

## What is FlexCash?

Flex Cash is an optional benefit plan that allows you to waive Research Foundation provided medical and/or dental insurance plan(s) in exchange for cash if you have other non-Research Foundation coverage. If you waive your medical and/or dental plan(s), you will receive additional cash in your biweekly paycheck (not to exceed the monthly maximum\*).

The Flex Cash payment is treated as taxable income and will be subject to the same payroll taxes (federal, state, social security) as regular payroll. All Flex Cash payments will be reported as income on your Form W-2 in the year it is received. Flex Cash is considered a benefit payment (unearned cash) and therefore, is not included in any benefit calculations (pension, life insurance, AD&D, etc.).

You need to make sure your health and dental needs are met before you elect the Flex Cash Plan. If you decide not to keep medical and/or dental coverage(s), you will be required to certify on the Flex Cash enrollment form that you have alternative non-Research Foundation medical and/or dental coverage(s). You will be required to provide proof that you are enrolled in a non-Foundation medical and/or dental plan for initial and continued enrollment in the Flex Cash Plan.

## How much is the cash payment?

If you elect to receive cash in lieu of medical and/or dental coverage(s), the following semi-monthly biweekly cash payments will be available:

- Waive both medical & dental \$70 per pay period (\*not to exceed \$140 per month)
- Waive medical only \$64 per pay period (\*not to exceed \$128 per month)
- Waive dental only \$6 per pay period (\*not to exceed \$12 per month) Semi-monthly cash payment amounts are subject to change.

## Who is eligible?

If you meet the eligibility requirements for Research Foundation provided medical and dental benefits, you are eligible for Flex Cash if you have other non-Research Foundation coverage. If you are covered as a dependent of another Research Foundation employee, you are not eligible to participate in the Flex Cash Plan. In other words, your other coverage must be through an individual policy, private industry coverage or public employment outside of the Research Foundation.

## When is enrollment?

You may enroll in the Flex Cash Plan during the regular Open Enrollment period for Flexible Spending Account which is in the fall each year to be effective the following January 1st.

If you do not enroll in Flex Cash during the open enrollment, you may enroll during the plan year (January 1, through December 31) only if:

- You are a new employee hired after the open enrollment period and you meet medical and/or dental eligibility.
- You were on an approved leave of absence during the enrollment.
- You experience a family status change as defined in this FAQ flyer.

## How do I enroll/

You need to complete the Flex Cash Enrollment Authorization to enroll. When you sign the form, you are certifying you are covered by another non-Research Foundation medical and/or dental plan(s) and you agree to the terms and conditions of the Flex Cash Plan. You will provide proof of your alternate coverage. When you enroll in the Flex Cash Plan, you will also need to complete forms to cancel the corresponding medial and/or dental coverage(s). Your enrollment in the Flex Cash Plan will continue from year to year until you change or terminate your enrollment.

## When will coverage be effective?

Your Flex Cash election will be in effect for a full plan year – January 1 through December 31. It will continue each plan year, unless you complete forms to elect medical and/or dental coverage(s) during subsequent open enrollment periods or within 60 days of a family status change. At the time, you will have to complete a Flex Cash form to change or cancel your Flex Cash amount in addition to the required medical and/or dental forms.

## Can I change my election during a plan year?

You may not start or stop your Flex Cash election in the middle of a plan year, except for allowable family status changes as defined by IRS regulations. IRS regulations also require that changes in Flex Cash elections must be necessary or appropriate as a result of the family status changes. The enrollment changes must be requested within 60 days of the status change.

- If an allowable family status change occurs, you can make the following changes by completing new enrollment forms within 60 days of the status change:
- If you elected cash, you can now elect medical and/or dental coverage(s).
- If you kept your medical and/or dental plan(s), you can now elect cash.

## What is a family status change?

Allowable family status changes include:

- Marriage or divorce;
- Death of a spouse or dependent (or loss of dependent status);
- Birth or adoption of a child;
- Termination or commencement of your spouse's employment;
- Change from full-time to part-time employment (or vice versa) by either you or your spouse if that change affects your medical and/or dental coverage(s);
- Starting or returning from an unpaid leave of absence by either you or your spouse;
- Gain or loss of alternative non-Foundation coverage; or
- A significant change in the alternative non-Foundation coverage.

## What if I terminate while enrolled?

If you elect to participate in the Flex Cash Plan and waive coverage under the medical and/or dental plan(s), you also waive any Consolidated Omnibus Budget Reconciliation Act (COBRA) continuation rights you may have had under the medical and/or dental contract(s). Refer to the appropriate benefit plan booklet for continuation coverage information.

## What if I am on paid or unpaid leave?

If you are on a paid leave you may continue to receive your biweekly payments upon approved leave. If you are on a non-paid leave your Flex Cash will discontinue. The Flex Cash Plan will resume upon return from leave of absence.

## What if I retire while enrolled?

If you decide to retire while enrolled in the Flex Cash Plan, you will have 30 days following retirement to enroll in any Research Foundation provided medial plan. You Flex Cash payments will stop when your employment ends.

## What if I die while enrolled?

If you are married and you waive medical and/or dental coverage(s) under the Flex Cash Plan and you subsequently die without coverage, your surviving spouse will not have medical and/or dental continuation rights through the Research Foundation.

## Additional questions

Please contact the Research Foundation Human Resources Department at 562.985.7949 or 562.985.7950 with any additional questions you might have.