

Ability One Health and Welfare Benefit Frequently Asked Questions

What is a health and welfare benefit?

This is also known as a “fringe benefit” and it is a certain amount of money (about \$3.50 for each hour worked up to 40 hours a week) given to you by the federal government to assist you in paying for your benefits and/or retirement.

Who gets this benefit?

All employees on the Ability One contract receive this benefit and they all receive the same dollar amount per hour, regardless of position.

Is money held out of my check?

No, this money is given to you for free as an employee of the contract.

What benefits can I use this for?

You can cover your health insurance, dental insurance, vision insurance, retirement or life insurance with this money.

What if I don't have benefits or want benefits?

If you don't want or have any benefits at this time, all the money can be deposited into your retirement account.

What if I want all the benefits, but the fringe benefit money doesn't cover it all?

You can use as much of the fringe benefit as you want to cover your insurance. Any amount you have not covered will be deducted from your paycheck.

Why were we not able to use this money before to help pay for benefits?

This money used to be automatically placed into a retirement account, but we have changed this year to allow you to use this to cover benefits if you wish.

What happens to the money already in my retirement account?

The money already in your account will remain in the account.

If I choose all the benefits and still have money left over, can I get the rest in cash?

No. Any fringe benefit money that is left over will go into your retirement account. Cash options are not available.

Can I only pay some of my insurance premiums?

No. You can't pay a portion of a benefit. You can choose WHICH benefit to pay for, but not how much to pay for each one.

What if I want to change my mind?

Once you choose where the fringe benefit money will go, you will have to keep that choice until next year, unless there is a qualifying change in status (like a divorce, marriage or baby).