

POP WILL SAVE YOU MONEY!

POP is the State's **PREMIUM ONLY PLAN**. This is a pre-tax premium conversion plan that allows State employees to have their health, dental, and vision insurance premiums removed from their pay **BEFORE TAXES** are calculated and deducted.

Reducing taxable income **INCREASES NET TAKE HOME PAY!** This is how POP saves you money; it's that simple.

To simplify the process you will be automatically enrolled unless you return a waiver form rejecting this benefit.

For more information on how POP works, please review this pamphlet or contact your Agency Group Representative.

WHO IS ELIGIBLE TO PARTICIPATE?

All State employees who are enrolled in any of the State group health, dental, and/or vision plans will be enrolled in the Premium Only Plan (unless waived). New employees become eligible when their insurance becomes effective.

WHAT MUST I DO?

If you wish to participate or continue to participate, do nothing: you will be automatically enrolled. If you do not wish to participate in POP, complete a letter requesting the waiver of the POP plan.

HOW DOES THE PLAN WORK?

When insurance premiums are deducted from a paycheck, the deductions are normally made after FICA and federal income taxes are taken out. This means premiums are paid with "after tax dollars." With this plan, eligible premiums are deducted before any tax or Social Security (FICA) deductions are made. Health, dental, and vision coverage are then paid for with "pre-tax dollars." The income reported on your annual W-2 form is reduced by the amount of the insurance premiums and taxable income is therefore lower. This is permitted under special sections of the Internal Revenue Code.

IF I WAIVE COVERAGE CAN I ENROLL LATER?

Not until the next annual POP enrollment period. Late enrollments to the POP plan are not permitted under IRS regulations.