

Cash Option – Non-CoBen

If you have qualifying group health and/or dental insurance through a spouse, domestic partner, parent, or another source, you have the option to receive cash in lieu of your state-sponsored health and/or dental benefits. Qualifying group health coverage includes health coverage that provides minimum value as established by the federal Patient Protection Affordable Care Act (ACA) and is maintained by an employer or employee organization. All state CalPERS health plans currently meet the law's minimum value standards.

The ACA establishes a minimum value standard of benefits of a health plan. For a qualifying group health plan to meet the ACA's minimum value standards, the plan must cover at least 60 percent of the total allowed costs of benefits provided under the plan. Employees may refer to their plan's Summary of Benefits and Coverage document to determine if their coverage meets the law's minimum value standards.

Employees enrolled in individual coverage, such as TRICARE, Medicare, Medi-Cal, and Covered California, are not eligible to receive cash in lieu of other health coverage, even if the coverage provides minimum value.

Benefits of the Cash Option

Cash option benefits are provided under the FlexElect program. Depending on which cash option you enroll in, you'll receive the following:

- \$128/month in lieu of health benefits;
- \$12/month in lieu of dental benefits; or
- \$140/month in lieu of health and dental benefits.

This money is treated as taxable income and is reported on your W-2 statement for the tax year when you receive payment. Cash option payments are not considered compensation for retirement purposes.

This plan applies to employees in Bargaining Units 1, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 20, and 21. Excluded employees and employees in Bargaining Units 2, 7, 8, 16, 17, 18, and 19: You're covered by Consolidated Benefits (CoBen) and your cash option is available through [CoBen](#), not FlexElect.

Contact your department's personnel office for information and forms to enroll in a CoBen Cash Option.

SEIU Local 1000 represented employees and excluded classes tied to SEIU are not eligible to participate in the FlexElect or CoBen Cash Options until July 1, 2022, due to receiving other negotiated benefits.

Please contact your department's personnel office to learn more about eligibility.