



BIZPOWER
benefits



BizPower Benefits Compliance

BizPower Benefits provides employers the opportunity to offer their employees an approved benefit and welfare plan (a health plan), as well as additional supplemental insurance benefits. There is no reduction in employees' take-home pay. As a result of implementation, employers see a reduction in their FICA tax matches.

Code Summary

- Our **Self Insured Medical Reimbursement Plan** was purposefully created, fully researched, and found compliant with IRS 213(d), 106(a), 105(b), 1.105-11(i) and 104(a)(3) codes, and all applicable IRS memos, ERISA regulations, HIPAA, and the ADA.
- **Medical services** are a key component.
- Our plan is always paired with an **ACA approved** medical plan to make an **integrated 105 plan**.
- Deduction of the plan is **pre-tax eligible**
- The deduction of plan cost from an employee's gross wages is addressed by **IRS Codes 106(a)**. The Office of Chief Counsel Internal Revenue Service Memorandum (Number: 201703013, Dated 1/20/2017) states: "The value of coverage by an employer provided wellness program that provides medical care (as defined under §213(d)) is generally excluded from an employee's gross under §106(a). The pre-taxing of this deduction made possible under a SIMRP and a Cafeteria plan (§125) creates the reduction of taxable income, generating a savings for the employee and the employer





Post-tax program reimbursements.

- Any reimbursements or payments for medical care (as defined under §213(d)) provided by the program is excluded from the employee's gross income under 105(b). Also, Code 1.105-11(i) and 104(a)(3). Reimbursement guidelines are spelled out in the SIMRP plan documents we provide.

Reimbursement Allowances.

- Allowable pre-taxing and reimbursement amount based on Dept. of Health and Human Services report (July, 2016) and national average cost total for monthly value of benefits. Amounts allowed are also based upon fair market value of benefits provided through the wellness program for preventative services that are 213(d) compliant. All regulations and guidelines of our program are used for the wellness benefits and are paired with a Section 125 Cafeteria Plan. The SIMRP must be paired with medical insurance for an integrated 105 plan.



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3

Code Summary

Wellness

IRS §106(a) - ERISA, IRS §213(d) - ADA, IRS §105(b), HIPAA, IRS §125, IRS §105.11, & IRS §104(a)(3)

Medical

- IRS §213(d)ACA

Pre-Tax

- IRS §213(d), IRS §106(a), & IRS §125

Post-Tax

IRS §213(d), IRS §105(b), 1.105.11(i), 104(a)(3), 1.105.11(k)(1), & 1.105.11(k)(2)