



2026 Employee Benefits Open Enrollment

City of Salem



Agenda

- Key Information
- Wellness Program
- What is Open Enrollment
- Benefit Plan Overview
- Spending Accounts
- USI Benefit Resource Center (BRC)
- Enrollment Process

Key Information – Changes

- The 2026 Open Enrollment Period will begin on **Wednesday, November 12th and end on Wednesday, November 26th**
- All benefit elections and changes will take effect **Thursday, January 1, 2026**
- All employees must review and complete their Open Enrollment elections in the new Benefit Admin System – **UKG Ready**, even if you're not making any changes
- You must re-enroll in the Flexible Spending Account (FSA) and/or the Health Savings Account (HSA) every plan year
- The Anthem medical plans are moving from the KeyCare PPO network to the HealthKeepers POS network
- The employee contributions are changing for the 2026 plan year
- The Delta Dental orthodontia maximum is increasing to \$1,500 (from \$1,000)
- Our wellness vendor is moving from Synergy Health to Care ATC

Open Enrollment

- One opportunity to make changes to your benefit elections and to review which dependents you wish to cover
- Elections made during this period will remain in effect for a 12-month period, unless you experience an IRS-approved “qualifying life event”
- Examples of some approved qualifying life events include:
 - Marriage or Divorce
 - Death
 - Birth or adoption of a dependent
 - Change in employment status
 - Change in dependent’s eligibility status
 - Loss of or significant change to your current coverage
 - Judgment, decree or court order
- You only have 30 days from the date of the event to elect a change in benefits

Who is Eligible?

- Employee
 - Actively working a minimum of 40 hours per week
- Legally Married Spouse
- Dependent Child(ren)
 - Employee's natural or adopted child, and any other child as defined in the certificate of coverage to age 26
 - If your child is disabled, they may be eligible to be covered beyond age 26 – see carrier form for more details

Wellness Program



City of Salem will continue to offer employees the opportunity to pay a lower health premium by completing the below requirements of the Wellness Program

(For Employee & Spouse if covered under Salem's plan):

- Complete your Health Risk Assessment
- Complete one follow-up visit for a chronic condition or preventive care screening either at the on-site clinic or at your Primary Care Provider (PCP)
 - Examples of preventive care screenings include annual physical exams, eye exams, prostate specific antigen test/PSA (males), colonoscopy, osteoporosis screening (bone density), well women/PAP exam, mammogram, etc.
 - For a full list please discuss with your provider or visit [Anthem.com](https://www.anthem.com)



MEDICAL & PHARMACY

Medical & Rx – Definitions

Copay	Flat dollar amount member is responsible for at the time of service. The plan usually pays 100% of the remaining balance.
Deductible	Amount member is responsible for <u>before</u> the plan pays for certain services.
Coinsurance	Percentage of payment shared between the member and the plan for certain services after the deductible has been met.
Out-of-Pocket Maximum	Member total payments for deductible, coinsurance and copays to stated maximum per plan year. Once reached, the plan will pay 100% for eligible expenses for the rest of the plan year.
High-Deductible Health Plan (HDHP)	Qualified plan as defined by the IRS. No first dollar benefits, all services are subject to the deductible before the plan will pay. Exception is Routine Preventive Care as defined by the IRS.
HSA – Health Savings Account	Tax Free account that is established by the employee that is covered by a High-Deductible Health Plan (HDHP).
Network Provider	Medical and pharmacy providers that have contracted with the plan to provide lower out-of-pocket costs for members.

Medical/Rx – Medical Highlights

	Anthem HealthKeepers OA 30 2000/20%	Anthem HealthKeepers OA HSA 3500/0%
Annual Deductible	\$2,000 per individual \$4,000 per family	\$3,500 per individual \$7,000 per family
Annual Out-of-Pocket Maximum**	\$5,000 per individual \$10,000 per family	\$4,000 per individual \$8,000 per family
Plan Coinsurance	20% in most cases	0% in most cases
Office Visit	\$30 PCP copay per visit \$50 Specialist copay per visit	0% after deductible
Lab & X-ray	20% after deductible	0% after deductible
Complex Radiology	20% after deductible	0% after deductible
Inpatient Hospital	20% after deductible	0% after deductible
Emergency Room	20% after deductible	0% after deductible

*The table outlines in-network benefits only. See the full carrier benefit summary for out-of-network coverages.

**The out-of-pocket maximum includes the deductible all eligible copays and coinsurance amounts.

Medical/Rx – Pharmacy Highlights

Anthem HealthKeepers OA 30 2000/20%		Anthem HealthKeepers OA HSA 3500/0%
Rx Deductible	No Rx Deductible	Combined with Medical Deductible
Retail Prescription Drugs (30-day supply) – Pharmacy Pick Up		
Tier 1 (Generic)	\$15 copay	\$10 copay after deductible
Tier 2 (Preferred Brand Name & Non-Preferred Generic)	\$40 copay	\$30 copay after deductible
Tier 3 (Non-Preferred Brand Name)	\$75 copay	\$50 copay after deductible
Tier 4 (Preferred Specialty)	20% coinsurance up to maximum \$200	20% coinsurance after deductible, up to a maximum of \$200
Mail-Order Prescriptions (90-day supply) – Home Delivery		
Generic	\$38 copay	\$25 copay after deductible
Preferred Brand Name	\$100 copay	\$75 copay after deductible
Non-Preferred Brand Name	\$188 copay	\$125 copay after deductible
Preferred Specialty	20% coinsurance up to maximum of \$400	20% coinsurance after deductible, up to a maximum of \$200

Medical/Rx – KeyCare to HealthKeepers

- The Anthem HealthKeepers network is a Point of Service or POS plan.
- With HealthKeepers, while you will receive the richest benefit by seeing an in-network provider, hospital, facility, or pharmacy, you do have out-of-network coverage for more than just emergencies (unlike an HMO plan when out-of-network is only covered for a true emergency)
- This offers the best of both an HMO and PPO giving you the lower cost and benefit flexibility.
- To search for care in the HealthKeepers network:
 - Visit Anthem.com,
 - Click the green “Find Care” button in the top right
 - You can enter “Z4U” in the Member ID for Basic Search – this will log you in using the HealthKeepers network to search a provider or location from there (may need to adjust the zip code when searching)

Find Care



Log in for Personalized Search

Find doctors, hospitals, and more in your plan's network. Get detailed estimates for procedures or services (not available with some plans). If you don't have an account, [register now](#).

Log In to Find Care



Use Member ID for Basic Search

Find doctors, hospitals and more near you.

Search your medical plan without logging in. ⓘ

Z4U

Continue

Medical/Rx – HealthKeepers Out-of-State

- The Anthem HealthKeepers network includes access to BlueCard PPO!
- This “wrap around” PPO network allows you to see doctors and other healthcare professionals nationwide.
- This extends in-network benefits to all healthcare services covered by the plan, not just urgent or emergency care.
- Individuals should continue using the HealthKeepers network when accessing care within the Virginia service area.

How to access out-of-state care

- Call 911 or go to the nearest hospital in an emergency.
- Log in to [anthem.com](https://www.anthem.com) and use the Find Care tool to search for a doctor or hospital in the BlueCard PPO program.
- Use our [SydneySM Health](#) app to search for a BlueCard PPO program doctor or hospital. Get directions to the nearest doctor, urgent care center, or emergency room.
- Call Member Services at the number on your health plan ID card.

Remember to show the doctor or hospital the PPO suitcase icon on your ID card. This indicates that you have BlueCard PPO network coverage.



Medical/Rx – HealthKeepers Out-of-State

Benefits of PPO wrap:

- Allows greater access to care
- Increases your options with adding more providers to your In-network benefits

Access healthcare wherever you need it

- Provides healthcare access outside of the Virginia service area through participating BlueCard PPO care providers. Individuals should continue using the HealthKeepers network when accessing care within the Virginia service area.
- Extends in-network benefits to all healthcare services covered by the plan, not just urgent or emergency care. Covered services will still be subject to benefit and medical guidelines.

Anthem. 

John Smith

Member ID:
SQT000W00000

Group No: 12345M001
Plan Code: 425
RxBIN: 020099
RxPCN: WG
RxGRP: WLAA
Coverage(s):
Pharmacy - Medical

For detailed benefit information
including Deductible and Out of Pocket
maximums, please visit anthem.com

KeyCare PPO



What to know when accessing care:

- Your Anthem ID card will show a picture of a suitcase in the bottom right-hand corner. This suitcase indicates that you have PPO coverage in other Blue Cross Blue Shield states, other than Virginia.
- If providers offices are not familiar with your Healthkeepers Plan- simply explain that the office will bill the “Local Blue Plan”, for example Blue Cross of Tennessee. The “Local Blue Plan”, then will bill your Home Plan, within Virginia on the back end. You, the member, do not need to do anything.
- If further clarification is needed while receiving services, the network used outside of Virginia would be considered the “National PPO Network”.

Anthem. 

Medical/Rx – Preventive Care

Routine Preventive Screenings for Adults

Appropriate screenings based on gender and age

- Lipid profile
- Diabetes
- Pelvic exam and PAP testing
- Breast exam and mammogram
- Bone density testing
- Colonoscopy
- Aortic aneurysm

Routine Preventive Screenings for Children*

Appropriate screenings based on gender and age

- Newborn visits
- Tuberculosis testing
- Anemia testing
- Lead exposure
- Pelvic exam and pap test
- Development and behavior
- Lipid profile
- Depression
- Obesity and counseling
- Nutrition counseling

*Birth to age 18



ANTHEM RESOURCES

Your Anthem Pharmacy Benefits

Your plans cover:

- Medicines on the National 4-tier drug list, including brand-name and generic drugs
- Certain preventive drugs at little or no cost to you
- Most specialty drugs if you have an ongoing chronic health condition or serious illness
- Some medications require preapproval, so Anthem can approve the prescription before the pharmacy fills it.

If you have a prescription that is not covered, talk to your doctor or pharmacist about:

- Finding another medicine.
- Switching to a generic or over-the-counter drug.



Your Anthem Pharmacy Benefits

How to get prescriptions and save money

- **Retail Pharmacies:** Your costs may be lower with pharmacies in your plan's network
- **Home Delivery:** If you take medicine regularly, save time and money with home delivery and a 90-day supply through CaredonRx Pharmacy
- Check medicine prices with the **Price a Medication** feature at Anthem.com and see if there are lower-cost options (like a generic)
- Benefit from our automatic enrollment in a **Prescription Discount Program**, which offers savings off retail prices for noncovered prescription medications

Source: Anthem: *Drug Lists: The prescription drugs your plan covers* (May 2024): anthem.com.



Nearly

68,000

pharmacies across the country
plus, a convenient home-delivery
option with CaredonRx Pharmacy

Blue View Vision

Vision Benefits

Blue View Vision

Routine eye exam*

\$15 copay

Eyeglass frames

35% Coinsurance

Eyeglass lenses

Single Vision - \$50 copay
Bi-focal - \$70 copay
Tri-focal - \$105 copay
Standard Progressive - \$135 copay

Conventional contacts

15% Coinsurance

*One eye exam, per member, per calendar year

Blue View Vision

More doctors	Choose from one of the many independent eye doctors in your plan's network.
More options	Schedule appointments when it's convenient for you, including evenings and weekends.
More freedom	Order eyeglass frames or contact lenses in a store or from an online retailer in your plan's network that will send them to your door.
More savings	Receive discounts with lower out-of-pocket costs on lens options and laser vision correction surgery. Get 40% off additional pairs of glasses from retailers in your plan's network.

INDEPENDENT
PROVIDER
NETWORK



LENSCRAFTERS

PEARLE
VISION

OPTICAL

GLASSES.com

contactsdirect

1800contacts

Ray-Ban

befitting

OAKLEY

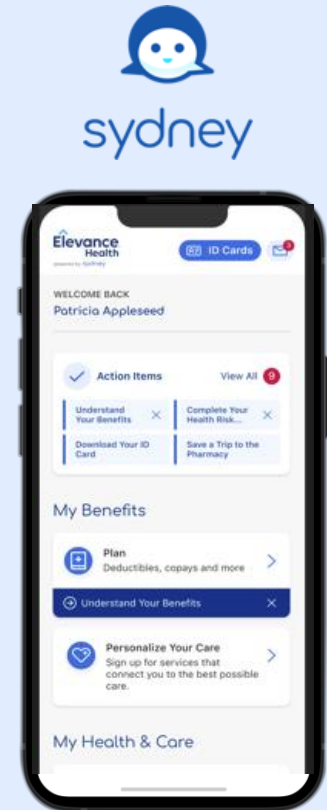
Sydney Health Mobile App

Makes healthcare easier

Sydney^{<SM>} Health helps you keep track of your health and benefits all in one place. You can use the app to:

- Find care and compare costs
- Learn what's covered and check claims
- View and use your digital ID cards
- Check your plan usage
- Fill prescriptions
- Chat with **Member Services** if you have questions or need information
- Access **Virtual Care** to talk with a doctor via chat or a video session
- Use the **Symptom Checker** to assess your symptoms
- Use **My Health Dashboard** to find wellness tips and personalized action plans
- Connect with Community Resources to find no-cost and reduced-cost programs
- Simplify your family's health data with **My Health Record** to access and share health information in one place

<Sydney Health is offered through an arrangement with Caredon Digital Platforms, a separate company offering mobile application services on behalf of your health plan.>





Have a private video appointment with a doctor on your mobile phone, tablet or computer with a webcam.

Doctors are available 24/7 for advice, treatment and prescriptions, if needed.

LiveHealth Online is covered at 100%.

Sign up at www.livehealthonline.com today or download the free app.



24/7 NurseLine

24/7 NurseLine is available around the clock.

Staffed by registered nurses to talk to about your general health issues.

Help determining if you can treat your issue at home, if you need to make an appointment to see your doctor, or if you should head to urgent care or the emergency room.

No cost to you!

Call 1-800-337-4770



ConditionCare

A dedicated care management team offers support if you're living with:



Asthma



Diabetes



Heart disease or heart failure



Chronic obstructive pulmonary disease (COPD)

You also have additional support from dietitians, health educators, and pharmacists.



SpecialOffers

Get discounts on a variety of programs that help promote health and well-being.

It's easy! Visit [Anthem.com](https://www.anthem.com) and choose Care; then select Discounts.



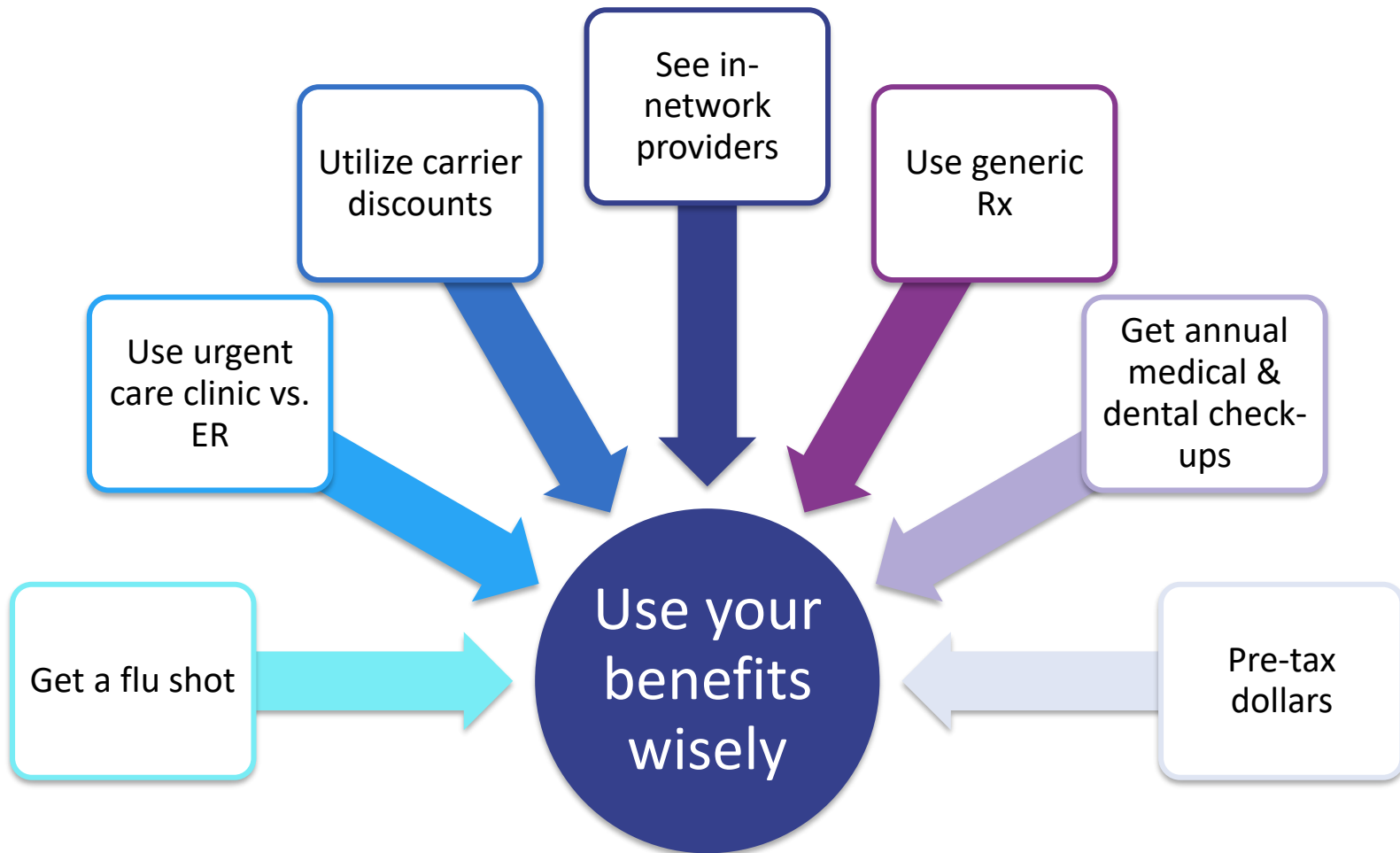
Save money on products and services for dental, vision, hearing, weight loss, fitness, family planning, pet insurance, health supplements, and skincare.



What Plan Do I Choose?

- Review your prior year's medical expenses
- Ask yourself these questions:
 - Do I anticipate any surgeries or hospitalizations for me or my family in the upcoming year?
 - Family Planning?
 - Do I prefer a higher deductible with a lower payroll deduction?
 - Am I prepared to pay the high deductible in case of an unexpected medical event?
 - Do I like the option of paying a little more each paycheck and having a set copay or lower cost when I see my provider or need to use my plan?

How Can You Control Costs?





DENTAL

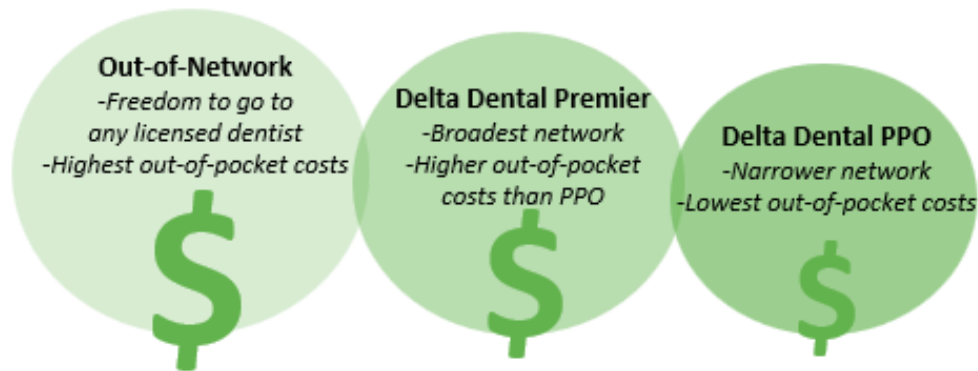
Dental - Benefit Highlights

Benefits	Delta Dental PPO Plus Premier
Annual Deductible	\$25 per individual \$75 per family
Benefit Maximum	\$1,000
Deductible Waived for Preventive Care	Yes
Preventive Care	100%
Basic Services*	80%
Major Services	50%
Orthodontia Services (Subscriber & covered dependents)	50% to \$1,500 Lifetime Maximum

*Endodontics and periodontics are listed under Basics Services

Dental – Network

- With the City of Salem’s PPO plus Premier plan members have **two** networks from which to choose; Premier and PPO. Members also have access to out-of-network providers but will likely pay more if they do.
- **Delta Dental Premier®** – This is Delta Dental’s largest network and provides the ***greatest access to care***. This network includes approximately 84% of Virginia dentists.
- **Delta Dental PPO™** – The PPO network provides our deepest discounts and the ***lowest out-of-pocket costs***. 55% of Virginia dentists participate.
- **Members can go out-of-network in PPO plus Premier** but will receive the greatest savings when they choose a dentist that participates in one of our networks.



Dental – Healthy Smile, Health You

This innovative program is **included in your Delta Dental PPO Plus Premier** plan.

It provides an additional cleaning for the following health conditions that are connected to oral health:

- Pregnancy
- Diabetes
- High Risk Cardiac Conditions
- Cancer Treatment – *extra fluoride treatment too!*

You must enroll *before* taking advantage of this benefit. If you think you may qualify, visit the Delta Dental website for more information and to download the enrollment form!



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ADMINISTRATORS

SPENDING ACCOUNTS – HEALTH SAVINGS ACCOUNTS

Health Savings Account (HSA)

What is a Health Savings Account (HSA)?

A health savings account (HSA) is tax-advantaged account that you can use to pay for medical expenses.

- By giving you tax advantages, this account helps offset your out-of-pocket medical costs allowing your income to stretch farther by using the dollars that would have otherwise been paid in taxes.

There are still a few rules:

- You must be eligible to contribute to an HSA
- You must spend the dollars on qualified medical expenses

HSA: Am I Eligible?

You are eligible to participate and contribute to an HSA if:

- You are enrolled in a high-deductible-health-plan (HDHP)
- Not enrolled in any other health coverage (including Medicare or Tricare)
- You are not claimed as a dependent on any one else's tax return
- You (or your spouse) do not participate in a healthcare Flexible Spending Account (FSA)
 - *Limited Purpose and/or Dependent FSA are acceptable with an HSA*

2026 IRS Contribution Limits:

Individual Coverage = **\$4,400**

Family Coverage = **\$8,750**

City's Annual Contribution

(one-time contribution):

Individual Coverage = **\$800**

Family Coverage = **\$1,200**

**Please note the maximums include employer contributions!*

Catch-up Contribution:

Individuals who are **55+** are allowed a catch-up contribution of **\$1,000**

City's Annual Contribution

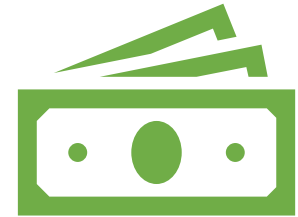
(Existing Enrollments):

Individuals = **\$101** per month (**\$1,212** annually)

Family Coverage = **\$131** per month (**\$1,572** annually)

HSA: Who Can Spend the Dollars?

You may use your HSA dollars on any qualified health expense of the:



**Account holder
(i.e. employee)**

**Account holder's
legal spouse**

**Any tax dependents
of the account
holder**

Non-Tax Dependents:

Expenses of non-tax dependents are not eligible for reimbursement through the account holders HSA

HSA: Eligible Expenses

- ✓ Prescriptions
- ✓ Deductibles, co-insurance and co-payments
- ✓ Eyeglasses, contact lenses or LASIK
- ✓ Dental and orthodontia expenses

- Wheelchair and / or crutches
- Assistance for the disabled
- Diabetic supplies
- Orthopedic shoes
- Well baby care
- Amounts over plan limits
- Ambulance
- Physical therapy
- Acupuncture
- Prescription sunglasses
- Artificial teeth/dentures
- Smoking cessation programs
- Prescribed birth control
- Vaccinations
- School and work physicals
- Chiropractic care
- Psychiatric care
- Hearing aids/batteries
- Dermatologist's fees

Visit www.HSAstore.com!

HSA: Additional Tips

Other eligible expenses for tax-free distributions include:

- Premiums for COBRA
- Premiums for individuals over age 65 (Medicare premiums) + health expenses

Note: If you terminate employment or coverage under the QHDHP

- You cannot use the funds in the HSA to cover premiums for coverage under another employer's plan.
- You can still use the funds for out-of-pocket expenses such as copays and deductibles.

Records Retention: Keep adequate records that reflect you spent HSA funds solely on qualified expenses – *up to a 20% tax penalty if not!*



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ADMINISTRATORS

SPENDING ACCOUNTS – FLEXIBLE SPENDING ACCOUNTS

Flexible Spending Account (FSA)

- Flexible Spending Accounts allow employees to pay for eligible health expenses with pre-tax dollars
- **3 FSA options:**
 - Healthcare FSA
 - Limited Benefit FSA
 - Covers dental and vision out-of-pocket expenses
 - Dependent Care FSA
- If you elect an FSA, remember that you *MUST* re-enroll each year during open enrollment

Flexible Spending Account (FSA)

Annual IRS Approved Contribution Limits for the 2026 Calendar Year:

- Healthcare FSA - **\$3,400**
- Dependent Care FSA - **\$7,500** (\$3,750 if married filing separately)

Eligible Expenses include all expenses outlined in the IRS Publication 503. You can obtain a copy of this publication at www.irs.gov/pub/irs-pdf/p503.pdf or by calling 1-800-TAX-FORM.

Flexible Spending Account (FSA)

Use it or Lose it!

- Only put money into your FSA for expenses that you know you will incur during the year. Any funds not used during the calendar year or the grace period that follows will be forfeited.
- There is a 2 ½ month grace period for incurring expenses so if you have money left over at the end of the calendar year, you can use expenses incurred up to March 15, 2026, against your 2025 balance.
- All expenses and receipts must be submitted no later than March 30, 2026, for reimbursement.

Keep receipts!

- The administrator (FBA) may request a receipt as proof that the expense was incurred and, if you are If you audited by the IRS, you may need receipts as well.

Remember!

- The Healthcare FSA is pre-funded and funds are available in your account at the start of the plan year; while a Dependent Care FSA, the only amount available for distribution is what you've contributed thus far.

Supplemental Benefits

Employees who wish to participate in the benefits from our partnering vendors may contact them during this Open Enrollment Period to add/change/terminate coverage!

Contact information can be found on the Salem HR intranet!





ENROLLMENT PROCESS

2025 Enrollment Process



New Benefit Administration System: **UKG Ready**

- For instructions on how to navigate the system visit:
<https://acrobat.adobe.com/id/urn:aaid:sc:VA6C2:18f58483-d9ca-42e2-b3bd-135900058e01>
- Login and review your demographics, current benefit elections, dependents, and beneficiaries
- If you are currently enrolled in the HSA and/or FSA plans, you must re-elect these coverages each year
 - 2025 contribution elections will not rollover like other benefits

If you have any questions or need assistance getting logged in, please reach out to a member of Human Resources!

Mid-Year Plan Changes

- The benefits you elect during this Open Enrollment Period will be in effect January 1, 2026, through December 31st, 2026.
- Any mid-year plan changes are only accepted if you experience a Qualifying Life Event (QLE) and documentation may be required.
- **Note:** Any change must be submitted within 30 days of the date of the event. Otherwise, you will have to wait until the next Annual Open Enrollment Period to make the change.
- For examples of a Qualifying Life Event or any questions on this process, please reach out to a member of Human Resources.

Benefit Resource Center

Contact the USI Benefit Resource Center (BRC) for free, confidential help!

- Benefit coverage levels
- Carrier information
- Claims assistance
- Billing issues

Phone: 855-874-6699

Email: BRCEast@usi.com

Monday through Friday 8:00am to 5:00pm Eastern & Central Standard Time



Thank you!

Thank you for your participation in this year's Open Enrollment presentation

All election changes are due by:
November 26th, 2025