

2024 Election of Cash In-Lieu of Medical Benefits for Certificated Employees

This notice is being sent to clarify procedures for receiving Cash In-Lieu of medical benefits. As an eligible certificated employee, you have declined medical insurance coverage through San Mateo Foster City School District (SMFCSD) group health plan and elected to receive Cash In-Lieu of medical benefits. Please see the conditions for participating in Cash in-Lieu:

1. **Proof of Medical Insurance**
At this time, certificated employees will not be required to provide proof of medical insurance coverage to received Cash In-Lieu.
2. **Covered California, TRICARE, Medicare, Medi-Cal**
Certificated employees who have coverage with Covered California, TRICARE, Medicare, Medi-Cal are eligible for Cash In-Lieu. However, the employee is responsible for knowing the requirements and conditions for enrolling in the alternative plans listed above.
3. **Annual Election of Cash In-Lieu**
The Affordable Care Act (ACA) requires that employers provide a meaningful opportunity for employees to opt into the employer group health plan each year and the District must be able to provide evidence in order to avoid penalties. Therefore all employees who wish to continue with Cash In-Lieu will be required to complete and return the **“Election of Cash In-Lieu of Medical Benefits” form** each year. Upon receipt of the election form, Cash In-Lieu payments will be posted on the next available pay check. The Cash In-Lieu payment will be paid each pay period and subject to FICA, Medicare, Federal, and State tax.
4. **Enrollment in District Group Health Plan**
Employees participating in Cash In-Lieu will have the opportunity to enroll in a group health plan during open enrollment period each year. Certificated employees who decide to enroll in a group health plan provided by the San Mateo Foster City School District can do so during open enrollment and will be subject to plan waiting periods.

However, you may be eligible to enroll outside of open enrollment period if you have a qualifying event including:

- a) **Change in marital status**
 - Marriage
 - Death of spouse
 - Divorce or annulment
 - Legal separation
- b) **Change in number of dependents**
 - Birth
 - Adoption or placement for adoption
 - Death of dependent child
 - Newly eligible dependents due to plan design change

Note: HIPAA allows the employee who may have elected “employee only” coverage initially to add a new dependent and/or the spouse at the time the new dependent is added. HIPAA does not require that all eligible dependents (i.e., other dependent children) be added.
- c) **Loss of medical coverage**
 - If the employee loses other coverage (e.g. spouse’s health plan coverage terminates, or Medicare or Medicaid eligibility ends)

Please complete the enclosed “Election of Cash In-Lieu of Participation in Group Medical Insurance” form and return it to Payroll in the Business Office by December 15. For New Hires, election form is due by the 15th day of the month to become effective the 1st day of the following month.

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Name _____
(Print last, first and middle initial)

Position Title _____

Department/School Site _____

Please read each statement carefully and place a check mark next to each statement.

_____ I decline medical insurance coverage and accept Cash in Lieu of medical benefits.

_____ I understand that I will not receive medical benefits and/or medical insurance coverage from SMFCSD group health plan. If I wish to enroll in any of SMFCSD group medical plans at a later date, I will be subject to enrollment rules and requirements.

_____ I understand that my eligibility for Cash In-Lieu of medical benefits is subject to annual recertification by completing and returning the “**Election of Cash In-Lieu of Medical Benefits**” form each year by December 15. Cash In-Lieu benefits will continue or become effective the following month.

_____ I understand that I must notify the Payroll/Benefits Department in writing within 30 days of a discontinuation, cancellation, and/or any other similar change in medical insurance coverage.

_____ (*FOR NEW HIRES ONLY*) I understand that I must submit the Cash in Lieu election form by the 15th day of the month to become effective the 1st day of the following month.

Please sign below indicating that you understand and agree to the conditions of accepting Cash In-Lieu of medical benefits with the San Mateo-Foster City School District.

Signature of Employee

Date

Print Name of Employee

Received By _____

Date _____