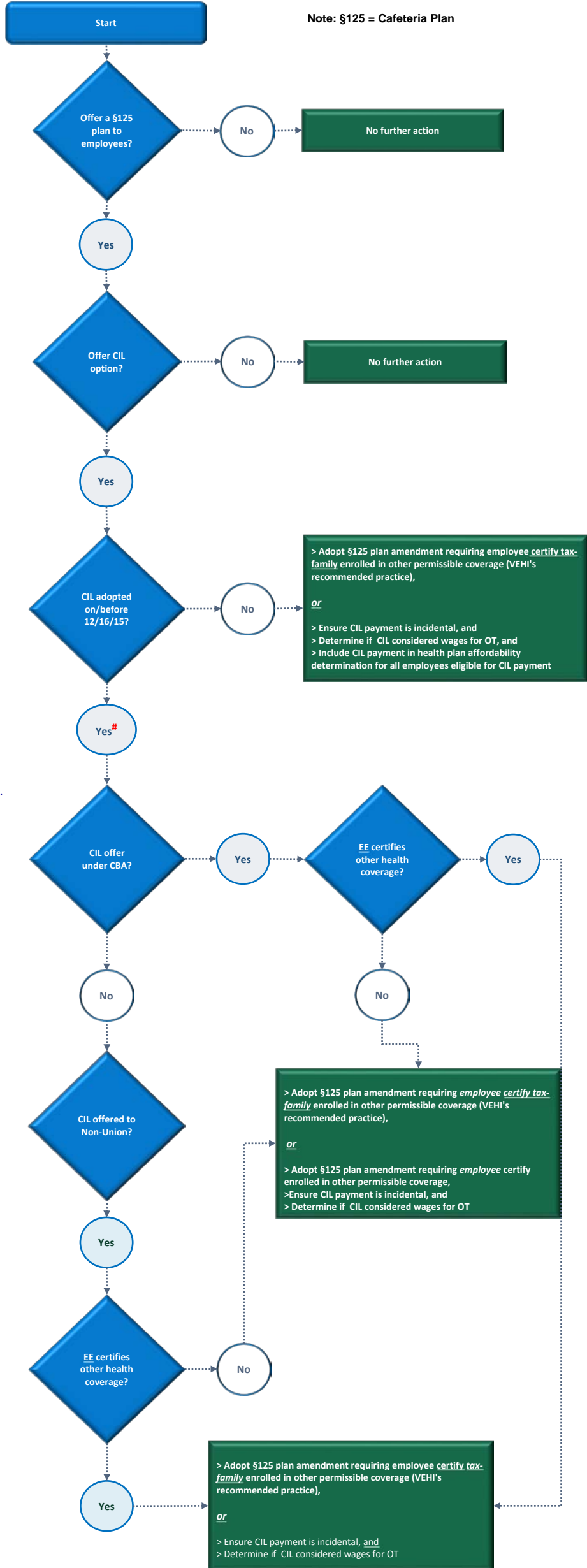


Cafeteria Plan/CIL

Affordability, Incidental & Wage Determinations

Note: §125 = Cafeteria Plan



#Note: For the purposes of determination of **affordability**, School Districts offering a CIL option before the December 2015 safe harbor date need only require the employee to certify the employee's coverage under permissible health plan coverage.

Because the IRS is expected to end the safe harbor in the near term, we recommend you consider adopting VEHI's *recommended practice* as soon as practical. This also eliminates concerns about incidental payment thresholds and defining wages for overtime.