

PARMA CITY SCHOOL DISTRICT

SECTION 125 PLAN RULES

PCSD currently offers three 125 plan benefit options:

1. FSA – Flexible Spending Account for medical reimbursements
2. DCA – Dependent Care Account for dependent care reimbursements
3. Insurance Premiums – medical, Rx, dental and vision premiums

All three of the elected options and/or premiums are deducted from your paycheck pre-tax. Because they are pre-tax deductions/premiums, they fall under the 125 Plan Rules. *Please note that the deductions/premiums are not eligible to be claimed as itemized deductions on your tax returns since they are withheld pre-tax and not included in your gross wages on your W-2.

Generally, you cannot change the elections you have made after the beginning of the Plan Year (January 1st). However, there are certain limited situations when you can change your elections. You are permitted if you have a “change in status” (a qualifying event) and you make an election change that is consistent with the change in status. Attached is information concerning events that constitute a change in status (note that Election Period is referring to Open Enrollment). Please refer to your Summary Plan Description for further information (found on FRODO).

*The following changes are examples of a change in your election: opting into the plan, adding a spouse and/or dependent, dropping a spouse and/or dependents, canceling the plan for yourself and/or spouse/dependents.

Attention: If you do have a change in status, all paperwork is due to the PCSD Benefits Department within 30 days of the qualifying event date.