

Commuter Fringe Benefit Approval

Item 10A: Group Insurance Board

Xiong Vang

HSA and ERA Accounts Program Manager

Office of Strategic Health Policy





Action Needed

- The Department of Employee Trust Funds (ETF) requests the Group Insurance Board (Board) approve the Transit and Parking Plan Document, effective January 1, 2020.

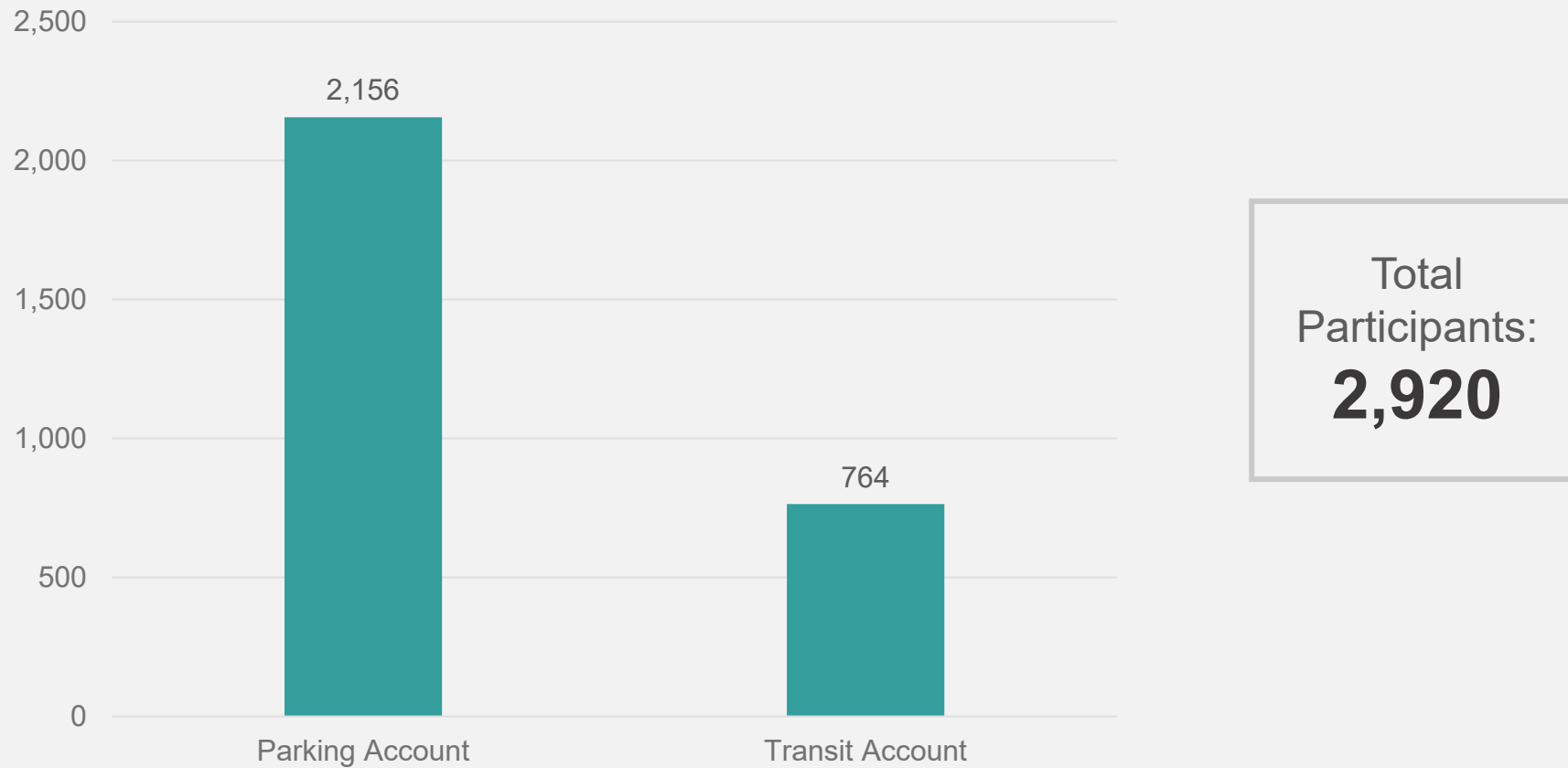
Background

- Commuter Fringe Benefits Accounts authorized under Wis. Stat. §40.02(26g), Wis. Stat. §40.85 and Section 132 of the Internal Revenue Code (IRC).
- Allowed State employees the ability to elect pre-tax deductions for qualified parking expenses and/or mass transit expenses since 2002.



Program Overview

2019 Participant Enrollment

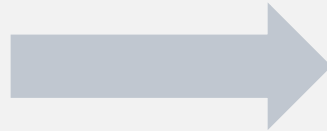


2019 Program Contributions



Total Amount Contributed
in 2019

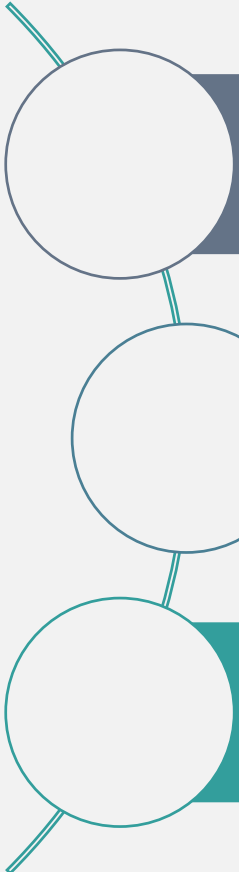
\$1.4 M



Projected Contributions
in 2019

\$1.9 M

Participant Eligibility



All State employees, including limited term employees, are eligible to participate.

To be an eligible participant, an employee must complete and submit a Salary Reduction Agreement.

The University of Wisconsin System and UW Hospital & Clinics employees are not eligible to participate.

What is a Transit and Parking Plan Document?

- A Transit and Parking Plan Document is a plan established in accordance with the requirements prescribed by IRC Section 132.
- Plan Document constitutes the official Plan of the Commuter Fringe Benefit Accounts and serves as an employer guide to those participants under the transit account and parking account.

Provisions of the Plan Document

Administration

Eligibility

Participation

Termination

Revision of Transit and Parking Plan Document

Amended and restated effective date

Changed third-party administrator name

Article III Section 3.07 substantiation of expense

Plan Information Appendix II: Eligibility

Plan Information Appendix VII: Substantiation Period

Program Changes for 2020

- Participants may contribute up to \$265 per month into a qualified transit account or parking account effective for the 2020 plan year.
 - Can only be reimbursed up to \$265 per month and cannot exceed the limited contribution per IRS regulation or written in the Plan Document.

Payment Card Functionality

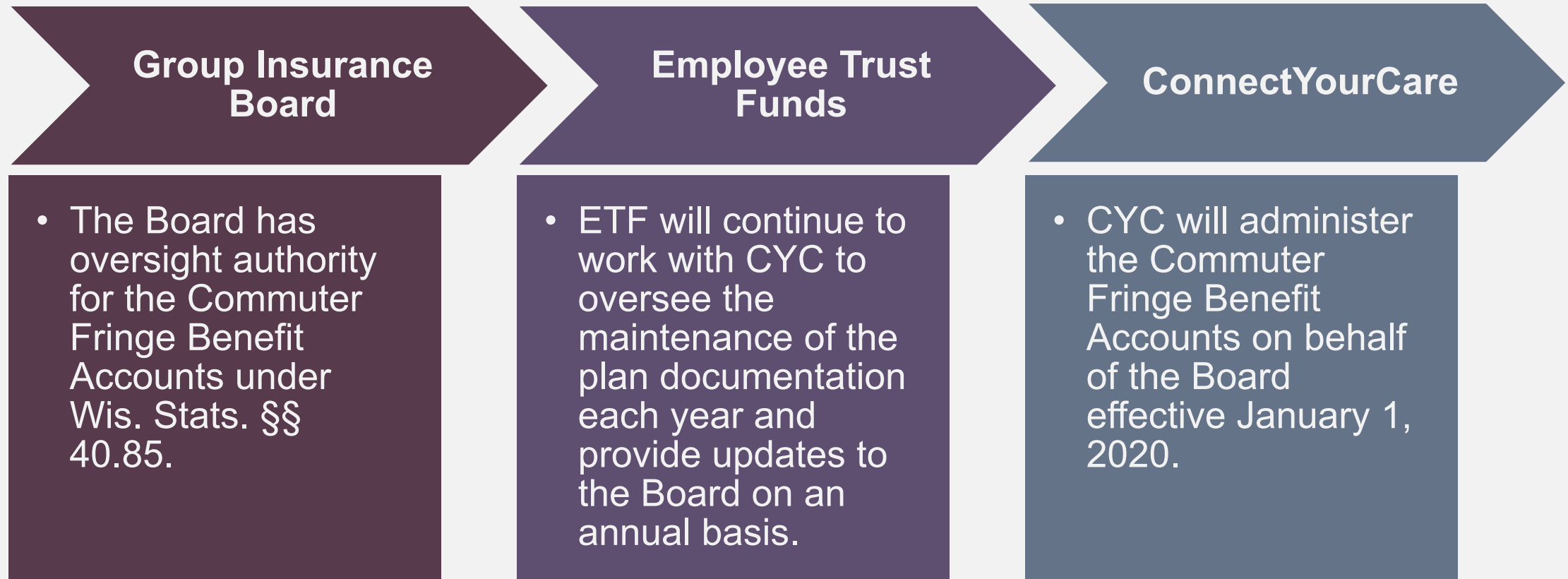
Parking Expenses

- Payment Card
- Mobile App
- On-line Portal

Transit Expenses

- Manual claims
- Mobile App
- On-line Portal

Roles and Responsibilities





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Questions?

Thank you



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