

## **All Personnel**

BP 4154(a)

4254

## **HEALTH AND WELFARE BENEFITS**

4354

The Board of Trustees recognizes that health and welfare benefits are essential to promote employee health and productivity and are an important part of the compensation offered to employees. The district shall provide health and welfare benefits for employees in accordance with state and federal law and subject to negotiated employee agreements.

*(cf. 4140/4240/4340 - Bargaining Units)*

*(cf. 4141/4241 - Collective Bargaining Agreement)*

*(cf. 4151/4251/4351 - Employee Compensation)*

Employees who are not in bargaining units shall receive health and welfare benefits as specified in Board policy and administrative regulation.

*(cf. 4121 - Temporary/Substitute Personnel)*

For purposes of granting benefits, a registered domestic partner and his/her child shall have the same rights, protections, and benefits as a spouse and spouse's child. (Family Code 297.5, 300)

### **Certificated/Administrative**

Part time certificated employees may participate on a pro-rata basis based on their FTE (Full Time Equivalency)

### **Classified/Non-Represented Management, Confidential and Supervising Employees**

All Full Time Classified employees will be offered district paid Health and Welfare benefits. Part time employees may participate in at their own expense. This policy takes effect on January 1, 2010 and does not affect part time classified employees who enrolled in the Health and Welfare program prior to that date.

### **All Employees**

To the extent that benefits are granted to spouses of employees, domestic partners registered in accordance with Family Code 297 shall have the same benefits. (Family Code 297.5)

The Superintendent/Principal or designee shall maintain the confidentiality of employee health records in accordance with law.

*(cf. 4112.6/4212.6/4312.6 - Personnel Files)*

With respect to eligibility to participate in the health benefits plan or the level of health benefits provided, the district shall not discriminate in favor of employees who are among the highest paid 25 percent of all district employees. (26 USC 105; 42 USC 300gg-16)

## **HEALTH AND WELFARE BENEFITS (continued)**

### **Continuation of Coverage**

Retired certificated employees, other employees who would otherwise lose coverage due to a qualifying event specified in law and administrative regulation, and their qualified beneficiaries may continue to participate in the district's group health and welfare benefits in accordance with state and federal law.

### **District Contribution for Retired Certificated Employees**

The District contribution program for retiree health and welfare benefits will have the following parameters:

1. District will support one (1) qualified retiree at a time
2. District will contribute toward health and welfare benefits for a maximum of 5 years for each qualified retiree
3. District contribution will cease when retiree becomes Medicare eligible or reached age 65
4. Retiree's FTE will be calculated as the average contracted FTE for the year ending in retirement

The eligibility for certificated retirees qualifying for District's contribution toward group health and welfare benefits as outlined:

1. Employee has reached a minimum age of 60 years
2. Employee has provided 10 years of continuous certificated service in Cuddeback Union Elementary School District

### **Confidentiality**

The Superintendent/Principal or designee shall not use or disclose any employee's medical information the district possesses without the employee's authorization obtained in accordance with Civil Code 56.21, except for the purpose of administering and maintaining employee benefit plans and for other purposes specified in law. (Civil Code 56.20)

*(cf. 4112.6/4212.6/4312.6 - Personnel Files)*

*Legal Reference: (see next page)*

## HEALTH AND WELFARE BENEFITS (continued)

*Legal Reference:*

EDUCATION CODE

7000-7008 *Health and welfare benefits, retired certificated employees*

17566 *Self-insurance fund*

35208 *Liability insurance*

35214 *Liability insurance (self-insurance)*

44041-44042 *Payroll deductions for collection of premiums*

44986 *Leave of absence, state disability benefits*

45136 *Benefits for classified employees*

CIVIL CODE

56.10-56.16 *Disclosure of information by medical providers*

56.20-56.245 *Use and disclosure of medical information by employers*

FAMILY CODE

297-297.5 *Rights, protections and benefits under law; registered domestic partners*

300 *Definition of marriage*

GOVERNMENT CODE

12940 *Discrimination in employment*

22750-22944 *Public Employees' Medical and Hospital Care Act*

53200-53210 *Group insurance*

HEALTH AND SAFETY CODE

1366.20-1366.29 *Cal-COBRA program, health insurance*

1367.08 *Disclosure of fees and commissions paid related to health care service plan*

1373 *Health services plan, coverage for dependent children who are full-time students*

1373.621 *Continuation coverage, age 60 or older after five years with district*

1374.58 *Coverage for registered domestic partners, health service plans and health insurers*

INSURANCE CODE

10116.5 *Continuation coverage, age 60 or older after five years with district*

10128.50-10128.59 *Cal-COBRA program, disability insurance*

10277-10278 *Group and individual health insurance, coverage for dependent children*

10604.5 *Annual disclosure of fees and commissions paid*

12670-12692.5 *Conversion coverage*

LABOR CODE

2800.2 *Notification of conversion and continuation coverage*

4856 *Health benefits for spouse of peace officer killed in performance of duties*

UNEMPLOYMENT INSURANCE CODE

2613 *Education program; notice of rights and benefits*

UNITED STATES CODE, TITLE 1

7 *Definition of marriage, spouse*

UNITED STATES CODE, TITLE 26

105 *Self-insured medical reimbursement plan; definition of highly compensated individual*

4980B *COBRA continuation coverage*

4980H *Penalty for noncompliance with employer-provided health care requirements*

5000A *Minimum essential coverage*

6056 *Report of health coverage provided to employees*

UNITED STATES CODE, TITLE 29

1161-1168 *COBRA continuation coverage*

*Legal Reference continued: (see next page)*

**HEALTH AND WELFARE BENEFITS** (continued)

*Legal Reference: (continued)*

UNITED STATES CODE, TITLE 42

300gg-300gg95 *Patient Protection and Affordable Care Act, especially:*

300gg-16 *Group health plan; nondiscrimination in favor of highly compensated individuals*

1395-1395g *Medicare benefits*

CODE OF FEDERAL REGULATIONS, TITLE 26

54.4980B-1-54.4980B-10 *COBRA continuation coverage*

54.4980H-1-54.4980H-6 *Patient Protection and Affordable Care Act*

1.105-11 *Self-insured medical reimbursement plan*

CODE OF FEDERAL REGULATIONS, TITLE 45

164.500-164.534 *Health Insurance Portability and Accountability Act (HIPAA)*

*Management Resources:*

CALIFORNIA SCHOOL BOARDS ASSOCIATION PUBLICATIONS

Health Policy: Implications of Covered California for School Boards, Districts and Personnel, Governance Brief, January 2013

INTERNAL REVENUE SERVICE NOTICES

2011-1 *Affordable Care Act Nondiscrimination Provisions Applicable to Insured Group Health Plans*

U.S. DEPARTMENT OF TREASURY PUBLICATIONS

Fact Sheet: Final Regulations Implementing Employer Shared Responsibility Under the Affordable Care Act (ACA) for 2015

WEB SITES

CSBA: <http://www.csba.org>

California Employment Development Department: <http://www.edd.ca.gov>

Internal Revenue Service: <http://www.irs.gov>

U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services:

<http://www.cms.gov>

U.S. Department of Labor: <http://www.dol.gov>

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**HEALTH AND WELFARE BENEFITS**

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### **Affordability of Health Coverage**

The Superintendent/Principal or designee shall seek written assurance from the district's health insurance carrier(s) that the health plan offered to full-time district employees and their dependents meets all requirements of the federal Patient Protection and Affordable Care Act. (42 USC 300gg-300gg95; 26 USC 4980H; 26 CFR 54.4980H-1-54.4980H-6)

The Superintendent/Principal or designee also shall ensure that each employee's contribution to the employee-only health coverage does not exceed 9.5 percent of his/her modified household income, as defined in 26 USC 5000A. The Superintendent/Principal or designee shall calculate the affordability of the coverage using one or more of the following methods in a uniform and consistent basis for all employees within the same category: (26 USC 4980H; 26 CFR 54.4980H-4-54.4980H-5)

1. The district shall ensure that the lowest cost employee-only coverage does not exceed 9.5 percent of wages paid to the employee by the district for the calendar year as reported on the employee's W-2 tax form. For an employee not offered coverage for an entire calendar year, the wages shall be adjusted to reflect the period for which coverage was offered.
2. The district shall ensure that the employee's required monthly contribution for the lowest cost employee-only coverage does not exceed 9.5 percent of an amount equal to 130 hours multiplied by the employee's hourly rate of pay on the first day of the plan year or his/her lowest hourly pay during the calendar month, whichever is lower.
3. The district shall ensure that the employee's contribution does not exceed 9.5 percent of a monthly amount determined as the federal poverty line for a single individual for the applicable calendar year, divided by 12.

### **Retired Certificated Employees**

Any former certificated employee who retired from the district under any public retirement system and his/her spouse/domestic partner shall be permitted to enroll in the health and welfare and/or dental care benefit plan currently provided for certificated employees. The plan also shall be available to any surviving spouse/domestic partner of a former certificated employee who either retired from the district under any public retirement system or was, at the time of death, employed by the district and a member of the State Teachers' Retirement System. (Education Code 7000)

A retired certificated employee or surviving spouse/domestic partner shall be allowed to enroll in the coverage within 30 days of losing active employee coverage. If he/she does not enroll during this initial enrollment period, he/she may be denied further opportunity to do so. (Education Code 7000)

## **HEALTH AND WELFARE BENEFITS (continued)**

### **COBRA/Cal-COBRA Continuation Coverage**

Covered district employees and their qualified beneficiaries shall be offered the opportunity to continue health and disability insurance coverage when they otherwise would lose coverage due to one of the following qualifying events: (Health and Safety Code 1366.21, 1366.23, 1373; Insurance Code 10128.51, 10128.53, 10277; 26 USC 4980B; 26 CFR 54.4980B-4)

1. Death of the covered employee
2. Termination or reduction in hours of the covered employee's employment, other than termination by reason of the employee's gross misconduct

*(cf. 4118 - Dismissal/Suspension/Disciplinary Action)*

*(cf. 4218 - Dismissal/Suspension/Disciplinary Action)*

3. Divorce or legal separation of the covered employee
4. The covered employee becoming entitled to Medicare benefits
5. A dependent child ceasing to be a dependent child of the covered employee

Continuation health coverage shall be the same as provided to similarly situated individuals under the group benefit plan. (Health and Safety Code 1366.23; Insurance Code 10128.53; 26 USC 4980B)

The Superintendent/Principal or designee shall notify the health care service plan administrator of a qualifying event listed in item #1, 2, or 4 above, within 30 days of the event. A covered employee or qualified beneficiary shall notify the service plan administrator of a qualifying event listed in item #3 or 5 above within 60 days of the event or of the date that the beneficiary would lose coverage, whichever is later. (26 USC 4980B; 29 USC 1163, 1166; 26 CFR 54.4980B-6)

Continuation coverage shall be terminated in accordance with the district's insurance plan and federal and state law. (26 USC 4980B; 26 CFR 54.4980B-6; Health and Safety Code 1373.621; Insurance Code 10116.5)

The Superintendent/Principal or designee shall notify covered employees and qualified beneficiaries of the availability of conversion and continuation coverage. This notification shall include the statement in Labor Code 2800.2 encouraging individuals to examine their options carefully before declining such coverage. (Labor Code 2800.2)

*(cf. 4112.9/4212.9/4312.9 - Employee Notifications)*

**HEALTH AND WELFARE BENEFITS** (continued)

**Disability Insurance**

The Superintendent/Principal or designee shall give notice of disability insurance rights and benefits to each new employee and each employee leaving work due to pregnancy, nonoccupational illness or injury, the need to provide care for any sick or injured family member, or the need to bond with a minor child within the first year of the child's birth or placement in connection with foster care or adoption. (Unemployment Insurance Code 2613)

*(cf. 4157.1/4257.1/4357.1 - Work-Related Injuries)*

*(cf. 4161/4261/4361 - Leaves)*

*(cf. 4161.1/4361.1 - Personal Illness/Injury Leave)*

*(cf. 4161.8/4261.8/4361.8 - Family Care and Medical Leave)*

*(cf. 4261.1 - Personal Illness and Injury Leave)*

When disabled by an injury sustained from a violent act while performing duties within the scope of employment and performing creditable employment, a certificated or classified employee may continue in the district health and dental care plans upon meeting criteria specified by law. The employee shall pay all employer and employee premiums and related administrative costs. (Education Code 7008)