

**CAPS Proposal  
October 31, 2008**

**5.7 FlexElect Program**

A. Flexible Benefit Program

The State agrees to provide a Flexible Benefits Program under Section 125 and related Sections 129, 213(d), and 105(b) of the Internal Revenue Code. All participants in the FlexElect Program shall be subject to all applicable Federal statute and related administrative provisions adopted by the Department of Personnel Administration (DPA). All eligible employees must work one-half time or more and have permanent status or, if a limited-term or TAU appointment, must have mandatory return rights to a permanent position.

B. Permanent Intermittent Eligibility

Permanent Intermittent (PI) employees may only participate in the Pre-Tax Premium and/or the Cash Option for medical and/or dental insurance. PIs choosing the Pre-Tax Premium must qualify for State medical and/or dental benefits. PIs choosing the Cash Option will qualify if they work at least one-half time, have an appointment for more than six months, and receive credit for a minimum of 480 paid hours within the six month control period of January 1 through June 30 of the plan year in which they are enrolled.

C. Cash Option Rates

The state agrees to establish the cash option for those who opt out of the health and/or dental plan where qualifying alternative coverage is available at 75% of the single party employer contribution.

~~E. D.~~ This Section is not grievable or arbitrable.