

Town Board Adopts Councilwoman Bonner's Cost-Saving Resolution to Amend Town Employee's Medical Flexible Spending Plan with AFLAC

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Amended Health Care Plans Will Save the Town \$75,000 Per Year

Farmingville, NY - At the December 21 Town Board meeting, a resolution sponsored by Councilwoman Jane Bonner was adopted that authorizes amendments to Brookhaven Town's Flexible Spending Plan (Cafeteria Plan) with AFLAC of New York. The amendments, which are of significant benefit to employees and the Town, include the premium only plan and medical expenditures plan for pre-tax deductions of participating employees' income to be used for eligible health care premiums and medical expenses. Of the 800 employees who have health insurance through the Town, it is expected that 60% will participate in the premium only program and 15% in the medical expense reimbursement program, saving them a total of \$250,000 per year. The Town will see a yearly savings of \$75,000.

One amendment to the Plan will permit employees to elect to have pre-tax dollars deducted from their pay to fund the health insurance premiums that they must pay starting in 2011, while another will permit employees to elect to have pre-tax dollars deducted from their pay to fund certain health care expenses that are not paid by the health insurance plans. The savings to employees in the 15% federal tax bracket could amount to 25% to 30% of amounts deducted and the Town will save over 7% on amounts deducted.

"In these days of rising costs and decreasing health benefits, it's wonderful to offer town employees an opportunity to save on their medical expenses," said Councilwoman Bonner. "The added benefit is that it will also provide a cost savings to the town - which in turn saves taxpayer dollars."

"I support whatever we can do to help Town employees and their families save money while at the same time reducing the cost to the town," said Supervisor Mark Lesko. "Health insurance premiums are rising each year, so it's important that we consider every opportunity to keep our costs down."

Enrollment by Town employees in both programs is voluntary.

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