



Hitchcock

INDEPENDENT SCHOOL DISTRICT

Third Party Administrator:
Financial Benefits Services, LLC
Cobra Administrator
National Benefit Services

Payroll Deduction and / or 125 Cafeteria Plan Change

Employee Name _____ Staff # _____

Address _____ City _____ State _____ Zip _____

Reason For Change: For changes in your 125 plan elections, see the reverse side of this form for exceptions the Internal Revenue Service recognizes as allowable changes, all others will be denied.

- ☐ Spouse Employment Change
- ☐ Marriage
- ☐ Disability
- ☐ Leave of Absence (LOA)

- ☐ Birth or Adoption of Child
- ☐ Termination of Employment
- ☐ Retirement
- ☐ Return from LOA

- ☐ Divorce
- ☐ Death of Dependent
- ☐ Death of Participant
- ☐ Other _____

Date of Eligible Event _____

Final Pay Date: _____

Changes on Payroll Deductions and or Annual 125 Elections:

Type of Deduction	Pre Tax? (125 Plan) Yes or No	Current Deduction Amount	New Deduction Amount	Payroll Date Change is Effective	Date Coverage will Terminate
Group Medical					
Dental					
Vision					
Medical/Dental Flexible Spending Account					
Disability					
Life					
Cancer					
Other:					

Agreement:

- If I am changing my Medical/Dental Flexible Spending Account deduction, I will have a new annual election amount and this entire amount will be eligible for my use for covered expenses at any time during the year. If I terminate employment no expenses incurred after my termination will be covered. My employer has agreed to this change.
- I have reviewed the list of eligible changes on the back of this form and believe that I qualify for a change in my election amount, as indicated above.

Employee Signature _____

Date _____

Employer Signature ☐ Accepted ☐ Declined

Date _____

Payroll Office Use

Duty	Processed By & Date	Duty	Processed By & Date
Position Assignment		Time Clock Termination	
PR Assign Pay Type		FAM Inactivation	
Staff Responsibility			
Employment Termination		Service Record	
Inactivate Pay		Benefits HUB Inactivated	

Changes in 125 Plan Elections

When you become a participant in a 125-cafeteria plan, the Internal Revenue Code requires that your annual elections stay the same during the Plan Year. Neither the amount of your deductions nor the items you have elected to cover under the Plan may change. However, there are some exceptions that the Internal Revenue Service recognizes as allowable changes. Your employer controls what changes are allowed in the Plan Document and by approving each change. Allowable changes must be made within thirty days of the event.

FAMILY STATUS CHANGE – Allowable Reasons for a change

- 1) Marriage
- 2) Divorce
- 3) Death of Spouse or Dependent
- 4) Birth or adoption of a child of the employee
- 5) Termination of spouse's employment
- 6) Commencement of spouse's employment
- 7) The employee's or spouse's change from part-time to full-time status or vice versa
- 8) The employee or spouse taking an unpaid leave of absence
- 9) A significant Change in the employee or spouse's health coverage attributable to the spouse's employment.

EMPLOYMENT STATUS CHANGES – Allowable Reasons for a Change

- 1) Termination of Employment
- 2) Lay off
- 3) Unpaid Leave of Absence or Return from an unpaid Leave of Absence
- 4) Disability
- 5) Retirement
- 6) Death

A change in insured Benefits may also be permitted under IRS regulations for changes in the cost of premiums for a health plan when an independent, third party provider makes such change. A participant may not revoke a health premium election unless a new election is made for coverage under another health plan that provides similar coverage.

A change in election must be related to the reason for the change. For instance, a participant can add Dependent Care Assistance because of the birth of a child. An election for Orthodontia coverage because of a divorce does not constitute an allowable change because they are unrelated.

ELECTION CHANGES TO THE MEDICAL / DENTAL FLEXIBLE SPENDING ACCOUNTS

Additional parameters apply to changes in this fund due to the Uniform Coverage Ruling.

Increases in election amounts for medical expense reimbursement are permitted during a Plan Year when there is a change in family status.

Decreases in election amounts for medical expenses reimbursement are permitted during a Plan Year only when the decrease is due to a participant's divorce or the death of a spouse or dependent.