

SECTION 125 PREMIUM ONLY PLAN SETUP SERVICES

A Section 125 Cafeteria Plan will allow your employees to pay for certain group insurance expenses on a pre-tax basis. Premiums that can be paid pre-tax basis include group medical insurance, dental insurance, vision insurance, accident insurance and disability insurance premiums. (Disability income insurance premiums are rarely paid for pre-tax because the benefit would be taxable.)

By participating in this account, employees are able to decrease their costs of certain taxes including federal income taxes and social security and Medicare taxes. The employer also decreases their matching contributions for social security and Medicare taxes. The results are that your employees decrease their net costs for certain out-of-pocket costs, while your firm can also decrease their costs.

We perform the Plan Design and Setup Services including:

- Coordinate existing employee benefits with the Section 125 Plan design.
- Incorporate company design criteria such as conditions for eligibility, core benefits offered, etc., into the Plan design.
- Prepare a Plan Document and Summary Plan Description
- Prepare Election forms and other forms which will allow your Plan to be administered.