

EMPLOYEE MEDICAL/DENTAL PREMIUM CONTRIBUTIONS ELECTION/REFUSAL FORM

The Capital Area Health Consortium has set up a plan under Section 125 of the Internal Revenue Code that allows employees to pay for their share of health care (Medical & Dental coverage) for their eligible dependents on a pre-tax basis. Since these contributions are not subject to Federal or State Income tax or FICA, taxable income is reduced. Consequently, Social Security benefits may also be reduced. To participate in this plan, complete the Salary Reduction agreement below.

Elect #1 below if you would like your medical and dental insurance payroll deductions to be on a pre-tax basis.

Elect #2 **ONLY** if you expect to have very high medical expenses above the coverage offered by the Consortium and you feel it would be beneficial to deduct these expenses from your income for tax purposes. *This election is very unusual.*

HEALTH INSURANCE PREMIUM SALARY REDUCTION AGREEMENT

#1 (____) I hereby authorize the Capital Area Health Consortium to reduce my salary by the amount necessary to pay the employee insurance premium contributions(s) required to purchase health and dental insurance coverage under the Capital Area Health Consortium's Group Health Insurance Plan.

#2 (____) I do not wish to make the election stated above.

Name (Please print)

Department

Employee Signature

Date