

**TAXATION OF OTHER ELIGIBLE INDIVIDUAL (OEI) BENEFITS  
CIGNA INTERNATIONAL HEALTH ENROLLEES  
JANUARY 1 – DECEMBER 31, 2025**

IRS regulations require the University to tax the fair market value of University-provided health and dental benefits for Other Eligible Individuals. The IRS defines fair market value of a fringe benefit as the amount that an individual would have to pay for the fringe benefit in an arm’s length transaction. This means what you would have to pay for an individual policy for your Other Eligible Individual(s) in the open market.

Use the chart below to determine the taxable amount to you resulting from the addition of an Other Eligible Individual(s) to your health and/or dental coverage. This amount will be added to your taxable gross income.

To estimate the increase in your taxable income and the resulting tax increase, please follow the instructions below:

Add together the monthly taxable amounts for Health and Dental from the chart below. This will give you the increase in your taxable gross income. Multiply this by your estimated tax rate from the following chart to determine the approximate monthly tax you will pay for health and dental benefits.

**Note:** If you live in a municipality with a local tax (e.g. Lansing), you will also need to consider that tax in your calculation.

<b>FEDERAL TAX BRACKET</b>	<b>PLUS STATE TAX RATE</b>	<b>PLUS EAST LANSING CITY TAX RATE</b>	<b>PLUS FICA TAX RATE</b>	<b>TOTAL TAX RATE</b>
12.00%	4.25%	1.00%	7.65%	24.90%
22.00%	4.25%	1.00%	7.65%	34.90%
24.00%	4.25%	1.00%	7.65%	36.90%

**OTHER ELIGIBLE INDIVIDUAL (OEI) HEALTH AMOUNTS  
CIGNA INTERNATIONAL HEALTH ENROLLEES  
JANUARY 1 – DECEMBER 31, 2025**

<b>ADDING</b>	<b>CIGNA INTERNATIONAL HEALTH</b>
OEI	\$1,022.75
OEI & Child	\$2,187.12
OEI & Children	\$3,228.32
Child Only	\$1,022.75
2 Children	\$2,187.12
3 or More Children	\$3,228.32