member's name and mailing address
- Member's ID number (social security number)
- Member's employer or group name
- Patient's name, relationship to member, and date of birth

Vision Service Plan
Attn: Claims Services
PO Box 385018
Birmingham, AL 35238-5018

LIFE INSURANCE

The City provides paid term life insurance for all Full-time employees. There are two (2) classes of employees: Class One and Class Two. There is a reduction in benefits for employees who are 70 or older.

- Class One (Exempt) employees - \$50,000
- Class Two (Non-Exempt) employees - \$30,000

There is an accidental death rider which adds double the face value of the term insurance. This means if you are a Class Two (Non-Exempt) employee and you are killed in a car wreck, your beneficiary receives \$90,000. If you succumb to pneumonia, your beneficiary receives \$30,000.

Term life is only in effect through the date of your termination. Example: You quit September 15. Your life insurance stays in effect until midnight September 15. Life insurance is a benefit that is not covered by the Cobra laws; however, if you contact the agent within 30 days, you can convert your policy. The rates and terms will not be the same. This is usually of benefit only to those individuals who cannot be covered due to health conditions that affect their insurability.

SHORT TERM DISABILITY

(STD)

The City offers short term disability coverage for full time employees. Again, the benefits vary according to the class one and class two designations. You are eligible to receive short term disability benefits only **AFTER** you have used all of your sick leave benefits. You may collect short term disability up to a maximum of 26 weeks, depending on your eligibility and amounts of sick leave available.

Class One employees receive either 67% of weekly salary or \$400, whichever is less. Class Two employees receive either 67% of weekly salary or \$300, whichever is less.

For contact info, see LONG TERM DISABILITY.

LONG TERM DISABILITY

(LTD)

The City pays for long term disability coverage for Full-time employees. The insurance will pay up to 60% of monthly earnings should you become disabled according to the definitions of disability which will vary based on class one or class two designations.

There is a 180-day benefit waiting period.

The maximum monthly benefit is \$5,000.

Benefits will be offset should there be other income received from certain sources such as retirement, social security, or worker's compensation.

Example:

You're entitled to receive \$2,500 per month disability; however, you are drawing \$1,300 from TCRS. You will receive \$1,200 per month from Long Term Disability.

Long Term Disability benefits are only available until certain ages depending on the onset of the disability.

Carrier Information for Short Term and Long Term Disability:

Lincoln Financial Group
PO Box 2609
Omaha, NE 68103-2609
Phone: (800) 423-2765
Fax: (877) 843-3950

EMPLOYEE ASSISTANCE PROGRAM

(EAP)

The City of Hendersonville purchases for all its full time employees and dependents prepaid counseling sessions. Employees and their families are encouraged to take advantage of these confidential counseling services for such issues as divorce, bereavement, child rearing problems, drug, alcohol and other addictions, financial issues, job stress, etc.

To obtain services, call (800) 822-4847 and identify yourself as a City of Hendersonville employee. You will be entitled to be treated for up to eight (8) visits per episode at no charge to you.

This service is provided by LifeServices EAP. You will be able to choose from a network of providers for services. This network has providers all over Sumner County and Davidson County.

A counselor is on call 24 - 7 if you need emergency assistance.

TUITION REIMBURSEMENT

Employees attending CHEA and SACS recognized colleges in job related courses may request permission to enroll in the tuition reimbursement program. To do so, employees should fill out special request forms available in Personnel PRIOR to enrolling in their courses. Once approved, employees will be reimbursed for what they pay for tuition costs only at rates comparable to those charged by state institutions at the conclusion of the course. Grades of "A" and "B" receive full reimbursement. "C's" earn 50% reimbursement. There is no reimbursement for grades lower than a "C". Reimbursements are limited to \$5,250 in a calendar year.

RETIREMENT

The City pays for all employee costs associated with the Tennessee Consolidated Retirement System as of October 1995.

ELIGIBILITY: Completion of six (6) month of Full-Time employment.

VESTING: 5 years

BENEFITS: This is a defined benefit plan. This means that expected benefits are based on a set formula and not how well any particular investments performed.

TCRS SELF SERVICE

We encourage all newly-hired employees to go to the TCRS Self Service page of their website to establish an online account. Your personal information and account maintenance will be available and handled through this website. This is also where you can designate a beneficiary for your account.

Visit the following link:

<https://mytcrs.tn.gov/DPAS.WebUI.Internet/Common/Pages/Login.aspx>

In its simplest form, the formula for yearly retirement benefits is: Years of service times average final salary times a factor of .015.

Example: Your average final annual salary is \$30,000. You have 20 years' service credit. Your annual retirement benefit will be \$9,000.

There are enhancements which will increase this figure. For example, the city authorized a 5% one-time increase and there is a complicated formula involving social security integration levels which may increase benefits also.

There is a special provision for certain military service counting as service credits and certain applicable retiring employees are allowed to count one-half of their unused sick leave balances towards retirement credits. Twenty (20) days equals one month.

In addition, there are disability provisions which will provide income according to your projected retirement income.

TCRS encourages employees who are retiring to have their application completed and submitted a minimum of 60-90 days PRIOR to your last paid day of service.

ELIGIBILITY TO RECEIVE RETIREMENT BENEFITS

Vested and either 30 years of TCRS service or age 60.

There are provisions for early retirement at a reduced level of benefits. An individual who has 10 years of service at age 55 or 25 years of service can retire at a benefit level of 76% of the full retirement. There is a 0.4% reduction for each month of early retirement.

LONGEVITY PAY

For FY 2018, longevity pay will be paid at the FY 2018 rates. Longevity pay is a bonus paid annually during the same month as the employee's service anniversary date. An employee's Longevity pay is calculated at the rate of \$95 per year multiplied by the years of service as of FY 2018.

Regular Part-time employees are eligible once they have attained sufficient hours to qualify (2,080 hours worked equals one year). Employees categorized as Seasonal or Temporary are not eligible for Longevity Pay.

The maximum bonus an employee can receive is \$1,900.

CREDIT UNION

Employees may join Old Hickory Credit Union or Cornerstone Financial for a \$25 refundable fee which is held in escrow. The credit union offers savings accounts, car, and other loans and checking account services. Both have branch offices in Hendersonville. Employees may sign up for the program at each respective business. East Main Street, Hendersonville. The number for Old Hickory Credit union is (615) 847-4043 and for Cornerstone, the number is (615) 264-5080.

Optional Payroll Deductions

VOLUNTARY LIFE INSURANCE

Dependent Life

The City pays for a basic term life policy for employees. On this plan, there is an option for dependents to be insured for a fee of \$1.05 per month. This option provides for \$5,000 for spouse and \$4,000 for eligible dependents.

Employee Voluntary Life

You may choose to add additional insurance for yourself at age and smoker/non-smoker adjusted rates. This is a term life policy. Rates adjust with birthdays ending in 'zero' or 'five' once you are 30. There is a guarantee issue amount of up to \$50,000 during the initial enrollment period, but benefit amounts reduce at age 70. If you want an amount greater than that or you want to enroll after the initial enrollment period, you will have to undergo medical underwriting.

Spouse Voluntary Life

This is available only if you enroll in the voluntary life product. Amounts above that are subject to underwriting. Spouses are eligible for a guarantee issue amount, up to half of your amount, in \$10,000 increments to a maximum of \$20,000. Benefit amounts reduce at age 70.

Child Voluntary Life

This is a benefit that provides \$5,000 worth of coverage for each eligible child. This is available only if you enroll in the voluntary life product. This rate is a flat \$.60 per month regardless of the number of children you have.

VOLUNTARY LIFE

RATE CHART

Employee

(rates per thousand)

<i>Age</i>	<i>Non-smoker</i>	<i>Smoker</i>
Under 30	.08	.12
30-34	.09	.17
35-39	.11	.22
40-44	.16	.36
45-49	.28	.67
50-54	.46	1.10
55-59	.85	1.75
60-64	1.25	2.25
65-69	2.60	4.20
70-74	3.70	5.70
75+	9.30	13.60

Spouse

(rates per thousand)

<i>Age</i>	<i>Rate/\$1000</i>
Under 30	.10
30 – 34	.12
35-39	.15
40-44	.24
45-49	.42
50-54	.65
55-59	1.15
60-64	1.45
65-69	2.90
70+	4.00

Please note that voluntary life benefits reduce beginning at age 70. At age 70, the benefits will reduce by 35% of the original amount and further reduce to 50% of the original amount at age 75, to 35% at age 80 and to 25% at age 85.

DEFERRED COMPENSATION

457 Plan

Municipal employees are allowed to participate in an income sheltered investment plan similar to a 401(K), although due to IRS regulations, cities are limited to a different version known as a '457'. This plan, which the City offers through VOYA, provides employees an opportunity to invest in mutual funds, bond funds, and fixed accounts through payroll deduction. Amounts invested are not subject to federal income tax nor are the earnings of the plans during participation; however, once withdrawals are made, earnings are then subject to taxes. This is intended as a savings plan for retirement. The IRS has strict regulations regarding these plans and employees should not view these as 'savings accounts' to finance home purchases or college educations for their children. There are hardship withdrawal provisions, but these are limited to true hardships. You may contribute a minimum of \$25 per pay period or up to the maximum federal contribution limits.

There are no penalties imposed on hardship withdrawals or at separation of service. When employees leave City employment, they have several options regarding their 457 plan:

1. Leave the money in the plan
2. Take a lump sum refund
3. Take the money out in settlement options

Options 2 and 3 will result in taxes having to be paid on the monies received. You cannot roll the proceeds over into an IRA. You can roll your account over to another employer who is qualified to offer a 457 Plan. You may be able to combine retirement funds (i.e. 401k) from a previous employer with this plan.

This 457 Plan is 100% employee funded. The City of Hendersonville does not contribute to your 457 Plan. The City contributes 100% to a Full-Time employee's TCRS Retirement account.

For information about opening a 457 Plan, please contact:

Ed Stewart (VOYA representative) - (615) 627-5936

Email: ed.stewart@voyafa.com

The Human Resources office has additional information from VOYA for you.

TAX SAVINGS

(Section 125 Plan)

The City offers a Section 125 plan which provides a means in which income is “sheltered” from both federal and state taxes. This plan allows you to shelter certain allowable expenses such that you owe no federal or social security taxes on the qualified expenses. There is a \$5 minimum that must be deferred per pay period in order to participate.

For example, your income is \$20,000 annually. You have \$2000 in qualified benefits sheltered under one of these plans. What is reported to the IRS as taxable wages is \$18,000. If you are in the 20% tax bracket, your savings are roughly \$400 per year. You will not owe taxes on this money later. Since you will not have paid social security taxes on the amounts sheltered, your income calculations for social security purposes will not reflect these amounts. This usually results in only a small impact on social security benefits; however, employees might want to make inquiries of Social Security based on their own particular situations.

Section 125 plans are also known as "cafeteria plans". The City's plan is known as a premium only deferral which means that you can only shelter amounts for premium payments which are deducted from your paycheck.

Under the Section 125 program offered by the City, employees can shelter amounts spent on premiums for medical, dental and vision insurance. Class two employees may also shelter any voluntary life insurance premiums for their own life insurance up to \$20,000. Class one employees already are provided \$50,000 in insurance which is the limit allowed by the IRS so they are not allowed to shelter any additional life insurance premiums. There is no sheltering allowed for premiums on dependent life insurance.

Employees sign up for the Section 125 participation during their initial eligibility period or during the annual enrollment period in May for the plan year which starts July 1 each year. Once an employee signs up for this program, he or she is committed for the plan year unless there has been a change in a family situation. Examples of allowable changes are: marriage, divorce, death of spouse or child, birth or adoption of child, or change of employment of spouse.

HOLIDAYS

There are twelve (12) paid Holidays in each fiscal year:

- New Year's Day
- MLK Day (observed the 3rd Monday in January)
- President's Day (observed the 3rd Monday in February)
- Employee Birthday
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- The day after Thanksgiving
- Christmas Eve
- Christmas Day

Holidays are observed in accordance with national guidelines. If the holiday falls on a Saturday, it will be observed on the Friday before. If the holiday falls on a Sunday, it will be observed the following Monday.

Employee Birthday holidays may be observed one (1) week prior to or one (1) week after the actual employee birthday. To assist with departmental scheduling, employees should give sufficient advance notice to their supervisors as to when they are planning to take their birthday holiday.

Employees scheduled to work on a holiday will receive holiday pay in addition to their regular pay. Employees may also choose to take a holiday (other than birthday) 30 days before or after at a time agreed upon by management in lieu of holiday pay.

Seasonal or Temporary employees do not receive holiday pay. Regular Part-time employees are granted holiday pay on a pro-rated basis according to the hours regularly scheduled for work in a fiscal year.

VACATION

Vacation days accrue at the end of each full month worked. Regular Part-Time employees accrue vacation on a pro-rated basis. Full time employees are granted Vacation Leave as follows according to years of service:

Initial Accumulation	12 days per year
Sixth Anniversary rate change	15 days per year
Tenth Anniversary rate change	18 days per year
15th Anniversary rate change	21 days per year

SICK LEAVE

Sick leave is earned at the completion of each full month worked. All Full-time employees shall earn one (1) day per month with no cap on accumulation. Regular Part-time employees shall earn Sick leave on a pro-rated basis. Employees may use up to ten (10) days per calendar year for illness of dependents (anyone who meets the Rules and Regulations definition of Immediate Family). A doctor's note is required for any consecutive Sick leave use for three (3) days or longer.

Employees hired before September 1, 1997, who terminate and are eligible to draw retirement from TCRS may be paid one-half their sick leave in cash and the balance will count towards retirement service credits with TCRS at the rate of 20 days equals one month. Employees hired after September 1, 1997 who take regular retirement will not receive cash payment; but any unpaid, unused sick leave will be applied toward service credits.

VOTING LEAVE

Employees shall be given reasonable and sufficient time off with pay to vote in any National, State, or Local elections. If an employee's work schedule begins 3 hours or more after the polls open or ends 3 hours or more before the polls close, he/she is not eligible for this leave.

SICK LEAVE FUND

To participate, an employee must:

- have a Sick Leave balance of at least 6 days
- have been employed by the City for at least 12 months
- contribute to the fund

Employees may contribute up to five (5) days each calendar year, only in whole-day increments. Only employees who have donated to the fund are eligible to draw from the Sick leave fund if necessary.

An employee shall not receive any Sick leave from the fund unless he/she has exhausted all accumulated Sick, Vacation, and Compensatory leave, and after having applied for advanced additional Sick leave pursuant to the City's Personnel Rules and Regulations. Sick leave shall be awarded from the fund to the extent that days are available. The maximum number of donated Sick days an employee can receive is sixty (60). Grants from the fund shall not be made to any member on account of elective surgery, illness of any member of the participant's family or during any period the member is receiving any disability benefits. Sick leave days awarded from the fund are limited to the number of days donated to the fund.

FAMILY MEDICAL LEAVE ACT (FMLA)

This leave is federally mandated for qualified employees. The law provides up to 12 weeks of leave in a year for serious medical conditions of the employee or certain eligible family members or for the birth or adoption of a child. The leave provides job protection and benefit continuance. Each individual's time period will vary according to the initial date of the leave and individuals may also qualify for intermittent leave.

Two new amendments were added. One is for family members of soldiers called to active duty (12 weeks) and the other is to care for an injured soldier (26 weeks).

Family Medical Leave (FMLA) runs concurrent with sick, vacation, worker's comp, and other paid and unpaid leaves. The employee is required to use any sick and vacation leave balances prior to requesting leave without pay; however, the employee has an option as to whether to use any available comp balances.

The key term to remember in the Family Medical Leave Act is that the condition must be considered "serious". Supervisors and employees should contact Personnel as soon as they feel they have a situation which may qualify.

MATERNITY LEAVE

In accordance with state law, employees may take up to four months leave for pregnancy, childbirth and nursing of an infant. For the first twelve (12) weeks of the leave, maternity leave will run concurrent with the Family Medical Leave (if leave available). Employee benefits paid for by the City of Hendersonville will continue during the duration of the leave.

MILITARY LEAVE

Military leave will be granted in accordance with state and federal law. Employees who are in the reserves are entitled to up to twenty days paid leave per calendar year. For other and extended types of leave, please contact Personnel.

MEDICAL LEAVE OF ABSENCE WITHOUT PAY

Per the Rules and Regulations, employees in good standing may be allowed to take a Medical Leave of Absence Without Pay for up to six (6) months and retain City paid medical, dental and vision benefits.

FUNERAL LEAVE

Employees may take up to three (3) days per calendar year to attend the funeral of an immediate family member. Immediate family members for this purpose are the following: spouse, in-laws (refers to father, mother, son/daughter, brother/sister), parents, children, brother/sister of employee, and employee grandparents and grandchildren. In the event of out-of-town travel, the Mayor may authorize up to an additional three (3) days which will be charged as Dependent Sick Leave.

PAYROLL

GENERAL

Paychecks are issued on the 15th and the last day of the month. This can vary due to holidays and weekends. Direct deposit is required. If the 15th or the last day of the month falls on a weekend/holiday, employees will be paid on the Friday before.

Pay periods run from the 12th through the 26th and the 27th through the 11th. There is only a few days lapse between the end of the work period and your paycheck.

DIRECT DEPOSIT

All City of Hendersonville employees are required to have their paycheck submitted via Direct Deposit. All Direct Deposit information shall be submitted to Human Resources. You'll need to provide a blank, VOIDED check for each checking account and/or a deposit slip for each savings account.

Direct Deposit is the most efficient means of obtaining your paycheck. Depending on your bank, deposits may be posted to your account late the night before pay day. Also, if an employee is on paid leave during a pay day (i.e. out of town on vacation or an off-shift Fire/Police employee), that employee's money would still be deposited in the same amount of time.

OVERTIME

Employees are categorized as ‘Exempt’ or ‘Non-Exempt’. Generally, only upper level management or supervisory employees qualify as Exempt. Non-Exempt employees have the following work periods for purposes of overtime calculation:

<u>Category</u>	<u>Work Period</u>	<u>Ends</u>
office labor inspectors criminal investigators communications	40 hours	11 pm Sat
police officer police corporal police srgt	42.5 hours	11 pm Sat
firefighters	27 days 204 hours 8 - 24 hour shifts and one Kelly Day	7 am on 28 th day captains

Non-Exempt employees whose work hours exceed their Overtime threshold can elect cash or Compensatory Time at the rate of 1.5 times the Overtime hours worked. Supervisors may reschedule employees during their work periods in order that Overtime threshold is not exceeded.

Compensatory balances are cashed out annually at the end of each fiscal year. Employees have the option of retaining up to one (1) weeks’ worth for carryover.

GARNISHMENTS

Employees who receive a court ordered garnishment will have garnished amounts withheld from their paychecks unless the court issues a notice voiding the garnishment. Supervisors and the employee will be notified of the garnishment. Amounts withheld from the paycheck will vary according to the number of dependents under the age of 16. Multiple garnishments may result in disciplinary action according to the City's Personnel Rules and Regs.

IRS TAX LIENS

Employees who receive IRS Tax liens are also subject to their supervisors being notified. Amounts to be withheld from paychecks are calculated according to schedules supplied by the IRS. These cannot be released without IRS notification.

BANKRUPTCIES

CHILD SUPPORT

These are court ordered. Unlike garnishments, supervisors are not notified nor are employees subject to disciplinary action. Court specified amounts will be withheld from employee paychecks until the court releases the action.

WORKERS' COMPENSATION PROCEDURES

Employees injured/exposed on the job should immediately file the Tennessee Employer's First Report of Work Injury with Personnel and copy their Supervisor. **If the injury/exposure occurs after City Hall working hours, place report in a sealed envelope marked *Personnel - Confidential* and leave in the locked Personnel mailbox located at the Southwest entrance to City Hall by the dumpster.** Call Personnel (615) 264-5314 the next morning to confirm receipt of report and obtain further instructions for treatment. You should also email Human Resources at personnel@hvilletn.org. We don't check the box unless notified.

Depending on the severity of the injury/illness, employees will be sent to one of the Urgent Care facilities or the ER at H'ville Hospital for medical evaluation.

Unless the injury occurs outside of standard working hours, Personnel should be notified immediately and all arrangements for treatment shall be made by Personnel.

Outside of standard working hours, supervisors will determine whether medical care is urgent or if medical treatment can be delayed until standard working hours.

All medical costs including prescriptions will be paid for by the City and employees will not be charged Sick, Vacation or Comp Leave during any absences related to an on the job injury/illness. Worker's Comp Leave can be granted for up to three (3) months. Injury reports should be sent to Personnel as soon as possible and all invoices forwarded to Personnel.

It is illegal and employees are NOT to use their personal medical insurance for on the job injuries. Doing so may prompt our Workers' Comp carrier to deny the employee's injury claim and not cover any medical expenses.

WORK COMP DRUG PRESCRIPTIONS

Employees should use the Optum Tmesys Pharmacy Form for Prescription Services. Forms should be available at the hospital emergency room, other panel physicians, Personnel, your supervisor or online at the Employee Access section of the City's website. Your prescription will be at no cost to you.

If your Worker's Comp claim is accepted, you will receive a more permanent pharmacy card in the mail.

Most pharmacies, including all major chains, are included in the network. To find a network pharmacy, call (866) 940-4459 or visit www.tmesys.com and click on Pharmacy Locator.

Per OSHA regulations, public safety employees should present their Hepatitis B vaccination wallet card record to the health care provider at the time of treatment. Hep B cards are to be provided to the employee by the respective departments once all three (3) doses and the blood test have been completed.

In addition, employees should be aware of their tetanus immunization status (approximate date of the most recent vaccine). Employees receiving post offer, pre-employment medical exams will have been given the vaccine at that time, unless the physician is advised of an up to date status from a prior vaccine.

There are scheduled payments set by state law which will compensate employees for lost work time. Since city employees receive full city pay during periods of worker's compensation, any monies sent to employees by the insurance carrier are to be reimbursed to the City.

LIGHT DUTY POLICY

The City of Hendersonville has a Return-to-Work Light Duty policy. If a department is unable to accommodate the light duty restrictions of an employee, that employee will be assigned to a light duty pool, subject to assignment to other departments.

Employees refusing light duty assignments have the option of taking their accrued vacation leave, sick leave, compensatory time, or leave without pay.

Unless department policy and procedures can accommodate a schedule otherwise, all light duty shall be assigned Monday through Friday from 8:00 AM – 5:00 PM.

BLOOD BORNE PATHOGEN EXPOSURES

Employees shall immediately report these exposures as there are some critical response times as to treatment. If there is a high probability of HIV exposure, employees should quickly obtain treatment at the ER. If the source of the exposure is hospitalized, the infection control nurse at the hospital should handle the obtaining of blood sample. If the source of the exposure is not hospitalized, but instead is taken to the jail, paperwork obtaining consent to be tested, should be taken at the same time the prisoner is booked. The jail nurses will draw the blood, if consent is obtained. HPD will then need to transport the sample and lab requisition (signed by the jail nurse) to Hendersonville Hospital for processing. Employees will need to complete a first report of work injury and the exposure paperwork as well.

WORK COMP PANEL PROVIDERS

Hours will vary which may include nights and weekend service.

Gallatin Urgent Care	728 Nashville Pike Gallatin, TN	615-452-6899
American Family Care	291 Indian Lake Blvd Suite 140	615-265-5008
Concentra	1719 Gallatin Rd Madison, TN	615-870-0143
US HealthWorks	1616 N Gallatin Rd Madison, TN	615-865-8547
CareNow	280 Indian Lake Blvd Suite 140	615-590-1440

For those employees injured while attending the
TN Law Enforcement Training Academy, the nearest treatment facilities are:

Concentra	2531 Elm Hill Pike Nashville, TN 37214	615-883-6995
American Family Care	355 Pleasant Grove Rd Suite 1400 Mt. Juliet, TN	615-773-7933

For employees injured while attending the **TN Fire Service Enforcement and Codes Academy**, the nearest treatment facilities are:

Concentra	1203 Memorial Blvd Suite A Murfreesboro, TN 37129	615-895-4855
American Family Care	985 Industrial Blvd Smyrna, TN 37167	615-984-1000

Specialist panels will be offered by the Worker's Compensation carrier if such is required. In some instances, employees may also choose a chiropractor in lieu of a primary physician, but that must be cleared through the carrier.

WELLNESS PROGRAM

Employees and spouses enrolled in the City's medical plan are eligible to participate in the Wellpoints Reward Program. This program encourages a healthy lifestyle and allows participants to earn points which can result in premium discounts for the following benefit election year. Premium discounts for full participation for an employee is \$25/month and for a spouse is \$20/month. In addition, employees can earn a Wellness Leave day off (see below for details).

Points can be earned by attending a minimum of 3 Wellness classes, exercising, participating in health risk assessments, getting a flu shot, smoking cessation and/or weight loss.

The 2017-2018 program will launch in September 2017. Earned Wellpoints (through April 30, 2018) will be submitted with the paperwork for the May 'Open Enrollment' for benefit elections. Discounts will be effective with the last paycheck of June. Employees will have until the end of 2018 to utilize the Wellness Leave day off.

For all details regarding the Wellpoints Rewards Program, please visit the City's website at www.hvilletn.org and go to the Personnel website or visit the Employee Access portion of the City's website.

WELLNESS LEAVE

Wellness leave of one day may be earned by any Full-time employee who successfully completes the Wellpoints Reward Program. This determination is made at the close of each 'Wellpoints Rewards Year' usually around the end of May by employees having earned sufficient points to qualify. This leave is to be taken no later than the end of the calendar year and is not eligible for carryover. It must be taken in whole-day increments. Employees using this leave must request this in accordance with their departmental policies in effect for request and use of vacation leave. Refer to Wellpoints Rewards Program manual on Employee Access area of City website.

SAFETY INCENTIVE PROGRAM

The City of Hendersonville strives for every employee to make safety-conscious decisions in the workplace. This program is designed to reward employees for safe workplace behavior. Please visit the Employee Access section of the City's website for all program details.

SAFETY DAY LEAVE

This is a paid leave that each Full-time employee may earn through the Safety Incentive Program (above). Please visit the Employee Access section of the City's website for more detail.

USEFUL PHONE NUMBERS

Human Resources (HR)	615- 264-5314
HR Dedicated Fax	615- 264-5353
EAP (LifeServices)	1-800-822-4847
Shaw & Associates (BCBS broker)	615-264-2065
Ed Stewart (VOYA)	615- 627-5936
TCRS	615- 741-1971
Human Resources Email:	personnel@hvilletn.org

EMPLOYEE ACCESS TO ONLINE DOCUMENTS

Go to www.hvilletn.org
Click on 'Employee Access' (bottom left of page)
Login: employee
Password: employee

TITLE VI

It is the policy of the City of Hendersonville to ensure compliance with Title VI of the Civil Rights Act of 1974; 49 CFR, Part 21; Related statutes and regulations to the end that no person shall be excluded from participation in or denied benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance from the U.S. Department of Transportation on the grounds of race, color, sex, or national origin.

LANGUAGE LINE

The City provides this service for employees to use for interactions with individuals with limited English proficiency. Check with your supervisor for the access number and code. Employees are encouraged to use this service.

LANGUAGE LINE NUMBER _____

CODE _____

