



Retired Public Safety Officers Insurance Carrier Agreement

Purpose of the Form

- Use this form to enroll as an insurance carrier in the *Retired Public Safety Officers' Insurance Payment Program* for direct payment of insurance premiums as allowed under Section 845 of the Pension Protection Act of 2006.

Instructions

- Complete the form in blue or black ink.
- Read *Instructions for RS430*, attached.

Insurance Carrier Information			
Legal Name of Insurance Carrier		Federal EIN	
Payment Mailing Address	Street or P.O. Box		
	City	State	Zip Code
Physical Location Address	Street or P.O. Box		
	City	State	Zip Code
Business Phone Number (include area code)		FAX Number (include area code)	
Contact Name		Contact Email Address	

Terms of Agreement between Insurance Carrier and PERSI
<input type="checkbox"/> This agreement is between the Public Employee Retirement System of Idaho (PERSI) and the above named insurance carrier (Insurance Carrier).
<input type="checkbox"/> Insurance Carrier agrees to participate in the Retired Public Safety Officers' Insurance Payment Program (the Program). Under the Program, PERSI members who are retired public safety officers may elect to have PERSI deduct their medical, dental, vision, and long term care insurance premiums from their retirement benefit and pay Insurance Carrier directly.
<input type="checkbox"/> Insurance Carrier certifies that all premiums are qualified health insurance premiums under Section 845(a)(4)(D) of the Pension Protection Act.
<input type="checkbox"/> Insurance Carrier will accept one payment for premiums of multiple retirees accompanied by an itemized report showing name, policy number and payment amount for each retiree.
<input type="checkbox"/> PERSI's only responsibility under the Program is to deduct and remit the premium payment as directed by the insured member in <i>PERSI Form RS162</i> .
<input type="checkbox"/> Insurance Carrier agrees to promptly notify PERSI of any changes in the applicable premiums, including but not limited to, termination of the policy, and agrees to promptly return any overpayments to PERSI.
<input type="checkbox"/> Either Insurance Carrier or PERSI can terminate this agreement by written notice received no less than 45 days in advance of the termination date.

Certification of Insurance Carrier	
I certify that I am an officer of the above named insurance carrier authorized to bind the company or corporation in this matter and hereby agree to abide by the terms of agreement stated above:	
Name	Title
Signature	Date

Instructions for RS430

- 1 Complete the form in blue or black ink.
- 2 Complete *Insurance Carrier Information*. If payment mailing address is a P.O. Box, provide a street address in the Physical Location Address section for delivery of payments by courier or other package delivery service (for use when urgent delivery is necessary).
- 3 PERSI will send a printed report of names, policy numbers, and payment amounts with payments sent by mail. Select the check box to also receive the report in electronic format by E-mail. You must provide an E-mail address or selection is ignored.
- 4 Read *Terms of Agreement between Insurance Carrier and PERSI* and place a checkmark in the box for each item.
- 5 Complete *Certification of Insurance Carrier* (by an officer of the company or corporation).

About Section 845 of the Pension Protection Act of 2006

Effective for distributions made in taxable years beginning after December 31, 2006, Section 845 of the Pension Protection Act allows retired public safety officers to make an election to exclude up to \$3,000 of distributions from a governmental qualified retirement plan, 403(b) plan, or 457(b) plan from income each year as long as the distributions are **paid directly to an insurer** to purchase health or long-term care insurance for the officer or the officer's spouse and/or dependents for such year.

Retirement Plans may opt to participate or not. PERSI has opted to participate, but only with insurance carriers that have completed and filed this form with PERSI. Requests from members for payment of premiums to non-participating insurance carriers will be referred to the insurance carrier. PERSI may provide to members a list of insurance carriers that have filed this agreement.

Section 845(a)(4)(D) of the Pension Protection Act defines **Qualified Health Insurance Premiums** as "premiums for coverage for the eligible retired public safety officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in section 7702B(b))."

Title 26 U.S.C. Section 7702B(b) states:

(1) In general

The term "qualified long-term care insurance contract" means any insurance contract if—

- (A) the only insurance protection provided under such contract is coverage of qualified long-term care services,
- (B) such contract does not pay or reimburse expenses incurred for services or items to the extent that such expenses are reimbursable under title XVIII of the Social Security Act or would be so reimbursable but for the application of a deductible or coinsurance amount,
- (C) such contract is guaranteed renewable,
- (D) such contract does not provide for a cash surrender value or other money that can be—
 - (i) paid, assigned, or pledged as collateral for a loan, or
 - (ii) borrowed, other than as provided in subparagraph (E) or paragraph (2)(C),
- (E) all refunds of premiums, and all policyholder dividends or similar amounts, under such contract are to be applied as a reduction in future premiums or to increase future benefits, and
- (F) such contract meets the requirements of subsection (g).

(2) Special rules

(A) Per diem, etc. payments permitted

A contract shall not fail to be described in subparagraph (A) or (B) of paragraph (1) by reason of payments being made on a per diem or other periodic basis without regard to the expenses incurred during the period to which the payments relate.

(B) Special rules relating to medicare

- (i) Paragraph (1)(B) shall not apply to expenses which are reimbursable under title XVIII of the Social Security Act only as a secondary payor.
- (ii) No provision of law shall be construed or applied so as to prohibit the offering of a qualified long-term care insurance contract on the basis that the contract coordinates its benefits with those provided under such title.

(C) Refunds of premiums

Paragraph (1)(E) shall not apply to any refund on the death of the insured, or on a complete surrender or cancellation of the contract, which cannot exceed the aggregate premiums paid under the contract. Any refund on a complete surrender or cancellation of the contract shall be includible in gross income to the extent that any deduction or exclusion was allowable with respect to the premiums.