

PRINTED NAME _____

DEPARTMENT NAME _____

EMPLOYEE NUMBER _____

BENEFIT ELECTION FORM
CITY OF HAMPTON
2019/20 Pre-Tax Payment Plan
For Health Insurance
(August 1, 2019-December 31, 2020)

DEDUCTIONS AS OF July, 2019

RETURN THIS FORM ONLY IF: You are changing to/from pre-tax premiums, enrolling in, changing or dropping coverage.
IF YOU ARE NOT MAKING ANY CHANGES YOU DO NOT NEED TO RETURN THIS FORM.

- SELECT OPTION 1:** If you wish to pay your premium on a pre-tax basis.
SELECT OPTION 2: If you wish to pay your premium on an after-tax basis.
SELECT OPTION 3: If you wish to **DROP YOUR COVERAGE** as of July 31, 2019.

This completed form must be returned to Finance by 12 Noon on Friday, June 21, 2019. ATTACH YOUR HEALTH INSURANCE APPLICATION if you are enrolling **OR** adding or removing a spouse and/or dependents. If adding family members, documentation is required. Attach copies of birth certificates, adoption papers, or court-ordered custody papers to cover dependent children and a marriage certificate to cover your spouse.

_____ I choose to participate in the 2019/20 Pre-Tax Payment Plan. This plan allows me to reduce my salary by the amount of my
Option 1 share of the health insurance premium, thereby reducing the amount of Federal, State, and Social Security (FICA) taxes I pay.

Note: The annual salary reduction amounts for the plan year are as follows: \$1,619.04 for Employee Only, \$2,933.76 for Employee + Minor and \$6,336.48 for Employee + Family.

I understand that:

- I cannot withdraw from this plan until the end of the 2019/20 Plan Year;
- completion of this form will also enroll me in future Pre-Tax Payment Plans unless I fill out a new form not to participate (which can only be done at the end of each Plan Year for the next Plan Year);
- the City of Hampton may increase or decrease the salary reduction amount in an amount sufficient to cover any changes in the cost of health insurance should that occur during the Plan Year;
- the only way the level of coverage (Employee, Employee+Minor, or Employee+Family) may be changed during the Plan Year is if I have a qualifying loss of other coverage or a change in family status, which the IRS defines as: marriage, divorce, birth/adoption/legal custody of a dependent child, death of a spouse or dependent child, loss of a dependent child's status, termination or commencement of a spouse's employment (which affects coverage), change from part-time to full-time status (or vice versa) by the employee or the employee's spouse (which affects coverage), or unpaid leave of absence taken by the employee or the employee's spouse, **PROVIDED I NOTIFY THE DEPARTMENT OF FINANCE OF MY CHANGE IN FAMILY STATUS WITHIN 31 DAYS OF THE CHANGE;**
- calculations for Group Retirement, Group Life Insurance, and pay increases will be based on the gross salary rather than the reduced salary;
- calculations for the City of Hampton Deferred Compensation Plan and Social Security (FICA) will be based on the reduced salary rather than the gross salary (therefore my future Social Security benefits may be affected by this choice since I will be paying less Social Security tax).

_____ I choose to pay my health insurance premiums on an after-tax basis during the 2019/20 Plan Year. I understand that
Option 2 this is my only opportunity to participate in the Pre-Tax Payment Plan until the next open enrollment.

_____ I choose to **STOP MY HEALTH INSURANCE COVERAGE** and realize this is my only opportunity to have coverage
Option 3 until the next open enrollment period, unless I join within 31 days of a qualifying change in family status as defined above.
I also understand that this choice affects my health insurance benefit at the time I retire since the City's current contribution is based on the number of continuous years, immediately preceding the date I retire, that I participate in a city health insurance plan and this break in coverage eliminates credit for previous coverage.

Employee's Signature

Date Signed