

## INTRODUCING OUR NEWEST VENDOR PARTNER: WEX

WEX offers Section 125 (Cafeteria Plan) Administration services for TAC HEBP member groups

For Plan Year 2023, TAC HEBP will provide, at no cost to our member groups, the services of WEX to administer your Premium Only Plan (POP), which allows you to deduct employee's insurance premiums on a pre-tax basis.

Not sure what a "Cafeteria Plan" or "POP" is? Here are the basics:

### What is Section 125?

- Often used interchangeably with the term 'Cafeteria Plan', Section 125 is part of the IRS Code that allows employees to convert a taxable cash benefit (salary) into non-taxable benefits. Under a Section 125 program, employers may choose to pay for qualified benefit premiums before taxes are deducted from employee paychecks. Congress created Section 125 in an effort to make benefit programs more affordable for employees.
- In order to deduct employee benefit premiums pre-tax, an employer must set up a Plan Document and create a Summary Plan Description (SPD).

### What are the advantages of offering benefits through a Cafeteria Plan?

- Employees receive more money in their paychecks, because their premium contributions are deducted before payroll taxes are calculated.
- Employers save money, because their gross payroll is reduced by the pre-tax deductions, which makes their Social Security tax and Workers Compensation contributions lower.
- Employers can offer additional financial benefits such as Flexible Spending Accounts (FSA), Health Savings Accounts (HSA), and Health Reimbursement Arrangements (HRA) to help employees with their out-of-pocket healthcare expenses, under the umbrella of the Cafeteria Plan.

### What is a POP?

The Premium Only Plan (POP) is the building block of the Cafeteria Plan. It allows for qualified employee paid group insurance premiums to be paid with *pre-tax dollars*. Examples of qualified premiums (if offered by employer) are:

- Health
- Prescription
- Dental
- Vision
- Group Term Life (up to \$50,000.00)
- Cancer
- Medicare Supplement
- Hospital Indemnity

If your County or District is interested in using WEX services for your Cafeteria Plan Document and SPD, let your Employee Benefits Consultant know. This service is free to TAC HEBP member groups.

For Counties or Districts whose benefits currently include FSA, HSA, or HRA plans\*:

WEX offers administration of these plans at very competitive rates – contact your Employee Benefits Consultant for pricing information. WEX provides state-of-the-art administration, using:

- A single debit card system with point-of-sale approval capability
- A robust mobile app
- Industry-leading customer service

\* Not currently offering FSA/HSA/HRA? Watch for upcoming webinars and education and consider adding one or more of these benefits for Plan Year 2024.

# The Power of One

The administration of your cafeteria plan, including Section 125 Plan Document/ SPD for pre-tax premiums, health savings accounts (HSAs), flexible spending accounts (FSAs), and health reimbursement arrangements (HRAs) is even easier when you choose WEX as your one partner for all of these plans.\*



## Benefits for you - the employer

Money saved through bundled pricing.

Time saved by working in one technology platform, LEAP.

One partner with flexible support options for all of your service needs.

Simplified exchange of data by using one file for all benefits.

Easier implementation, renewal and open enrollment by working with one trusted partner.

Less risk sending your employees' personal information to one partner.

Experienced oversight and guidance to ensure compliance when your benefits are viewed holistically.

Reporting and analytics for all your plans in one place.

### 90%

Of our clients choose us because they're looking for a better service experience for themselves and their employees.

### 4.65 of 5

The rating our clients gave our single-source employee benefits administration hub.

### 94%

Of our clients continue to partner with us during renewal because of the experience and support we provide them and their employees.

Beneficial to our employees

Avoid confusion

Consistent experience

One source



TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

Simplifying benefits  
for everyone.

wex

# Medical FSA

Why should I choose a medical flexible spending account?

There are many reasons to choose a medical flexible spending account (FSA). You can use your FSA funds to pay for a wide range of eligible medical expenses, including copays, deductibles, and out-of-pocket costs. Plus, you can use your FSA funds to pay for a wide range of eligible medical expenses, including copays, deductibles, and out-of-pocket costs. Plus, you can use your FSA funds to pay for a wide range of eligible medical expenses, including copays, deductibles, and out-of-pocket costs.



## Funds on Day 1

Schedule that surgery, buy those eyeglasses or finally get those braces. All of your FSA funds are available to spend right away. Use your benefits debit card at the point of purchase.



## Discount

Think of it like a discount on healthcare expenses at stores such as Amazon, Target, CVS, Walmart, Walgreens and more. Dollars you contribute are taken out of your paycheck before tax which means a \$100 purchase would actually cost you over \$130 without a medical FSA.\*



## Plan ahead

Think about the money you spent on healthcare expenses last year. Plan ahead and set those funds aside in a medical FSA and save 30%.\*

\*Based on a 30% tax bracket.

## What does it cover?

There are thousands of eligible items, including:

- Copays and coinsurance
- Doctor visits and surgeries
- Over-the-counter medications (first aid, allergy, asthma, cold/flu, heartburn, etc.)
- Prescription drugs
- Birthing and lamaze classes
- Dental and orthodontia
- Frames, contacts, prescription sunglasses, etc.



## Fast fact

Don't know how much to elect? Determine how much you spent on healthcare expenses last year and estimate the amount you'll spend this year using our eligible expense list. Any funds you contribute to the medical FSA must be spent by the end of the plan year.

View our interactive eligible expense list at

[www.wexino.com/insights/benefits-toolkit/eligible-expenses/](http://www.wexino.com/insights/benefits-toolkit/eligible-expenses/)

## Can I enroll?

Yes, as long as you or your spouse aren't actively enrolled and contributing to a health savings account (HSA).

**wex**



# Statement of Work Services Setup Form

WEX | [wexhealthlead@wexinc.com](mailto:wexhealthlead@wexinc.com) | PO Box 6070 | Fargo, ND 58108

VENDOR CLIENT/EMPLOYER COMPANY INFORMATION					
Name	Montague County		Tax ID #	74-8001078- 75-6001078	
Address	PO Box 186				
City	Montague	State	TX	Zip Code	76251
Date Sold	10/1/2023	Eligible Number of Employees	102	Plan Effective Date	10/1/2023

IMPLEMENTATION/EMPLOYER INFORMATION	
Implementation Contact	Jennifer Fenoglio, Treasurer
Email Address	j.fenoglio@co.montague.tx.us
Telephone Number	940-894-2161
Enrollment/Ben Admin/HRIS System (not required for POP only)	
Payroll System (not required for POP only)	

PLAN INFORMATION				
Plan Name	Plan Effective date	Existing Benefit	New Benefit	Number of Enrolled Employees
Premium Only Plan (POP)	10/1/2023	<input type="checkbox"/>	<input type="checkbox"/>	N/A
Flexible Spending Account (FSA)		<input type="checkbox"/>	<input type="checkbox"/>	
Health Reimbursement Arrangement (HRA)		<input type="checkbox"/>	<input type="checkbox"/>	
Health Savings Account (HSA)		<input type="checkbox"/>	<input type="checkbox"/>	

TAC BENEFIT SPECIALIST	
Primary Contact	Karen Bowers
Email Address	karenb@county.org
Telephone Number	512-478-8753
Addl TAC Account Team	Jonathan Collander (jonathanc@county.org)

BROKER/CONSULTANT INFORMATION (if applicable)	
Primary Contact	N/A
Broker/Consulting Office	
Email Address	
Telephone Number	

Fee modifications, if any, relating to demographics, system integration capabilities, software and systems, and/or in migrating the data are attached to this form.