

PRINTED NAME _____
DEPARTMENT NAME _____
EMPLOYEE NUMBER _____
DEDUCTIONS BEGIN _____

BENEFIT ELECTION FORM
CITY OF HAMPTON
2021 Pre-Tax Payment Plan
For Health Insurance
(January 1, 2021 - December 31, 2021)

- 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 desire **NO HEALTH INSURANCE.**

This completed form must be returned to Finance by 12 Noon on Friday, November 13, 2020. ATTACH YOUR HEALTH INSURANCE ENROLLMENT APPLICATION if you are enrolling for the first time **OR** adding a spouse and/or dependents, documentation is required. Please attach copies of birth certificates, adoption papers, or court-ordered custody papers to cover dependent children and a marriage certificate to cover your spouse (if the documentation is not already on file).

_____ I choose to participate in the 2021 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 2021 Plan Year;
- This Option will enroll me in future Pre-Tax Payment Plans unless I fill out a new form not to participate.
- The City of Hampton may increase or decrease the salary reduction amount during the Plan year 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 life event as defined below.
- 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 2021 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 **NOT TO HAVE HEALTH INSURANCE AT THIS TIME.** Once the initial waiting period for coverage is over, I realize
Option 3 that my only opportunity to have coverage will be during the open enrollment period unless I join within 30 days of a qualifying life event or change in my family status as defined below within 30 days or within 30 days after my current health coverage ends which requires that a Loss of Coverage statement be submitted with the Optima Health application.
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.

A **Qualifying Life Event** consists of loss of other coverage, a change in employment/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 or unpaid leave of absence taken by the employee or the employee's spouse, **PROVIDED I NOTIFY THE DEPARTMENT OF FINANCE OF MY QUALIFYING LIFE EVENT WITHIN 30 DAYS OF THE CHANGE;**

Employee's Signature

Date Signed

OPTIMA HEALTH INSURANCE PREMIUMS

Plan Year January 1, 2021 – December 31, 2021

<u>COVERAGE LEVEL</u>	<u>PER PAY</u>	<u>MONTHLY</u>
Employee Only		
City Pays	\$283.25	\$566.50
<u>Employee Pays</u>	<u>\$ 67.46</u>	<u>\$134.92</u>
TOTAL	\$350.71	\$701.42
Employee + Minor		
City Pays	\$412.44	\$824.87
<u>Employee Pays</u>	<u>\$122.24</u>	<u>\$244.48</u>
TOTAL	\$534.68	\$1,069.35
Employee + Family		
City Pays	\$714.89	\$1,429.77
<u>Employee Pays</u>	<u>\$264.02</u>	<u>\$ 528.04</u>
TOTAL	\$978.91	\$1,957.81

**Documentation is required to enroll family members.
Attach copies of birth certificates, adoption papers, or
court ordered medical support papers to cover children
and a marriage certificate to cover your spouse.**