



## CHANGE FROM EXTERNAL POSTDOC TO INTERNAL POSTDOC FREQUENTLY ASKED QUESTIONS

### Q1. How does my job status change affect my benefits?

As an external postdoc, your benefit deductions were post-tax, and Harvard's contribution was added to your taxable income (imputed income). As an internal postdoc, deductions for your medical, dental, and vision coverage will be pretax, and Harvard's contribution will no longer be added to your taxable income. You are also eligible for additional pretax benefits such as the high deductible health plan (HDHP) with a health savings account (HSA), flexible spending accounts (FSA), and a tax-deferred annuity account.

**PLEASE NOTE:** If you are currently covering a domestic partner, an ex-spouse, or any non-federally-qualified dependents, there will still be imputed income assessed on the amount the University pays towards their coverage, and their portion of the premium will continue as a post-tax deduction.

- **HDHP with HSA:** Here are some things to keep in mind if you're considering enrolling in the HDHP:
  - Lower monthly premiums but **higher out-of-pocket costs**. You will pay 100% of non-preventive care expenses, including prescription medications, until you meet the deductible before the plan pays for any services. If you are enrolled in the family plan, you must meet the full family deductible before the plan starts paying.
  - **Health Savings Account (HSA):** If you enroll in the HDHP, you may be eligible to enroll in the HSA. You must actively enroll in the HSA to receive the University's contribution to the account (\$500 for employee only coverage, \$1,000 for any of the family coverage levels). You may also make your own pre-tax contributions.
  - **J-1 Visa holders:** The HDHP does not meet the minimum coverage requirements.

For more details, refer to the Programs and Premiums At A Glance brochure included in your enrollment packet, or go to [HARVie](#) to view the benefit rates and health plan comparison chart.

- **Health Care Flexible Spending Account (FSA):** Allows you to set aside pretax dollars to pay for predictable, eligible medical, dental, and vision care expenses for you and your eligible dependents. If you are participating in an HSA, you are not eligible for this FSA. Please see limited purpose FSA below. Examples of eligible expenses include:
  - Co-payments for office visits and prescriptions
  - Co-insurance and deductibles
  - Dental Expenses beyond dental plan annual maximums
  - Eyeglasses, lenses, contact lenses

FSAs are "use-it-or-lose-it" accounts, which means you will forfeit any amount left in the account at the end of the grace period.

- **Limited Purpose FSA:** If you are participating in an HSA, the limited purpose FSA allows you to set aside pretax dollars to pay for predictable, eligible dental and vision care expenses. Other eligible medical expenses may be covered by the HSA.

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- **Dependent Care FSA:** Allows you to set aside pretax dollars to pay for anticipated expenses associated with the care of a dependent child under age 13, or eligible adult, while you (or your spouse) work, attend school, or look for work.

Examples of eligible Dependent Care FSA expenses include:

- Care provided for your spouse or a dependent of any age who normally spends at least eight hours a day in your home and cannot care for themselves because of a physical or mental disability
- Payment for someone who provides care in your home as well as related taxes
- Payment to an eligible day care facility, including a senior center
- Payment to a summer day camp (some specialty camps may be excluded) and for after-school care

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Go to [Benefit Strategies](#) (our FSA claims administrator) for more information about FSAs.

- **Tax Deferred Annuity (TDA) Account:** You are eligible for a pretax retirement savings plan through a University-sponsored TDA. You can enroll *at any time* through the [Harvard University Retirement Center \(HURC\)](#) website or by calling them at 1-800-527-1398.

#### **Q2. Is there a deadline for submitting my elections?**

Yes. You have **30 days** from the date of your job status change to submit your elections. If you miss the deadline, you will not be able to make changes until the next annual open enrollment period unless you experience an **IRS-defined change in status**. Open enrollment typically takes place in the fall with changes effective January 1 of the upcoming year.

#### **Q3. When will my coverage start?**

Changes/elections are effective as of the date of your job status change. You will be charged retroactive premiums for newly elected medical, dental, and vision coverage. If you elect an HSA, it will be effective on the first of the month following your election submission date. If you elect an FSA, you can be reimbursed for claims incurred on or after your status change date. FSA deductions will be calculated based on your annual election and the remaining number of paychecks for the calendar year.

#### **Q4. What if I don't make any changes?**

If you don't make any changes, your current coverage will continue. However, your medical, dental, and vision plan premiums will be deducted on a pretax basis, and you will no longer pay taxes on the portion paid by the University on these benefits (unless you are covering a non-federally-qualified dependent such as an ex-spouse or domestic partner).