



## ELECTION OF CASH-IN-LIEU OF HEALTH BENEFITS (HEALTH INSURANCE WAIVER)

### SUMMARY INFORMATION ABOUT THE CASH-IN-LIEU/WAIVER PROGRAM

Tooele City has adopted a qualifying Section 125 Plan whereby eligible employees may receive a cash payment in lieu of participating in the Tooele City group health plan (also known as “waiver” or “health insurance waiver”). As a “Conditional Opt-Out Arrangement” employees must elect to waive participation in the Tooele City group health plan each plan year and certify that they are covered in another group health plan (i.e. spouse’s employer, parent’s employer, retiree past employer’s group health plan) that meets the Minimum Essential Coverage (MEC) standards under the Affordable Care Act (ACA).

The cash-in-lieu payment is **\$ 3,644.78/plan year** and is paid in two prorated installments on the first paycheck in December and June. A prorated amount is paid on a final paycheck for employees who are separating from employment or makes a change during the plan year. The payment is taxable compensation. Payments are not made retroactive nor during periods of leave when an employee would otherwise not have been eligible to participate in the Tooele City group health plan per Tooele City’s Personnel Policies and Procedures.

Your signature on the Annual Election Form, Page 2, affirms your understanding of, and compliance with, the statements below:

1. Participation in the cash-in-lieu of benefits plan is voluntary. By signing this election form, you are declining enrollment in the Tooele City group health plan for yourself [and your dependents] and attesting that you have other insurance that meets the eligibility criteria of the cash-in-lieu plan.
2. You acknowledge that you will not have another opportunity to enroll in a Tooele City group health plan until our next open enrollment period unless you qualify for a “Special Enrollment” period due to a “Qualifying Life Event.” In the event you lose coverage in another group health plan, you have the right to request enrollment in the Tooele City group health plan within 60 days after your coverage ended. In addition, if you acquire a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself and the new dependent(s) in the Tooele City group health plan, provided you submit all needed forms and verification to the Tooele City HR Department within 60 days after the effective date of the qualifying event. You acknowledge that you and your dependents will be treated as a new entrant into the plan and will be subject to all the terms and conditions, as applicable. You acknowledge you may be subject to “Late Enrollee” preexisting condition restrictions if you enroll at a later date and do not have qualifying HIPPA portability credits.
3. Pursuant to the Affordable Care Act, you will receive form 1095-C showing that you were offered Minimum Essential Coverage and that you declined coverage.
4. Special Notice for Sworn Police Officers. You acknowledge that you have carefully considered your decision to decline participation in the Tooele City group health plan and to participate in the cash-in-lieu option. You acknowledge that you have informed any otherwise eligible dependents of your decision and that the cash-in-lieu does not apply to line of duty death benefit health insurance continuation required under Utah State code.
5. Tooele City, as the plan administrator, may not make a cash-in-lieu payment if we know, or have reason to know, that the you do not or will not have MEC.
6. It is your responsibility to elect to waive participation in the Tooele City group health plan each plan year and provide the required declaration and proof of coverage.
7. Tooele City’s Section 125 Cash-in-Lieu Plan document is available upon request from the Tooele City Human Resource Department.



## CASH-IN-LIEU OF HEALTH PLAN ANNUAL ELECTION FORM

Plan Year: July 1, 2026 through June 30, 2027

|   |  |                |  |
|---|--|----------------|--|
| Employee Number:  |  | Employee Name: |  |
| I am declining participation in the Tooele City group health insurance plan and electing to participate in the Cash-in-lieu/Waiver Option as described on page one and in the Tooele City Section 125 plan document.  |  |                |  |
| Enter Name of and Relationship to the Policy Holder.  | Example: Francis Smith, Mother;<br>Dylan Arcodia, Self   |                |  |
| Enter the Name of the Agency that is the Sponsor of the Policy Holder's Group Coverage.   | Example: Wal-Mart, Inc. Employee Group Health Plan;<br>Ruter's Inc. Retiree Group Health Plan  |                |  |
| Enter the Name of Insurance Plan:   | Example: Blue Cross Blue Shield  |                |  |
| <p>Check the Box to Certify that you have Verified the Policy Holder's Group Coverage Meets Minimum Essential Coverage (MEC) under the Affordable Care Act (ACA):</p> <p><i>Group plans are required to make available notice to their members whether or not coverage meets the MEC standard under the ACA. You can contact your insurance carrier or group provider to verify this requirement.</i></p> | <p><input type="checkbox"/> I have verified that the coverage is an eligible group-sponsored insurance plan and that the coverage meets the Minimum Essential Coverage (MEC) standards under the Affordable Care Act (ACA).</p> <p>While you can decline to participate in the Tooele City group health insurance plan, you are not eligible for the cash-in-lieu/waiver payment if:</p> <ol style="list-style-type: none"> <li>a. Your other coverage is not a group plan (including an individual plan either on or off the health exchange);</li> <li>b. Does not meet the MEC standard required by the Affordable Care Act (ACA);</li> <li>c. Is <b>Medicare</b> coverage;</li> <li>d. Is <b>Medicaid</b> coverage;</li> <li>e. Is a <b>Tricare</b> plan not meeting Minimum Essential Coverage (MEC) standards pursuant to the ACA. [Generally, Tricare provided to active-duty military and retiree meets the Minimum Essential Coverage (MEC) standard. It is the employee's responsibility to verify that their Tricare coverage meets the MEC standard];</li> <li>f. Is a school/student health insurance program; or,</li> <li>g. Is coverage under the Tooele City group health plan as an insured on another employee's policy for reasons such as, both spouses are employed or employee is covered under their City-employee parent's plan.</li> </ol> |                |  |
| <p>Insert a Photo of Proof of Coverage Here or Attach a Separate Page:</p>  |  |                |  |
| Employee Signature:   |  | Date:          |  |