



# Public Safety Officer Authorization for Insurance Premium Deduction

## Purpose of the Form

- Use this form to elect to have your insurance premiums paid directly to your insurance provider and the cost deducted from your monthly PERSI benefit.

## Instructions

- 1 Complete the form in blue or black ink.
- 2 Read **About Form RS162** on page 2.

Member Social Security Number	Member PERSI ID Number*

\* A PERSI ID is only required for members with multiple PERSI accounts.

Member Information			
Name – First, Middle, Last			
Mailing Address	Street or P.O. Box		
	City	State	Zip Code
Daytime Phone Number (include area code)		Email Address	
Name of PERSI Employer at Time of Retirement		Position Title	

Insurance Carrier Information			
<input type="checkbox"/> New Designation <input type="checkbox"/> Change to Previously Designated Policy <input type="checkbox"/> Stop Previously Designated Payments			
Carrier Name		Group/Policy Number	
Payment Address	Street or P.O. Box		
	City	State	Zip Code
Daytime Phone Number (include area code)			
Insurance Type <input type="checkbox"/> Medical <input type="checkbox"/> Dental <input type="checkbox"/> Vision <input type="checkbox"/> Long-Term Care			Premium Amount \$

Member Acknowledgment	
<ul style="list-style-type: none"> <li>• I have read and I understand the information in "About Form RS162" and agree to all the conditions for this election including the Waiver of Claims.</li> <li>• I certify that I am eligible to have the designated insurance premiums excluded from taxable income.</li> <li>• I authorize PERSI to pay the insurance premiums directly and deduct the cost from my monthly benefit.</li> <li>• I understand that the maximum amount of insurance premiums excludable from income from all retirement plans is \$3000 per year.</li> <li>• I understand that it is my responsibility and obligation to inform my insurance vendor of any change related to my health insurance premium deduction including, but not limited to, coverage, insurance company, or premium changes.</li> <li>• I understand that PERSI is performing an administrative function permitted by federal law in withholding insurance premiums from my pension benefits. I understand that any and all tax implications of my election are my responsibility alone and I agree that I will make no claim against PERSI for consequences of my election.</li> </ul>	
Signature	Date – mm/dd/yyyy



# About Form RS162

## Instructions

- 1 Complete the form in blue or black ink.
- 2 Complete the **Member Information** and **Insurance Carrier Information** sections.
- 3 Attach a copy of the insurance policy bill from the insurance company.
- 4 Sign the form and send it to PERSI.

**Note:** Resubmit form RS162 if you have changes to insurance provider or premium information previously designated or to stop insurance premium payments previously designated on form RS162.

## Important Notice

This is a new benefit recently enacted by congress and the IRS has not provided guidance to date on the application of this program. PERSI is proceeding with implementation of the program based on its understanding of the information currently available, with the anticipation that the program might require revisions and adjustments as the provisions of the Pension Protection Act are interpreted and clarified. By participating in the program, you acknowledge that changes may be required and that changes could affect your eligibility or the eligibility of your insurance carrier or policy. It may also result in reversal of some transactions. You agree that any benefit or privilege granted under this program is subject to change or revocation, that you will cooperate with any adjustments, and that PERSI is not responsible for any consequence of any change to the program, including unexpected tax liability, interest, and penalties.

## Waiver of Claims

By signing this form, I agree that I will not make any legal claim of any kind against PERSI, its staff and advisors should my participation in this program result in unexpected tax liability to me, including interest and penalties. I understand that my ability to participate in this program is a valuable benefit for which I am willing to agree to this waiver of all claims. I further release PERSI, its staff and advisors from any liability arising from the administration of payments to any insurer.

## Eligibility for Tax-free Distributions for Health and Long Term Care Insurance

- Public Safety Officer means an individual serving a public agency in an official capacity, with or without compensation, as a law enforcement officer, as a firefighter, as a chaplain for a police or fire department, or as a member of a rescue squad or ambulance crew.
- Eligible Retired Public Safety Officer means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a public safety officer with the employer who maintains the eligible retirement plan from which distributions are made.
- Normal retirement age for determination of eligibility means a member who has retired with an unreduced benefit. Under the PERSI plan this means you have retired under rule of 80/90 or you have reached service retirement age. FRF members must have retired after 25 years. Idaho Falls police generally must have retired after 25 years of service, or age 60.
- Military Division members are not eligible to participate in distributions under this section.

### Insurance Carrier Participation

- Section 845 of the Pension Protection Act allows public safety officers to elect to exclude up to \$3,000 of distributions from a governmental qualified retirement plan from taxable income as long as the payments are made directly to an insurer to purchase health or long-term care insurance for the officer or the officer's spouse and/or dependents.
- Retirement plans may elect whether or not to participate. PERSI has elected to participate, but only with insurance carriers that have completed and filed Form RS430, *Retired Public Safety Officers Insurance Carrier Agreement*, with PERSI. Requests from members for payment of premiums to insurance carriers who have not filed Form RS430 will be referred to the insurance carrier, who may contact PERSI to order the form. PERSI may provide to members a list of insurance carriers that have filed Form RS430.

### Notes about Tax-free Distributions for Insurance Premiums

- You must submit a separate copy of this form for each insurance policy you are designating for direct payment by PERSI.
- The insurance premiums you designate on this form will be paid directly to the insurance company by PERSI and the cost will be deducted from your monthly benefit.
- The cost of insurance premiums, up to \$3000, is excluded from your taxable income for federal withholding purposes.
- State income tax law has not been changed but is expected to conform to the federal changes.
- You can use income from more than one retirement plan to pay insurance premiums, but the maximum income exclusion the I.R.S. allows for all plans combined is \$3,000 per year. You are responsible for complying with this federal limit and for the consequences if your designated insurance premiums exceed the limit.
- Premium payments will begin the first month after PERSI receives a completed and signed form. Incomplete and unsigned forms will not be processed and you will be notified that you must resubmit the form.