



DEPARTMENT OF MANAGEMENT  
**SERVICES**

“We serve those who  
serve Florida”

**JEB BUSH**  
Governor

**Tom Lewis, Jr.**  
Secretary



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# DIVISION OF RETIREMENT INFORMATION RELEASE

Release # 2005-103

October 24, 2005

TO: All Non-State Agency Heads and Retirement Coordinators

FROM: Sarabeth Snugg *SS*  
State Retirement Director

SUBJECT: **Certification of Retirees' Health Insurance Premium Payments**

**IMPORTANT NOTE TO RECIPIENTS OF THIS INFORMATION RELEASE  
PLEASE MAKE SURE THAT THE PERSON(S) RESPONSIBLE FOR CERTIFYING  
RETIRES' HEALTH INSURANCE PREMIUMS TO THE DIVISION OF  
RETIREMENT RECEIVE(S) A COPY OF THIS INFORMATION RELEASE.**

This information release serves as a reminder that the Internal Revenue Service allows retirees (including beneficiaries) receiving the Health Insurance Subsidy (HIS) to exclude from taxable income all or a portion of HIS payments under certain conditions as described in the *FRS Employer Handbook* (pages 12-10 thru 12-13). Certification of the calendar year 2005 health insurance premiums paid directly to your agency by your retirees must be submitted to the Division no later than **December 2, 2005** to meet IRS deadlines for providing Forms 1099-R to the retirees. Each year we are able to reduce the taxable income for more than 26,500 retirees because about 400 FRS employers take part in the certification process. We encourage you to certify such payments as described in your *FRS Employer Handbook*. The employer handbook may be viewed from the Publications page of the Division's website ([www.myflorida.com/frs](http://www.myflorida.com/frs)).

Types of insurance products that can be used for the tax exclusion are **health, accident, cancer, vision, dental, long term care (tax qualified), or disability insurance**. Retirees and beneficiaries may qualify for this tax exclusion by one of two methods described below:

1. Retirees and beneficiaries may qualify by having payroll deduction of the above listed types of insurance through the FRS payroll system; or
2. Retirees and beneficiaries whose FRS employers submit to the Division the required certification for the above listed types of insurance, will qualify for this tax exclusion. The excludable portion of the HIS must be employer-provided coverage for the retiree, his/her spouse, or his/her dependent.

Insurance premiums for the following types of insurance products **do not** qualify for the HIS tax exclusion: **life, automobile and legal services**.

The Division will accept certification reports in the file format and the methods described below or in the *FRS Employer Handbook*. Hard copy certifications are no longer accepted.

- Internet E-Mail attachment (E-Mail address: [his\\_certification@frs.state.fl.us](mailto:his_certification@frs.state.fl.us))
- Diskette or CD ROM mailed to: Retired Payroll, PO Box 3090, Tallahassee, FL 32315-3090
- File Transfer Protocol (FTP) - Please notify us by telephone before submitting the file by FTP so it can be downloaded that day. Please call Willis McDaniel at 850/410-2896 (SUNCOM 210-2896) or Debra Roberts at 850/487-1457 (SUNCOM 277-1457) for FTP address and instructions.

Form HISBAL (attached) should be completed by non-state agencies and returned to us by **November 14, 2005** if one or more of the following applies. State agencies should not complete Form HISBAL.

- The agency contact information for the person certifying health insurance premiums has changed since November 2004, or
- Your agency will not be reporting, or does not receive insurance premium payments from retirees, or
- Agency names and numbers for which you will be reporting have changed.

If we do not receive Form HISBAL from your non-state agency, we will assume your contact information is the same as last year and you will be submitting a report no later than December 2, 2005. Thank you for your cooperation.

Synopsis of pages 12-10 thru 12-13 – FRS Employer Handbook.

**File format and certification information:**

- Files must be in proper format in order to be processed. Delimited text files, EXCEL spreadsheets, or WORD documents are acceptable.
- The certified payments for each payee must be the grand total of all health insurance premiums paid directly to your agency for the calendar year – January 2005 thru December 2005. Do not provide separate totals for each of the qualified insurance products.
- Each file must include only one record for each payee for whom data is being sent.
- Do not report premiums that are deducted by FRS retired payroll and remitted to your agency.
- All fields except the name field must be zero filled. For example, an amount of \$345.00 would be entered in positions 23 thru 29 as 0034500. **Do not include a decimal point or a dollar sign in the data fields.**
- If sending data by E-mail, please type as subject: **HIS Annual Certification for Agency ##### (fill in 5 digit Agency Number)**. If sending data by diskette or CD-ROM, please label it to read **HIS Annual Certification for Agency ##### (fill in 5 digit Agency Number)**.

**HIS Exclusion File Layout for FTP, E-mail Attachment, CD-ROM, or Diskette**

Detail Record Layout (All the fields are required fields and should be filled.)

Item No.	Position From To	Field Size	Data Type	Field Description
1	01 - 05	05	Alpha	Module Code. Should contain 'RP610'.
2	06 - 06	01	Alpha	Filler Space.
3	07 - 11	05	Numeric	Agency number.
4	12 - 12	01	Alpha	Filler Space.
5	13 - 21	09	Alpha	Social security number of the <b>payee</b> .
6	22 - 22	01	Alpha	Filler Space.
7	23 - 29	07	Numeric	Total health insurance amount reported for the payee. [5 + 2]
8	30 - 30	01	Alpha	Filler Space.
9	31 - 55	25	Alpha	<b>Payee name</b> – Last name comma space first name.

**Trailer Record Layout (All the fields are required fields and should be filled.)**

Item No.	Position From To	Field Size	Data Type	Field Description
1	01 - 05	05	Alpha	Trailer Code. Should contain '*****'.
2	06 - 06	01	Alpha	Filler Space.
3	07 - 11	05	Numeric	Reporting agency number.
4	12 - 12	01	Alpha	Filler Space.
5	13 - 16	04	Numeric	Year for which health insurance is reported (example 2005).
6	17 - 17	01	Alpha	Filler Space.
7	18 - 23	06	Numeric	Total number of records in the input file.
8	24 - 24	01	Alpha	Filler Space.
9	25 - 35	11	Numeric	Grand total of the health insurance amount reported. [9 + 2]

**Dump of a sample file for reporting agency 03100**

```

RP610 03100 001780052 0025033 SMITH, ROBERT
RP610 03100 223456789 0185023 JONES, GEORGE
RP610 03100 555654654 0204089 ABBOTT, LESTER
RP610 03100 772717200 0030050 WILLIAMS, CAROL
RP610 03100 789558123 0025000 WALLS, LISA
***** 03100 2005 000005 00000469195
    
```

} Detail Record Layout

} Trailer Record Layout

If you have any questions regarding this update, please call Willis McDaniel at 850/410-2896 (SUNCOM 210-2896) or Debra Roberts at 850/487-1457 (SUNCOM 277-1457).

Thank you for your cooperation.

SS:gg

Attachment

**Florida Retirement System  
Certification of Retirees'  
2004 Health Insurance Premium Payments**

PO BOX 3090  
Tallahassee, FL 32315-3090  
Fax 850-487-9474

Please submit this form only if:

- The Agency Contact information for the person certifying health insurance premiums has changed since November 2004, or
- Your Agency will not be reporting, or does not receive insurance premium payments from retirees, or
- Agency names and numbers for which you will be reporting have changed

AGENCY NUMBER: \_\_\_\_\_

AGENCY NAME: \_\_\_\_\_  
(If you will be reporting for more than one agency, please include all agency names and numbers.)

**Please check the appropriate boxes:**

WE WILL BE CERTIFYING HEALTH INSURANCE PREMIUM PAYMENTS PAID TO US BY RETIREES. WE WILL BE FORWARDING:

INTERNET E-MAIL  
(email address: his\_certification@frs.state.fl.us)

CD ROM

DISKETTE (high density)

FTP (File Transfer Protocol)

Agencies **must** report by FTP, E-MAIL, CD ROM or diskette.

WE WILL NOT BE REPORTING HEALTH INSURANCE PREMIUM PAYMENTS PAID TO US BY RETIREES.

WE DO NOT RECEIVE HEALTH INSURANCE PREMIUM PAYMENTS FROM RETIREES.

\_\_\_\_\_  
AGENCY CONTACT PERSON

\_\_\_\_\_  
SUNCOM / TELEPHONE NUMBER

\_\_\_\_\_  
E-MAIL ADDRESS

PLEASE COMPLETE AND RETURN TO ABOVE ADDRESS OR SEND BY FAX.