

CONTENT AREA

Open Enrollment and Benefit Updates

ANNOUNCEMENT

Open Enrollment for the 2016 Plan Year is October 26th through November 13th. If you are satisfied with your medical, dental, vision, and life and disability elections, no action is required. If you want to participate in the Medical and/or Dependent Care Flexible Spending Accounts, annual enrollment is required. To make a change to your current benefits, log on to [Y.E.S.](#) to complete your 2016 elections. All changes made during Open Enrollment will become effective January 1, 2016.

The ADOA Benefit Services Division has the following announcements regarding the Flexible Spending Account Plan and the Open Enrollment Active Employee Summary Guide:

DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

The Benefit Services Division performed non-discrimination testing on our benefit plans as required under Section 125 of the Internal Revenue Code. In order to pass this mandatory IRS testing, ADOA has set the maximum contribution for the Dependent Care Flexible Spending Account to \$1,600 per Plan Year. This reduction only affects highly compensated employees, defined by the IRS as having earned an annual salary of \$120,000 or more in 2015 and 2016. Employees earning less than \$120,000 may continue to elect the maximum contribution of \$5,000. This change is necessary in order to preserve the pre-tax status of contributions of all participants and is effective for the 2015 and 2016 plan years.

OPEN ENROLLMENT ACTIVE EMPLOYEE SUMMARY GUIDE

All active State employees were mailed a Benefit Elections Summary and Summary Guide in early October. Benefit Services recently discovered an error in the Medical Plan Comparison Chart located on *page 10* of the Summary Guide. The HSA (Health Savings Account) Plan listed incorrect in-network deductible and out-of-pocket maximum amounts. The chart has been corrected and the updated Summary Guide is posted on the Benefit Options website located at benefitoptions.az.gov.

If you have any questions regarding these updates please contact Benefit Options at 602-542-5008.

ISSUED

October 27, 2015