

Important Notice on JPOFFHIT Benefits

Code Section 125 Status of Plan

The Jacksonville Police Officer and Fire Fighter Health Insurance Trust (JPOFFHIT) Plan is designed and administered in accordance with Section 125 of the Internal Revenue Code and underlying regulations. This enables you to pay your share of premiums for certain Plans on a pre-tax basis, as permitted by the Employer. Review your election and enrollment materials to determine which Plans permit pre-tax premium payments and are subject to the Section 125 rules. Pre-tax dollars come out of your pay before federal income and Social Security taxes are withheld (and, in most states, before state taxes are withheld). This gives your contributions a special tax advantage and lowers the actual cost of participating in the Plan to you. Neither the Employer nor any fiduciary under the Plan will in any way be liable for any taxes or other liability incurred by you by virtue of your participation in the Plan.

Because of this favorable tax-treatment, there are certain restrictions on when you can make changes to your elections for Section 125 benefits. Generally, your elections stay in effect for the Plan Year and you can make changes only during an annual open enrollment period or following a Qualified Life Event

Qualified Life Events

The elections you make under the Plan are generally irrevocable during the Plan Year (or other 12-month coverage period that applies to a Plan, as indicated in your enrollment and election materials). You may change your elections if a Qualified Life Event occurs and you make an election change that is consistent with the event, as determined by the Plan Administrator.

This Plan allows participants to change their elections to extent permitted by applicable law and approved by the Plan Administrator. Your change must be consistent with the Qualified Life Event that applies to you, meaning you can add or remove dependents to your plan if you have a change in legal marital status or change in the number of eligible dependents. You may not be able to change your plan type if you are enrolled in a Plan at the time of your Qualified Life Event. A Qualified Life Event that may allow you to update your election includes the following events:

- a change in your legal marital status, including marriage, divorce, death of spouse, legal separation or annulment
- a change in the number of dependents, including birth, adoption, placement for adoption or death of a dependent
- a change in employment status for you, a spouse or a dependent that affects eligibility
- a change in a dependent child's eligibility, such as due to age, student status.
- a change in residency that would impact eligibility (for example, moving out of a plan's coverage area)
- your spouse's or dependent's plan has a different open enrollment period and you need to make a change to account for that other coverage

- you, your spouse or your dependent loses group coverage sponsored by a governmental or educational institution
- your change corresponds with a HIPAA special enrollment right (described above)
- a court order, such as a QMCSO or NMSN, mandates coverage for an eligible dependent child
- you, a spouse or a dependent enrolls in Medicare or Medicaid
- a change in your employment status to less than 30 hours of service per week on average
- eligibility for a special enrollment period to enroll in a qualified health plan (QHP) through the Marketplace or seeking to enroll in a QHP during the Marketplace's annual open enrollment period

You cannot drop or change coverage in the middle of the plan year for any other reason, including such as examples as:

- Decision to drop a selected plan due to economic factors
- Plan design preference
- Network preference, such as your doctor no longer being in-network or preference to get care at a non-network facility

You should report an election change event to the Plan Administrator as soon as possible, but no later than 30 days after the event occurs. Contact JPOFFHIT Benefits Support if you have questions about when you can change your elections.

Retiree Rules on Qualified Life Events

Retirees have up to 30 days after their official retirement date to elect Retiree benefits from JPOFFHIT. Retirees are eligible for the same medical, dental, and vision plans offered to them as an Active member. A member must elect the benefit(s) they want to continue as a Retiree and members can change plans at the time of retirement. They can also change plans during the annual open enrollment period. However, if a member does not elect a benefit at the time of retirement or later drops a benefit, they cannot re-enroll in JPOFFHIT plans later.

Retirees are allowed to add or drop eligible spouses and dependent children to their enrolled plan followings a Qualified Life Event or during an annual open enrollment period. You cannot re-enroll yourself in Retiree plans due to a Qualified Life Event. A Qualified Life Event that may allow a Retiree to update the election includes the following events:

- a change in your legal marital status, including marriage, divorce, death of spouse, legal separation or annulment
- a change in the number of dependents, including birth, adoption, placement for adoption or death of a dependent

- a change in employment status a spouse or a dependent that affects their eligibility
- a change in a dependent child's eligibility, such as due to age, student status.
- a change in residency that would impact eligibility (for example, moving out of a plan's coverage area)
- your spouse's or dependent's plan has a different open enrollment period and they need to make a change to account for that other coverage
- your spouse or your dependent loses group coverage sponsored by a governmental or educational institution
- your change corresponds with a HIPAA special enrollment right (described above)
- a court order, such as a QMCSO or NMSN, mandates coverage for an eligible dependent child
- you, a spouse or a dependent enrolls in Medicare or Medicaid
- eligibility for a special enrollment period to enroll in a qualified health plan (QHP) through the Marketplace or seeking to enroll in a QHP during the Marketplace's annual open enrollment period