



IAFF MERP MEDICAL EXPENSE REIMBURSEMENT PLAN

Administered by Vimly Benefit Solutions

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2025 Annual Verification of Medical/Dental/Vision Premiums

Re: Procedures for Recurring Insurance Premium Reimbursement Claims

Dear Retired Plan Participant:

Our records indicate you are either receiving benefits, or are eligible to receive benefits, under the IAFF Medical Expense Reimbursement Plan. **Please review this letter in its entirety for information regarding the Annual Verification process for recurring insurance premiums.** You are receiving this letter as a reminder that you have the option to set up a “recurring claim” for medical, dental and vision insurance premium reimbursement. “Recurring claim” means that you are requesting reimbursement of the same amount for your insurance premiums every month. In this circumstance, you need to submit a claim form one time per year along with annual documentation from your insurance carrier showing your monthly premium amount for that year and the type of insurance (see below for details on Insurance Documentation Requirements). In addition to the annual documentation, you need to submit monthly proof of payment of that same insurance premium amount each month. (See below regarding Monthly Documentation Requirement.)

Annual Insurance Documentation Requirements: Full insurance premium verification documentation consists of documents from a third party, most often from the insurance carrier, showing the following information:

- Type of health care insurance (e.g., medical, dental, vision, or long-term care)
- Amount of the premiums
- Dates of insurance coverage (date of coverage must include the 2024 calendar year)
- Name of insured

Monthly Documentation Requirement: Due to IRS requirements, **you must now submit proof of your monthly payment of that same premium amount prior to each reimbursement.**¹ You don't have to send in your annual insurance documentation and claim form each month. However, you must send in the proof of payment for each monthly premium before we can reimburse it. This proof of payment includes, for example, a cancelled check, a bank statement or credit card statement showing payment of the premium, or a pension statement showing deduction of that month's premiums. If you want to batch those proofs of payment and send them quarterly or annually, you can do that, but you will not receive reimbursement for a month's premium until we have received your proof of payment for that month. When we receive your proof of payment, we will send your reimbursement for all documented monthly premiums in the next monthly claim payment, e.g., if we

receive your proof of payment for 2 months of premium, you will receive 2 months of reimbursement in the following claim payment.

Exceptions to Monthly Documentation Requirement. The following are two exceptions to the requirement for you to submit proof of payment for each monthly premium:²

1. If your premium payments are for Medicare coverage (Parts A, B and D) and are deducted from your Social Security payment, you will only be required to submit your Social Security statement annually. A single submission containing your Social Security statement showing the amount deducted from your Social Security payments for Medicare along with a signed claim form will be sufficient documentation to qualify for monthly reimbursement of your Medicare premiums for the duration of 2025. If you have other premiums, such as for Medicare supplemental insurance, you will need to submit your proof of payment for each monthly premium for reimbursement of those premiums.
2. If your premiums are paid to the IAFF Health & Wellness Trust, you will only be required to submit documentation annually. Each annual submission must contain a completed claim form and documentation from IAFF Health & Wellness Trust showing your premium amount for the relevant plan year. The Trust Office will obtain proof of your monthly premium payment directly from the IAFF Health & Wellness Trust.

Deadline for 2025 Documentation: A new claim form and full documentation, **including proof of payment of the January premiums**, must be received by the Trust Office **no later than December 25th, 2024**, in order for your recurring premium reimbursement payment to continue in January 2025. If your documentation is received after December 25, 2024, your January claim payment may be delayed until full documentation is received.

Claim Form Enclosed and Available on Web Portal. In order to receive payment on a recurring claim for the 2025 calendar year, you need to complete and sign the enclosed **Claim Form For Expense or Premium Reimbursement** (information at the bottom of page 1 is for recurring premiums) and attach **2025** supporting Insurance Documentation showing the amount that you are expected to pay for the claimed premiums monthly. Send the claim form and documentation to the Trust Office via the address, email or web portal noted at the top of this letter. You need to send this documentation to the Trust Office even if your premiums have not changed from last year.

Reminder– Taxable Reimbursement of Premiums Paid with Pre-Tax Income. The Trustees recently amended the Plan (effective January 1, 2024) to allow for the reimbursement of premiums paid with pre-tax income.³ Participants whose premiums are paid with pre-tax income have the

² There may be other exceptions, e.g., if you pay your premiums with one annual payment. If you think you qualify for an exception, contact the Trust Office.

³ Pre-tax premiums include insurance premiums that are paid for with pre-tax income (*i.e.*, income that is not taxable to you). EXAMPLE: your spouse's employer deducted the insurance premium from your spouse's salary or wages prior to calculating your spouse's taxable income (e.g., through a Section 125 cafeteria plan); the amount of your spouse's income deducted for the premium payment will not be reported on Form W-2 and will not be taxable to you or your spouse. This is considered to be paid with pre-tax income and is sometimes called a "pre-tax premium."

option to elect a *taxable* reimbursement on the bottom of page 1 of the claim form.⁴ The amount selected as a taxable reimbursement will remain the same until you submit a new claim form to change it. At the end of the calendar year, the Trust Office will issue an IRS Form 1099 to you indicating the total amount of benefits that you have received as taxable income.⁵

Deadline for claims other than insurance premium payments: If you have other medical, dental or vision expenses that you would like to submit for reimbursement, this is a reminder that you need to submit those claims by March 31st of the year following the year in which you made the payment for the medical expense. **Please keep in mind that claims for medical expenses paid in 2024 must be postmarked by March 31, 2025.** Please complete the applicable section of the Claim Form (i.e., non-premium expenses on page 2) and attach your supporting documentation for those expenses.

Note Regarding Return to Work at Participating Employer. Please note that your benefit payments from the Trust will be suspended if you return to (or continue) employment with any Participating Employer after retirement. This means that the Trust cannot reimburse your premium payments or medical expenses until you have terminated all employment with all Participating Employers. Benefits that are suspended during a period in which you are re-employed with a Participating Employer will carry over to later months to be used for Covered Expenses incurred *after you separate from employment* with all Participating Employers. Please let us know if you are not claiming reimbursement due to current employment with a Participating Employer.

The Trust will provide reimbursement payments via Direct Deposit to your personal account. You can access forms for direct deposit at <https://iaff-merp.simon365.com>.

Should you have any questions please do not hesitate to contact us at 844-353-7839 or iaff-merp@vimly.com.

Sincerely,

Trust Office, IAFF Medical Expense Reimbursement Plan (IAFF MERP)

⁴ IRS Publication 502, available at <https://www.irs.gov/pub/irs-pdf/p502.pdf>, specifically indicates that premiums that are not included in your income on your Form W-2, are not tax-deductible premiums.

⁵ For further information about alternative ways for you to use your Plan benefits, see Section II. C of the September 2023 "Notice To Participants: Summary of Material Modifications."