



Please note Proof that you are enrolled in a non-CSU group medical and/or dental plan without any lapses in coverage is required for initial and continued enrollment in FlexCash, and is subject to verification at the discretion of the Benefits Office.

Your enrollment in the FlexCash Plan will continue from year to year until you change or terminate your enrollment.

You cannot receive CalPERS health and/or CSU dental benefits and be enrolled in FlexCash. Therefore, when you enroll in the FlexCash Plan, you will also need to complete forms to cancel the corresponding CSU medical and/or dental coverage if you are currently enrolled. If it is later determined that you received health/dental benefits at the same time as being enrolled in FlexCash, the necessary adjustments will be deducted from subsequent pay warrants.

ENROLLMENT AND EFFECTIVE DATE OF COVERAGE

The annual open enrollment period is normally September - October. The effective date of coverage will be January 1 through December 31 of the following year.

New employees may enroll in the FlexCash Plan within 60 days of becoming eligible or during open enroll-

You are a new employee hired after the open enrollment period and you meet medical and dental plan eligibility; or

You were on an approved leave of absence during the open enrollment; or

You experience a status change event as defined.

CAN I CHANGE MY ELECTION DURING THE PLAN YEAR?

You may not start or stop your FlexCash election in the middle of a plan year, except for allowable status change events as defined by Internal Revenue Service (IRS) regulations. These regulations specify that changes in FlexCash elections must be necessary, or appropriate as a result of the status change. Enrollment changes must be requested within 60 days of the status change event.

If allowable status changes occur, you can make the following changes by completing new enrollment forms within 60 days of the status change event:

If you chose cash, you can now choose medical and/or dental coverage.

If you kept your medical and/or dental coverage, you can now choose cash.

Entitlement to Medicare or Medicaid by an employee, spouse, domestic partner or dependent; or

A change in worksite or residence resulting in eligibility or cessation of the employee's coverage under any health maintenance organization offered through the Plan.

The Tax Advantage Premium Plan

WHAT IS TAPP?

The Tax Advantage Premium Plan (TAPP) is known also as the California State University Premium Conversion Plan. TAPP allows you to pay required health plan premiums from your salary on a pre-tax basis. Any such premiums for the CSU-sponsored coverage you have selected will be deducted each month from your salary before federal and state income and Social Security/Medicare taxes are calculated and deducted. This means you will not pay taxes on those premiums—they are converted to tax-free expenses.

WHO IS ELIGIBLE?

You are eligible to participate in TAPP if you are an active CSU employee enrolled in a CalPERS health plan.

HOW DO I ENROLL?

If you are a new employee enrolling in health coverage, you will be enrolled in TAPP automatically. If you prefer to pay your premiums from after-tax salary, you must notify your Human Resources within 60 days of becoming eligible or during the open enrollment period in September–October for coverage for a full plan year (January 1 through December 31).

CAN I CHANGE MY ELECTION?

Once your choice of pre-tax premium payment has become effective for a plan year, you can only make changes during the annual open enrollment period, unless you have a status change event. The open enrollment period is every September–October for coverage effective January 1 through December 31 of the following year. Status change events are explained in the FlexCash section of this booklet.

WHAT HAPPENS IF MY PREMIUM CHANGES OR IF I GO ON LEAVE?

If your premium contributions change during the year, your TAPP deductions will be adjusted automatically for the change. Contributions will continue during any paid leave, but will stop if your leave is unpaid. If your unpaid leave qualifies for continuation of benefits under the Family and Medical Leave Act, you may continue your coverage during your leave on an after-tax basis.

WHAT EFFECT DOES TAPP HAVE ON MY OTHER BENEFITS?

TAPP will have no impact on your CalPERS retirement, nor on any other CSU-paid benefit. However, depending on your salary, your Social Security Benefits at retirement may be reduced slightly, because you will have paid Social Security taxes on a lower wage.