



## GENERAL MEMORANDUM #672

**To:** All Authorized Agents  
**Subject:** Board Resolution 2017-12-17, Cash Payments in Lieu of or Related to Healthcare Benefits  
**Date:** January 19, 2018

*Please share this memorandum with your chief financial officer, governing body members, and other officials.*

On December 15, 2017, the IMRF Board of Trustees adopted Board Resolution 2017-12-17. This resolution gives employers the option to include certain cash payments made as an alternative to employer-provided health insurance as reportable earnings to IMRF.

IMRF Board Resolution 2017-12-17 amends the definition of reportable earnings to include:

- Cash payments made separately from salary and made in lieu of employer-provided health insurance.
- Cash payments made separately from salary and made in association with or related to healthcare benefits.

To include these payments as IMRF earnings, **your employer's governing body must pass a resolution allowing cash payments in lieu of or related to healthcare benefits to be reported as IMRF earnings.**

The governing body may use [IMRF Form 6.75, "Suggested Resolution to Include Cash Payments Related to Health Insurance as IMRF Earnings"](#) (enclosed), or your governing body may draft and adopt its own resolution that is consistent with IMRF Form 6.75. After the resolution is adopted, it must be filed with IMRF.

### **This Resolution Does Not Apply To All Employers**

If your employer **offers** cash payments in lieu of or related to healthcare benefits as identified above, and you intend to include those payments as IMRF earnings, Board Resolution 2017-12-17 applies to you and your employer is required to pass a resolution allowing cash payments for health insurance to be reported as IMRF earnings. The resolution must be kept on file with IMRF. If your employer's governing body does not adopt a resolution to allow IMRF reporting, any cash payments made separately from salary in lieu of or related in any way to healthcare benefits cannot be reported as IMRF earnings.

If your employer **does not** offer cash payments nor does it intend to offer cash payments, this resolution does not apply to you.

### **Questions?**

Please review the attached **Frequently Asked Questions** for more information on this resolution. If you have additional questions about cash payments in lieu of or related to healthcare benefits, please contact Beth Janicki Clark, IMRF General Counsel, at 630-368-5365.

Sincerely,

Brian Collins  
Executive Director