



INSURANCE CARRIER AGREEMENT

State Form 55017 (R / 2-18)

**INDIANA PUBLIC RETIREMENT SYSTEM
1977 POLICE OFFICERS' & FIREFIGHTERS'
PENSION & DISABILITY FUND**
1 North Capitol Avenue, Suite 011
Indianapolis, IN 46204-2014
Telephone: (844) GO-INPRS (Toll-free)
Fax: (866) 591-9441 (Toll-free)
E-mail: questions@inprs.in.gov
Web site: www.inprs.in.gov

* This agency is requesting disclosure of Social Security Numbers in accordance with Internal Revenue Code 3405; disclosure is mandatory and this form cannot be processed without it.

INSTRUCTIONS

1. Remove the instruction pages included with this form prior to returning the completed form to the Indiana Public Retirement System (INPRS) at the address shown on this form.
2. Type or print using black ink. Complete all information and place the Member's name and Social Security number at the top of each page as requested.
3. 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).
4. INPRS will send a printed report of names, policy numbers, and payment amounts with payments sent by mail.
5. Read Terms of Agreement between Insurance Carrier and INPRS and place a checkmark in the box for each item.
6. Complete Certification of Insurance Carrier (by an officer of the company or corporation).
7. This completed form may be delivered to the lobby of INPRS at the address indicated on the form. Lobby hours are 8 a.m. to 5 p.m. on weekdays. The agency is closed on weekends and holidays, including all State-designated holidays.
8. Direct questions or changes to the information on this form to customer service, Toll-free at (844) GO-INPRS, Monday – Friday, 8 a.m.- 8 p.m. EST.

RETIRED MEMBER INFORMATION

| | | | |
|-----------------------|---------------------------------|---|-------------------------|
| Retired member's name | | Social Security number (<i>last 4 digits</i>) | Pension ID (PID) number |
| Address | Telephone number with area code | Other telephone number with area code | |
| City | State | ZIP Code | E-mail address |

IMPORTANT INFORMATION

About the Insurance Carrier Agreement

- You must submit a separate copy of the *Insurance Carrier Agreement* (State Form 55017) for each insurance policy you are designating for direct payment by INPRS on the *Authorization for Insurance Premium Deduction* (State Form 54969).
- The insurance premiums designated will be paid directly to the insurance company by INPRS and the payment will be deducted from your monthly benefit.
- You can use income from more than one retirement plan to pay insurance premiums, but the maximum income exclusion the IRS allows for all plans combined is \$3,000 per year. You are responsible for complying with this federal limit and for the consequences if your designated insurance premiums exceed the limit.
- Premium payments will begin the first month after INPRS receives a completed and signed form. Incomplete and unsigned forms will not be processed and you will be notified that you must resubmit the form.

Insurance Carrier Participation

- Section 845 of the Pension Protection Act allows public safety officers to elect to exclude up to \$3,000 of distributions from a governmental qualified retirement plan from taxable income as long as the payments are made directly to an insurer to purchase health or long-term care insurance for the officer or the officer's spouse and/or dependents.
- Retirement plans may elect whether or not to participate. INPRS has elected to participate, but only with insurance carriers that have completed and filed the Retired Public Safety Officers Insurance Carrier Agreement. Requests from members for payment of premiums to insurance carriers who have not filed this form will be referred to the insurance carrier, who may contact INPRS for the form. INPRS may provide to members a list of insurance carriers that have filed the Retired Public Safety Officers Insurance Carrier Agreement.

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. INPRS has opted to participate, but only with employer-sponsored insurance carriers that have completed and filed this form with INPRS. INPRS may provide to members a list of insurance carriers that have filed this agreement.

| | | |
|-----------------------|--|-------------------------|
| Retired member's name | Social Security number (last 4 digits) | Pension ID (PID) number |
|-----------------------|--|-------------------------|

IMPORTANT INFORMATION (continued)

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 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.

INSURANCE CARRIER INFORMATION

| | | | |
|---------------------------------|---------------------------------|---------------------------|----------------|
| Legal name of insurance carrier | | Federal EIN | |
| Payment mailing address | City | State | ZIP Code |
| Physical location address | City | State | ZIP Code |
| Contact name | Telephone number with area code | Fax number with area code | E-mail address |

TERMS OF AGREEMENT BETWEEN INSURANCE CARRIER AND INPRS

1. This agreement is between INPRS and the above named insurance carrier (Insurance Carrier).
2. Insurance Carrier agrees to participate in the Retired Public Safety Officers' Insurance Payment Program (the Program).
3. Under the Program, INPRS members who are retired public safety officers may elect to have INPRS deduct their medical, dental, vision, and long term care insurance premiums from their retirement benefit and have their Insurance Carrier paid directly.
4. Insurance Carrier certifies that all premiums are qualified health insurance premiums under Section 845(a)(4)(D) of the Pension Protection Act.
5. 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.
6. INPRS's only responsibility under the Program is to deduct and remit the premium payment as directed by the insured member in the member's authorization for insurance premium deduction.
7. Insurance Carrier agrees to promptly notify INPRS of any changes in the applicable premiums, including but not limited to, termination of the policy, and agrees to promptly return any overpayments to INPRS.
8. Either Insurance Carrier or INPRS can terminate this agreement by written notice received no less than 45 days in advance of the termination date.

| | | |
|-----------------------|--|-------------------------|
| Retired member's name | Social Security number (last 4 digits) | Pension ID (PID) number |
|-----------------------|--|-------------------------|

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.

| | |
|---------------------|-------------------|
| Officer's signature | Date (mm/dd/yyyy) |
|---------------------|-------------------|

| | |
|--------------------------|-----------------|
| Officer's name (printed) | Officer's title |
|--------------------------|-----------------|

FREQUENTLY ASKED QUESTIONS (FAQS) FOR ELIGIBLE RETIRED PUBLIC SAFETY OFFICERS

(This FAQ applies only to members of the 1977 Fund.)

Q1: What does this benefit provide?

A: The HELPS Retirees provision of the Pension Protection Act (PPA) of 2006 allows eligible retired public safety officers to use up to \$3,000 per year from their qualified government retirement plan, on a pre-tax basis, to pay for health insurance or long-term care insurance premiums. In order for you to get the pre-tax benefit, the money must be paid directly from your pension fund to a health or long-term care insurance company.

Q2: Who is an eligible retired public safety officer for purposes of the exclusion?

A: Eligible retired public safety officers include those who have separated from service with their INPRS-covered employer due to disability or after reaching normal retirement age. A public safety officer who retires before reaching normal retirement age is not an eligible retired public safety officer, unless the public safety officer retires by reason of disability. In addition, survivors are not eligible to make this election.

Q3: OK, I know that I'm an eligible retired public safety officer. What do I need to do to get this benefit?

A: Contact INPRS at (844) GO-INPRS and ask about the \$3,000 pre-tax benefit for purchasing health insurance or long-term care insurance under the 1977 Fund. The election form is available online at www.INPRS.in.gov. You must submit your election form to the 1977 Fund by December 1 of each year.

Q4: What happens if both my spouse and I are eligible retired public safety officers?

A: Both you and your spouse would be eligible to use up to \$3,000 each on a pre-tax basis to purchase health insurance or long-term care insurance for a total family limit of \$6,000. But the premiums would have to be directly deducted for both you and your spouse.

Q5: Under what circumstances are the provisions of HELPS available for retired public safety officers?

A: The favorable tax treatment is available only when an eligible retired public safety officer chooses to have an amount subtracted from his or her distributions from an Eligible Government Plan and that amount is used to pay qualified health insurance premiums. The employer sponsoring the Eligible Government Plan is not required to offer such an election.

Q6: Are eligible retired public safety officers limited in the amount they can exclude from gross income under the HELPS Retirees provision of the PPA?

A: Yes. The aggregate amount that is permitted to be excluded, for any taxable year, from an eligible retired public safety officer's gross income is limited to \$3,000. For purposes of applying this \$3,000 limitation, distributions with respect to an eligible retired public safety officer that are used to pay for qualified health insurance premiums from all Eligible Government Plans are cumulative.

Q7: Are amounts used to pay qualified health insurance premiums that are excluded from gross income taken into account for purposes of determining the itemized deduction for medical care expenses?

A: No. Amounts used to pay qualified health insurance premiums that are excluded from gross income under 402(I) are not taken into account in determining the itemized deduction for medical care expenses.

Q8: What if the IRS does not agree with my income tax exclusion?

INPRS is released from any unexpected tax liability for the fund member as a result of them making this election.

IC 36-8-8-17.2

**INSTRUCTIONS FOR
INSURANCE CARRIER AGREEMENT**

State Form 55017

IMPORTANT

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8. Direct questions or changes to the information on this form to customer service, Toll-free at (844) GO-INPRS, Monday – Friday, 8 a.m.- 8 p.m. EST.

| Entry field | Field description |
|--|---|
| RETIRED MEMBER INFORMATION | |
| Retired member's name | Enter the complete name of the retired member. |
| Social Security number | Enter the last 4 digits of the retired member's Social Security number. |
| Pension ID (PID) number | Enter the retired member's Pension ID (PID) number. |
| Address, City, State, ZIP Code | Enter the retired member's street or mailing address. |
| Telephone number/Other telephone number | Enter telephone numbers including area codes for the retired member. |
| E-mail address | Enter the retired member's e-mail address, if applicable. |
| INSURANCE CARRIER INFORMATION | |
| Legal name of insurance carrier | Enter the full LEGAL name of the insurance carrier |
| Federal EIN | Enter the federal employer identification number (EIN) |
| Payment mailing address, City, State, ZIP Code | Enter the insurance carrier's address for receipt of premiums. This may be different or the same as the physical location of the company. |
| Physical location address, City, State, ZIP Code | Enter the insurance carrier's address where the company is located. This may be the same or different than the payment mailing address. |
| Contact name | Enter the contact's name. |
| Telephone number | Enter the insurance carrier's telephone number with area code. |
| Fax number | Enter the insurance carrier's fax number with area code. |
| E-mail address | Enter the contact person's e-mail address |
| CERTIFICATION OF INSURANCE CARRIER | |
| Officer's signature | This form must be signed and dated by an officer of the insurance carrier. |
| Officer's printed name | This form must include the printed name of the officer of the insurance carrier. |
| Officer's title | This form must include the title of the officer of the insurance carrier. |
| Date | This form must be signed and dated by the officer of the insurance carrier. |

| HELPFUL INFORMATION | | | |
|----------------------------|--|--|--|
| | INPRS/PERF | INTERNAL REVENUE SERVICE | INDIANA DEPARTMENT OF REVENUE |
| Telephone numbers | (844) GO-INPRS Toll-free | (800) 829-1040 Toll-free | (317) 233-4018 Indianapolis local |
| | (866) 591-9441 Fax Toll-free | (800) 829-4477 TeleTax | (317) 232-2240 Tax questions |
| | | (800) 829-4059 TDD (hearing impaired) | (317) 233-4952 TDD (hearing impaired) |
| | | | (317) 233-2329 Fax |
| Web site | www.inprs.in.gov | www.irs.gov | www.in.gov/dor |