

**County of Sonoma**  
**Annual Health Care Premium Conversion Plan Election Form**

Please submit this form to Human Resources Benefits Unit

Last Name	First Name	Department	Employee ID
Street Address	City	ZIP	Union

- I elect to split my payroll deduction for my health plan premium cost(s) into pre-tax/post-tax amounts.  
I elect a post-tax deduction of \$\_\_\_\_\_ for my medical plan and/or \$\_\_\_\_\_ for my dental plan. I understand that I am giving up the pre-tax benefit for the amount(s) specified. I understand that the remainder of my health plan premiums will continue to be withheld pre-tax.
- I elect \$\_\_\_\_\_ of the post-tax health plan payroll deduction(s) specified above, to be reimbursed from my HRA (Health Reimbursement Account). I understand that this election amount for a post-tax health plan premium deduction(s), can and will be reimbursed from my HRA account. I understand that the reimbursements from my HRA will be sent to me automatically by the HRA plan administrator and I need not submit a claim for reimbursement.
- I wish to revoke my post-tax election and request that all of my health plan deductions from pay be taken on a pre-tax basis effective \_\_\_\_\_(date). Revocation of election is due to a qualifying status change per IRC 125.

Auditor's Use Only

IPSN

AUD-pay 4/13 IRC CODE 125 HCPCP WAIVER FORM

Effective MM/DD/YY \_\_\_\_\_

A Health Care Premium Conversion Plan was implemented on January 3, 1990 for all eligible County employees. You are automatically enrolled in this program when you elect the County's health benefits. As a participant in this plan, any health plan premiums (medical, dental, or vision) that you pay through payroll deductions, will be deducted from your earnings on a pre-tax basis (before Federal, State, and FICA taxes are calculated), thereby reducing your taxable income. This plan may offer you a significant tax savings, because your taxable earnings will be reduced by the amount of your health plan premium deductions. **Reminder:** Because you have already received favored tax treatment on the earnings used to pay these health plan premiums, you cannot also use these items as deductions on your annual tax return or obtain reimbursements from an HRA.

You may elect to pay some or all of your health care premiums on a post-tax basis. This is available to employees within 30 days when an employee is a new hire or becomes eligible for health plan coverage, within 30 days of a qualifying mid-year status change, or during an Annual Enrollment Period. Some reasons to consider this option are:

- HRAs allow for the reimbursement of employee health premiums when premiums are paid on a post-tax basis during the plan year. Electing a portion of your health care premiums would permit reimbursement from your HRA plan. Note: Reimbursements from your HRA are *not* taxable when used for qualified expenses.
- If you are considering enrolling yourself and/or your dependents in an individual plan offered through Covered CA's annual enrollment period in the fall, you will need to elect post-tax health premiums to drop your and/or your dependent's County health plan coverage. Your post-tax election must be equal to or greater than the premium reduction you'll experience for dropping your and/or your dependent's County coverage. Contact the Human Resources Benefits Unit for assistance at [benefits@sonoma-county.org](mailto:benefits@sonoma-county.org) or call 707-565-2900.

Prior to making a post-tax deduction election, be sure that you understand the tax implications, your level of HRA contributions per your MOU, and whether paying medical plan premiums on a post-tax basis is a good option for you. ***Post-tax deductions increase your Federal, State, and FICA taxable wages.***

I understand that I am giving up the pre-tax benefit for the amounts elected above. I further accept the tax consequences of that choice. I also understand that this is an annual election available only during the medical plan's Annual Enrollment Period and cannot be changed or revoked unless a qualifying event occurs during the plan year per Section 125 of IRS regulations.

Signature	Contact Number	Date
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