

**Partnership for Children of Cumberland County, Inc.**  
**Human Resources Policies and Procedures**

**Employment Information – Benefits**

**Section 414 – Health, Vision and Dental Insurance**

**1. General Information**

- a. The Partnership for Children of Cumberland County, Inc. (PFC)'s health, vision and dental insurance plans provide employees and their dependents access to medical, vision and dental insurance benefits after 90 calendar days of service.
- b. Dependents include (1) the employee's legal spouse or (2) a child of the employee or (3) a child of the employee's spouse. Refer to PFC's medical policy for definitions and terms.
- c. If an employee does not have a dependent at the time of enrollment in the plan, but later acquires a dependent, this person becomes eligible to participate in the plan on the date that he/she becomes a dependent.
- d. All eligible employees, including regular full-time and regular abbreviated schedule employees, will participate in or opt-out of the health, vision and dental insurance plans subject to all terms and conditions of the agreement between PFC and the insurance carriers.
- e. A change in employment classification that would result in loss of eligibility to participate in the health, vision and dental insurance plans may qualify an employee for benefits continuation under the COBRA. Refer to the Continuation of Benefits (COBRA) section for more information.
- f. Details of the health, vision and dental insurance plans are described in the Summary Plan Description. A Summary Plan Description and information on cost of coverage will be provided in advance of enrollment to eligible employees.

**2. Policies**

- a. Regular full-time and regular abbreviated schedule employees are eligible to participate in the health, vision and dental insurance plans after 90 calendar days of service.
- b. PFC and the employee will share the cost of health, vision and dental insurance premiums. In the event the health, vision and/or dental insurance premiums increase during the annual renewal process, PFC will cover the increased difference for the effective month of coverage and the month prior.
- c. The employee's share of the monthly premium will be collected through payroll deductions.
- d. In the event PFC receives a Medical Loss Ratio (MLR) rebate for medical, vision or dental premiums, PFC will issue the rebate in accordance with the Department of Labor Technical Release 2100-04, dated December 2, 2011 to employees through a payroll lump sum reimbursement at a percentage of the rebate equal to the percentage of the cost paid by participants. In the case of former employees, refunds of less than \$5.00 will not be issued due to processing costs.
- e. Employees who decline to participate in the health, vision and dental insurance

**Partnership for Children of Cumberland County, Inc.**  
**Human Resources Policies and Procedures**

**Employment Information – Benefits**

**Section 414 – Health, Vision and Dental Insurance**

plans will be required to execute a waiver of benefits form.

- f. Employee's experiencing a qualifying event will need to request a change in benefits within 30 calendar days of the event and provide required documentation. The effective date of the change will be the same date as the qualifying event. If the request is not made within 30 calendar days of the qualifying event, the change will be effective as described in item f below. For the purposes of this policy, life changing events are defined as:
- 1) Hire – enrollment as a new employee
  - 2) Change in employment status of the employee's spouse or employee's dependent – switching from part-time to full-time employment status or from full-time to part-time, termination or commencement of employment, a strike or lockout, commencement of or return from an unpaid leave of absence which results in employee/dependent becoming ineligible for coverage
  - 3) Change in legal marital status – marriage, divorce, legal separation, annulment or death of a spouse
  - 4) Change in number of dependents – birth, death, adoption, placement for adoption, award of legal guardianship
  - 5) Dependent satisfies or ceases to satisfy eligibility requirement – marriage of dependent or change in student status
- g. Except for life event changes, all insurance coverage changes will be effective the first day of the month following: (1) the employee's written notification to the Human Resource Manager, by completing the *Payroll Deduction Authorization* and (2) the receipt of the employee's portion of the monthly vendor payment for the insurance through payroll withholding or payment by personal check.
- h. All new employees will be subject to a 90 day waiting period from date of hire. The benefit period will start on the first day of the month that the 90 day probationary period ends. Payroll deductions will start during the month prior to the benefit period start date. See example #3 below.**

Example #1:

01/04/10 – Employee completes and turns in Payroll Deduction Authorization  
01/29/10 – Initial deduction from payroll (1/2 of employee's monthly portion)  
02/12/10 – 2<sup>nd</sup> deduction from payroll (1/2 of employee's monthly portion)  
02/15/10 – Payment made to vendor  
03/01/10 – Effective date of insurance

Example #2:

01/04/10 – Employee completes and turns in Payroll Deduction Authorization  
01/5-14/10 – Employee pays 100% of employee's portion of monthly vendor payment by personal check/money order/cash  
01/15/10 – Payment made to vendor  
02/01/10 – Effective date of insurance

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Section 414 – Health, Vision and Dental Insurance**

Example #3 (New Hire)  
07/09/12- First payable work day  
09/7/12 & 9/21/12- First monthly payroll deductions  
10/1/12- All elected benefit coverage begins  
10/9/12- Last day of 90 day probationary period

Policy:

Created/Approved – December 2009; Effective – January 2010  
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