



BENEFITS

607.1 – NON REPRESENTED EMPLOYEE LIFE AND HEALTH INSURANCE

- 1. Policy Purpose:** To establish a policy for eligibility of life and health benefit plans and annual contribution amounts for both life and health insurance benefits. Health insurance benefits include medical, dental, vision and life.

Policy Coverage: This policy is intended to be applicable to all employees (represented and non-represented, part-time hourly, temporary/casual/seasonal, provisional, board members, volunteers, as well as contract and temporary workers and anyone else on the property) of the East Fork Fire Protection District.

Adopted Date: 11/20/2018

Revised Date: N/A

Policy #: 607.1

***The procedure established in this policy will be superseded and have no effect when covered by a similar or conflicting provision in a Collective Bargaining Agreement and/or Administrative Order. For detailed information, please refer to your Collective Bargaining Agreement or Administrative Order. ***

- 2. Policy Overview:**

A. Cafeteria Plan

1. The District will maintain a Cafeteria Benefit Plan. A Cafeteria Benefit Plan recognizes that employees have diverse needs and allows employees to choose benefits based on their individual needs.
2. The District will offer eligible employees' medical, dental, vision and life insurance (individual coverage or family/dependent coverage).
 - a. The District will provide \$25,000 life insurance policy for the non-represented employee only, effective January 1, 2018, at no cost to the employee.

- b. The District will provide \$50,000 life insurance policy for the non-represented Executive Staff Employee, which includes the District Fire Chief, Deputy Fire Chief(s), Executive Office/HR Manager, and the District Accountant.
3. If a High Deductible Medical Plan with Health Savings Account (HSA) is offered by the District, an incentive will be provided for employees to participate in the plan. The District will meet and confer with the Health Benefits Committee prior to implementing a change of the current health benefit plan.
4. If a High Deductible Medical Plan with HSA is not offered, a High Deductible Medical Plan with a Health Reimbursement Arrangement (HRA) may be offered in its place. If an HSA is not offered, this policy (607.1) shall be reopened and plan changes negotiated.

B. District Fund Contribution for Health Benefit Package

1. A health benefit plan must be chosen unless waived pursuant to Section A(4) above. If waived, the employee will receive the monthly contribution set forth in 607.1.C below.
2. The District will provide employees with employee-only coverage at the actual employee-only cost for the PPO or HSA health plan selected by the employee subject to 607.1.E.
3. The District will provide employees with employee plus dependent coverage at the actual employee/dependent premium cost for the PPO or HSA health plan selected by the employee subject to 607.1.E.

C. Monthly Contribution in Lieu of Health Benefit Plan

1. Dental, Vision and Life Insurance may be purchased by the employee and a monthly contribution equal to that of contracted employees for the corresponding year and as approved through the fiscal year budget process

D. High Deductible Medical Plan with Health Savings Account (HSA)

The District will provide eligible employees with medical, dental, vision and life insurance coverage at the current premium cost, which will vary depending upon whether the employee has individual coverage or family coverage.

1. High Deductible Medical Plan with Health Savings Account (HSA)

Under the High Deductible Medical Plan with HSA, employee medical premium costs and individual plan savings will be funded equal to that of contracted employees for the corresponding year and as approved through the fiscal year budget process.

2. Annual Account Contribution Distribution

Fifty percent (50%) of the annual account contribution will be deposited in individual accounts two times each calendar year (the first pay dates in January and July). If a plan participant experiences a qualifying event which results in a status change during the year, the premium and account contribution will change at that time. Account contributions will be recalculated and reflect the new account contribution rate. If a plan participant experiences a qualifying event which results in a status change between January and July, the account contribution for July will be prorated based on the participant's status when they had a qualifying event. The employee will receive the next scheduled account contribution payment based on the new status.

3. Probationary Employees

During the first year of employment, new employees will have the option of participating in the High Deductible Medical Plan with Health Savings Account or PPO medical plan. First year employees will be eligible for health benefits on the first day of the month after their first 30 days of employment.

If the employee first becomes eligible for insurance coverage after July 1st of any year and chooses the HSA plan, they will retroactively receive the July 1st HSA Account Contribution upon eligibility.

If the employee first becomes eligible for insurance coverage prior to July 1st, then the employee will receive the January HSA Account Contribution upon eligibility.

New employees will be eligible for lump sum contributions to their High Deductible Medical account with HSA, as set forth in Section D(1) of this policy regardless of premium increases, not to exceed the Annual Account Contribution per year.

E. Premium Increases/Decreases

1. Under the High Deductible Medical Plan with HSA option, any increase in premium costs during the life of this policy will be deducted from the Annual Account Contribution amount and applied to the increased coverage expense. The District will absorb any premium increases from 0 – 15% for the HSA plan. The employee and the District will each pay 50% of a premium increase greater than 15%. The

employees' share will be paid for by a reduction in the employee's HSA District Annual Contribution.

2. The District will absorb any premium increases from 0 – 15% for the PPO plan. The employee and the District will each pay 50% of any premium increase greater than 15%.
3. The District will retain any insurance premium decreases from 0 – 10%. The employee will retain any insurance premium decreases from 10 – 15%. The employee and the District will each equally retain any premium decrease greater than 15%. Any decrease that the employee retains will be used to fund the HSA contributions. If the HSA contributions are at the IRS maximum, then the employee will receive the savings in a lump sum payment.
4. For the purpose of calculating future premium increase/decreases, for the life of the policy, the premiums in effect as of January 1 of each calendar year will be used by the parties as the baseline for calculating premium increases.

F. Insurance and Benefits Committee

The District shall maintain an Insurance and Benefits Committee comprised of a total of three members and three alternates. The Committee shall consist of one member and one alternate from the District and two members and two alternates from the East Fork Professional Firefighters IAFF Local 3726. The members are responsible for:

- Providing suggestions/recommendations regarding benefits to the District Fire Chief;
- Act as an advisory panel to the District Fire Chief;
- Work with District's broker/Third Party Administrator (TPA) to resolve any plan issues;
- Work with the District's broker/TPA for renewal;
- Work with the District's broker/TPA for open enrollment;
- Work with the District's employees to resolve any plan/compensation/insurance issues;
- Provide suggestions regarding other benefits related issue/tasks as assigned by the District Fire Chief;
- Neither the District Fire Chief nor the District shall be bound by the recommendations of the Insurance and Benefits Committee.

G. Policy Review

- This policy will be reviewed on an annual basis prior to renewal each year with the intent being to provide equity across non-represented and represented benefit health plans.

RESPONSIBILITY FOR REVIEW: The District Fire Chief, or designee and/or the Executive Office Manager, or designee will review this policy every year prior to renewal or sooner as necessary.