

**RESOLUTION 2013-08**

**A RESOLUTION AMENDING SUBSECTION 13.A, INSURANCE, OF SECTION 13, EMPLOYEE BENEFITS, OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL (CHANGES TO EMPLOYEE AND POST-RETIREMENT INSURANCE BENEFITS)**

WHEREAS, the Tooele County Commission, in conjunction with other austerity measures, finds it necessary to revise and update the County's policies regarding post-retirement insurance benefits.

NOW, THEREFORE, BE IT RESOLVED BY THE TOOELE COUNTY COMMISSION that Personnel Policies and Procedures Subsection 13.A, Insurance, of Section 13, Employee Benefits, is hereby amended to read as attached hereto, which attachment is, by this reference, made a part hereof.

**EFFECTIVE DATE:** This resolution shall take effect immediately upon passage.

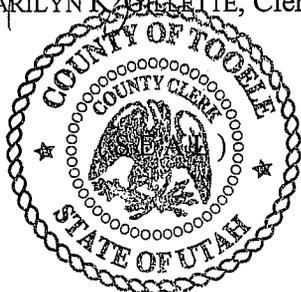
**DATED** this 14<sup>th</sup> day of May 2013.

**ATTEST:**

**TOOELE COUNTY COMMISSION:**

  
MARILYN K. GILLETTE, Clerk

  
J. BRUCE CLEGG, Chairman



Commissioner Clegg voted aye  
Commissioner Hurst voted aye  
Commissioner Milne voted aye

**APPROVED AS TO FORM:**

  
DOUG HOGAN  
Tooele County Attorney

**SECTION 13  
EMPLOYEE BENEFITS**

**A. INSURANCE:**

1. The county pays a portion of the premium for medical, dental, and life insurance provided to employees and their dependents. The portion paid by the county may vary according to the group plan offered and the costs incurred to provide the specified benefits. The County Commission shall establish the county's contribution for employee insurance.
2. Employees who work 30 hours or more per week are entitled to enroll in the county's insurance program. Eligible employees may participate in the medical, dental, and life portions of the plan and may choose single, two-party, or family coverage.
3. Payroll deductions for insurance premiums shall be prorated equally and withheld bi-monthly from each paycheck.
4. If a married couple works for the county and each spouse is eligible to receive full insurance benefits, they may acquire family coverage by paying ten percent of the full family insurance premium. The couple shall designate the employee from whose pay this insurance expense will be deducted.
5. Employees taking an approved leave of absence without pay shall have continuous insurance coverage if the leave does not extend beyond one full pay period. When an employee takes such leave that extends beyond one full pay period, all insurance coverage terminates at the end of the two-week period following the last insurance payroll deduction. Coverage may continue under the Consolidated Omnibus Budget Reconciliation Act (COBRA) guidelines during such approved leave if an employee pays the entire insurance premium including the county's regular contribution during the leave, plus a two percent administration fee.
6. Eligible new hires may immediately enroll in the insurance program. Employees who are eligible for the benefits and have properly enrolled in the insurance program shall be covered during the first payroll period following 14 days after enrollment. Insurance premiums shall be prepaid and withheld during a full payroll period prior to coverage. All insurance coverage terminates at the end of the pay period following the last insurance payroll deduction.
7. Eligible employees who do not enroll in the insurance program at the time of hire must wait for an open enrollment period or may enroll under a special enrollment requirement and shall provide to the county a certificate of cancellation from their prior insurance carrier for them or their dependents who wish to enroll. Applications for special enrollment must be reviewed and approved by the insurance carrier. Employees should contact the Human Resource Department for details when a special enrollment may be required. Changes to the employee's coverage election can be made during open enrollment or when a life status change occurs.

8. It is the employee's responsibility to notify the Human Resource Department when a dependent is no longer eligible for coverage. The county will not refund premium payments made for ineligible dependents.
9. Retirees from county employment who (1) retire prior to July 1, 2013, (2) have at least ten years of service with the county, and (3) qualify for service retirement under the Utah State Retirement System or other county-sponsored plan, including public safety retirees, may, until the retiree is of Medicare eligible age, continue their enrollment in the county insurance program subject to the following:
  - a. The county has issued premium credits to employees at one credit for every five years of full-time employment with the county. Partial credits are not issued for blocks of service less than five years. For example, 17 years of service would equal three premium credits.
  - b. Employees who retired prior to January 1, 2010 received premium credits to continue enrollment in the insurance program for the retirees and their dependents. Employees retiring after January 1, 2010, but prior to July 1, 2013, receive premium credits to continue enrollment in the insurance program for the retiree only.
  - c. Retirees, who have exhausted their years of service premium credit, and their dependents may continue enrollment under the group policy until they are of Medicare eligible age by paying 50% of the full cost of all coverages that are continued.
  - d. Retirees and their dependents, upon reaching Medicare eligible age, who have previously been covered under the group policy are eligible to participate in the county's Medicare Supplement Coverage. Retirees who have used all of their premium credits, and eligible dependents, may continue enrollment by paying 50% of the total premium for the Medicare Supplement Coverage.
  - e. Dependents of retirees shall be entitled to the same insurance coverage, shall pay 50% of the same premiums, and shall be covered on the same basis as a retiree of their age. Dependents of eligible retirees may continue enrollment in the county's medical and dental insurance programs on the same basis as the retiree even though the retiree reaches Medicare eligible age.
  - f. Only insurance coverages that were in effect for at least one full year prior to the time of retirement may be continued. Any coverages that are dropped after retirement may not thereafter be reinstated.
  - g. Any payments required by retirees to continue enrollment in the county's medical, dental, life, or Medicare Supplement Coverage shall be paid in advance to Tooele County.
  - h. Retirees have the option to discontinue enrollment in the medical insurance program and accept a premium waiver of \$2,500.00 per premium credit, prorated on a monthly basis for partially used premium credits. The premium waiver will be paid to retiree on

January 30, 2014. Retiree may elect to receive a combination of premium credits and premium waivers. The election to receive premium credits, premium waivers, or a combination of the two shall be made by May 30, 2013. Retiree must complete the necessary tax documents with the county by June 30, 2013 to be paid the premium waiver.

- i. Employees who desire to retire prior to July 1, 2013 must sign an irrevocable Intent to Retire Form by May 30, 2013, and retire by July 1, 2013 with the last day of work being on or before June 29, 2013.
10. Retirees from county employment after July 1, 2013 are not eligible to continue their enrollment in the county insurance program.
11. As of July 1, 2013, employees will no longer accrue premium credits.
12. Retirees from county employment who (1) retire after July 1, 2013, (2) had at least ten years of service with the county as of July 1, 2013, (3) qualify for service retirement under the Utah State Retirement System or other county-sponsored plan, including public safety retirees, and (4) had accrued premium credits as of July 1, 2013 will receive a premium waiver of \$2,500.00 per credit. Two credits will be awarded for the first ten years of full-time employment with the county prior to July 1, 2013. For every full year of employment in excess of ten years up to July 1, 2013, retiree will receive 0.2 premium credit. Retiree will be paid the premium waiver upon retirement and only if retiree completes the necessary tax documents with the county.
13. In keeping with the provisions of COBRA and any amendments to that Act, Tooele County provides for the continuation of health and dental insurance benefits to employees and dependents who become qualifying beneficiaries under the terms of COBRA. Qualifying beneficiaries desiring to continue insurance coverage as members of the county group must pay the entire cost of the insurance plus the administration fee as designated by the Act or its amendments. The duration of coverage shall be determined by the continuation provisions under the Act or its amendments, and the qualifying beneficiary's timely payment of the premium.
14. The spouse and children of a deceased county employee or retiree who are enrolled in the county medical or dental insurance programs may continue their insurance enrollment in these programs provided that the entire cost, plus a two percent administration fee, is paid by the spouse and children. The duration of coverage shall be determined by the continuation provisions under the COBRA Act and its amendments. Once their COBRA coverage expires, the spouse and children will not be eligible for coverage under the county-sponsored plan but will be offered a conversion policy. Dependents of a deceased county employee or retiree are not entitled to participate in the county's life insurance program.

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2. Employees who work 30 hours or more per week are entitled to enroll in the county's insurance program. Eligible employees may participate in the medical, dental, and life portions of the plan and may choose single, two-party, or family coverage.
3. Payroll deductions for insurance premiums shall be prorated equally and withheld bi-monthly from each paycheck.
4. If a married couple works for the county and each spouse is eligible to receive full insurance benefits, they may acquire family coverage by paying ten percent of the full family insurance premium. The couple shall designate the employee from whose pay this insurance expense will be deducted.
5. Employees taking an approved leave of absence without pay shall have continuous insurance coverage if the leave does not extend beyond one full pay period. When an employee takes such leave that extends beyond one full pay period, all insurance coverage terminates at the end of the two-week period following the last insurance payroll deduction. Coverage may continue under the Consolidated Omnibus Budget Reconciliation Act (COBRA) guidelines during such approved leave if an employee pays the entire insurance premium including the county's regular contribution during the leave, plus a two percent administration fee.
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7. Eligible employees who do not enroll in the insurance program at the time of hire must wait for an open enrollment period or may enroll under a special enrollment requirement and shall provide to the county a certificate of cancellation from their prior insurance carrier for them or their dependents who wish to enroll. Applications for special enrollment must be reviewed and approved by the insurance carrier. Employees should contact the Human Resource Department for details when a special enrollment may be required. Changes to the employee's coverage election can be made during open enrollment or when a life status change occurs.

8. It is the employee's responsibility to notify the Human Resource Department when a dependent is no longer eligible for coverage. The county will not refund premium payments made for ineligible dependents.
9. Retirees from county employment who (1) retire prior to July 1, 2013, (2) have at least ten years of service with the county, and (3) qualify for service retirement under the Utah State Retirement System or other county-sponsored plan, including public safety retirees, may, until the retiree is of Medicare eligible age, continue their enrollment in the county insurance program subject to the following:
  - a. The county has issued premium credits to employees at one credit for every five years of full-time employment with the county. Partial credits are not issued for blocks of service less than five years. For example, 17 years of service would equal three premium credits.
  - ab. ~~The county will allow retirees a premium credit to continue enrollment in the insurance program, at one year for every five years of full-time employment with the county under the same provisions as regular employees or until the retirees reach Medicare eligible age. Employees who retired prior to January 1, 2010 will received a premium credits to continue enrollment in the insurance program, at one year for every five years of full-time employment with the county for the retirees and their dependents. Employees retiring after January 1, 2010, but prior to July 1, 2013, will receive paid-up service premium credits to continue enrollment in the insurance program for the retiree only.~~
  - bc. Retirees, who have exhausted their years of service premium credit, and their dependents may continue enrollment under the group policy until they are of Medicare eligible age by paying 50% of the full cost of all coverages that are continued.
  - ed. Retirees and their dependents, upon reaching Medicare eligible age, who have previously been covered under the group policy are eligible to participate in the county's Medicare Supplement Coverage. Retirees who have used all of their premium credits, and eligible dependents, may continue enrollment by paying 50% of the total premium for the Medicare Supplement Coverage.
  - de. Dependents of retirees shall be entitled to the same insurance coverage, shall pay 50% of the same premiums, and shall be covered on the same basis as a retiree of their age. Dependents of eligible retirees may continue enrollment in the county's medical and dental insurance programs on the same basis as the retiree even though the retiree reaches Medicare eligible age.
  - ef. Only insurance coverages that were in effect for at least one full year prior to the time of retirement may be continued. Any coverages that are dropped after retirement may not thereafter be reinstated.
  - fg. Any payments required by retirees to continue enrollment in the county's medical, dental, life, or Medicare Supplement Coverage shall be paid in advance to Tooele County.

- h. Retirees have the option to discontinue enrollment in the medical insurance program and accept a premium waiver of \$2,500.00 per premium credit, prorated on a monthly basis for partially used premium credits. The premium waiver will be paid to retiree on January 30, 2014. Retiree may elect to receive a combination of premium credits and premium waivers. The election to receive premium credits, premium waivers, or a combination of the two shall be made by May 30, 2013. Retiree must complete the necessary tax documents with the county by June 30, 2013 to be paid the premium waiver.
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103. In keeping with the provisions of COBRA and any amendments to that Act, Tooele County provides for the continuation of health and dental insurance benefits to employees and dependents who become qualifying beneficiaries under the terms of COBRA. Qualifying beneficiaries desiring to continue insurance coverage as members of the county group must pay the entire cost of the insurance plus the administration fee as designated by the Act or its amendments. The duration of coverage shall be determined by the continuation provisions under the Act or its amendments, and the qualifying beneficiary's timely payment of the premium.
114. The spouse and children of a deceased county employee or retiree who are enrolled in the county medical or dental insurance programs may continue their insurance enrollment in these programs provided that the entire cost, plus a two percent administration fee, is paid by the spouse and children. The duration of coverage shall be determined by the continuation provisions under the COBRA Act and its amendments. Once their COBRA coverage expires, the spouse and children will not be eligible for coverage under the county-sponsored plan but will be offered a conversion policy. Dependents of a deceased county employee or retiree are not entitled to participate in the county's life insurance program.