

VOLUNTARY BENEFITS OVERVIEW



West Contra Costa Unified School District

*For more information, contact your
American Fidelity Account Representative.*

Northern California Branch Office

9355 E. Stockton Blvd. Suite #110

Elk Grove, CA 95624

800-365-8306 • 916-683-8306

americanfidelity.com



Our Family, Dedicated To Yours.®

Section 125 Plan

NEW HIRE BENEFIT OVERVIEW

SECTION 125 BENEFIT SUMMARY PLAN SUMMARY

1. Pre-Tax Medical Insurance Premiums

If you pay for all or a portion of your medical, dental, or vision insurance premiums through the district, you may pre-tax that amount, saving you approximately 25 percent on that money in taxes.

2. Health Flexible Spending Account & Dependent Day Care Accounts

If you pay for dependent care, medical, dental, vision, or additional qualified medical expenses that are not covered by insurance, you may be able to establish a tax-free account to pay for those expenses.

3. Improve Your Total Benefit Package

You may add certain insurance policies to improve your overall benefit package. Some premiums may be pre-taxed, saving even more dollars while improving your protection.

*American Fidelity,
providing financial
security solutions
to educational
communities for
more than 50 years.*

WELCOME, NEW EMPLOYEES!

The West Contra Costa Unified School District benefit program includes a Section 125 Benefit Plan. This plan allows you, as a benefit-eligible employee, to use pre-tax dollars to pay for qualified benefits. By participating in this plan, you reduce your taxes and increase your spendable income.

This is an excellent opportunity for you to review your complete benefit plan to ensure it is on track with your expectations and individual needs, as this is time invested in your future.

An interest form is attached for you to check areas of interest and return, and an American Fidelity Representative will contact you to discuss the benefits in which you are interested.

Sincerely,

Your American Fidelity Account Representative

For more information, contact your Account Representative.

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Annuities

American Fidelity has a variety of annuity options to help you get on the road to retirement and help achieve the financial protection for which you've worked so hard. It just takes a little bit of smart planning – and an annuity can be a great part of your overall retirement strategy.

HOW THE PLANS WORK

Annuities can provide a guaranteed stream of income during retirement that you cannot outlive. Once you retire, you can choose to receive your payments on a monthly, quarterly, or annual basis, or in one lump sum.

FEATURES

- Variable annuities offer the potential to receive a greater rate of return, in exchange for a higher degree of risk.
- Fixed annuities offer a lower risk, with a guaranteed return rate because the company bears the investment risk.

Not generally qualified benefits under Section 125 Plans. For individual tax advice, please consult your tax advisor. Variable Annuities are offered by American Fidelity Securities, Inc. See your American Fidelity Account Representative for more information.

SB-29444-0114



Your Money Faster

Are you looking for ways to receive your flex reimbursements quicker and easier? With American Fidelity, you can! Learn about all these and more at www.americanfidelity.com/MyMoneyFaster.

File Claims Online

Flexible Spending Account (FSA) and Health Reimbursement Arrangement (HRA) participants can file claims electronically through our secured Online Service Center.

- Submit claims online.
- Forward receipts to support debit card swipes.

AFA Mobile™

With our mobile app, FSA and HRA participants can submit claims while on the go... and much more.

- Submit FSA and HRA claims by taking pictures of receipts.
- Create an Online Service Center account and sign up for direct deposit.

Flex Debit Card

A flex debit card provides instant reimbursement without having to pay for qualified medical expenses up front and wait to be reimbursed.

- Pay for eligible medical expenses straight from your Health FSA.
- Direct access to your Health FSA funds.

Direct Deposit

By enrolling in direct deposit, you can help ensure a timely Health FSA, Dependent Day Care FSA, and HRA reimbursement experience.

- Receive your reimbursements without waiting for a check.
- Save time with no more trips to the bank.

SB-29483-0114



Accident Only Insurance

Whether you are a weekend warrior with an active lifestyle or the stay-at-home type, accidents can happen anytime, anywhere, without warning. Being prepared for the unexpected can make all the difference.

American Fidelity's Limited Benefit Accident Only Insurance plan is designed to help cover some of the expenses that can result from a covered accident, and benefit payments are made directly to you.

HOW THE PLAN WORKS

This plan provides 24-hour coverage for accidents that occur both on and off the job. With more than 25 available benefits, this plan pays for a wide range of benefits and can help offset the financial cost of medical expenses.

FEATURES:

- **Four Coverage Options**
Choose the coverage that best fits your lifestyle and financial needs.
- **Wellness Benefit**
The plan pays an annual Wellness Benefit for one Covered Person to receive their routine physical exam, including immunizations and preventive testing.
- **Accidental Death and Dismemberment Benefit**
The plan pays a benefit when an Accidental Death or Dismemberment occurs within 90 days of a covered accident.

*Limitations, exclusions, and waiting periods may apply. Not all products and benefits may be available in all states. **This product is inappropriate for people who are eligible for Medicaid coverage.***

SB-29441-0114



Life Insurance

It is impossible for life insurance to emotionally compensate for a loss, but it may help ease the financial obligations placed on your loved ones.

American Fidelity's portable, individual life insurance policies may help your family in the event of your death. They have a simplified application process, minimal health questions*, and no required medical exams.*

HOW THE PLANS WORK

Term Life Insurance offers protection during your peak earning years and allows you choose from a 10, 20, or 30 year benefit. **Permanent Life Insurance** provides lifelong protection and the ability to accumulate cash values on a tax-deferred basis**.

FEATURES

- **Guaranteed Death Benefit**
Your death benefit is guaranteed for the life of the policy, provided premiums are paid.
- **Accelerated Death Benefit**
You can receive a portion of the chosen death benefit if you are diagnosed with a terminal condition.
- **Non-Taxable Death Benefit**
A death benefit amount that is generally tax free.**

**Issuance of the policy may depend upon the answers to the health questions. **Please consult your tax advisor for your specific situation. Limitations, exclusions, and waiting periods may apply. Not generally qualified benefits under Section 125 Plans.*

SB-29457-0114

Section 125 Plan

YOUR SECTION 125 CAN SAVE YOU MONEY!

SECTION 125

If there was a program available that could dramatically save you money on your taxes, would you take advantage of it? That's exactly what the Section 125 Plan does – reduces your taxes and increases your spendable income.

HOW THE PLAN WORKS

The Section 125 Plan allows you to deduct the cost of eligible benefits from gross earnings before taxes. Plus, the plan is available to you at no cost and you're already eligible – all you have to do is enroll!

By implementing this plan, your employer is helping you reduce your taxes and increase your spendable income.

SEE HOW MUCH YOU COULD SAVE

The savings an employee may experience under the Section 125 Plan is illustrated in the example below.

By utilizing the Section 125 Plan, this employee would have \$70 more per month to apply toward needed insurance benefits or spendable income. Annually, this would be an increase of \$840.

HOW TO ENROLL

To enroll in the Section 125 Plan, simply complete an online authorization with American Fidelity Representative. You will be notified in advance when it's time to enroll. In most cases, you must re-enroll each year to continue your participation in the Section 125 Plan.

HOW TO MAKE CHANGES TO YOUR ELECTION

While you can make changes to your election each year during annual enrollment, the only time regulations will allow you to make a change during the plan year is if you experience an allowable election change event.

Some examples of an allowable election change event include:

- Change in legal married status
- Change in number of dependents
- Termination or commencement of employment
- Dependent satisfies or ceases to satisfy dependent eligibility requirements
- Change in residence or worksite that affects eligibility for coverage

These examples may not be all-inclusive. Please contact your employer for guidance with your specific situation.

Employee Name: Doe, John
 Social Security #123-45-6XXX
 Employee Number: 3839
 Payment Date: 1/12/16
 Period Begin Date: 1/1/16

Earnings & Hours	Without S125	With S125
Monthly Salary	\$2,000	\$2,000
Medical Expenses	N/A	-\$250
Taxable Gross	\$2,000	\$1,750
Taxes (Federal & State @ 20%)	-\$400	-\$350
Less Estimated FICA (7.65%)	-\$153	-\$133
Medical Deductions	-\$250	N/A
Take Home Pay	\$1,197	\$1,267

WOW!
 That's a difference
 of \$70!

**Where allowable by law. If you are subject to FICA taxes, there might be a reduction in your social security benefit due to the reduction of FICA contributions. Example is hypothetical for illustrative purposes only. Please consult your tax advisor for actual tax savings.*



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Dependent Day Care and Health FSAs

Enjoy a money-saving way to pay for eligible medical or dependent care expenses with a Flexible Spending Account (FSA) that deducts pre-tax dollars from your paycheck. Simply choose the amount to be deducted, and the funds are set aside to be used for eligible expenses throughout the year. You can choose from two accounts, and both are offered to you at no charge.

HOW THE ACCOUNTS WORK

A **Dependent Day Care Flexible Spending Account (FSA)** allows you to set aside pre-tax dollars to reimburse yourself for incurred eligible dependent care expenses. Because your money goes into the account before income taxes are withheld, you pay less in taxes, and ultimately have more disposable income. You may allocate up to \$5,000 per tax year for reimbursement of eligible dependent care services (or \$2,500 if you are married and file a separate tax return).

A **Health Flexible Spending Account (FSA)** (also known as an Unreimbursed Medical Account) can save you money by allowing you to set aside part of your pay, on a pre-tax basis, to reimburse yourself for eligible medical expenses such as copayments, medical deductibles, prescriptions, and more. Expenses incurred for you, your spouse, and other qualifying individuals are eligible for reimbursement. The maximum amount allowed to contribute into this account is \$2,550 per calendar year. (Please see your employer for the maximum amount allowed under your plan.)

ELIGIBLE EXPENSE EXAMPLES

- Acupuncture
- Alcohol/drug rehab
- Anesthetist
- Artificial limbs/teeth
- Chiropractor
- Dental care
- Eye exam/eyeglasses/contact lenses
- Hearing aids/batteries
- Insulin
- In vitro fertilization
- Laser eye surgery
- Midwife
- Optometrist
- Orthodontia*
- Out-patient care
- OTC drugs and medicines for treatment of a medical condition**
- Pediatrician
- Physical therapy provided by licensed therapist
- Practical nurse
- Psychiatrist
- Psychologist
- Stop-smoking program
- Transportation expenses relative to medical care based on IRS standard mileage allowance
- Weight loss program for obesity***

INELIGIBLE EXPENSE EXAMPLES

- Capital expenditures
- Cosmetic procedures
- Exercise equipment
- Insurance premiums
- Mattresses/pillows
- Personal use items
- Teeth whitening

* Service must have been incurred or already paid.

** Will require a medical practitioner's prescription.

*** May need doctor's statement for medical necessity.

If you are interested in participating in either of these accounts, we will be happy to set up your account for direct deposit.

If you do not file sufficient claims for reimbursement, you may lose the unused amount remaining in your account at the end of the plan year. This is often referred to as the "use-or-lose" rule.

File your
claims online.

Sign up for direct
deposit today!



Disability Income Insurance

If your paycheck suddenly stopped today, could you afford to pay for your mortgage, car payments, food, and other monthly expenses? How could you maintain your current lifestyle?

American Fidelity knows one of the most important assets a person possesses is their ability to earn an income. Our Disability Income Insurance is a cost-effective solution designed to help protect you if you become disabled and cannot work due to a covered injury or sickness.

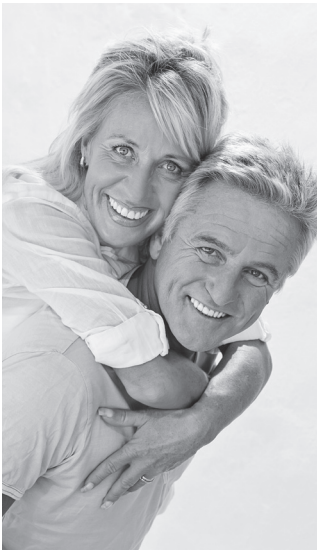
HOW THE PLAN WORKS

If you become disabled due to a covered injury or sickness, Disability Income Insurance will pay a percentage of your gross monthly income once you have satisfied the elimination period. Disability benefits will be payable up to the benefit period stated in your policy.

FEATURES

- **Multiple Elimination Periods**
Based on your individual need, you can select from multiple elimination periods.
- **Waiver of Premium Benefit**
Premiums are not required while you are disabled based on the length of your disability.
- **Return to Work Benefit**
This allows you to return to work, on a part-time basis, and still receive a portion of the benefit.
- **Accidental Death Benefit**
Your beneficiary will receive a lump sum payment if you die within the period stated in your policy as a result of an accidental injury.

These products may contain limitations, exclusions, and waiting periods. Applicant's eligibility for this program may be subject to insurability.
SB-29447-0114



Cancer Insurance

The expenses associated with a cancer diagnosis can be overwhelming. Even with a good medical plan, the out-of-pocket costs of cancer treatment, such as travel, child care, and loss of income, can be expensive.

American Fidelity's Limited Benefit Cancer Insurance offers a solution to help so you can focus your attention on your treatment and healing. We offer a plan that may assist with out-of-pocket costs often associated with a covered cancer diagnosis, and we provide the money directly to you, to be used however you see fit.

HOW THE PLAN WORKS

This plan is specially designed to help with a portion of the costs of cancer, with more than 25 plan benefits available for cancer treatment.

FEATURES

- **Preventative Care Benefit**
Receive an annual benefit for undergoing a routine cancer screening test, which can help with early detection.
- **Three Coverage Options**
Choose from Individual, Single Parent Family, and Family coverage. You choose the coverage that best fits your lifestyle and financial needs.
- **Plan Enhancements***
You may be able to enhance your base plan by adding optional riders, such as a Critical Illness Rider.

Not all riders may be available in every state. Limitations, exclusions, and waiting periods may apply. **This product is inappropriate for people who are eligible for Medicaid coverage.*
SB-29445-0114

West Contra Costa Unified School District

SECTION 125 FLEXIBLE BENEFIT PLAN

Interest Form for New Employees

Please mark the appropriate line and/or boxes and return to your benefits department:

_____ **I would like more information about pre-taxing my benefits under the Section 125 Plan.**

_____ **I would like information about the following voluntary products.**

- Life Insurance *,**
- Cancer Insurance *,+
- Disability Income Insurance *
- Accident Only Insurance *,+
- Annuities **

_____ **I would like more information on the following reimbursement accounts available through Section 125:**

- Health Flexible Spending Account (Unreimbursed Medical Account) Maximum \$2,500/plan year
- Dependent Day Care Flexible Spending Account Maximum \$5,000/plan year**

_____ **I am not interested in participating in the Section 125 Plan at this time.**

* These products may contain limitations, exclusions, and waiting periods.

+ **This product is inappropriate for people who are eligible for Medicaid coverage.**

** Not generally qualified benefits under Section 125 Plans.

++ Maximum \$2,500 if you are married and file a separate tax return.

I would like to be contacted by American Fidelity Assurance Company to learn more about American Fidelity's products and services. With my signature below, I understand that a representative will call me to schedule my appointment and/or discuss my benefit options.

Print Name

Signature*

Date

Work Phone

Home Phone

Job Location

Classified/Certificated/Management

Date of Hire

**With my signature, I consent to being contacted, including by phone, regardless of my status on any Do Not Call list.*

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