
GROUP HEALTH INSURANCE

~~The following is a brief summary of the current group health insurance plan, which also includes dental benefits.~~

~~A complete description of the group health insurance provisions may be found in the employee's Municipal Health-Benefit Fund plan booklet that is provided to every covered employee. In the event of any contradiction between the information given here and the Municipal Health-Benefit Fund booklet, the Municipal Health-Benefit Fund booklet shall govern in all instances. For details of benefits, restrictions, exclusions, procedures, etc., employees should study and become familiar with the provisions described in the insurance booklet provided to them. If a booklet has been lost, the Finance Department or Plan Administrator should be contacted for a replacement.~~

The City offers group health insurance, including dental insurance, to full-time employees, as well as optional dependent coverage for eligible dependents. A complete description of the group health insurance provisions may be found in the plan documents for the group health insurance selected by the City on an annual basis.

No individual may be covered under this plan as both an employee and a dependent. Also, no individual will be considered an eligible dependent of more than one employee.

Eligible Dependents

Optional coverage is available for covered employees' eligible dependents as follows: spouse, children under age 26, and handicapped children past the age of 26 (if not gainfully employed and is living with the employee).

In addition to a son or daughter born to an employee and their spouse, the term "child" also includes an employee's adopted child and stepchild or other child for whom the employee has legal guardianship if such child depends primarily on the employee for support and maintenance and lives with the employee in a parent/custodian-child relationship.

Eligibility as a dependent will cease: (a) for any person on the date he or she becomes covered for personal coverage under ~~Municipal Health-Benefit Fund~~ the City's group health insurance as a dependent of another person, enters active service with the armed forces of any country, or otherwise ceases to be in a covered classification of persons according to the definition of an eligible dependent, (b) for an employee's spouse, on the date of divorce or legal separation, and (c) for an employee's child on attainment of the applicable maximum age limit.

Eligibility for Medicare

When a current covered employee becomes age 65 or eligible for Medicare coverage, the City's benefits remain the primary coverage and Medicare is the secondary coverage.

Employees Retiring Under the Disability Provisions of Any Pension Plan

When any city employee of any age retires from the City under the disability provisions of the pension plan, until award of full Medicare benefits, but for a total period of time of not more than 27 months from the date of retirement, they are eligible to remain on the City's health care plan, receiving the same medical benefits and paying the same premium as active employees as long as the retiree pays the total premium due to the health care plan.

Effective Date

Coverage for employees and dependents is effective the first day of the month following 30 consecutive days of employment. Dependent coverage will have the same effective date except as stated below.

Enrollment Date

The annual enrollment date is January 1. If the employee does not enroll eligible dependents before the date the employee becomes eligible, they may not be enrolled until the following January 1. If an employee has no eligible dependents, but wishes to provide coverage for an eligible newborn, then the employee must enroll for dependent coverage when the child is born. New dependents, i.e., marriage or adoption, must be enrolled the first of the month following the date the employee acquired the new dependents. If not enrolled when eligible, the new dependents may not be enrolled until January 1 of the next year. Employees must complete an enrollment card and submit it to their departmental payroll clerk for forwarding to the Human Resources Department when dependent coverage is elected.

Payment of Premiums

~~At the present time the City pays 100% of the cost of providing medical insurance premiums through Municipal Health Benefit Fund, for each eligible employee and elected City official and 75% of the cost for eligible dependents.~~

The allocation between the City and the covered employee of the cost of providing medical insurance premiums for each eligible employee and elected official, and the allocation between the City and the covered employee of the cost for eligible dependents, will be determined on an annual basis and communicated to all employees prior to the open enrollment period.

When a covered employee is temporarily in an inactive, non-pay status other than unpaid FMLA leave, it is the responsibility of the covered employee to pay 100% of his own and his eligible dependents' health insurance premiums.

While the covered employee is on unpaid FMLA leave, the City will continue to pay 100% of the employee's health insurance premium, however, the employee is required to continue to pay the premiums for his/her usual share of the dependent health coverage and any optional insurance payments.

If an employee on FMLA leave fails to return to work following the leave, the employee may be required to reimburse the City for all premiums paid during the leave.

Arrangements for paying health insurance premiums during periods of unpaid leave should be made with the Finance Department as far in advance of the leave as possible.

Status Changes

Dependent coverage may be discontinued by completing the change portion of a new enrollment card. If coverage is discontinued after payment of a portion of the premium, that premium payment will not be refunded. Any change in dependent coverage status requires completion of a new enrollment form. These forms are available in each department. Status changes cannot be completed until the employee has signed the change form.

Options for Continuation Of Coverage

Retirees Age 55 or Older "Unless Medicare-Eligible"

When any city employee, fifty-five years of age or over *Unless Medicare-Eligible* who is vested in the retirement system retires from the City, the retiree may continue to participate in the City's health care plan, receiving the same medical benefits and paying the same premium as active employees as long as the retiree pays the total premium due to the health care plan.

Retirees Age 65 "Medicare Eligible"

"Medicare Eligible" Retirees, who reach the age of 65, are not eligible for the City's "Group Health Insurance Plan". In this instance, the Retiree's "Medicare Eligibility Date" is determined by the following criteria:

- On the 1st of the month of the Retiree's 65th birthday or
- On the month prior to the Retiree's 65th birthday if they turn 65 on the 1st of the month

Under the Consolidated Omnibus Benefits Budget Reconciliation Act (C.O.B.R.A.)

Employees

Pursuant to Public Law 99-272, Title X known as (C.O.B.R.A.), an employee who is subject to losing group health coverage because of a reduction in hours of employment (including unpaid military leave in excess of thirty (30) days), or termination of employment (for

reasons other than gross misconduct on the employee's part), may choose continuation of the City's health insurance coverage by paying the premiums as described below. C.O.B.R.A. coverage does not include Life or AD&D.

Spouses of Employees

Covered spouses of employees may choose continuation coverage if group health coverage is lost for any of the following four reasons:

- the death of the employee;
- a termination of the employee's employment (for reasons other than gross misconduct) or reduction in the employee's hours of employment;
- divorce or legal separation from the employee; or
- the employee becomes entitled to Medicare.

Children of Employees

Covered dependent children of an employee may choose continuation coverage if group health coverage is lost for any of the following five reasons:

- death of a parent who is the employee;
- termination of a covered parent's employment (for reasons other than gross misconduct) or reduction in a parent's hours of employment with the City;
- parents' divorce or legal separation;
- parent becomes entitled to Medicare; or
- the dependent ceases to be a "dependent child" under the City's group health insurance plan.

Payment of Premiums for Continuation Coverage

The covered employee, spouse or dependent is responsible for paying 100% of the group-rate premiums plus 2% (as provided by COBRA) for continuation coverage. COBRA premium due dates are the first of each month.

Group Insurance Fund Administrator

C.O.B.R.A. benefits are administered by the Plan Administrator for ~~Municipal Health Benefit Fund~~ [the City's group health insurer](#). For answers to specific terms and conditions and other questions about C.O.B.R.A., the employee ~~should review the Very Important Notice regarding C.O.B.R.A. rights currently on pages 31, 32, 33 of the employee's Municipal Health Benefit Fund booklet or~~ contact the Plan Administrator ~~shown below~~.

Status Changes

The City and the Plan Administrator must be notified immediately upon any of the above qualifying events and the desire to continue coverage by the employee, spouse, or dependent.

If a covered employee, spouse or dependent changes marital status, or the employee or spouse has changed address, they should immediately notify the City and the Plan Administrator or his agent shown below.

Fund Administrator

~~Where the foregoing text instructs a covered employee, spouse or dependent to contact the Plan Administrator, please refer to information below or as stated in the Municipal Health Benefit Fund policy handbook provided to employees annually. Employees are reminded to refer to the Municipal Health Benefit Fund booklet for additional information, requirements, notification requirements, and recent updates or changes.~~

MUNICIPAL HEALTH BENEFIT FUND ADMINISTRATIVE OFFICE

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