

**SALT LAKE COUNTY POLICY AND PROCEDURE**  
**INSURANCE ELIGIBILITY**

**REFERENCE**

Human Resources Policy & Procedure:

    General Definitions

    Leave Practices

    Workers' compensation

State of Utah Public Employees Disability Act (49-9-101, et.seq., Utah Code Annotated, 1953 as amended)

**PURPOSE**

To establish a policy regarding group insurance and, where applicable, disability coverage for eligible employees, disabled employees, and retirees of Salt Lake County. **NOTE:** Due to the nature of the benefits described herein, the provisions of this policy and procedure are subject to addition, deletion, modification, or repeal. Salt Lake County reserves the right to make modifications as needed. This policy does not establish a guaranteed level of benefits for employees or retirees. **The County has imposed a lifetime maximum per person on the medical plans utilization. The total amount is cumulative from plan to plan and cannot exceed the lifetime maximum. Plan members are restricted from restarting the maximum when they change plans.** For purposes of County provided group medical insurance, the County has officially opted out of the requirements of the Health Insurance Portability and Accountability Act (HIPPA). The insurance benefits described in this policy are controlled and defined by contracts between the County and insurance providers. Those contractual agreements would be controlling as to the actual benefits, and benefits may be modified or terminated pursuant to those agreements. No verbal representations or promises may modify or alter this written policy or the terms of any agreement.

**PROCEDURE**

## 1.0 Employee

- 1.1 The effective date for group insurance for eligible employees (See Human Resources Policy and Procedure: Employment Status) shall be based on the date enrollment materials are received by the Human Resources Division.
  - 1.1.1 Enrollment material must be received by the Human Resources Division no later than 60 days from date of hire.
  - 1.1.2 If enrollment materials are received in Human Resources anytime between the first (1st) and fifteenth (15th) of any month, the effective date of coverage shall be the first (1st) day of the following month. If receipt occurs any time between the sixteenth (16th) and the last day of the month, the effective date of coverage shall be the sixteenth (16th) day of the following month.
  - 1.1.3 If enrollment materials are received by the Human Resources Division prior to effective date of hire, the hire date becomes the determining factor for effective date of benefits.
- 1.2 A copy of the marriage certificate, if enrolling a spouse, and birth certificates for all dependents (if enrolling dependents) must be attached to the enrollment materials if two party or family coverage is selected. In lieu of these certificates,

an affidavit of the form attached may be submitted.

- 1.3 A copy of the affidavit of the eligible employee and adult designee, if enrolling an adult designee, and birth certificates of all dependents (if enrolling dependent children of adult designees) must be attached to the enrollment materials if two party or family coverage is selected.
- 1.4 The termination date for group insurance for eligible employees shall be based upon the date of termination of employment. If the date of termination is any time between the first (1st) and fifteenth (15th) day of the month, the termination date of coverage shall be the fifteenth (15th) day of the month. If termination occurs any time between the sixteenth (16th) and the last day of the month, the termination date of coverage shall be the last day of the month.
- 1.5 Booklets explaining the various group insurance plans can be obtained at the Human Resources Division. It is the employee's responsibility to review materials for coverage, benefits, costs, and enrollment information.
- 1.6 Dependent coverage must be obtained within 60 days after a change in dependent status (e.g. birth of a child, a legal adoption of a child, a new marriage). For purposes of this paragraph "dependent" shall include an adult designee of an employee and "dependent children" shall include those of the employee and the dependent children of an adult designee. Dependent children, except unmarried children who are incapable of self-support because of mental or physical disability (requires medical documentation), are no longer eligible for group insurance coverage after their 26th birthday. Children may become ineligible sooner if they are legally married or are no longer dependent upon the subscriber for support. It is the employee's responsibility to notify the Human Resources Division by submitting the appropriate group insurance change forms(s) when a dependent is no longer eligible for coverage (e.g. marries, turns age 26, no longer dependent upon employee for support). A spouse is no longer eligible for group insurance upon the date of divorce, except as provided under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), Human Resources must be notified within 60 days of the date of the divorce or the date of noncompliance with the qualifications for adult designee status. An adult designee and the dependent children of adult designees are no longer eligible for coverage upon the date the requirements for qualification as an adult designee ceases to exist.
  - 1.6.1 An eligible employee who is currently married may not add an adult designee as a dependent under the county's group insurance program.  
An eligible employee may add only one adult designee to the county's group insurance program
- 1.7 If an employee declines enrollment because of other health\dental coverages, the employee may request enrollment within 30 days after the other coverage ends or must wait until the next open enrollment period.
- 1.8 COBRA is the federal health care continuation law which requires an employer to offer employer-provided health and dental coverage to employees and their dependents who lose coverage due to termination of employment or other qualifying events. To the extent authorized by federal law for coverage of spouses or dependents of employees, Salt Lake County will make coverage available for an adult designee of an eligible employee and the dependent

children of an adult designee.

- 1.8.1 COBRA coverage has limited duration of eighteen (18) months for a termination of employment, reduction-in-force or reduction in hours.
- 1.8.2 COBRA coverage can be obtained for thirty six (36) months for a divorce, death of an employee, dependents of an employee who are eligible for Medicare or dependent's loss of coverage due to attaining age 26 or marriage.
- 1.8.3 COBRA coverage can be extended to twenty nine (29) months if a disability is approved by Social Security.
- 1.9 Employees are responsible for any change(s) that need to be made in their coverage. If an employee does not remove his or her dependents, adult designee or dependent children of the adult designee from his or her coverage, overpayments will not be refunded.
- 1.10 Employees are eligible for a refund, not to exceed one year, only when an overpayment of premium has been made due to an administrative error on the part of the County.

## 2.0 Disability

- 2.1 Eligible employees, covered by The Utah Retirement Systems Public Employees & Public Safety Retirement Plans, are covered under a long-term disability benefit program.
- 2.2 Application for disability benefits must be made by contacting the Utah Retirement Systems Long-Term Disability Office. For detailed information refer to the Disability Benefits booklet.
- 2.3 Upon application for disability, employees may be placed in a Leave Without Pay or, at the employee's option, FMLA status after exhausting all accrued vacation and sick leave until a determination of disability has been made under the provision of the State of Utah Public Employees Disability Act with the exception of those employees on an approved Worker's Compensation.
- 2.4 Eligible employees who are enrolled in Salt Lake County's group insurance plans at time of application for disability shall be eligible for continuation of group insurance coverage for a maximum of one year while awaiting determination of disability contingent upon payment of their portion of the premium.
  - 2.4.1 Eligible employees on an approved Worker's Compensation leave shall pay their portion of the premium to continue coverage.
  - 2.4.2 If a determination of LTD eligibility has not been made within one year from last day worked, an employee, who is on LWOP, may continue group insurance coverage as provided in LWOP Policy.
  - 2.4.3 If a determination of LTD eligibility has not been made within one year from last day worked, and an employee has terminated employment with Salt Lake County, he or she may continue group insurance coverage at 102% of total premium until a final determination has been made.
- 2.5 Employees determined not to be disabled shall return to active employment status with an accommodation, in accordance with ADA, terminated upon determination that the essential job functions cannot be performed or, at the discretion of the Administrator, be allowed to remain on Leave Without Pay

status with the approval of the Mayor upon recommendation by the Elected Official or Department Director.

- 2.5.1. An employee, who has terminated and has paid premiums for medical and/or dental coverage, and is subsequently determined not to be disabled, is eligible for eighteen (18) months of COBRA.
- 2.5.2 If Social Security has approved the disability, COBRA may be extended to 29 months.
- 2.5.3 Application for COBRA must be made within sixty days of termination of coverage.
- 2.6 If an applicant for disability is approved by Long-Term Disability and has kept his or her premiums current for medical coverage, the disabled employee's medical premium will be waived for up to a 22 month period or until disability eligibility ends which ever is less.
  - 2.6.1 LTD funds may be used to help pay the cost of any health insurance coverage up to the State of Utah, PEHP Preferred Care rates while the employee is receiving disability benefits beginning on the 25<sup>th</sup> month of disability.
- 2.7 If Utah Retirement Systems Long-Term Disability benefits are discontinued because of qualification for full retirement benefits (under age 65), the employee is eligible for the current prevailing retiree insurance premium thereafter until age 65.
- 2.8 Applicants for disability may continue their minimum term life insurance by paying their portion of the premium until a determination of disability is made.
  - 2.8.1 If eligibility for LTD has not been determined within one year time period, he or she may continue to pay the entire minimum term life insurance premium until a determination is made.
  - 2.8.2 If the employee is determined to be disabled, the premium is waived for minimum term life insurance from the effective date of disability.
  - 2.8.3 The minimum life insurance shall continue in force until the employee is no longer disabled, returns to work with the County, or retires.
- 2.9 Applicants for disability may continue their basic and/or additional term life insurance by paying the entire premium until a determination of disability is made.
  - 2.9.1 The premium for the basic and/or additional term life insurance coverage will be waived for twelve (12) months from last day worked if disability is approved.
  - 2.9.2 Continuation of 50% of coverage is available after twelve months if application is made within 60 days of termination of coverage.
- 2.10 Disabled employees may continue their Accidental Death and Dismemberment insurance for six months only from last day worked by paying their premium for this time period. If termination of employment occurs, coverage terminates on that date.
- 3.0 The premium share of retiring eligible employees for their health and dental coverage shall be based on years of Salt Lake County service.

3.1 Anyone who retires shall be charged a premium share according to their years of service with Salt Lake County. The retiree premium share shall be based on the following:

<u>Years of Service</u>	<u>*County Contribution</u>
Less than 4 years	0%
4 to 6 years	10%
7 to 9 years	20%
10 to 11 years	30%
12 to 13 years	40%
14 to 15 years	50%
16 to 17 years	60%
18 to 19 years	70%
20 years or more	80%

\*County Contribution based on active employee premium.

4.0 Early Retirees Under Age 65

4.1 Upon retirement and approval by the Utah State Retirement System(s), the following is applicable if a retiree wishes to continue his or her current insurance coverage:

4.1.1 A retiree on his/her behalf and on behalf of his or her dependents, his/her adult designee and on behalf of the dependent children of the adult designee is eligible to enroll in his or her existing health and dental insurance.

4.1.2 In order to continue health and dental plan, the retiree must enroll within sixty days from date of termination.

4.1.3 Retiree and dependents must be under age 65 to enroll in Early Retirement Program.

4.2 If all insurance is voluntarily discontinued, Salt Lake County shall not make any further contribution towards the retiree's insurance premiums.

4.2.1 All insurance coverage shall automatically be cancelled and cannot be reinstated.

4.2.2 If only medical or dental coverage is continued, medical or dental coverage may be reinstated within thirty (30) days of loss of other coverage or at open enrollment. If proof of creditable coverage is not provided, a six month pre-existing condition will be imposed.

4.2.3 Continuation of coverage for the spouse or adult designee of a deceased retiree may continue until age 65 or until marriage occurs. Dependent children of the deceased retiree or dependents of the adult designee may continue coverage until age 26 as long as they remain unmarried and dependent upon the insured spouse or adult designee for support. The total cost of the plan is to be paid by the insured.

5.0 Retirees Over Age 65

5.1 Application for Medicare Supplement must be made within 60 days to PEHP after

reaching age 65.

- 5.2 Upon retirement and approval by the Utah State Retirement System(s), a retiree and spouse over the age of 65 may enroll in a PEHP Medicare Supplement Plan within sixty days.
  - 5.3 If the Medicare Supplement Plan is voluntarily discontinued, Salt Lake County shall not make any further contribution towards the retiree's insurance premium.
- 6.0 Upon retirement through the Utah State Retirement System(s), a retiree is eligible to enroll within sixty days for a \$1,000 life insurance benefit on the retiree only. If all other insurance coverage is voluntarily discontinued by the retiree, life insurance coverage shall automatically be canceled and cannot be reinstated.

APPROVED AND PASSED THIS 24th DAY OF FEBRUARY, 2009

