

ORGANIZATION NAME

PREMIUM ONLY PLAN (POP Plan)

It is the intent that this plan shall qualify as a Section 125 plan of IRC, as amended from time to time. The purpose of the plan is to allow employees the opportunity to elect to pay the portion of medical insurance premium costs, for which they are responsible, either on a pre-salary reduction basis, or through a post-tax salary deduction. The plan is effective from January 1, 202X through December 31, 202X. All employees working **30 hours per** week as of January 1, 202X and who contribute toward the cost of coverage may elect to participate. Employees must enroll before each plan year.

Money set aside in the premium only plan will automatically be used by **ORGANIZATION NAME** to pay premiums for everyone enrolled in the organization's health insurance policy.

The maximum amount of the employee contribution is limited to the difference between the total plan costs and the amount contributed by the organization. Since this amount may change periodically, the organization does not specify an annual maximum in this document. **ORGANIZATION NAME** will automatically increase or decrease the amount of your salary reduction to correspond with changes in the cost of premiums. You will be notified of any change in premium cost as soon as possible.

New employees are allowed to participate once they have satisfied the waiting period for health insurance coverage. At such time, employees will be provided with an election form for use in communicating their decision to contribute on either a pre-tax or post-tax salary deduction basis. Elections will apply until the end of the plan year.

Participation terminates on the earlier of the plan year end or the participant ceases to be an employee. Participant may not change coverage amounts unless there has been a qualifying change in family status.