

SOUTH COLONIE CENTRAL SCHOOLS
HEALTH INSURANCE REGULATIONS
JULY 1, 2011

I. Types of Coverage – Availability is dependent upon employee bargaining unit contract

Blue Shield of Northeastern New York – 907 Plan
Blue Shield of Northeastern New York – POS 211
Blue Shield of Northeastern New York – PPO 816
Capital District Physicians' Health Plan EPO
Delta Dental
Express Scripts (ESI) Prescription Plan

II. Eligibility

A. New Employees

Employees eligible for any coverage above may enroll within thirty (30) days from the date of Board of Education action on their appointment. Coverage begins on the first day of the first month immediately following:

1. the effective date of appointment by the Board of Education, and;
2. the completion of the enrollment application forms.

Part-time employees are eligible per their respective bargaining unit contract.

B. Retirees

An employee who has completed ten (10) years of benefit-eligible service with the school district at retirement is eligible to maintain health insurance coverage into retirement provided each of the followings requirements are met:

1. The employee is at least fifty-five (55) years of age, except for special NY State authorized and Board of Education approved early retirement incentives. Teachers who reach fifty-five during July or August may retire effective June 30 of the year of their 55th birthday.
2. The employee's coverage is the same as the coverage maintained immediately prior to retirement. Therefore, any additions to an employee's coverage must have an effective date prior to the date of retirement. Retirees may change coverage within a plan (e.g., family to two-person or two-person to individual) when such a change results in a reduction of premium for both the retiree and the District. This change can be made at anytime. However, once a dependent has been removed, that person cannot be added back to the policy, except as it applies to the Age 26 law.

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3. The retired employee pays the same as an active employee's share of individual, family or two (2) person coverage, whichever is applicable, as specified by contract. Failure to make payment for a period of 30 days will result in the loss of insurance coverage.
4. The employee must formally notify the District of their intention to carry health insurance coverage into retirement. (If an employee does not officially notify the district as of their last workday, the employee forfeits the right to have health insurance coverage after that date).
5. Dental plans cannot be taken into retirement, but can be carried up to eighteen (18) months on a COBRA Plan. Whereby, the retiree pays the full cost of the premium plus 2%.
6. The Express Scripts Prescription Plan (where applicable by employee bargaining unit contract) can be taken into retirement. Retired employee to pay the same as an active employee (see #3.).

The retired employee may request a change in health plans within the first two open enrollment periods immediately following the date of their retirement. Open enrollment is described in section V.A. of these regulations. Coverage becomes effective on January 1 or July 1, whichever date occurs first. A request to change health insurance plans after the first two (2) open enrollment periods must be submitted in writing and subject to the approval of the Assistant Superintendent for Management Services before it will be granted.

Retirees with CDPHP or, (where applicable) Blue Shield POS 211 coverage who are no longer able to receive adequate access to services (e.g., moved out of service area) will be able to transfer into the (where applicable by employee bargaining unit contract) Blue Shield of Northeastern New York 907 program, or (where applicable by employee bargaining unit contract) Blue Shield PPO Plan. When these types of transfers are necessary, the effective date will be of the usual open enrollment months.

The district will not pay (with the exception of contractual agreements) for coverage of a retiree's spouse if the retiree is deceased. The spouse may carry the insurance by paying the full cost of premium.

III. Disability Retirement

An employee eligible for a disability retirement is allowed to maintain health insurance coverage. Disability retirement is pursuant to New York State Disability Retirement and/or Social Security Disability. If, at any time, the disability retirement is rescinded, the employee will be able to maintain health insurance coverage provided the employee pays the entire cost of health insurance.

An employee applying for a disability retirement may continue to have health insurance coverage while their application is reviewed by the appropriate agency as long as the employee pays the full cost of the monthly premium on a COBRA plan. If the disability retirement is denied, the employee can continue on this COBRA Plan for 18 months.

IV. Leaves

A. Approved Leave of Absence

1. An employee granted an approved leave of absence has the right to eighteen (18) months of continued health, dental and prescription insurance coverage under the COBRA Law, provided the employee pays the entire monthly premium plus 2%. Failure to make payment for a period of 30 days will result in the loss of insurance coverage.
2. If an employee is eligible for leave under the Family Medical Leave Act, up to twelve (12) weeks of district paid coverage is provided (note: the employee is responsible for any employee share). Failure to make payment for a period of thirty (30) days results in the loss of insurance coverage.

B. “Off The Payroll”

Generally, an employee who has exhausted paid sick leave may continue health, dental and prescription insurance coverage for a period of eighteen (18) months under the COBRA Law, provided the employee pays the entire share of the monthly premium plus 2%. Failure to make payment for a period of thirty (30) days results in the loss of insurance coverage. Each employee will be reviewed on a case-by-case basis to determine compliance with Federal ADA and FMLA requirements.

V. Changes and Additions in Coverage

A. Open Enrollment

An employee may change health insurance coverage during the open enrollment periods of May and November; dental and prescription coverage during the open enrollment period of May only. Changes will go into effect on July 1 and January 1, respectively (dental/prescription – July 1) and must stay in effect for one plan year. A qualifying event is as defined in Section 125 of the Internal Revenue Service. Some situations that are considered qualifying events are marriage, divorce, birth of a baby, adoption, death, and loss of coverage.

If a new employee fails to apply for health insurance within the thirty (30) day period from the date of Board appointment, the employee will have to wait until the next open enrollment period to apply for health insurance.

B. Changes and Additions to Coverage

The employee must notify the insurance department of changes, which affect their coverage.

Employees have the right to change coverage and health plans during the open enrollment period. Change in coverage means a change from individual to two person or family coverage. Prescription and Dental Plan open enrollment periods are only offered in May for July coverage.

Additional regulations with respect to change in coverage are as follows:

1. Dependents are not automatically added to this coverage. As an example, a new birth is to be reported within 30 days of the baby's birth in order to obtain the proper coverage. A new birth is to be reported even if the employee has family coverage.
2. Coverage is provided for children to age 26 for health and prescriptions plans. Dental plan coverage is provided for children to age 19. Coverage may be extended to age 25 if the child is a full time student attending an accredited university or college.
3. Unmarried children who are incapable of self-support because of mental retardation or physical disability may have family coverage without any age limitation providing the disability commenced prior to age 19.
4. If an employee marries and wants to change coverage to two-person, the change must be made within 30 days of the date of the marriage.
5. An employee covered by a spouse's hospitalization plan that is terminated may be allowed to enroll in one of the District's health insurance plans. The effective date would be the termination date of the spouse's policy. Proof of prior insurance coverage and the fact the coverage was terminated must be provided by the employee prior to enrollment in the District's plan.
6. An employee who has their premiums deducted on a pretax basis may only change coverage during an open enrollment period, unless there is a qualifying event as defined in Section 125 of the Internal Revenue Service.
7. Coverage is provided under the Age 29 law for health insurance only. Certain participation requirements must be met in order to qualify.

VI. Dependent Survivors

An employee with three (3) years of continuous service during which time the employee was eligible for health insurance coverage may retain coverage for their spouse should the employee die, provided the full monthly premium is paid by the spouse, except as provided in negotiated contracts. Should the surviving spouse remarry, coverage cannot be extended to any additional members of the family. Dependent children are eligible for coverage under the same provisions named in Section V. B.2 and B.3. Dependent survivors must apply for coverage within sixty (60) days from the death of the employee.

VII. Resignations and Terminations

A. Employees, who resign, are terminated, or otherwise leave the employ of the District, shall be eligible for continuation coverage of health, dental and prescription insurance as provided by the Consolidated Omnibus Reconciliation Act of April 1986 (COBRA) for up to eighteen (18) months. Teachers are eligible for additional coverage under Article 23A.4 of the SCTA contract, which would be effective before the COBRA Plan.

B. The following applies to 10 month employees only:

1. An excessed 10 month employee, who is otherwise eligible for health insurance, is rehired for work in the summer is eligible for health, dental and prescription insurance in the month or months that they actually perform work for which they are paid, provided the employee share of the monthly premium is paid.
2. An employee excessed effective the last day of the school year (June 30) that is otherwise eligible for health insurance will be eligible for continuous coverage under COBRA. If rehired, and the appointment is approved by the Board of Education no later than the first regular meeting in September or an appointment on a subsequent agenda retroactive to the opening day of school, the employee is deemed to have continuous service. The employee may have coverage as of September 1 as long as they re-enroll for health insurance within seven (7) workdays after the Board takes action on their appointment. In addition, the applicable District's share of health insurance premiums paid by the rehired employee for the months of July and August for the rehired employee will be refunded to said rehired employee provided (1) all conditions mentioned above are met, and (2) any excessed employee who elects to collect unemployment insurance during July and August will be deemed by the District to have been unemployed during that period and therefore will not be eligible for any health insurance premium reimbursements by the District.
3. An excessed 10-month employee who is otherwise eligible for health insurance is hired for one (1) month during the summer is eligible for health insurance in that month provided the employee share is paid. Should this employee be rehired in September, they would only be eligible for a refund for the month not worked. An excessed employee working both summer months and having paid the employee share would not be eligible for any refund.

VIII. Medicare Reimbursements

Medicare reimbursement is provided to active employees and retirees who elect Part "B" Medicare according to the following criteria:

- A. Part "B" Medicare reimbursements are fixed at \$7.20 per month. Effective July 1, 1989, active employees 65 years old or older who do not elect Part "B" Medicare are not eligible for this reimbursement. Effective September 1, 1992, the district will not provide Medicare reimbursement for individuals who elect Part "B" Medicare on or after September 1, 1992. However, the district will continue to provide Medicare reimbursement in the manner set forth above for those active employees and retirees who were receiving such reimbursement prior thereto, and for retirees who retired prior to September 1, 1992 and who become 65 years of age after September 1, 1992 and elect Part "B" Medicare. The election of Part "B" Medicare is required by CDPHP and for all Blue Shield participants who turn Age 65 after September 1, 2008.
- B. The spouse of an employee eligible for Medicare Reimbursement cannot receive reimbursement. This regulation became effective as of March 1, 1977.
- C. If an employee receives Medicare reimbursement from their spouse's employer, the employee cannot receive partial Medicare reimbursement (\$7.20 per month) from the District. If the spouse dies and the benefit is lost, the employee may apply for partial reimbursement from the district by submitting in writing all necessary information to the Insurance Department at the District Office.

D. Medicare reimbursements will be used to offset premiums due the district and will be reflected on the premium billings.

IX. Dental/Optical Expense Reimbursement Plan

Plan Explanation

South Colonie Central Schools established this self-administered plan to reimburse each eligible bargaining unit employee and dependents annually (July 1 - June 30) for Dental/Optical expenses. The combined total amount payable in 2011-2012 to an employee and their dependents cannot exceed the contractual limits for 2011-2012.

Enrollment

Each eligible bargaining unit employee should fill out a Dental/Optical Enrollment form listing all dependents to be covered. Full-time college students will be covered as long as they remain full-time students. Upon graduation, the employee must notify the insurance department that the dependent is no longer a full-time student and the dependent will come off the plan. The dependent will be eligible for continued coverage as provided by the Consolidated Omnibus Reconciliation Act of April 1986 (COBRA) for up to eighteen (18) months. Retirees are not eligible for Dental/Optical expense reimbursement, unless per negotiated agreement. However, a retiree shall be eligible for continued coverage as provided by the Consolidated Omnibus Reconciliation Act of April 1986 (COBRA) for up to eighteen (18) months.

Reimbursement

A yellow Dental/Optical Reimbursement Claim Form (supplied at the District and Building Offices) must be completed. A claim form should be completed for each date of service and each family member seeking reimbursement. A paid receipt of services must be attached. If a paid receipt is not attached or the form is not completed as requested, the claim will not be processed for payment and sent back to the employee. When completed, all forms should be forwarded to the District Office Insurance Department where they will be processed. Reimbursement checks will be forwarded to all employees via interoffice mail. The Insurance Department will keep the year's allowance open through July 15, 2012, for services dated no later than June 30, 2012. Account balance remaining after July 15th will be forfeited. Claims received for the new year, will begin to be processed for payment in August.