Health and Welfare Benefits

The Governing Board 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.

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)

The district shall offer full-time employees who work an average of 30 hours or more per week and their dependents up to age 26 years a health insurance plan that includes coverage for essential health benefits, pays at least 60 percent of the medical expenses covered under the terms of the plan, and meets all other requirements of the federal Patient Protection and Affordable Care Act.

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)

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.

For certificated administrators, classified management, supervisory and confidential employees that have reached their fifty-fifth (55) birthday and have served ten (10) years with the district, the district will contribute an amount towards retiree health benefits equivalent to the district’s contribution for health and welfare benefits for active employees in the applicable employee group as of the date of retirement. Payment for such benefits shall continue until the retiree attains the age of sixty-five (65). The retiree may elect pay in lieu of such benefits. The district will pay the retiree annual payments equivalent to 100% of all remaining gross savings to the district for ceasing the contribution for health premiums. These annual payments would include 100% of all remaining years of health premiums allowed for a retiree up to the age of 65. The gross savings calculation will include the cost of the district’s obligation for statutory deductions related to these payments. The district will terminate the retiree’s health benefit as of the end of the current month, or as soon as possible thereafter once notified by the retiree to apply this option. Once the benefits are terminated, they cannot be reinstated. For classified management, supervisory and confidential employees, the district will process the first payment on the next payroll period following termination of benefits and will process subsequent year payments prior to October 1 of the applicable year. Retired certificated administrators will not receive their first payment until after their first 180 days of retiring from the State Teachers
Health and Welfare Benefits (Cont.)

Retirement System. These payments will be generated through the district payroll system and will be subject to all statutory deductions. Retired certificated administrators will not receive their first payment until after their first 180 days of retirement from the State Teachers Retirement System.

Confidentiality

The Superintendent 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:
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
Health and Welfare Benefits (Cont.)

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
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

Adopted: 12/6/06
Amended: 1/20/10, 6/20/12, 12/17/14, 10/19/16
Personnel

Health and Welfare Benefits

Affordability of Health Coverage

The Superintendent or designee shall seek 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 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 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)

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.

Health and Welfare for Unrepresented Groups

The District will contribute $12,000 per year for health, dental and vision premiums for all full-time certificated and classified administrative employees that are not represented by a collective bargaining agreement. Employees in this group who are working a part-time assignment will have the option of obtaining health benefit coverage. Part-time employees electing coverage will have their District contribution pro-rated based on a percentage derived by comparing the employee’s assigned hours per day to a full-time assignment of eight hours per day.

The District will contribute $12,840 per year for health, dental and vision premiums for all confidential and classified supervisory employees working at least six hours. Employees in this group that work at least four hours per day, but less than six hours per day, will have the option of obtaining health benefit coverage, with the District contribution pro-rated based on a percentage derived by comparing the employee’s assigned hours per day to a six hour assignment.

Employees will be eligible to select a plan from the District’s available menu of health, dental and vision plans. Premiums in excess of the District’s contribution will be the responsibility of the employee.

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)
Health and Welfare Benefits (Cont.)

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)

COBRA/Cal-COBRA Continuation Coverage

Covered district employees and their qualified beneficiaries shall be offered the opportunity to continue health 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 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 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 (Cont.)

Disability Insurance

The Superintendent or designee shall give notice of disability insurance rights and benefits to each new employee and each employee leaving work due to pregnancy, non-occupational 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)