



City of
SACRAMENTO



Cover your future health care costs

What is PEHP?

A post employment health plan (PEHP®) is a tax-free, defined contribution health reimbursement arrangement. It allows for money to be set aside to pay for health insurance premiums in retirement. All contributions, accumulations and reimbursements are tax-exempt. In addition:

- PEHP allows for reimbursement of qualified health insurance premiums
- PEHP is a tax-exempt voluntary employees' beneficiary association (VEBA) trust, which provides employee benefits authorized by Internal Revenue Code Section 501(c)(9)
- PEHP account assets are subject to market risks, which may result in declining values

What PEHP can do for you

- Meet the challenge of rising health care costs
- Reduce federal, state and FICA taxes in retirement
- Unlike 457(b) deferred compensation plans or 401(a) defined contribution plans, PEHP has no annual limit on contributions

Covered expenses

PEHP dollars can be used only to reimburse qualified health insurance premium expenses as defined by Internal Revenue Code Section 213(d); this includes:

- Health insurance
- Vision insurance
- Dental insurance
- Qualified long-term care insurance
- Medicare Part B
- Supplemental insurance premiums
- Out-of-pocket qualified medical expenses such as prescription medications, eyeglasses, co-pays, etc.

PEHP tools and resources

- Control and management of your PEHP account
- Access to an online tool that helps you manage your PEHP investments
- Access to a licensed retirement specialist who can answer questions and explain options

PEHP funding

Your PEHP plan is funded according to the criteria outlined in your applicable City labor agreement.



What to do once you separate from service

Once you have separated from employment, you can request premium reimbursement from your PEHP account tax free. To do so, you can submit a claim online by logging in to your account at **cityofsacretplan.com**. Select "Manage account" then "Request reimbursement."



To enroll in the PEHP or get answers to your questions, contact the Nationwide Retirement Solutions Center at 1-877-677-3678.

Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

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NRM-17104CA-SQ (08/25)