

MERS email 2-1-19:

Hi Sheryl,

Thank you again for arranging the presentation by Tony and myself to your Board a few weeks ago. I wanted to take this opportunity for a status check on the Health Care Savings Program and to provide you with the documents which must be adopted prior to implementing the program. You and I can complete them via a phone conversation then they must be signed and scanned to me. Below is a breakdown of the paperwork which is attached.

- 1) Uniform Resolution – this must be completed and signed on page four where designated
- 2) Participation Agreement – this too must be completed and signed on page four where requested
- 3) Signatory form – this is a new which helps us update our files with the requested information. After a discussion it must be signed and returned for our files

Ultimately you will receive countersigned copies for your records.

Please call me with any questions.

Best regards,

Tom Jordan

Benefit Plan Advisor

www.mersofmich.com

Also communicated:

- 1) There is no expense to the Mid-Michigan Library League to offer the program
- 2) The League can structure a contribution to the program on your behalf if it so desires
- 3) The program can be structured to allow you to make contributions to the plan. For example, as we discussed, the League could contribute \$100/month along with your \$100/month contribution bringing total contributions after two years to \$4,800. Depending on the performance of the fund(s) you deposit your contributions into \$4,800(plus/minus) is what would be available to you to use to pay for medical expenses upon separation from the League.
- 4) Contributions are deposited on a tax-free basis, accumulate tax-free and are withdrawn tax-free
- 5) The monies must be used to pay for post-employment medical expenses
- 6) You will name a beneficiary
- 7) It will be necessary for you and I to complete the documents prior to submitting them to the Board for adoption
- 8) Once approved we will process the paperwork to establish a municipality account
- 9) You will complete an enrollment form establishing your personal account

HOW IT WORKS

[MERS HCSP Handbook](#)

https://resources.mersofmich.com/SharePointFormsService/Default.aspx?Publication=web_HCSP_Handbook.pdf

- Individual employee accounts designed by you and your employer are invested and grow tax-free.
- You and your employer make contributions to your account based on the provisions your municipality has adopted.
- You can also make contributions to your account on a voluntary, post-tax basis.
- The MERS Health Care Savings Program is an invested account, meaning you take an active role in determining your financial goals, making investment choices, and monitoring your portfolio.
- When you separate from your employer, you can use the account for [tax-free medical expense reimbursements](#). You must be vested at termination to withdraw your employer's contributions.
- You select from the streamlined MERS Investment Menu. For more information, please read [Understanding the MERS Investment Menu](#)

https://resources.mersofmich.com/SharePointFormsService/Default.aspx?Publication=InvestmentsMenuBook_web.pdf