



Cash-in-Lieu Annual Reminder

As the new fiscal year approaches, we would like to remind you of the **Cash-in-Lieu (CIL)** documents available to school districts and local unions.

Reminder: Cash-in-lieu **was addressed** in 2021 by the Statewide Bargaining Commission. Employees who are employed by a public school, and are covered by VEHI through another public school entity as a dependent to a parent, spouse or domestic partner, are **not eligible** for a CIL benefit. You can find the legal opinion on the Commission decision [here](#).

IRS guidance includes provisions that permit employers, if specific health plan certification measures are satisfied, to avoid issues that could arise with CIL payments in respect to three key issues:

- (a) employer health plan **“affordability”**;
- (b) the question of what is or is not an **“incidental”** CIL payment; and
- (c) the effects of CIL payments on **wages, overtime and other employee benefits**.

Click [HERE](#) for the model certification document, Gallagher Compliance Spotlight and a CIL flow chart.

If you have questions, please contact VEHI Trust Administrator Bobby-Jo Salls (bobbyjo@vsbit.org) or the compliance helpdesk at VEHIhelp@ajg.com.

This notification has been sent to School Business Officials, Health Plan Contacts and Human Resources.

To avoid confusion and to ensure consistency in the delivery of information, when distributing VEHI information, do not modify any VEHI communications or attachments.

Please note: For your convenience, all VEHI Communications (sent via Campaign Monitor) can now be found in our archive at vehi.org/home/campaign-monitors/

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