

**NPCC Employer's Pricing Illustration - Flex & TFA Plans
10 People with Pre-Tax Elections of \$11,000**

	<u>Without Flex Plan</u>	<u>Year 1 With Flex Plan</u>	<u>Year 2 With Flex Plan</u>
GROSS PAYROLL	\$250,000	\$250,000	\$250,000
(LESS) FLEX PLAN ELECTION	\$0	(\$11,000)	(\$11,000)
TAXABLE PAYROLL	\$250,000	\$239,000	\$239,000
PAYROLL TAXES @ 8.0%	\$20,000	\$19,120	\$19,120
PAYROLL TAX SAVINGS WITH PLAN		\$880	\$880
(LESS) FEES FOR FLEX PLAN ADMINISTRATION		(\$336)	(\$336)
(LESS) FEES FOR TFA ADMINISTRATION		(\$180)	(\$180)
(LESS) FEES FOR ENROLLMENT		(\$150)	(\$150)
(LESS) OTHER FEES		(\$350)	\$0
PRE-TAX PLAN SAVINGS/(COSTS)		(\$136)	\$214
MO: AFTER-TAX SAVINGS TO PARTICIPANTS @ 25%		\$2,700	\$2,700

NOTES:

- 2 Assumes 4 people will use Unreimbursed Medical account (averaging \$50/mo); 1 person will use Dependent Care account (averaging \$400/mo); and 5 people will use Transportation Fringe accounts (averaging \$60/mo).
- 4 Primarily FICA (7.65% up to \$90,000 in 2005, then 1.45%).
- 6 Monthly administration fees at \$7.00 per participant (no charge for premium only) (minimum billing of \$300 per Plan Year) for: claims processing, recordkeeping, cash management, quarterly statements, daily hotline access, and "use it or lose it reminder."
- 7 Monthly administration fees for TFA processing at \$3.00 per participant for: claims processing, cash management and participant recordkeeping.
- 8 Enrollment fees of \$150 for: enrollment materials, group meetings, individual counseling and confirmations.
- 9 Set-up for the Plan Year, forms production, testing, Form 5500, and Plan Documents.