

**AIM MEDICAL TRUST  
MEDICAL PREMIUM HOLIDAY FAQ**

**Q1: What is the medical premium holiday?**

The Trustees of the Aim Medical Trust (the “Trust”) are acutely aware of the financial challenges confronting Indiana municipalities. In prior years, the Trust has utilized its positive financial experience to minimize rates for participating municipalities. However, the Trustees decided to issue a one-month medical premium holiday in 2021 because of the severity of the COVID-19 pandemic. The Trust will not collect medical premiums from any participating municipality for the month of January 2021. [However, premiums for dental, vision, life and disability coverage will be collected.]

**Q2: What does the medical premium holiday mean for our employees?**

Your employees will share in the medical premium holiday. Because the Trust will not be collecting medical premiums from any participating municipality for January 2021, your municipality should not deduct these amounts from your employees’ paychecks. In addition, you should not collect medical premiums from COBRA participants or retirees who continue to receive coverage through the Trust.

**Q3: When should I speak with my payroll provider about the medical premium holiday?**

Now. Your municipality should not withdraw employee premiums for medical coverage for the entire month of January 2021. For many municipalities, it may be a simple process for the payroll provider to shut off the premium withdrawal. For others, it may be a more difficult process. It is best to know now whether the premium holiday will pose an administrative challenge. If your payroll provider is concerned about the premium holiday, please contact Amy Eberwine at (317) 237-6200, extension 229.

**Q4: Will the premium holiday affect our 2022 renewal rates?**

No. The premium holiday is a one-time reward based upon the Trust’s financial history. Rates for 2021 are set appropriately based upon the guidance of our outside advisors. Rates for 2022 will primarily be set based upon claims experience in 2021.

**Q5: Should I budget another medical premium holiday for 2022?**

No. The Trustees issued the premium holiday in response to the COVID-19 pandemic. The Trustees are committed to fiscally conservative practices that protect the long-term integrity of the Trust. If the Trust continues to perform at a very high level, future medical premium holidays are possible. But no one should bank on it.