Presbyterian Gym Benefit FAQs

You have the option to choose a medical plan that includes the gym membership benefit. The medical plans that include the gym membership do not have higher premiums or different medical coverage. However, if you choose a medical plan that includes the gym membership, you will pay additional income tax since the IRS considers employer-sponsored gym memberships as taxable benefits. Taxes will be withheld from your paychecks.

Frequently Asked Questions

Who is eligible?

You and any dependent over the age of 18* who are enrolled under the City of Albuquerque Presbyterian medical plan are eligible for the gym membership. If you have employee only coverage, the gym membership option applies only to you as the employee.

*Exception: If you enroll in the membership offered at a reduced rate for Sports & Wellness you many add dependent children under the age of 18 for an additional cost.

How do I enroll?

The only time you may enroll in the medical plan with the gym membership is during open enrollment or within 31 days of employment if you are a newly hired employee. Instructions for how to enroll may be found on the City of Albuquerque webpage located at https://www.cabq.gov/humanresources/employee-benefits

If I enrolled in the gym membership last year, what do I need to do if I want to continue?

If you want to keep your gym membership benefit you do not have to change anything in Employee Self Service. Your gym membership benefit will be automatically renewed.

If I was enrolled in the gym membership last year but want to dis-enroll, what do I need to do?

You only have the opportunity to change the gym membership during Open Enrollment.

What gyms can I go to if I am enrolled in the Presbyterian employee medical plan?

The gym membership benefit includes any fitness facility in the Prime Fitness Network: https://www.primemember.com/ and any Defined Fitness location. The benefit also gives you access to a membership at Sports & Wellness at a reduced rate.

Can I go to multiple gyms or fitness facilities?

Yes, the gym membership benefit does not limit you to one gym or location. You can go to as many gyms as many times as you want whether it is any of the gyms offered through the Prime

Updated 8/05/2021 Page 1 of 3

Fitness Network, Defined Fitness, or any of the Sports and Wellness gyms offered at a reduced rate.

How much is the tax on the gym membership?

The taxable amount is based on the Fair Market Value (FMV) of the gym membership. The FMV is \$11.54 per pay check. Taxes on \$11.54 will be withheld from each paycheck. The City is unable to tell you the precise amount of the gym membership tax for you personally. The amount of taxes withheld is different for each employee depending on several factors, such as number of tax exemptions and personal income tax rate.

You will see the taxable amount in the *Employer Paid Benefits* section of your earnings statement as "Medical* Taxable" The FMV is the same for all employees who elect the gym membership, regardless of participation by a spouse, domestic partner, or children.

Is there an additional cost for a membership at Sports and Wellness?

Yes, Sports and Wellness does charge an additional fee per month. Simply visit any Sports and Wellness location to inquire about all the eligibility requirements and discounted rates. Currently, the reduced monthly fee for Presbyterian Health Plan members is \$51 per adult (including dependent children age 18+.)

Can I enroll in the medical plan with the gym membership and switch back if I change my mind?

No. If you choose a plan with a gym membership, you will **not** be able to change your medical election until the next plan year open enrollment.

Will I be able to enroll or dis-enroll in the gym membership if I have a change in family status?

No, the only time to elect the medical plan with the gym membership is during open enrollment or when you are a newly hired employee. The only time you can cancel the gym benefit is during open enrollment.

Will I automatically get a gym membership card?

The process varies. After enrollment in a medical plan that includes the gym membership benefit you will automatically receive a welcome packet and membership card for gyms and facilities that are in the <u>Prime Fitness Network</u>. You simply present this card to Prime participating gyms to obtain your free membership. You can also request a card from the Prime Fitness website.

If you choose the free membership at <u>Defined Fitness</u> you simply go to any of their locations and present your Presbyterian Medical Plan ID card and a photo ID. Once your eligibility has been verified you will be issued a Defined Fitness membership card.

Updated 8/05/2021 Page **2** of **3**

If you choose the <u>Sports & Wellness</u> membership at a reduced rate then you simply go to any of their locations and present your Presbyterian Medical Plan card and a photo ID. Once your eligibility has been verified and you have enrolled you will be issued a Sports & Wellness membership card.

Does this benefit include all services offered by the gym or fitness facility (such as tanning and personal training)?

No. The benefit includes a basic membership only. You will be personally responsible for the cost of any additional services that are not included in the basic membership.

Is there a sign up or initiation fee for any of the gyms?

No.

Is there a minimum term or period for any of the memberships?

Yes, if you choose to sign up for the Sports & Wellness membership that is offered at a reduced rate then you must sign a 3-month Membership Agreement with Sports & Wellness. After that your Sports & Wellness membership is month to month and you can cancel at any time; however, you will still be enrolled in the Presbyterian gym membership benefit. No other gyms require a time commitment.

Can I get reimbursed if I go to a gym that is not in the network or if I don't use the benefit?

No.

What if I have eligible dependents that live outside of New Mexico or I am traveling?

Eligible participants can go to any participating gym or fitness facility within the Prime Fitness Network. This is a national network providing free access to more than 8,500 local fitness, recreation, and community centers. If you enrolled in the membership for Sports & Wellness at a reduced rate then you will also have access to their national network of gyms. Additionally, you can inquire with Sports & Wellness about participating international gyms.

The gym that I go to (or that is near me) does not participate in any of the networks. How can they participate?

Your suggestions are welcome. Please send the name and address of the gym to Presbyterian Senior Account Manager Amy Garcia at agarcia58@phs.org. Although we cannot promise the gym will join the network, we will contact the facility and offer the option to participate in the Prime Fitness Network.

For more information, please call the dedicated Presbyterian Customer Service Center at 505-923-7787 or send an email to cabqinquiry@phs.org.

Updated 8/05/2021 Page **3** of **3**