



# Items of Interest From: SWCD of Illinois Insurance Group Association

Melissa Cauble, Administrator  
1621 Vandalia Rd  
Hillsboro, IL 62049

(217) 532-3610, ext. 3  
Melissa.cauble@il.nacdn.net  
www.montswcd.com



## Reporting Insurance Value on W-2

December 12, 2013

Vol. 1, Issue 2

I have been receiving inquiries into whether or not SWCDs will be required to report the value of health insurance on their W-2 forms for 2013. I have also had some questions because the law is pretty vague. It has also not been updated since last year and so IRS documents which haven't been updated, stand until such changes are made.

The law, as written in 2012, still states that employers issuing fewer than 250 W-2s may opt out of including such information on the forms. At first glance, you would think that law covers us. However, we are an unusual case because while none of us issues more than 250 W-2 forms, we

do actually have a "group" of more than 250 who are eligible to participate with our insurance plan. This number includes employees and elected directors who are eligible.

Therefore, after speaking with Diann Reed at CMS, she is highly recommending that the SWCDs include this amount on your W-2s for 2013.

The information will go on line 12 of the form and it will be coded as "DD". That code will go on the line next to the amount. These amounts are not taxable and will not be included anywhere on your W-3.

Ms. Reed will be sending me a list of all the employees who were

covered in 2013 and how much the value of their insurance was. I will share that information individually with whomever prepares the W-2 in each district.

For those of you wishing to get a head start on your tax forms, I can tell you that for employees on managed care who did not carry dependents, you will use \$827 per month times the number of months covered. For those employees on Quality (Local) Care who did not carry dependents, you will use \$924 per month times the number of months covered. For employees who carried dependents, we will just have to wait until I get the listing from CMS.

### Special points of interest:

- ✓ Reporting Value of health insurance on W-2s.
- ✓ Don't forget this stuff!
- ✓ Changes to the Policies and Procedures Document
- ✓ Other Notes



## When Making Changes:

Here are the items I need if you have made any life changes such as marriage, divorce, address change, work location change, addition of a dependent, deletion of a dependent, change of beneficiary, change in work hours, etc:

- Personnel Status Form
- LGHP Correction Form
- Life/LTD Enrollment/Change Form
- STD Enrollment/Change Form

Please double check with me if you are not sure which forms to send!! All forms are available on my website as well at [www.montswcd.com](http://www.montswcd.com)



# Changes to SWCD Policies and Procedures

Listed below are changes that have been made to the SWCD of Illinois Insurance Group's Policies and Procedures Document. These changes will become effective January 1, 2014. I will be sending a new document to all districts for their review and Chairperson's signature. I would like to have just the signature page sent back to me by February 1.

The first change was brought about by the implementation of the Affordable Care Act. It officially lowers the number of hours for full-time employees to thirty (30) per week. Therefore, up to two employees per district working at least 30 hours per week will now be eligible to participate in the health insurance program at no cost. This number was formally thirty-seven (37). New employees will still be subject to the sixty day waiting period, and the number of hours required by employees whose hours were reduced due to funding issues remains at 20 hours per week.

The other change gives retirees the option to remain on the health plan at their own expense after they leave their position at the district. We will be using the "Rule of 85" to determine eligibility for this coverage. This is a combination of age and years worked to total 85.

I have posted the new paragraphs from the P & P document below. Feel free to contact me if you have questions!

- 4.) **Illinois Department of Agriculture (IDA) subsidized premiums are available to full-time (30 hours weekly) Administrative Coordinator (AC) and Resource Conservationist (RC). If a district employee who has been employed longer than 60 days assumes a full-time AC or RC position, subsidized premiums will be available on the first day of the month after their average work schedule changes to 30 hours per week. IDA subsidized premiums will be discontinued the first day of the month following a work schedule change that reduces the AC or RC to less than 30 hours per week.**

*In the event of reduced operational funding by the State, ACs and RCs who have worked continuously as full time for no less than 1 year and who have had their work hours reduced due to the lack of sufficient funding to not less than 25 hours per week for insurance through Standard and not less than 20 hours per week for LGHP coverage will remain on full insurance coverage. When sufficient funding is received to increase employees back to full time (30 hours per week), those employees who had their hours reduced will then return to full time (30 hours per week) to be eligible for full coverage through LGHP and Standard Insurance .*

*Payments pursuant through the agreement between the Illinois Department of Agriculture and SWCD of Illinois Insurance Group Association are subject to the availability of applicable State funding from the IDA and their appropriation and authorized expenditure under state law. Obligations of the State will cease immediately without penalty or liability of further payment being required if in any fiscal year that the Agreement is in effect the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds.*

- 11.) **Full-time ACs and RCs who reach an eligible retirement age using the Illinois State Retirement Rule 85 (example: 25 years plus age 60=85) have the option to remain on their current insurance at their own expense. The Rule 85 calculator will use your current age plus your employment start date to figure your eligibility. The quarterly payment would be due to their local SWCD before the due date and then the SWCD would forward a business check to the Administrator of the SWCD of Illinois Insurance Group Association.**



## Things you gotta remember not to forget!!

- Payments need to be mailed to the Montgomery County SWCD rather than the AISWCD.
- Payments and invoices are due by the 15th of January, April, July and October
- Payments must be made via a District check, I cannot accept personal checks
- Enrollment and termination paperwork should be submitted in a very timely manner.
- HAVE A WONDERFUL CHRISTMAS, HOLIDAY SEASON, AND NEW YEAR!!

