



Section 125 Cafeteria Plan Notification of Rights

Section 125 of the IRS codes allows for certain benefits premiums / contributions to be deducted from your pay on a pre-tax basis, which reduces your tax liability.

All Section 125 elections (medical, dental, and vision, and supplemental life) are locked-in until the end of the plan year, which is April 30th. This means that you may not terminate or make changes to coverage outside of your annual open enrollment, which takes place each April so that coverage is effective for May 1st. Deductions for the plans mentioned above are taken on a pre-tax basis. The exceptions listed below are the **only** allowed IRS special circumstances (qualifying events) which will permit you to make changes:

- Change in marital status, including marriage, divorce, or annulment;
- Birth of a child
- Termination or commencement of spouse's employment;
- A reduction or increase in hours of employment by the employee, spouse or dependent, including a switch between part-time and full-time employment, a strike or a lockout;
- Significant change in health coverage of the employee or spouse attributable to the spouse's employment;
- Commencement or return from an unpaid leave of absence in excess of two calendar weeks by the employee or spouse;
- Change in child's status to satisfy or cease to satisfy plan requirements for unmarried dependents;
- Entitlement to Medicare or Medicaid;
- Plan's receipt of a court order, such as a qualified medical child support (QMCSO) requiring coverage of an employee's child;

If a qualifying event occurs and you want to make a change to your benefit, **you are required to make the change with 30 days of the event by notifying your employer and providing supporting documentation.** Changes are **not** authorized under Section 125 if notification is received after 30 days of the qualifying event.

If you are unsure as to the type of supporting documentation necessary, please contact Elevanta Health.

Questions regarding this notification may be directed to the Elevanta Health Service Center at 866-696-3225.