

State Employees' Health Insurance Plan Federal Poverty Level Discount Program

All full-time State employees and retirees enrolled in the State Employees' Health Insurance Plan (SEHIP) with a combined family income less than or equal to 200% of the Federal Poverty Level as defined by the federal law are eligible for consideration for the Federal Poverty Level Discount Program (FPLDP). The assistance is provided in the form of a percentage discount off the approved premium, excluding the tobacco user premium.

In order to qualify for the discount, acceptable proof of total family income must be submitted. The effective date of the discount will be the first day of the second month following approval. If acceptable proof of income is not provided with the application, the discount will be denied or delayed until acceptable proof of income is provided and approved by the State Employees Insurance Board (SEIB). Certification of income level will be effective for twelve months. Thereafter, re-certification will be made annually on the employee's or retiree's birthday.

Family income is determined based upon current income in conjunction with the prior year's federal and state income tax returns. As a condition of participating in the FPLDP, applicants must authorize the Alabama Department of Revenue (or the appropriate agency of the applicant's state of residence) to release to the SEIB all of the applicant's tax related information in their records for the current and prior tax year.

The premium discount will be applied as follows:

- Over 200% of the FPL – employee pays 100% of the employee contribution
- 176% to 200% of the FPL – employee contribution reduced 10%
- 151% to 175% of the FPL – employee contribution reduced 20%
- 126% to 150% of the FPL – employee contribution reduced 30%
- 101% to 125% of the FPL – employee contribution reduced 40%
- 100% or less of the FPL – employee contribution reduced 50%

In addition to any disciplinary action already in place, any employee or retiree knowingly and willfully submitting false information to the SEIB will be required to repay all discounts as well as all claims and other expenses incurred by the SEHIP related to the false or misleading information, plus interest.