



Fond du Lac Insurance Company

## MEDICAL PREMIUM HOLIDAY ANNOUNCEMENT & FREQUENTLY ASKED QUESTIONS

The Fond du Lac Insurance Company is conducting a medical insurance premium holiday for the month of January 2023. This means that both employees and employers of Fond du Lac will not be charged for their medical premium for January 2023. Premiums will still be collected for Supplemental Product offered through Cigna and New York Life, Family Dental Plans and any medical payment arrangements or premium back charges.

### **What is a medical premium holiday?**

A medical premium holiday is a period which the medical premiums are not charged. Premiums for other coverages and any medical payment arrangements or premium back charges will still be collected.

### **Why are we receiving this medical premium holiday?**

The Fond du Lac Insurance Company received partial reimbursement for 2020 and 2021 COVID-19 claims incurred through the Medical Plan through the CARES Act. The Fond du Lac Insurance Board and Advisor, along with the Fond du Lac Reservation Business Committee, wanted to use this reimbursement to offset the increased medical premiums for 2023. While the medical premiums will still increase on your bi-weekly paycheck, this premium holiday will decrease the impact on an annual basis.

### **Who is eligible for the medical premium holiday?**

The medical premium holiday applies to employees enrolled in any medical coverage that has a premium deducted from their paycheck.

### **Will the medical premium holiday happen again?**

No, this is a one-time holiday that will take place January 2023.

### **Why didn't my net pay increase by the exact amount of the waived premium?**

Medical Premiums are exempt from taxes, which lowers your taxable income. Because you are not paying medical premiums during the month of January 2023, the gross amount of your income subject to taxes will increase which may change your tax withholdings.

However, you may still see an increase in your net pay.