

HEALTH INSURANCE REIMBURSEMENT

Section 105 Plan

Instead of offering a group Health Insurance plan, Youth Dynamics has chosen to allow you to pick *your* own plan and to reimburse you pre-tax for the amount of the premium.

- An employee may choose any qualified Affordable Care Act (ACA) plan.
- Currently, Christian health share co-op organizations such as Samaritan Ministries or Medi-Share are not eligible for reimbursement, (although you are free to participate in these plans if you so choose).
- Although we strongly recommend Health Insurance for you and every member of your family, there is no requirement from Youth Dynamics for you to have Health Insurance. However, currently, there is a monetary penalty that the government will assess you if you do not.

The following employees are eligible for Section 105 reimbursement:

- Salaried full-time or part-time staff, who are funded through raised support.
- Interns and seasonal employees may be eligible.

The following employees are ineligible:

- Salaried employees working less than 20 hrs/week are not eligible.
- Interns and seasonal staff are not eligible unless they will be with Youth Dynamics for longer than four months consecutively.
- Employees who are 100% internally funded (paid through area funds) are not eligible unless otherwise stated in their contract.

Additional Notes:

- Dental and Vision plans are eligible for reimbursement through our Section 105.

- Reimbursements for Health, Dental or Vision Insurance will be paid for as a part of the employee's Personal Ministry Budget (PMB) and will be reimbursed out of the employee's reserve account.
- Only the amount of the actual premium is reimbursable through a Section 105 plan. Other medical-related expenses may be reimbursed pre-tax through a Health Savings Account (HSA) or a Section 125 plan. Both of these are available free to all salaried full-time or part-time staff who works a minimum of 20 hrs/ week.
- Premiums paid through another employer (for example through your spouse's job) are not eligible for reimbursement.
- Employees may not contribute additional dollars to a Section 105 plan, unlike an HSA or Section 125 plan.
- Funds in a Section 105 plan are owned solely by YD and as such do not roll over year to year.
- Each participant in the Section 105 plan will be charged \$12/month paid to the company that oversees our plan.
- Support Services will pay the \$35 one-time fee per employee
- Reimbursement will happen monthly along with your paycheck once you are enrolled.
- Participants have the option of scanning or sending in a single receipt for your premium one time only and get reimbursed all year long, or until your premium changes.

Health Savings Account - HSA

In addition to getting reimbursed tax-free for your Health Insurance premiums through a Section 105 plan, salaried full-time or part-time employees who work a minimum of 20 hours per week are eligible to open a free Health Savings Account or HSA. An HSA is a pre-tax savings account created for the purpose of paying medical expenses other than the monthly Health Insurance premium. You may only get reimbursed up to the actual balance that you have in your HSA. Any monies that remain in your HSA at the end of the calendar year roll over to the next year. There is no requirement to use it or lose it. To read more about HSA's go to: ["What is an HSA?"](http://www.hsacenter.com/what-is-hsa.html) (www.hsacenter.com/what-is-hsa.html)

Section 125 Plan (a.k.a. Cafeteria Plan)

Another tax-free option for getting reimbursed for medical expenses is called a Section 125 Plan. All salaried full-time or part-time employees who work a minimum of 20 hrs/week are eligible to open a free Section 125 Plan (a.k.a. Cafeteria Plan). A Section 125 plan is a pre-tax savings account where you set aside some of your salary monthly into an account created for the purpose of paying medical expenses other than the monthly premium. One of the benefits of the Section 105 Plan is that you have access to all the monies that will be deposited during the year, from the first day of the year on. A Section 125 Plan is different from an HSA in that the bulk of these monies do not roll over from year to year. You must use it or lose it. To read more about Cafeteria Plans go to: [What is a Section 125 Plan \(Cafeteria Plan\)?](https://en.wikipedia.org/wiki/cafeteria_plan) (en.wikipedia.org/wiki/cafeteria_plan)