

Pre-Tax Contribution Program (PTCP) Fact Sheet
 For NYS Active Employees Enrolled in NYSHIP

Choosing to Participate in PTCP (Pre-Tax Deductions)	Declining Participation in PTCP (Post-Tax Deductions)
<p>The PTCP is a voluntary program in which your share of the health insurance premium is deducted from your wages before taxes are withheld. Participating in this program may lower your tax liability, but you are also restricted from making changes to your biweekly health insurance deduction amount in certain circumstances.</p> <p>This means in exchange for the tax benefit of having your health insurance deductions taken on a before tax basis, you agree to limitations on changes you can make to your NYSHIP pre-tax deductions during the plan year, in accordance to both NYSHIP and IRS rules.</p>	<p>If you decline to participate in PTCP, your share of your health insurance premium is deducted from your wages after taxes are withheld. By not participating in this program, you have greater flexibility to make changes to your biweekly health insurance deduction amount.</p> <p>This means in exchange for having your health insurance deductions taken on a post-tax basis with no tax benefit, you have greater flexibility to make changes to your NYSHIP coverage as long as it is consistent with NYSHIP rules.</p>

Sign, date, and submit the form to your HBA during the annual Option Transfer Period.

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Changes Permitted When Enrolled in PTCP	Changes Permitted When Not Enrolled in PTCP
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Under Internal Revenue Service (IRS) regulations, if you participate in PTCP, you may change your health insurance deduction only after experiencing a PTCP qualifying life event and reporting it to your agency HBA within 30 days of the date of event:

- Change in your marital status
- Change in your number of dependents
- Change in employment status that affects eligibility for health benefits
- Change in place of residence or worksite that affects eligibility for health benefits
- Significant change in health benefits and/or premiums under NYSHIP
- Change in health benefits or premium under your or another employer
- COBRA events
- Judgment, decree or order to provide health benefits to eligible dependents
- Change in Medicare or Medicaid eligibility
- Leaves of absences
- HIPAA special enrollment rights

Since you do not participate in PTCP, you are not bound by certain Internal Revenue Service (IRS) regulations regarding changes to your health insurance deduction amount. However,

Changes in coverage due to the above status changes must be consistent with the change in your family or employment. If you make a change in coverage not related to a qualifying event, your PTCP deduction will not change and/or your request may not be processed.

See the chart enclosed illustrating changes you can make to your health coverage when enrolled in the PTCP.

Individual / Family	Cancel Coverage	Yes	Yes	The request to cancel coverage can be processed.
Individual / Family	Cancel Coverage	Yes	No	The cancellation of coverage cannot be processed. The employee's pre-tax health insurance deduction cannot change for the rest of the plan year.
Individual / Family	Cancel Coverage	No	n/a	