



GRESHAM-BARLOW SCHOOL DISTRICT

PREMIUM PAYMENT PLAN

Section 125

Flex Benefit for Out-of-Pocket-Premium Only

What is the premium payment benefit?

You may elect to have out-of-pocket premiums for health care coverage paid with pre-tax dollars through the Gresham-Barlow School District Premium Plan.

What is the tax effect of the premium payment benefit?

If you elect this benefit, your out-of-pocket premiums for medical and/or dental insurance deducted from your paycheck will not be subject to federal and state income tax or FICA tax. If you do not elect this benefit, your out-of-pocket premiums will be included as taxable income on your W-2 form.

How do I elect the premium payment benefit?

Complete the attached Compensation Reduction and Benefit Election Agreement and submit it to the Human Resources office.

How long is my election effective?

For the current plan year (September through August payrolls), if you elect this benefit, your election is effective for all future plan years unless you change your election as provided below.

When may I change my election?

Only during the open enrollment period prior to the beginning of each plan year.

What happens if there is a change in family status during the year?

You may change this election during the plan year only if there is a change in your family status. Examples are:

- (1) Marriage or divorce
- (2) Death of spouse or dependent
- (3) Birth or adoption of child
- (4) Change in employment or spouse's employment



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COMPENSATION REDUCTION AND BENEFIT ELECTION AGREEMENT

Name: _____

Address: _____

Social Security No.: _____

Compensation Reduction and Benefit Election Agreement

I elect and agree that the compensation otherwise payable to me shall be reduced by the amount of the "employee portion" of the cost of the premium for medical and/or dental coverage for my dependents and me. I elect to receive the Premium Payment Benefit under the Gresham-Barlow School District Premium Plan ("Plan"). This election supersedes all prior elections. I understand that this election shall be effective for the period beginning with the next payroll period possible (payroll cut-off date is normally the 2nd Friday of each month) and ending the following August 31, and all future plan years (September 1st through August 31st) unless it is changed in accordance with the Plan. **I understand that I cannot change this election during the plan year unless the change is consistent with a change in my family status.**

Agreement to be Bound by Plan

I have been generally advised of and agree to be bound by the terms and conditions of the Plan, a copy of which will be provided to me upon request.

Employee

Signature _____ Date _____