

## Realistic New Year's Resolutions

We've all done it. We've all made impossible New Year's resolutions about our health: "I'm going to lose 20 pounds" or "I'll hit the gym every day" and "No more desserts." It's hard to maintain these well-intentioned ideas; you slip a little bit, then a lot. By February, you're having a donut during your break and taking the elevator to go up one floor. It doesn't take a doctor to see what's happening. Bad habits are hard to break and good habits are hard to start.

The problem lies not with making resolutions, but in the *types* of resolutions that we make. We set up impossible goals and give up on ourselves when we fail. Instead we need to make *realistic* resolutions. It's about starting small. You can't run a mile if you can't walk around the block.

Here are a couple of *realistic* New Year's resolutions to get you started.

- **Resolve to maintain your weight this year**—Try to weigh the same in December that you did in January. This can be a significant goal since weight gain for most folks is represented by just a pound or two sneaking onto our scales each year. You don't notice it until that one or two extra pounds turns into five or 10 or 20 pounds, and then "all of sudden" you don't fit into your jeans. If you must make a resolution to lose weight, keep it modest.
- **Resolve to start walking EVERY DAY**—Walking doesn't require a gym or a membership or any special equipment. If you don't get much physical activity, start small. Walk to your colleague's office instead of sending an e-mail. If you already do a lot of walking, try taking a longer route. Walk the dog, play outside with the kids, hoof it to the coffee shop, walk at lunch, take the stairs—anything, just start walking every day.
- **Resolve to make better decisions about eating**—If you love chocolate, giving it up is not realistic and guarantees failure. The idea is to eat a little less of the bad stuff and little more of the good stuff. Start with small adjustments, put a little more thought into your choices and change the environmental cues associated with eating. Have half a candy bar, put a little less



## Health, Wellness & You

on your plate, and drink a 12-ounce pop instead of a 16-ouncer. Throw a carrot in with your lunch, have an apple this week, and dish up another helping of vegetables at dinner. Use a smaller plate, buy the regular size (not the super-size) and wait a few minutes before serving up seconds (it takes 20 minutes for your body to register feeling full). This is about making small, almost imperceptible changes that you can stick to for the year, and the next year and the next.

- **Resolve to take a Health Risk Assessment (HRA)**—An HRA is a tool to help you determine the specific risk factors impacting your health. Questions cover areas such as diet, exercise and stress. Most health plans offer these assessments, including the State's plans. Knowing your risk factors can help you to minimize their impact or eliminate them completely, leading to a healthier life and possibly avoiding more serious problems later. Visit the Benefits Web site and click on "Medical" to find the links to each of the State's plans, where you can find more information on each plan's HRA. [www.colorado.gov/dpa/dhr/benefits](http://www.colorado.gov/dpa/dhr/benefits)

Here are two great resources to help you stay on track with these resolutions.

**[www.smallstep.gov](http://www.smallstep.gov)**—This site and program, from the U.S. Department of Health & Human Services, provides tips and advice on the small changes you can make to eat better, watch your portions, and get active.

**[www.americaonthemove.org](http://www.americaonthemove.org)**—This is a site dedicated to getting folks walking, a little or a lot. It can help you set up a walking program for yourself, your family or your workplace. It also offers hundreds of tips on small ways to increase your physical activity and change your eating habits.

Don't give up on resolutions. You didn't wake up one day with unhealthy habits and you're not going to change them overnight. Just give yourself something achievable, something you can stick to for the year, something realistic.

# What are Flexible Spending Accounts ... and are they right for you?

Flexible Spending Accounts (FSAs) allow you to pay lower taxes. How? By allowing you to set aside pre-tax dollars from your pay. The pre-tax deductions lower your taxable income, meaning there is less pay in your check for the tax man. You can use this pre-tax money to pay for eligible healthcare and dependent care expenses.

Consider the following FSA facts as we head towards the next Open Enrollment. Maybe the time is right for an FSA.

## FSA facts

- Two types of FSAs:
  - Healthcare FSA
  - Dependent Day Care FSA
- Eligible healthcare expenses include eye exams, dental exams, prescription drugs, routine doctor visits and more—see the list of “Qualified Medical and Dental Expenses” from the IRS on the State’s FSA Web site—[www.colorado.gov/dpa/dhr/benefits](http://www.colorado.gov/dpa/dhr/benefits)—click on “Flexible Spending.”
- Eligible dependent care, such as day care for a child under 13 years of age or adult dependent care, allows you, and your spouse, if married, to work. See “FAQs for FSAs” on the State’s FSA Web site—[www.colorado.gov/dpa/dhr/benefits](http://www.colorado.gov/dpa/dhr/benefits)—click on “Flexible Spending.”

- The State’s FSAs work via reimbursement. You contribute money each month, and then after you incur your expenses, you submit a claim. You are then reimbursed the eligible claim amount.
- The “use it or lose it” rule requires forfeiting any money left in your account by the end of the plan year (June 30), so estimate your expenses carefully before deciding on your contribution. To start, use the “FSA Worksheet” on the the State’s FSA Web site—[www.colorado.gov/dpa/dhr/benefits](http://www.colorado.gov/dpa/dhr/benefits)—click on “Flexible Spending.”
- The maximum annual contribution for the healthcare FSA is \$6000.
- The maximum annual contribution for the dependent day care FSA is \$5000.



## Open Enrollment—Just around the Corner

- **Open Enrollment will be April 21, 2008–May 16, 2008.**
- **Your current benefits WILL NOT roll over into the next Plan Year, so you must choose or decline benefits during this Open Enrollment.**
- **The Open Enrollment will be for the FY09 Plan Year, which will run from July 1, 2008–June 30, 2009.**

While it’s too early to know the specific changes and price increases expected for next year, it’s not too early to start reviewing your current benefits and estimating your future needs. Remember, Open Enrollment is your annual opportunity to:

- **Enroll in or change benefits**—The needs of you and your family can change from year to year.
- **Verify demographic information**—The State and the insurance companies need to have your most current contact information so that you can receive information about your benefits.
- **Verify dependent and beneficiary information**—This information is necessary in providing coverage for your dependents.

Start to prepare. Think about your needs. And be ready come April 21.

# Planning for Your Retirement



## Retirement Corner

When it comes to New Year’s resolutions, a lot of people focus on their physical health—eating better and getting more exercise—but many neglect their *financial* health. And a key element of your finances is retirement planning. The new year provides the opportunity to take steps towards your retirement goals.

1. **Start planning your retirement**—If you’ve been meaning to plan, but haven’t gotten around to it yet, start now. If you have a plan, conduct a new year review. Check out the “Planning Tools” at the State’s 457 Plan Web site to get going. [www.colorado457.com](http://www.colorado457.com)
2. **Spend less, save more**—Simple advice, but hard to do. How to do it? By tracking your spending. Keeping track of where the money goes will show you where you can cut back, and cutting back means saving a little more. Some folks track by keeping a spending log for a month; others just pay close attention to credit card bills and bank statements. Follow the money and adjust your spending.
3. **Supplement your retirement savings**—State employees have mandatory employer and employee contributions to a basic retirement plan, but most people will need more money to retire. The State offers a 457 Deferred Compensation Plan (similar to a 401(k) plan, but for government employees) that is an excellent way to supplement your basic plan. Visit the plan’s site for more information—[www.colorado457.com](http://www.colorado457.com). You may want to also research other retirement vehicles, such as IRAs, Roth IRAs, or the 401(k) plan offered by PERA.
4. **Watch your debt**—If you have a lot of debt, try to take positive steps by paying down what you can and reducing interest rates when possible. If you don’t have much debt—great! But be sure to keep it that way. When you’re paying interest, you’re adding to someone else’s pocket, not your own.

5. **Try to do the right thing every day, every week, every month**—In the same way a new healthy lifestyle can be sabotaged by an impulsive bag of chips or candy bar, your financial health can be thrown off by an impulsive credit card purchase or a skipped payment. Yet, also like your physical health, you don’t want to give up on your financial health and retirement goals when you have a bad day, week or month. You may not be able to fix what happened today, but you can start fresh tomorrow.





## Common Health Insurance Terminology

**Deductible**—The amount an individual must pay for covered health care expenses before insurance begins to cover costs. Deductibles apply only to services covered by the plan. The Open Access 1500, Open Access 3000, and Open Access-H options all have varying deductibles. Deductibles in health insurance work the same as deductibles in auto or home owner’s insurance.

**Co-Insurance**—A percentage that the individual is required to pay after a deductible is met. For example, a plan might require 20% co-insurance, meaning the insurance plan pays 80%, while the individual pays 20%. For example, if you have a deductible of \$1500, with 80–20 co-insurance, and you received covered services in the amount of \$5000, you would pay the first \$1500 plus 20% of the remaining \$3500, or \$700, and the plan would pay \$2800.

**Co-Pay**—A flat fee that is paid for health care services, typically at the time service is provided. Co-payments are specific amounts, which are convenient for planning purposes and usually mean less money out of your pocket *when you visit the doctor or hospital*, but you will typically *pay a higher monthly premium* in exchange for this convenience.

**Third-Party Administrator (TPA)**—An organization that is responsible for claims administration services of self-insured group benefit programs. In addition to claims administration, other services may include eligibility management, provider network management, medical management, claims review and claims processing. Unlike an insurance company, a TPA does not assume any risk associated with the programs.

**Health Savings Accounts (HSA)**—A mechanism for saving money to pay for health care. Participants can pay for current health expenses while saving for future qualified medical health expenses on a tax-free basis. HSAs must be used in conjunction with an HSA-qualified health plan (for the State that plan is the Open Access-H option). Participants decide how to spend the money. Unused funds in an HSA at the end of the plan year are rolled forward into the next year.

To see more insurance terminology, visit the Benefits Web site ([www.colorado.gov/dpa/dhr/benefits](http://www.colorado.gov/dpa/dhr/benefits)) and click on “Glossary of Insurance Terms.”

### Updates

- The Medical and Retirement pages on the Employee Benefits Web site have been redesigned for better navigation and employee ease-of-use. Please take a few minutes to look at these new pages at [www.colorado.gov/dpa/dhr/benefits](http://www.colorado.gov/dpa/dhr/benefits). Click on “Medical” or “Retirement.” Be sure to let us know how you like the new site design.
- Remember that as of January 1, 2008, the State’s self-funded medical plan (administered by Great-West Healthcare) now uses the Great-West Open Access network of hospitals, doctors and other healthcare providers. If you haven’t received your new “OA” medical card, contact Great-West customer service at **1.888.788.6326**.