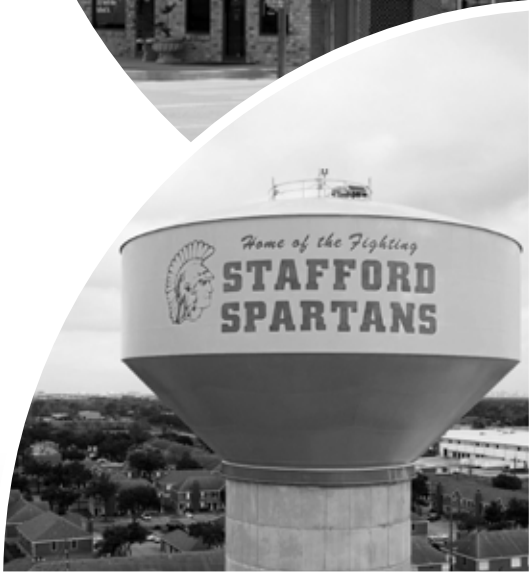
EMPLOYEE BENEFITS

A guide to understanding your employee benefits program



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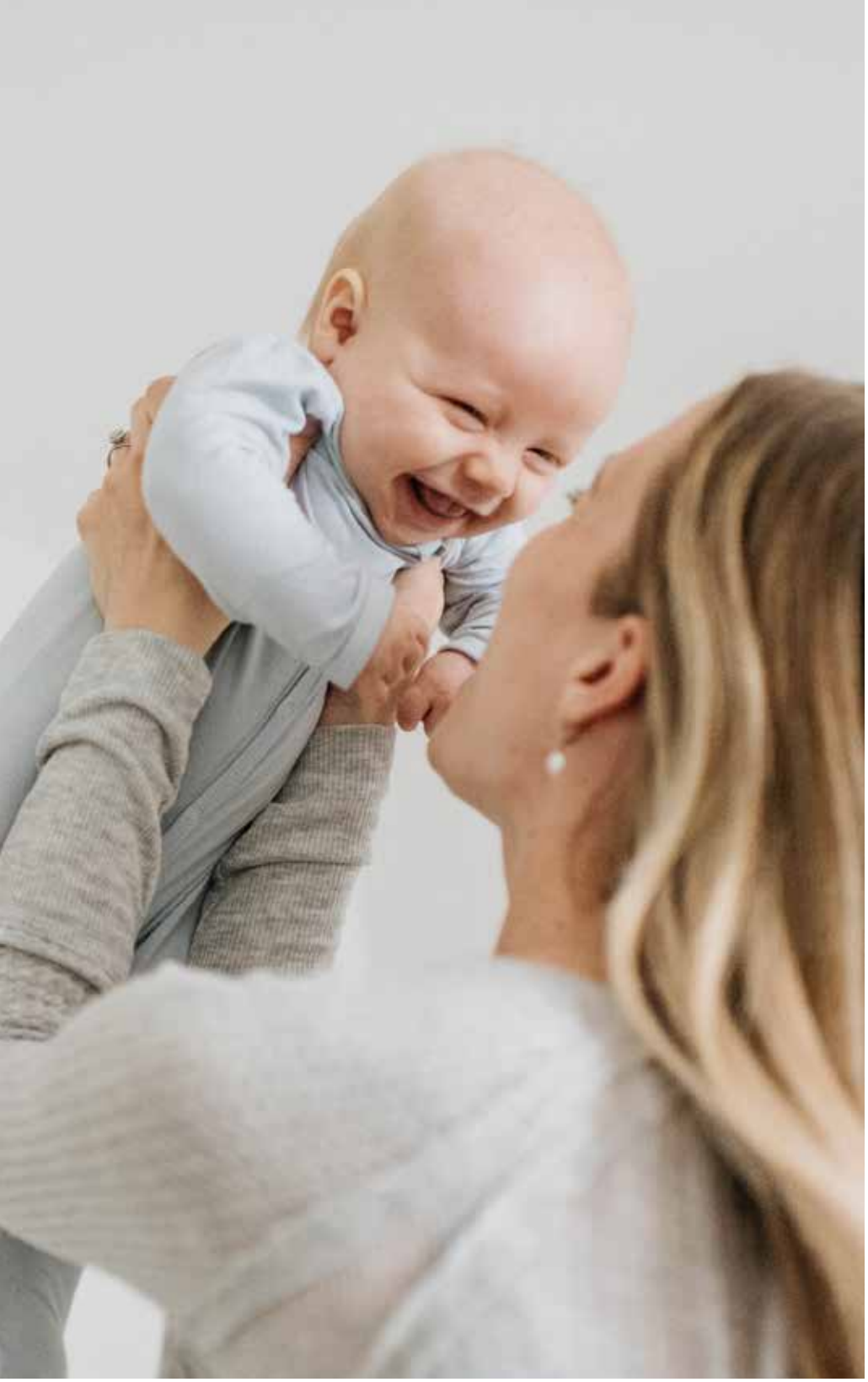


TABLE OF CONTENTS

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, federal law gives you more choices for your prescription drug coverage. Please see page 23 for more details.

HELPFUL RESOURCES

WELCOME

We are pleased to offer a full benefits package to help protect your well-being and financial health. Read this guide to learn about the benefits available to you and your eligible dependents.

Each year during Open Enrollment, you may make changes to your benefit plans. Your benefit elections remain in effect January 1 through December 31, 2026. Take time to review these benefit options and select the plans that best meet your needs. After Open Enrollment, you may only make changes to your benefit elections if you have a Qualifying Life Event.

AVAILABILITY OF SUMMARY HEALTH INFORMATION

Your employee benefits program offers three medical plan coverage options. To help you make an informed choice and compare your options, a Summary of Benefits and Coverage for each plan is available at **www.bcbstx.com** and **www.benefitsinhand.com** or by contacting Human Resources.

IMPORTANT CONTACTS

Medical		
Blue Cross Blue Shield of Texas HMO Group No. 397589 HDHP Group No. 349709 PPO Group No. 219410	800-521-2227	www.bcbstx.com
Health Savings Account		
HSA Bank	800-357-6246	www.hsabank.com
Dental		
Blue Cross Blue Shield of Texas Group No. 325542	800-521-2227	www.bcbstx.com
Vision		
Superior Vision Group No. 038729	800-507-3800	www.superiorvision.com
Flexible Spending Accounts		
Ameriflex	888-868-3539	https://myameriflex.com
Life, AD&D and Disability		
Blue Cross Blue Shield of Texas Group No. F023228	877-442-4207	www.bcbstx.com
Accident, Critical Illness, Cancer, and Hospital Indemnity Insurance		
Aflac Evelyn Villarreal	800-992-3522 713-851-4403	www.aflac.com/mypolicy evelyn_villarreal@us.aflac.com
Beneficiary Resource Services		
Morneau Shepell	800-769-9187	www.beneficiaryresource.com Username: beneficiary
Disability Resource Services		
ComPsych GuidanceResources	866-899-1363	www.guidanceresources.com Company ID: DISRES
Employee Assistance Program		
ComPsych GuidanceResources	888-628-4844	www.guidanceresources.com Web ID: PFGEAP
Travel Resource Services		
Assist America	800-872-1414	medservices@assistamerica.com
Benefits Questions		
Higginbotham Employee Response Center	855-947-7823 (STAF)	Stafford@higginbotham.net
Human Resources		
Shanell Garcia Celina Escobar	281-261-3929 281-261-3909	sgarcia@staffordtx.gov cescobar@staffordtx.gov

ELIGIBILITY

You are eligible for benefits if you are an active, full-time employee working an average of 30 or more hours per week. If you are a new hire, your coverage will be effective on the first of the month following date of hire. You may also enroll eligible dependents for benefits coverage. The cost for coverage depends on the benefits you choose. When covering dependents, you must select and be on the same plans.

ELIGIBLE DEPENDENTS

- ★ Your legal spouse
- ★ Children under the age of 26, regardless of student, dependency, or marital status
- ★ Children over the age of 26 who are fully dependent on you for support due to a mental or physical disability and who are indicated as such on your federal tax return

QUALIFYING LIFE EVENTS

Once you make your benefit elections, they remain in effect for the entire plan year until the following Open Enrollment. You may only change coverage during the plan year if you have a Qualifying Life Event, some of which include:

30-day Notification Time Frame

- ★ Marriage, legal separation, or annulment
- ★ Change in your spouse's employment status that affects benefits eligibility
- ★ Change in residence that affects your eligibility for coverage
- ★ Significant change in benefit plan coverage for you, your spouse, or child
- ★ FMLA leave, COBRA event, court judgment or decree
- ★ Receiving a Qualified Medical Child Support Order

60-day Notification Time Frame

- ★ Birth, adoption, or placement for adoption of an eligible child
- ★ Death of a spouse or child
- ★ Divorce
- ★ Change in your child's eligibility for benefits (reaching the 26 age limit)
- ★ Becoming eligible for Medicare or Medicaid/CHIP

If you have a Qualifying Life Event and want to change your elections, you must notify Human Resources and complete your changes within 30 or 60 days, depending on the event. You may be asked to provide documentation to support the change. Contact Human Resources for details.

EMPLOYEE RESPONSE CENTER

Employee benefits can be complicated. The **Higginbotham Employee Response Center** can assist you with the following:

- ★ Enrollment
- ★ Benefit information
- ★ Claims or billing questions
- ★ Eligibility issues

Call **855-947-7823 (STAF)** to speak with a representative Monday through Friday from 7:00 a.m. to 6:00 p.m. CT. If you leave a voicemail message after 3:00 p.m. CT, your call will be returned the next business day. You can also email questions or requests to **Stafford@higginbotham.net**. Bilingual representatives are available.

HOW TO ENROLL

To enroll in benefits, go to **www.benefitsinhand.com**. First-time users should use the following steps to register.

1. If this is your first time to log in, click on the *New User Registration* link. Once you register, you will use your username and password to log in.
2. Enter your personal information and company identifier of **StaffordTX** and click *Next*.
3. Create a username (work email address recommended) and password, then check the *I agree to terms and conditions* box before you click *Finish*.
4. If you used an email address as your username, you will receive a validation email to that address. You may now log in to the system.

MEDICAL COVERAGE

The medical plan options through **Blue Cross Blue Shield of Texas (BCBSTX)** protect you and your family from major financial hardship in the event of illness or injury. You have a choice of three plans:

- **Base Plan** – This plan is an HDHP with an HSA.
- **Buy-Up Plan** – This plan is a PPO.
- **Blue Essentials Plan –** This plan is an HMO.

HIGH DEDUCTIBLE HEALTH PLAN (HDHP)

An HDHP allows you to see any provider when you need care, but you will pay less for care when you go to network providers. In exchange for a lower per-paycheck cost for medical benefits, you must satisfy a higher plan deductible that applies to almost all health care expenses, including prescription drugs. If you enroll in the HDHP, you may be eligible to open a Health Savings Account (see page 11).

PREFERRED PROVIDER ORGANIZATION (PPO)

A PPO plan allows you to see any provider when you need care. When you see network providers for care, you will pay less and get the highest level of benefits. You will pay more for care if you use non-network providers. When you see network providers, your office visits, urgent care visits, and prescription drugs are covered with a copay, and most other network services are covered at the deductible plus coinsurance level.

HEALTH MAINTENANCE ORGANIZATION (HMO)

With an HMO plan, you must seek care from in-network providers in the Blue Essentials HMO network. The selection of a primary care physician is required, and you need a referral to see a specialist. Always confirm that your doctors and specialists are in-network before seeking care.

CHOOSE THE RIGHT PLAN FOR YOU

The key differences between the three plans are the amount of money you contribute each pay period and how much you pay when you need care. The plans also differ with their:

- **Calendar year deductibles** – The amount you pay each year for eligible in-network and out-of-network charges before the plan begins to pay
- **Out-of-pocket maximums** – The most you pay each year for eligible services including prescriptions
- **Copays and coinsurance** – The amount you pay toward the cost of covered services

CHOOSING A MEDICAL PLAN

If you have an idea of which medical plan option is best for you and your family, use these examples to confirm your choice of coverage

FIND A NETWORK PROVIDER

- Visit **www.bcbstx.com**
- Download the mobile app
- Call **800-521-2227**

Example 1 – I am a healthy, single person with minimal expenses.

	PPO PLAN	HDHP PLAN	HMO PLAN
Annual Premium	$660	$315	$0
One Primary Care Office Visit	$30	$100	$30
Preferred Brand Allergy Medication 12 refills	$600	$840	$600
Total Cost Premium + Out-of-pocket Costs	$1,290	$1,255	$630

Example 2 – I cover my family, and one member incurs more than $5,000 in expenses.

	PPO PLAN	HDHP PLAN	HMO PLAN
Annual Premium	$3,587	$3,276	$2,820
Five Specialist Office Visits	$300	$750	$300
Deductible	$1,000	$3,250	$1,000
Coinsurance	$800	$0	$800
Total Cost Premium + Out-of-pocket Costs	$5,687	$7,276	$4,920

Example 3 – I cover my family, and two members have serious health conditions that incur more than $50,000 in expenses each, meeting their individual out-of-pocket maximums for the year.

	PPO PLAN	HDHP PLAN	HMO PLAN
Annual Premium	$3,587	$3,276	$2,820
15 Specialist Office Visits	$900	$2,250	$900
Deductible	$2,000	$5,750	$2,000
Coinsurance	$5,100	$0	$5,100
Total Cost Premium + Out-of-pocket Costs	$11,587	$11,276	$10,820

MEDICAL COVERAGE

MEDICAL PLAN COMPARISON

	Base Plan (HDHP with HSA)		Buy-Up Plan (PPO)	
	IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK
Calendar Year Deductible • Individual • Family	 $4,000 $8,000	 $8,000 $16,000	 $1,000 $3,000	 $2,000 $6,000
Calendar Year Out-of-Pocket Maximum Includes deductible and copays • Individual • Family	 $4,000 $8,000	 Unlimited Unlimited	 $4,000 $12,000	 Unlimited Unlimited
	YOU PAY		YOU PAY	
Preventive Care	$0[1]	30%[1]	$0	40%[1]
Primary Care Physician	$0[1]	30%[1]	$30 copay	40%[1]
Specialist	$0[1]	30%[1]	$60 copay	40%[1]
Diagnostics X-ray and Lab	$0[1]	30%[1]	20%[1]	40%[1]
Complex Imaging	$0[1]	30%[1]	20%[1]	40%[1]
Urgent Care	$0[1]	30%[1]	$75 copay	40%[1]
Emergency Room	$0[1]	$0[1]	$500 copay + 20%	$500 copay + 20%
Inpatient Hospital Care	$0[1]	30%[1]	20%[1]	40%[1]
Outpatient Surgery	$0[1]	20%[1]	20%[1]	40%[1]
Retail Pharmacy Up to 30-day supply • Preferred generic • Non-preferred generic • Preferred brand • Non-preferred brand • Specialty • Non-preferred specialty drugs	 $0[1] $0[1] $0[1] $0[1] $0[1] $0[1]	 $0[1] + 50%[2] $0[1] + 50%[2] $0[1] + 50%[2] $0[1] + 50%[2] $0[1] + 50%[2] $0[1] + 50%[2]	**Preferred/Non-preferred Pharmacy** $0/$10 copay $10/$20 copay $50/$70 copay $100/$120 copay $150 copay $250 copay	 $10 copay + 50%[2] $20 copay + 50%[2] $70 copay + 50%[2] $120 copay + 50%[2] $150 copay + 50%[2] $250 copay + 50%[2]
Mail Order Pharmacy Up to 90-day supply • Preferred generic • Non-preferred generic • Preferred brand • Non-preferred brand	 $0[1] $0[1] $0[1] $0[1]	 $0[1] + 50%[2] $0[1] + 50%[2] $0[1] + 50%[2] $0[1] + 50%[2]	 $0 $30 copay $150 copay $300 copay	 $10 copay + 50%[2] $20 copay + 50%[2] $70 copay + 50%[2] $120 copay + 50%[2]

[1]The amount you pay after the deductible is met.

[2]Additional charge

MEDICAL COVERAGE

BLUE ACCESS FOR MEMBERS

Blue Access for Members (BAM) is the secure BCBSTX member website where you can:

- ★ Check claim status or history
- ★ Confirm dependent eligibility
- ★ Print Explanation of Benefits (EOB) forms
- ★ Locate in-network providers
- ★ Print or request an ID card

To get started, log in at **www.bcbstx.com** and use the information on your BCBSTX medical ID card to complete the registration process.

MOBILE APP

The BCBSTX mobile app can help you stay organized and in control of your health anytime, anywhere. Log in from your mobile device to access your BAM account, including:

- ★ Track account balances and deductibles
- ★ Access ID card information
- ★ Find doctors, dentists, and pharmacies

Text **BCBSTX** to **33633** or search your mobile device's app store to download.

MEDICAL PLAN COMPARISON

	Blue Essentials Plan (HMO)	
	IN-NETWORK	OUT-OF-NETWORK
Calendar Year Deductible • Individual • Family	 $1,000 $3,000	 N/A N/A
Calendar Year Out-of-Pocket Maximum Includes deductible and copays • Individual • Family	 $4,000 $12,000	 N/A N/A
	YOU PAY	
Preventive Care	$0	Not Covered
Primary Care Physician	$30 copay	Not Covered
Specialist	$60 copay	Not Covered
Diagnostics X-ray and Lab	20%[1]	Not Covered
Complex Imaging	20%[1]	Not Covered
Urgent Care	$75 copay	Not Covered
Emergency Room	$500 copay + 20%[1]	$500 copay + 20%[1]
Inpatient Hospital Care	20%[1]	Not Covered
Outpatient Surgery	20%[1]	Not Covered
Retail Pharmacy Up to 30-day supply • Preferred generic • Non-preferred generic • Preferred brand • Non-preferred brand • Specialty • Non-preferred specialty drugs	**Preferred/Non-preferred Pharmacy** $0/$10 copay $10/$20 copay $50/$70 copay $100/$120 copay $150 copay $250 copay	Not Covered
Mail Order Pharmacy Up to 90-day supply • Preferred generic • Non-preferred generic • Preferred brand • Non-preferred brand	 No charge $30 copay $150 copay $300 copay	Not Covered

[1]The amount you pay after the deductible is met.

[2]Additional charge

SUMMARY OF BENEFITS DOCUMENTS

For easy access, scan each code with your smartphone camera.

Medical HDHP with HSA

Medical PPO

Medical HMO

HEALTH CARE OPTIONS

Becoming familiar with your options for medical care can save you time and money.

HEALTH CARE PROVIDER		SYMPTOMS	AVERAGE COST	AVERAGE WAIT
NON-EMERGENCY CARE				
 **DOCTOR'S OFFICE**	Generally, the best place for routine preventive care; established relationship; able to treat based on medical history **Office hours vary**	• Infections • Sore and strep throat • Vaccinations • Minor injuries, sprains and strains	$	**15-20 minutes**
 **RETAIL CLINIC**	Usually lower out-of-pocket cost than urgent care; when you can't see your doctor; located in stores and pharmacies **Hours vary based on store hours**	• Common infections • Minor injuries • Pregnancy tests • Vaccinations	$	**15 minutes**
 **URGENT CARE**	When you need immediate attention; walk-in basis is usually accepted **Generally includes evening, weekend and holiday hours**	• Sprains and strains • Minor broken bones • Small cuts that may require stitches • Minor burns and infections	$$	**15-30 minutes**
EMERGENCY CARE				
 **HOSPITAL ER**	Life-threatening or critical conditions; trauma treatment; multiple bills for doctor and facility **24 hours a day, 7 days a week**	• Chest pain • Difficulty breathing • Severe bleeding • Blurred or sudden loss of vision • Major broken bones	$$$$	**4+ hours**
 **FREESTANDING ER**	Services do not include trauma care; can look similar to an urgent care center, but medical bills may be 10 times higher **24 hours a day, 7 days a week**	• Most major injuries except trauma • Severe pain	$$$$$$	**Minimal**

Note: Examples of symptoms are not inclusive of all health issues. Wait times described are only estimates. This information is not intended as medical advice. If you have questions, please call the phone number on the back of your medical ID card.

BCBSTX RESOURCES

TELEMEDICINE

BCBSTX partners with **MDLIVE** to provide you with 24/7/365 access to U.S. board-certified doctors through the convenience of a phone call or an online consultation. This is a great alternative to urgent care or emergency room visits for non-emergency issues while at home or traveling. Use telemedicine for minor conditions such as allergies, cold/flu, urinary tract infections, sore throat, and sinus infections.

- Visit **www.mdlive.com** and set up an account
- Call **888-680-8646**
- Download the MDLIVE app to your tablet or smartphone.

WELL ONTARGET

Well onTarget provides the support you need to make healthy choices. Access personalized tools and resources on the secure Well onTarget website, including:

- Self-management programs
- Health resources and information
- Tools and trackers
- Health assessments

Visit **www.wellontarget.com** to access the Well onTarget member portal. If you have already registered on BAM, you will use the same log-in information. If not, you can register on this site. Customer Service is available at **877-806-9380**.

BLUE365

Blue365 can help you save money on health and wellness products and services not covered by insurance. There are no claims to file and you do not need a referral or preauthorization. Sign up for Blue365 at **www.blue365deals.com/bcbstx** to receive weekly featured deals by email. Discounts include:

- Davis Vision | LasikPlus – Eyewear and LASIK
- TruHearing | Beltone – Hearing aids and tests
- Philips Sonicare – Oral care products
- Dental Solutions – Dental discount card
- KIND | Sunbasket – Weight loss and nutrition
- Reebok | SKECHERS – Work footwear

HEALTH SAVINGS ACCOUNT

A Health Savings Account (HSA) is more than a way to help you and your family cover current medical costs – it is also a tax-exempt tool to supplement your retirement savings and to cover future health costs.

An HSA is a type of personal savings account that is always yours even if you change health plans or jobs. The money in your HSA (including interest and investment earnings) grows tax-free and spends tax-free if used to pay for current or future qualified medical expenses. There is no "use it or lose it" rule — you do not lose your money if you do not spend it in the calendar year — and there are no vesting requirements or forfeiture provisions. The account automatically rolls over year after year. **HSA Bank** is our HSA administrator.

HSA ELIGIBILITY

You are eligible to open and contribute to an HSA if you are:

- ★ Enrolled in an HSA-eligible HDHP (Base Plan)
- ★ Not covered by another plan that is not a qualified HDHP, such as your spouse's health plan
- ★ Not enrolled in a Health Care Flexible Spending Account
- ★ Not eligible to be claimed as a dependent on someone else's tax return
- ★ Not enrolled in Medicare or TRICARE
- ★ Not receiving Veterans Administration benefits

You can also use HSA funds to pay health care expenses for your dependents, even if they are not covered by the HDHP.

OPENING AN HSA

If you meet the eligibility requirements, BCBCTX will open an HSA administered by **HSA Bank**. You will receive a debit card to manage your HSA account reimbursements. Keep in mind, available funds are limited to the balance in your HSA.

MAXIMUM CONTRIBUTIONS

Your HSA contributions may not exceed the annual maximum amount established by the Internal Revenue Service. The annual contribution maximum is based on the coverage option you elect. If you are 55 or older, you may make a yearly catch-up contribution of up to $1,000 to your HSA. If you turn 55 at anytime during the plan year, you are eligible to make the catch-up contribution for the entire plan year.

Maximum HSA Contributions			
2026	CITY OF STAFFORD	EMPLOYEE	TOTAL
Employee	$1,100	$3,300	$4,400
Employee + Family	$1,200	$7,550	$8,750
Age 55+	$0	$1,000	$1,000

The City will make its contribution in equal installments in January and July.

IMPORTANT HSA INFORMATION

Always ask your network doctor to file claims with your medical, dental, or vision carrier so you will get the highest level of benefits. You can pay the doctor with your HSA debit card for any balance due.

You, not your employer, are responsible for maintaining ALL records and receipts for HSA reimbursements in the event of an IRS audit.

You may open an HSA at the financial institution of your choice, but only accounts opened through **HSA Bank** are eligible for automatic payroll deduction and company contributions.

BENEFICIARIES

Please name a beneficiary on your HSA! Here are the steps to follow after you log in to your member portal:

- ★ On the left-hand column in green, click on *Settings*.
- ★ On the top, click on *My Profile*.
- ★ Click on the green *Edit Profile* button.
- ★ Scroll down until you see Beneficiaries and click *Add Beneficiary*.

HSA FAQ

An HSA paired with an eligible High Deductible Health Plan helps you and your family plan, save, and pay for health care. An HSA is a tax-advantaged savings account that allows you to pay for IRS-qualified health expenses for you and your dependents. City of Stafford will withhold your HSA contribution through payroll deductions and will deposit the pretax money into your HSA Bank account each pay period.

Q1 – Who is eligible to open an HSA and make contributions?

- ★ You must be enrolled in the HDHP medical plan (Base Plan).
- ★ You must not be covered by another medical plan unless the other medical plan is an IRS-qualified HDHP.
- ★ You must not be enrolled in Medicare or TRICARE.
- ★ You cannot be claimed as a dependent under someone else's tax return.

Q2 – Can I participate in both the Healthcare FSA and the HSA?

Generally, no. However, if you enroll in the HDHP, you may enroll in a Limited Purpose FSA for dental and vision expenses only. Once your Limited Purpose FSA balance is exhausted, you can begin using funds in your HSA to pay for any additional dental or vision expenses. You may not use your Limited Purpose FSA for medical expenses.

Q3 – How do I open an HSA account?

If you enroll in the HDHP medical plan, BCBSTX will automatically open an HSA for you through HSA Bank.

Q4 – How much can I contribute to the HSA?

The 2026 calendar year maximum HSA contribution is $4,400 for individual coverage (employee) and $8,750 for family coverage (employee +dependents). If are age 55 or older, you can make an additional catch-up contribution up to $1,000.

Q5 – If I do not spend all of the money in my HSA, do I lose it?

No, you own the HSA. Any unused funds are yours and roll over each year.

Q6 – Are there fees associated with the HSA?

Yes, refer to the HSA Bank website at **www.hsabank.com**

Q7 – What expenses may I pay for from my HSA?

Refer to IRS *Publication 502 Medical and Dental Expenses* at **www.irs.gov** for a complete description of eligible medical and dental expenses. You may also use the money for long term care and COBRA premiums.

HSA FAQ

Q8 – Is there a penalty for paying for non-qualified medical expenses from my HSA?

Yes, you will be subject to your regular income tax rate and a 20% penalty unless you are over age 65. If you are over age 65, there is no penalty for withdrawal, but it is subject to your regular income tax rate.

Q9 – Do I have to prove my HSA reimbursements are qualified medical expenses?

You are responsible for keeping receipts in the event of an IRS audit.

Q10 – Does my HSA earn interest? Are there investment options? If so, is the interest taxable?

Yes, your HSA earns interest. The interest earned is tax-free. Once your HSA balance is $1,000, you may transfer funds into mutual funds. Please refer to the HSA Bank website for additional information.

Q11 – If I leave City of Stafford, do I lose the money in my HSA?

No, you own your HSA and the money is yours.

Q12 – What happens if my expense is more than the funds saved in my savings account?

If your expense exceeds your HSA balance, you will need to supplement your payment with personal funds from another checking or savings account or personal credit card. However, once you accumulate additional funds in your savings account, you can reimburse yourself for those expenses you had to pay out of your pocket.

Q13 – Can I change my contribution to my HSA at anytime?

You can change your contribution on the plan anniversary which is January 1st, which is when the IRS increases the amount you can contribute per calendar year.

Q14 – What happens if I overpay a provider using my HSA and receive a refund?

Return any overpayments to your HSA account so you can use those funds on a future expense.

Q15 – I have an existing HSA account from a prior employer. Can I roll those funds into my HSA Bank account?

Yes. Reach out to the current banking institution and request a rollover to your new account. You will need your HSA bank account number to process this request.

Q16 – Will the City make a contribution to my HSA?

The City will contribute a total of $1,100 for individual coverage and $1,200 for family coverage (half in January 2026 and half in July 2026) to your account.

Q17 – Are all my HSA funds available on January 1?

No. You can only spend the amount of funds that have been deposited into your account. Your contributions will be deposited per pay period. The City will contribute its portion in January 2026 and July 2026 to help cover expenses you may have.

DENTAL COVERAGE

Our dental plans help you maintain good oral health through affordable options for preventive care, including regular checkups and other dental work. Premium contributions for dental will be deducted from your paycheck on a pretax basis. Coverage is provided through **BCBSTX**.

DPPO PLANS

Two levels of benefits are available with the DPPO plans: in-network and out-of-network. You may select the dental provider of your choice, but your level of coverage may vary based on the provider you see for services. Using an in-network provider will provide you with the highest level of benefits and the deepest discounts the plan offers.

FIND A NETWORK PROVIDER

- ★ Visit **www.bcbstx.com**
- ★ Call **800-521-2227**

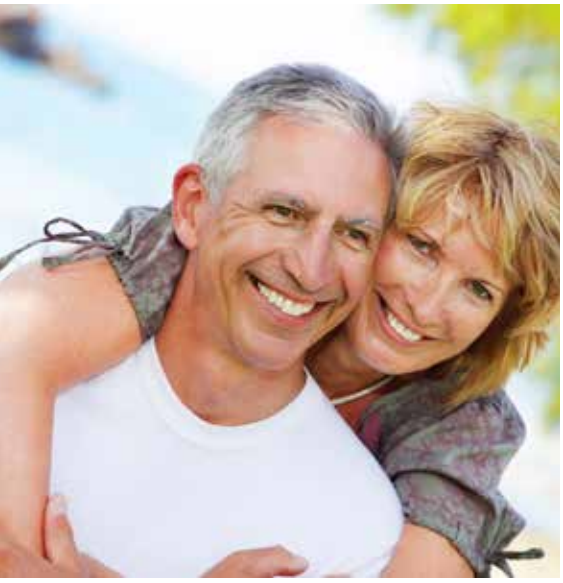
DENTAL BENEFITS SUMMARY

	Base Plan		Buy-Up Plan	
	IN-NETWORK	OUT-OF-NETWORK[2]	IN-NETWORK	OUT-OF-NETWORK[2]
Calendar Year[1] Deductible • Individual • Family	 $50 $150	 $50 $150	 $50 $150	 $50 $150
Calendar Year[1] Benefit Maximum Per individual	$1,500	$1,500	$1,500	$1,500
	YOU PAY		YOU PAY	
Type A – Preventive Care[3] Exams, cleanings, X-rays, fluoride treatments	$0	$0	$0	$0
Type B – Basic Restorative[3] Fillings, simple extractions	20% after deductible	20% after deductible	$0 after deductible	$0 after deductible
Type C – Major Restorative[3] Crowns, inlays/onlays, bridges, dentures, implants	50% after deductible	50% after deductible	40% after deductible	40% after deductible
Type D – Orthodontics Adults and children	50% ($1,000 lifetime maximum)		50% ($1,500 lifetime maximum)	

[1]Calendar year is January 1 – December 31. Your calendar year deductible and annual maximum will reset to $0 every January 1.

[2]When you use out-of-network providers, your benefits will be paid based on a contracted fee schedule (a set amount for each type of service that is determined by BCBSTX). If your dentist 's fee is lower than the scheduled fee, the plan will pay benefits based on the actual fee. If the fee is higher, the plan will pay benefits based only on the scheduled fee, and you are responsible for the difference. Pre-treatment review is highly recommended when dental treatment proposed is over $200.

[3]Sealants, endodontics, implants, oral surgery, and periodontics are covered differently under each plan. Check your benefit summary for details.



SUMMARY OF BENEFITS DOCUMENTS

For easy access, scan each code with your smartphone camera.

Base Plan

Buy-Up Plan

VISION COVERAGE

Our vision plan through **Superior Vision** is designed to provide your basic eyewear needs and preserve your health and eyesight. In addition to identifying vision and eye problems, regular exams can detect certain medical issues such as diabetes or high cholesterol. You may seek care from any licensed optometrist, ophthalmologist or optician, but plan benefits are better if you use an in-network provider.

VISION BENEFITS SUMMARY

Vision Plan		
	IN-NETWORK YOU PAY	OUT-OF-NETWORK REIMBURSEMENT
Exam	$10 copay	Up to $35
Frames	$150 allowance	Up to $85
Lenses • Single vision • Lined bifocals • Lined trifocals • Lenticular	 $25 copay $25 copay $25 copay $25 copay	 Up to $25 Up to $40 Up to $45 UP to $80
Contacts In lieu of frames and lenses • Fitting and evaluation • Elective • Medically necessary	 Included in allowance $150 allowance Covered in full	 Not covered Up to $85 Up to $150
Benefit Frequency		
Exams	Once every 12 months	
Frames	Once every 24 months	
Lenses	Once every 12 months	
Contacts	Once every 12 months	

FIND A NETWORK PROVIDER

- ★ Visit **www.superiorvision.com**
- ★ Call **800-507-3800**

SUMMARY OF BENEFITS

For easy access, scan the code with your smartphone camera.

FLEXIBLE SPENDING ACCOUNTS

A Flexible Spending Account (FSA) allows you to set aside pretax dollars from each paycheck to pay for certain IRS-approved health and dependent care expenses. We offer three types of FSAs: two for health care expenses and one for dependent care expenses. **Ameriflex** administers our FSAs. **FSAstore.com** offers thousands of FSA-eligible products and services to buy using your flex debit card.

HEALTH CARE FSA

The Health Care FSA covers qualified medical, dental, and vision expenses for you or your eligible dependents. You may contribute up to the IRS maximum of $3,400 to a Health Care FSA and you are entitled to the full election from day one of your plan year. Eligible expenses include:

- Dental and vision expenses
- Medical deductibles and coinsurance
- Prescription copays
- Hearing aids and batteries

You may not contribute to a Health Care FSA if you enrolled in a High Deductible Health Plan (HDHP) and contribute to a Health Savings Account (HSA).

LIMITED PURPOSE FSA

A Limited Purpose FSA is available if you enrolled in the HDHP medical plan and contribute to an HSA. You can use a Limited Purpose FSA to pay for eligible out-of-pocket dental and vision expenses only, such as:

- Dental and orthodontia care (i.e., fillings, X-rays, and braces)
- Vision care (e.g., eyeglasses, contact lenses, and LASIK surgery)

If you enroll in the High Deductible Health Plan and open a Health Savings Account, any balance in your FSA account on December 31, 2025, will automatically roll over to the Limited Purpose FSA plan for the new plan year.

DEPENDENT CARE FSA

The Dependent Care FSA helps pay for expenses associated with caring for elder or child dependents so you or your spouse can work or attend school full-time. You can use the account to pay for daycare or babysitter expenses for your children under age 13 and qualifying older dependents, such as dependent parents. Reimbursement from your Dependent Care FSA is limited to the total amount deposited in your account at that time. To be eligible, you must be a single parent or you and your spouse must be employed outside the home, disabled, or a full-time student.

Dependent Care FSA Guidelines

- Overnight camps are not eligible for reimbursement (only day camps can be considered).
- If your child turns 13 midyear, you may only request reimbursement for the part of the year when the child is under age 13.
- You may request reimbursement for care of a spouse or dependent of any age who spends at least eight hours a day in your home and is mentally or physically incapable of self-care.
- The dependent care provider cannot be your child under age 19 or anyone claimed as a dependent on your income taxes.

HOW THE HEALTH CARE FSA AND LIMITED PURPOSE FSA WORK

You can access the funds in your Health Care or Limited Purpose FSA two different ways:

- Use your FSA debit card to pay for qualified expenses, doctor visits, and prescription copays.
- Pay out-of-pocket and submit your receipts for reimbursement:
  - **Phone** – **888-868-3539**
  - **Online** – **https://myameriflex.com**

FLEXIBLE SPENDING ACCOUNTS

IMPORTANT FSA RULES

- The maximum per plan year you can contribute to a Health Care or Limited Purpose FSA is $3,400. The maximum per plan year you can contribute to a Dependent Care FSA is $7,500 when filing jointly or head of household and $3,750 when married filing separately.
- You cannot change your election during the year unless you experience a Qualifying Life Event.
- Expenses for services received during the 12-month period (or from the date you became covered) can be reimbursed from the money set aside from your pay during the 2026 plan year. You can continue to file claims incurred during the plan year for another 90 days (up until March 31, 2027).
- Your Health Care or Limited Purpose FSA debit card can be used for eligible health care expenses only. It cannot be used to pay for dependent care expenses.
- The IRS has amended the “use it or lose it” rule to allow you to carry over up to $680 in your Health Care FSA into the 2027 plan year. The carryover rule does not apply to your Dependent Care FSA.
- Health care reform legislation requires that certain over-the-counter (OTC) items require a prescription in order to be considered an eligible Health Care FSA expense. You will only need to obtain a one-time prescription for the 2026 plan year. You can continue to purchase your regular prescription medications with your FSA debit card. However, the FSA debit card may not be used as payment for an OTC item, even when accompanied by a prescription.

LIFE AND AD&D INSURANCE

Life and Accidental Death and Dismemberment (AD&D) insurance through **BCBSTX** are important to your financial security, especially if others depend on you for support or vice versa. With Life insurance, you or your beneficiary(ies) can use the coverage to pay off debts, such as credit cards, loans, and bills. AD&D coverage provides specific benefits if an accident causes bodily harm or loss (e.g., the loss of a hand, foot, or eye). If death occurs from an accident, 100% of the AD&D benefit would be paid to you or your beneficiary(ies).

BASIC LIFE AND AD&D COVERAGE

Basic Life and AD&D insurance are provided at no cost to you. You are automatically covered at $25,000 for each benefit.

VOLUNTARY LIFE AND AD&D COVERAGE

You may buy more Life and AD&D insurance for you and your eligible dependents. If you do not elect Voluntary Life and AD&D insurance when first eligible or if you want to increase your benefit amount at a later date, you may need to show proof of good health. You must elect Voluntary Life and AD&D coverage for yourself before you may elect coverage for your spouse or children. If you leave the company, you may be able to take the insurance with you.

Voluntary Life and AD&D	
Employee	• Increments of $10,000; up to lesser of 5 times salary or $500,000 • New Hire Guaranteed Issue $150,000
Spouse[1]	• Increments of $5,000 up to $250,000 not to exceed 50% of employee coverage • New Hire Guaranteed Issue $25,000
Child(ren)	• $10,000

MONTHLY RATES PER $1,000 – EMPLOYEE/SPOUSE[1]			
AGE	RATE	AGE	RATE
< 25	$0.094	**50-54**	$0.286
25-29	$0.104	**55-59**	$0.500
30-34	$0.126	**60-64**	$0.746
35-39	$0.136	**65-69**	$1.399
40-44	$0.147	**70+**	$2.245
45-49	$0.201		

MONTHLY RATES – CHILDREN	
COVERAGE AMOUNT	RATE
$10,000	$2.30

[1]Spouse rate is based on employee's age.

DESIGNATING A BENEFICIARY

A beneficiary is the person or entity you elect to receive the death benefits of your Life and AD&D insurance policies. You can name more than one beneficiary, and you can change beneficiaries anytime. If you name more than one beneficiary, you must identify how much each beneficiary will receive (e.g., 50% or 25%).

CONVERSION – PORTABILITY – WAIVER OF PREMIUM

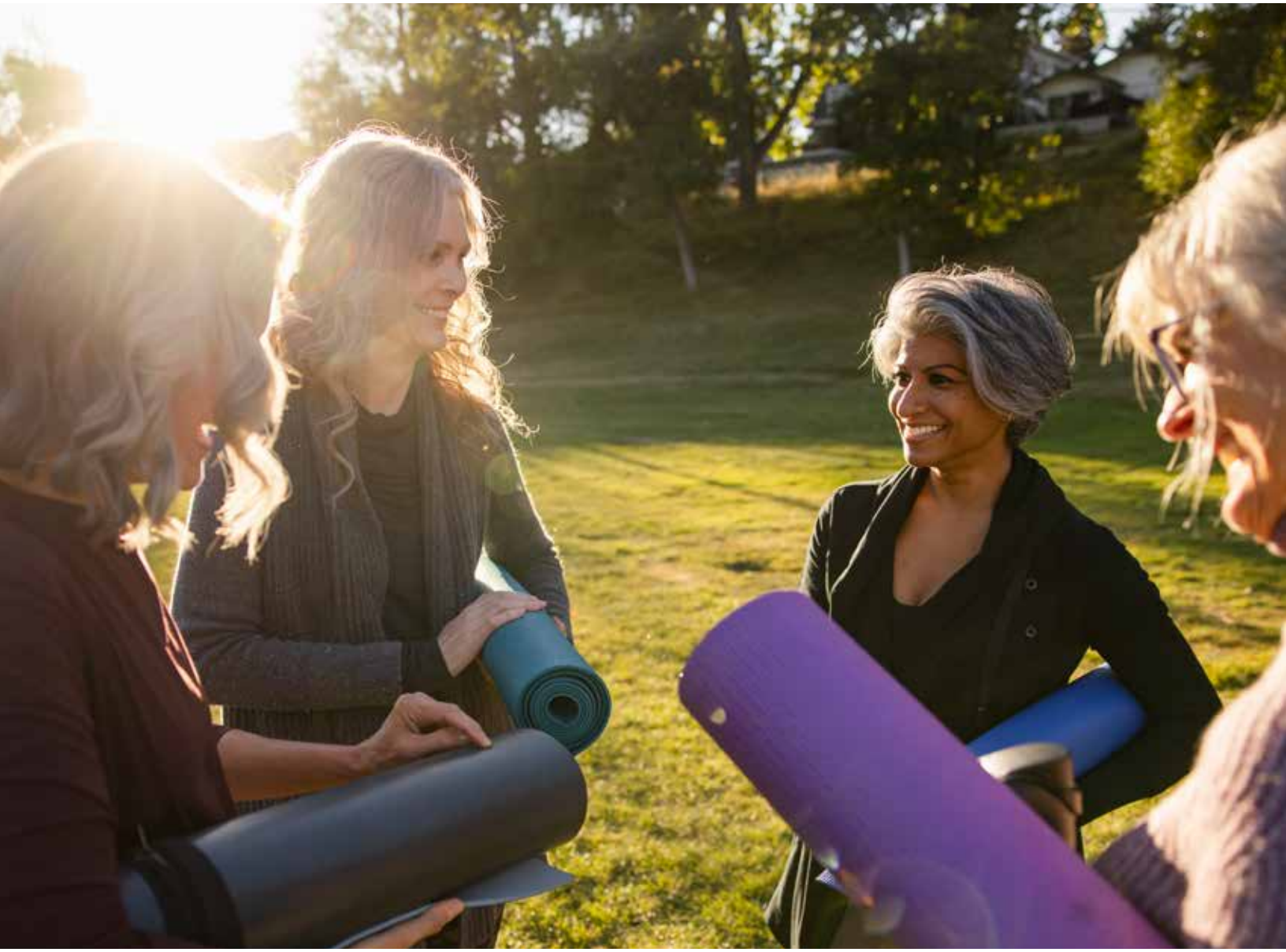
Upon termination of employment, you have the option to continue your company-paid Life and AD&D insurance and pay premiums directly to BCBSTX. Your company-paid Life and AD&D insurance may be converted to an individual policy. Portability is available for Life coverage if you are enrolled in additional Life coverage. Portability is not available for AD&D. If you are disabled at the time your employment is terminated, you may be eligible for a Waiver of Premium while you are disabled. Contact the Human Resources Department for a Conversion, Portability, or Waiver of Premium application.

DISABILITY INSURANCE

Long Term Disability (LTD) insurance provides partial income protection if you are unable to work due to a covered accident or illness. Long Term Disability insurance is provided to you at no cost through **BCBSTX**.

LTD insurance pays a percentage of your monthly salary for a covered disability or injury that prevents you from working for more than 90 days. Benefits begin at the end of an elimination period and continue while you are disabled up to Social Security Normal Retirement Age (SSNRA) or two years.

Long Term Disability	
Benefits Begin	91st day
Percentage of Earnings You Receive	60%
Maximum Monthly Benefit	$5,000
Maximum Benefit Period	To age 65 or SSNRA



SUPPLEMENTAL INSURANCE

We offer you and your eligible family members the opportunity to enroll in additional coverage that complements our traditional health care programs. Health insurance covers medical bills, but if you have an emergency, you may face unexpected out-of-pocket costs, such as deductibles, coinsurance, travel expenses, and non-medical expenses. The plans are offered through **Aflac** and are portable. If you leave your employment, you can take these policies with you.

ACCIDENT INSURANCE

For covered accidental injuries, fixed benefits are paid directly to you regardless of any other coverage you may have and you can spend it any way you choose. Benefits are paid according to a fixed schedule that includes benefits for hospitalization, fractures and dislocations, emergency room visits, major diagnostic exams, physical therapy and more.

CRITICAL ILLNESS INSURANCE

For many, a critical illness can expose an individual to an unexpected gap in protection. While health plans may help cover many of the direct costs associated with a critical illness, related expenses such as lost income, child care, travel to and from treatment, high deductibles, and copays may quickly diminish savings. Critical illness insurance pays an initial diagnosis benefit as well as hospitalization and recovery benefits if you are diagnosed with a covered critical illness.

CANCER INSURANCE

Real cancer coverage is more important than ever before. Having cancer costs patients and families more than any other chronic illness. From deductibles and copays, to treatment, transportation and childcare, there are lots of expenses that health insurance may not cover. From prevention to recovery, these benefits see you through treatment and stay with you for life after cancer.

HOSPITAL INDEMNITY INSURANCE

A quick trip to the emergency room or an overnight stay in the hospital can result in costly medical bills that health insurance may not cover. This plan offers customizable benefits that individuals need for those unexpected medical expenses.

ADDITIONAL BENEFITS

EMPLOYEE ASSISTANCE PROGRAM

We provide an **Employee Assistance Program (EAP)** to help you and family members cope with a variety of personal or work-related issues. With coverage through **ComPsych GuidanceResources**, you can receive confidential counseling and support services at little or no cost to help you with:

- Relationships
- Work/life balance
- Stress and anxiety/depression
- Grief and loss
- Childcare and eldercare
- Substance abuse

The EAP is completely confidential and is available at no cost to you for **five** visits.

Visit **www.guidanceresources.com** or call **888-628-4844** for support at any hour of the day or night. Register using Web ID: **PFGEAP**

DISABILITY RESOURCE SERVICES

Disability Resource Services through **ComPsych GuidanceResources** offers help to address a variety of emotional, legal, and financial issues. Whether it is depression, alcohol and drug abuse, grief, loss, legal, financial, or other work or life issue, help is available to you and your family 24/7 for free.

Services include:

- **In-Person Sessions** – Get three face-to-face sessions per issue per year to address behavioral issues.
- **Unlimited Phone Contact** – Get 24/7 support from master's degree level clinicians to help identify, assess, and provide specialist referrals to resolve behavioral issues.
- **Web-based Services** – Access extensive online resources to help with personal, relationship, legal, health, financial concerns and more. The service is secure, password-protected and free for you and your family.

For more information, call **866-899-1363**.

BENEFICIARY RESOURCE SERVICES

Beneficiary Resource Services through **Morneau Shepell** combines family wellness and security at the most difficult times. Services include grief and financial counseling, funeral planning, legal support as well as online will preparation.

Services for you and your family include:

- **Online Will Preparation** – Creating a will is an important investment in your future. Log on to **www.beneficiaryresource.com** and enter the username **beneficiary** when prompted. Answer some simple questions to download and print any documents instantly.
- **Online Funeral Planning** – A funeral planning guide is available to download. There are also calculators to estimate and compare funeral expenses, along with information on funeral requirements and various religious customs.

Services for your beneficiaries and their families:

- Unlimited phone contact is available for up to one year with a grief counselor, legal advisor, or financial planner.
- There are up to five face-to-face working sessions available. These can be split between the different counselors depending on need.
- Morneau Shepell maintains a comprehensive directory of qualified and accessible counselors. Counselors will initiate follow-up calls when necessary for up to one full year from the date of initial contact.

For more information, call **800-769-9187**.

WORLDWIDE TRAVEL ASSISTANCE

This program, through **Assist America**, provides travel assistance for you and your dependents if you are traveling more than 100 miles from home. The representatives can help with pre-trip planning or assistance in an emergency while traveling. Other services available are:

- Medical search and referral
- Medical evacuation/return home
- Traveling companion assistance
- Visit by family member/friend
- Return of mortal remains
- Replacement of medication and eyeglasses
- Locating lost or stolen items
- Legal assistance/bail
- Interpretation/translation

For more information, email **medservices@assistamerica.com** or call **800-872-1414**.

EMPLOYEE COSTS

				Your cost per pay period
Medical Coverage				
	BLUE ESSENTIALS PLAN (HMO)	BASE PLAN (HDHP W/HSA)	BUY-UP PLAN (PPO)	
Employee Only	$0.00	$13.13	$27.50	
Employee + Spouse	$96.50	$114.45	$125.21	**$**
Employee + Child(ren)	$83.50	$100.80	$110.20	
Employee + Family	$117.50	$136.50	$149.47	
HSA Deduction				
Individual	$4,400 maximum per year			**$**
Family	$8,750 maximum per year			
Dental Coverage				
	BASE PLAN	BUY-UP PLAN		
Employee Only	$0.00	$5.25		
Employee + Spouse	$0.00	$12.48		**$**
Employee + Child(ren)	$0.00	$10.49		
Employee + Family	$0.00	$19.31		
Vision Coverage				
Employee Only	$3.11			
Employee + Spouse	$6.14			**$**
Employee + Child(ren)	$6.03			
Employee + Family	$9.16			
FSA Deduction				
Health Care FSA	$3,400 maximum per year			**$**
Limited Purpose FSA	$3,400 maximum per year			**$**
Dependent Care FSA	$7,500 maximum per year ($3,750 if married, filing separately)			**$**
Long Term Disability Insurance				
Employee Only	Paid by City of Stafford			**$0**
Basic Life and AD&D Insurance				
Employee Only	Paid by City of Stafford			**$0**
Voluntary Life and AD&D Insurance				
Employee	See page 18 for rates			**$**
Spouse	See page 18 for rates			**$**
Child(ren)	See page 18 for rates			**$**
Voluntary Supplemental Benefits				
Accident Insurance	Contact Aflac for rates and benefit information			**$**
Critical Illness Insurance	Contact Aflac for rates and benefit information			**$**
Cancer Insurance	Contact Aflac for rates and benefit information			**$**
Hospital Indemnity Insurance	Contact Aflac for rates and benefit information			**$**
Your Benefits Costs Per Pay Period				**$**

LEGAL NOTICES

WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1998

In October 1998, Congress enacted the Women's Health and Cancer Rights Act of 1998. This notice explains some important provisions of the Act. Please review this information carefully.

As specified in the Women's Health and Cancer Rights Act, a plan participant or beneficiary who elects breast reconstruction in connection with a mastectomy is also entitled to the following benefits:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prostheses and treatment of physical complications of the mastectomy, including lymphedema.

Health plans must determine the manner of coverage in consultation with the attending physician and the patient. Coverage for breast reconstruction and related services may be subject to deductibles and coinsurance amounts that are consistent with those that apply to other benefits under the plan.

SPECIAL ENROLLMENT RIGHTS

This notice is being provided to ensure that you understand your right to apply for group health insurance coverage. You should read this notice even if you plan to waive coverage at this time.

Loss of Other Coverage or Becoming Eligible for Medicaid or a state Children's Health Insurance Program (CHIP)

If you are declining coverage for yourself or your dependents because of other health insurance or group health plan coverage, you may be able to later enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). However, you must enroll within 31 days after your or your dependents' other coverage ends (or after the employer that sponsors that coverage stops contributing toward the other coverage).

If you or your dependents lose eligibility under a Medicaid plan or CHIP, or if you or your dependents become eligible for a subsidy under Medicaid or CHIP, you may be able to enroll yourself and your dependents in this plan. You must provide notification within 60 days after you or your dependent is terminated from, or determined to be eligible for, such assistance.

Marriage, Birth or Adoption

If you have a new dependent as a result of a marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents. However, you must enroll within 31 days after the marriage, birth, or placement for adoption.

For More Information or Assistance

To request special enrollment or obtain more information, contact:

City of Stafford
Human Resources
2610 South Main Street
Stafford TX 77477
281-261-3929

YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with City of Stafford and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to enroll in a Medicare drug plan. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

If neither you nor any of your covered dependents are eligible for or have Medicare, this notice does not apply to you or the dependents, as the case may be. However, you should still keep a copy of this notice in the event you or a dependent should qualify for coverage under Medicare in the future. Please note, however, that later notices might supersede this notice.

LEGAL NOTICES

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage through a Medicare Prescription Drug Plan or a Medicare Advantage Plan that offers prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. City of Stafford has determined that the prescription drug coverage offered by the City of Stafford medical plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage pays and is considered Creditable Coverage.

Because your existing coverage is, on average, at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to enroll in a Medicare prescription drug plan, as long as you later enroll within specific time periods.

You can enroll in a Medicare prescription drug plan when you first become eligible for Medicare. If you decide to wait to enroll in a Medicare prescription drug plan, you may enroll later, during Medicare Part D's annual enrollment period, which runs each year from October 15 through December 7 but as a general rule, if you delay your enrollment in Medicare Part D after first becoming eligible to enroll, you may have to pay a higher premium (a penalty).

You should compare your current coverage, including which drugs are covered at what cost, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area. See the Plan's summary plan description for a summary of the Plan's prescription drug coverage. If you don't have a copy, you can get one by contacting City of Stafford at the phone number or address listed at the end of this section.

If you choose to enroll in a Medicare prescription drug plan and cancel your current City of Stafford prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back. To regain coverage, you would have to re-enroll in the Plan, pursuant to the Plan's eligibility and enrollment rules. You should review the Plan's summary plan description to determine if and when you are allowed to add coverage.

If you cancel or lose your current coverage and do not have prescription drug coverage for 63 days or longer prior to enrolling in the Medicare prescription drug coverage, your monthly premium will be at least 1% per month greater for every month that you did not have coverage for as long as you have Medicare prescription drug coverage. For example, if nineteen months lapse without coverage, your premium will always be at least 19% higher than it would have been without the lapse in coverage.

For more information about this notice or your current prescription drug coverage:

Contact the Human Resources Department at **281-261-3929**.

NOTE: You will receive this notice annually and at other times in the future, such as before the next period you can enroll in Medicare prescription drug coverage and if this coverage changes. You may also request a copy.

For more information about your options under Medicare prescription drug coverage:

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You will get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug coverage:

- Visit **www.medicare.gov**.
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help.
- Call **1-800-MEDICARE (1-800-633-4227)**. TTY users should call **877-486-2048**.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at **www.socialsecurity.gov**, or you can call them at **800-772-1213**. TTY users should call **800-325-0778**.

LEGAL NOTICES

Remember: Keep this Creditable Coverage notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and whether or not you are required to pay a higher premium (a penalty).

January 1, 2026
City of Stafford
Human Resources
2610 South Main Street
Stafford TX 77477
281-261-3929

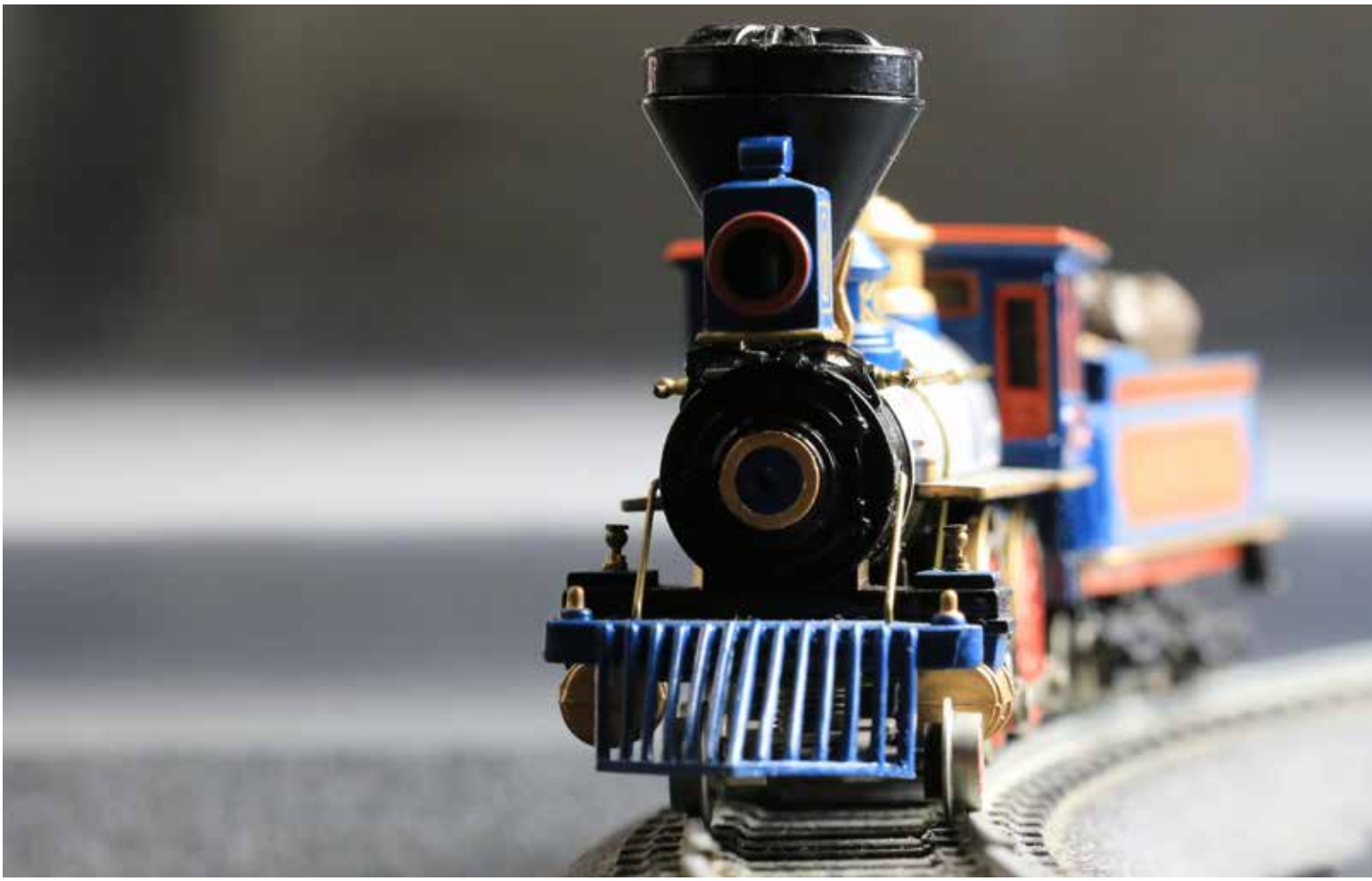
NOTICE OF HIPAA PRIVACY PRACTICES

This notice describes how medical information about you may be used and disclosed and how you can access this information. Please review it carefully.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) imposes numerous requirements on employer health plans concerning the use and disclosure of individual health information. This information known as protected health information (PHI), includes virtually all individually identifiable health information held by a health plan – whether received in writing, in an electronic medium or as oral communication. This notice describes the privacy practices of the Employee Benefits Plan (referred to in this notice as the Plan), sponsored by City of Stafford, hereinafter referred to as the plan sponsor.

The Plan is required by law to maintain the privacy of your health information and to provide you with this notice of the Plan's legal duties and privacy practices with respect to your health information. It is important to note that these rules apply to the Plan, not the plan sponsor as an employer.

You have the right to inspect and copy protected health information which is maintained by and for the Plan for enrollment, payment, claims and case management. If you feel that protected health information about you is incorrect or incomplete, you may ask the Human Resources Department to amend the information. For a full copy of the Notice of Privacy Practices describing how protected health information about you may be used and disclosed and how you can get access to the information, contact the Human Resources Department.



Complaints: If you believe your privacy rights have been violated, you may complain to the Plan and to the Secretary of Health and Human Services. You will not be retaliated against for filing a complaint. To file a complaint, please contact the Privacy Officer.

City of Stafford
Human Resources
2610 South Main Street
Stafford TX 77477
281-261-3929

Conclusion

PHI use and disclosure by the Plan is regulated by a federal law known as HIPAA (the Health Insurance Portability and Accountability Act). You may find these rules at 45 Code of Federal Regulations Parts 160 and 164. The Plan intends to comply with these regulations. This Notice attempts to summarize the regulations. The regulations will supersede any discrepancy between the information in this Notice and the regulations.

PREMIUM ASSISTANCE UNDER MEDICAID AND THE CHILDREN'S HEALTH INSURANCE PROGRAM (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit **www.healthcare.gov**.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at **www.askebsa.dol.gov** or call **1-866-444-EBSA (3272)**.

If you live in one of the following States, you may be eligible for assistance paying your employer health plan premiums. The following list of States is current as of July 31, 2025. Contact your State for more information on eligibility.

Texas – Medicaid
Website: https://www.hhs.texas.gov/services/financial/health-insurance-premium-payment-hipp-program Phone: 1-800-440-0493

To see if any other States have added a premium assistance program since **July 31, 2025**, or for more information on special enrollment rights, you can contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/agencies/ebsa
1-866-444-EBSA (3272)
U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Menu Option 4, Ext. 61565

CONTINUATION OF COVERAGE RIGHTS UNDER COBRA

Under the Federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), if you are covered under the City of Stafford group health plan you and your eligible dependents may be entitled to continue your group health benefits coverage under the City of Stafford plan after you have left employment with the company. If you wish to elect COBRA coverage, contact your Human Resources Department for the applicable deadlines to elect coverage and pay the initial premium.

Plan Contact Information

City of Stafford
Human Resources
2610 South Main Street
Stafford TX 77477
281-261-3929

YOUR RIGHTS AND PROTECTIONS AGAINST SURPRISE MEDICAL BILLS

When you get emergency care or get treated by an out-of-network provider at an in-network hospital or ambulatory surgical center, you are protected from surprise billing or balance billing.

What is "balance billing" (sometimes called "surprise billing")?

When you see a doctor or other health care provider, you may owe certain out-of-pocket costs, such as a copayment, coinsurance, and/or a deductible. You may have other costs or have to pay the entire bill if you see a provider or visit a health care facility that isn't in your health plan's network.

"Out-of-network" describes providers and facilities that have not signed a contract with your health plan. Out-of-network providers may be permitted to bill you for the difference between what your plan agreed to pay and the full amount charged for a service. This is called "balance billing." This amount is likely more than in-network costs for the same service and might not count toward your annual out-of-pocket limit.

"Surprise billing" is an unexpected balance bill. This can happen when you can't control who is involved in your care—like when you have an emergency or when you schedule a visit at an in- network facility but are unexpectedly treated by an out-of-network provider.

You are protected from balance billing for:

- Emergency services – If you have an emergency medical condition and get emergency services from an out-of-network provider or facility, the most the provider or facility may bill you is your plan's in- network cost-sharing amount (such as copayments and coinsurance). You cannot be balance billed for these emergency services. This includes services you may get after you are in stable condition, unless you give written consent and give up your protections not to be balanced billed for these post-stabilization services.
- Certain services at an in-network hospital or ambulatory surgical center – When you get services from an in-network hospital or ambulatory surgical center, certain providers there may be out-of-network. In these cases, the most those providers may bill you is your plan's in-network cost-sharing amount. This applies to emergency medicine, anesthesia, pathology, radiology, laboratory, neonatology, assistant surgeon, hospitalist, or intensivist services. These providers cannot balance bill you and may not ask you to give up your protections not to be balance billed.

If you get other services at these in-network facilities, out-of-network providers cannot balance bill you, unless you give written consent and give up your protections.

You are never required to give up your protections from balance billing. You also are not required to get care out-of-network. You can choose a provider or facility in your plan's network.

When balance billing is not allowed, you also have the following protections:

- You are only responsible for paying your share of the cost (like the copayments, coinsurance, and deductibles that you would pay if the provider or facility was in-network). Your health plan will pay out-of-network providers and facilities directly.
- Your health plan generally must:
  - Cover emergency services without requiring you to get approval for services in advance (prior authorization).
  - Cover emergency services by out-of-network providers.
  - Base what you owe the provider or facility (cost-sharing) on what it would pay an in-network provider or facility and show that amount in your explanation of benefits.
  - Count any amount you pay for emergency services or out-of-network services toward your deductible and out-of-pocket limit.

If you believe you have been wrongly billed, you may contact your insurance provider. Visit **www.cms.gov/nosurprises** for more information about your rights under federal law.

This brochure highlights the main features of the City of Stafford benefits program. It does not include all plan rules, details, limitations, and exclusions. The terms of your benefit plans are governed by legal documents, including insurance contracts. Should there be an inconsistency between this brochure and the legal plan documents, the plan documents are the final authority. City of Stafford reserves the right to change or discontinue its benefits plans at anytime.