



DATE: December 16, 2015

TO: MESSA ENROLLEES

FROM: Dean Niforos, Assistant Superintendent of HR
Scott Warrow, President, Birmingham Education Association

SUBJECT: MESSA PREMIUM DEDUCTIONS FOR **JANUARY 1, 2016**
THROUGH JUNE 30, 2016

The following outlines your benefit calculation deductions for January 2016 through June 2016. These amounts will be deducted for **12 pay periods**, which will begin with the January 8, 2016 pay, until the last pay in June 10, 2016. One half the Hard Cap amounts for 2016 shall be applied.

1. MESSA rates cover the period from July 1, 2015 to June 30, 2016. The hard cap covers the calendar year (January 1, 2016 - December 31, 2016).
2. For the last 6 months of the school year, January 1 through June 10, 2016, one half of the hard cap for the 2016 calendar year will apply. Those hard cap amounts are \$3,071.05 for single subscribers; \$6,422.52 for 2-person subscribers and \$8,375.61 for full family subscribers.
3. No premium payments are collected in July and August. There are 12 premium contributions taken out of your paychecks for the period from January 1 through June 30, 2016.
4. For those enrolled in the ABC plan, the deductibles will remain at \$1,300 for single subscribers and \$2,600 for two person and full family subscribers. The deductibles may increase during the term of the new contract should the IRS take action to do so.
5. The premium rates will include mandated taxes. MESSA will pay 100% of Federal taxes, but not State of Michigan Taxes. The State of Michigan taxes are 1.93% of the premium costs.
6. Use the chart on the next page to calculate what the standard per pay deduction should be (based on the 2016 rates) for the type of insurance coverage you selected.
7. Based on the contract language, the per pay deduction amounts will be prorated based on a less than 1.0 FTE status. For example, if an employee works a 0.8 FTE status, he/she will receive 80% of the hard cap amount, and will be responsible for paying the difference.

If you have any questions, please do not hesitate to contact Darcia Sanders, Employee Benefits Specialist via [email](#) or by phone at 33029.

MESSA CHOICES II PLAN

	Single	Two Person	Family
Health Insurance- 6 Month Costs	\$3,205.86	\$7,201.86	\$8,960.10
MI State Tax (Fed Tax paid by MESSA)	1.93% = \$61.87	1.93% = \$139.00	1.93% = \$172.93
Total Ins. Costs	\$3,267.73	\$7,340.86	\$9,133.03
½ total State Treasurer Hard Cap	<u>-\$3071.05</u>	<u>-\$6,422.52</u>	<u>-\$8,375.61</u>
Total Owed January- June 2016	\$196.68	\$918.34	\$ 757.41
Deducted each pay/ 12 pay periods	\$16.39/pay period	\$76.53/pay period	\$63.12/pay period

MESSA ABC PLAN

	Single	Two Person	Family
Health Insurance- 6 Month Costs	\$2,900.58	\$6,515.04	\$8,105.40
MI State Tax (Fed Tax paid by MESSA)	1.93% = \$55.98	1.93% = \$125.74	1.93% = \$156.43
Total Ins. Costs	\$2,956.56	\$6,640.78	\$8,261.83
½ total State Treasurer Hard Cap	<u>-\$3071.05</u>	<u>-\$6,422.52</u>	<u>-\$8,375.61</u>
Total Owed January-June 2016	-\$114.49	\$218.26	-\$113.78
Deducted /Added each pay/12 pay periods	-\$114.49 One-time Employer Paid Contribution	\$18.19/pay period	-\$113.78 One-time Employer Paid Contribution