

**YAKIMA COUNTY
NON-BARGAINING EMPLOYEES HEALTH INSURANCE POLICY
POLICY NO. HR-028**

I. PURPOSE

Effective January 1, 2018, Yakima County, hereinafter referred to as “County”, will provide a comprehensive package of insurance benefits for employees in regular, budgeted positions who work at least twenty hours per week. These benefits are purchased through the Public Employees Benefit Board (PEBB) and administered by the Washington State Health Care Authority. There are several medical plans to consider.

The County pays a portion of the cost of a comprehensive Medical, Dental, Vision, Basic Life and Basic Long Term Disability (LTD) Insurance Program for employees and covered dependents.

II. ACRONYM DEFINITIONS

ACA – Affordable Care Act	HRA – Health Reimbursement Arrangement
CDHP – Consumer Driven Health Plan	HSA – Health Savings Account
COBRA – Continuation of Benefits Rights Act	IRS – Internal Revenue Service
FICA – Federal Insurance Contributions Act	LTD – Long Term Disability
FMLA – Family and Medical Leave Act	PEBB – Public Employees Benefits Board
FSA – Flexible Spending Account	SPD – Summary Plan Description
FTE – Full Time Equivalent	VEBA – Voluntary Employee Beneficiary Association
HCA – Health Care Authority	WAC – Washington Administrative Code
HDHP – High Deductible Health Plan	

III. EFFECTIVE DATES OF COVERAGE

A. New Hires

1. If your employment starts on or before the first working day of the month, your benefits are effective on the first of that month
 - a) **Example:** Hired January 2, 2018, effective date of coverage will be January 2, 2018.
2. If your employment starts any day after the first working day of the month, your benefits are effective on the first day of the following month
 - a) **Example:** Hired January 3, 2018 or after, effective date of coverage will be February 1, 2018.
3. PEBB working days are considered Monday through Friday.
4. A schedule will be provided annually with effective dates of coverage. Effective coverage date may vary depending on the month and holidays that may occur within the month.
5. Managers/Supervisors need to disclose the financial impact of medical insurance to selected candidates based on their hire date.

B. Transfers From Another Health Plan

1. If a change of position results in the need to transfer/change medical coverage into PEBB, you will be treated as a new hire (see new hire above).
2. You will be subject to plan elections as required by the PEBB.

C. Terminations

1. When employment is terminated, the employee and any covered dependents are no longer eligible for County-provided benefits and contributions.
2. Public Employees Benefits Board (PEBB) medical, dental, vision and basic life insurance will end at midnight on the last day of the month in which employment ends.
 - a) Supplemental life insurance ends the earlier of (1) the last day of the month in which employment is terminated, or (2) the last day of the month in which the employee is eligible for the County contribution or employee premiums were withheld, whichever is later.
3. Basic LTD insurance ends at midnight on the date the employee loses eligibility for the County contribution for benefits.
 - a) Optional LTD coverage ends the last day of the month in which the employee terminates or the last day in which a premium payment was made.
4. COBRA gives the employee and covered dependents the right to continue coverage for medical, dental and vision by self-paying premiums to HCA. This information is provided to employees during the exit process. COBRA can provide extended medical coverage from 18 and up to 36 months depending on circumstances and eligibility.
5. Retiring employees may choose to elect PEBB-sponsored retiree coverage, if eligible. This information is provided to employees during the exit process.

Note: The PEBB Program will mail the Continuation of Coverage Election Notice to the employee after coverage is terminated. The mailing can take up to 14 days.

D. Continuation of Coverage During Leaves of Absences

1. County contribution will continue while the employee is in paid status.
2. Once the employee is no longer covered by FMLA and moves into an unpaid status, the employee's benefits with PEBB as an active employee will terminate. The employee may apply for COBRA. To apply for COBRA, the employee is required to:
 - a) Complete and submit the "continuation coverage election/change form (for Leave Without Pay" no later than **60 days** after the date your employer-sponsored coverage ends or from the postmark on the "Continuation Coverage Election Notice" sent to you, whichever is later.
 - b) Choose whether to continue any optional life coverage that was in force as an employee and pay the premium **no later than 60 days** after the postmark date of the Continuation of Coverage Election Notice. If you do not meet the deadline, approval may be required to reinstate coverage upon return to work.
 - c) Submit the first full premium payment to HCA **no later than 45 days** after the date coverage is elected or you will lose the right to continue coverage.

IV. ELIGIBILITY

- A.** The following Non-Bargaining employees are eligible for PEBB insurance:
 - 1. Regular budgeted full time employee
 - 2. Regular budgeted part time employee working at least 20 hours per week.
 - 3. Employees deemed eligible under the ACA.
 - 4. Employees deemed eligible under PEBB rules (see paragraph E below).

- B.** You are eligible for PEBB benefits upon employment if the County anticipates you will work an average of at least 80 hours per month and at least eight hours in each month for more than six consecutive months.

- C.** Upon becoming eligible to participate in these plans, you will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Contact Human Resources or the benefit provider if you have any further questions.

- D.** If the County revises your work hours and you will work an average of at least 80 hours per month and at least eight hours in each month for more than six consecutive months, you become eligible first of the month following when the revision is made.

- E.** If the County determines you are ineligible, and you later work an average of at least 80 hours per month and at least eight hours in each month for more than six consecutive months, you become eligible the first of the month following the six-month averaging period.

- F.** You must notify the County if you believe you are eligible for benefits based on work performed in more than one county departments/offices (this is called stacking).

V. PREMIUM CONTRIBUTIONS

- A.** Yakima County contributes towards employee medical, dental, vision, basic life and basic LTD insurance based on the amount adopted by resolution by the Board of Yakima County Commissioners.

- B.** The County will also pay for dental coverage, basic life and basic long term disability insurance for employees who waive medical coverage.

- C.** Employees will pay the difference between the premium and the County's maximum contribution based on FTE.

VI. OPEN ENROLLMENT

- A.** Open enrollment periods are held once per year in the Fall, during which employees may change benefit plans, and add or delete eligible dependents. Outside the open enrollment period, changes may only be made due to qualifying events as outlined in the plan documents.

Note: Outside the open enrollment period, changes may be made only due to qualifying events as outlined in the plan documents (i.e. marriage, birth, divorce, etc.).

VII. PRE-TAX MEDICAL PREMIUM PLAN

- A. As provided under Section 125 of the IRS guidelines, Yakima County maintains a Pre-Tax Medical Premium Plan. This plan allows you to pay your share of insurance premiums through payroll deduction before federal income and Social Security/Medicare (FICA) taxes are withheld. This results in lower taxes and greater spendable pay. You may sign up for this plan at the time of hire or during the County's open enrollment period or make changes to your election due to a qualifying event as outlined in the plan documents.

VIII. FLEXIBLE SPENDING ACCOUNTS (FSA)

- A. As provided under Section 125 of the IRS guidelines, Yakima County maintains a Flexible Spending Account Plan. The Flexible Spending Program consists of two accounts: a Health Care Account and a Dependent Care Account. The dollars you contribute to these accounts reimburse you for eligible healthcare expenses not normally covered by health insurance and/or dependent child care expenses. Contributions are pre-tax, with a minimum and maximum contribution for health care and child care expenses per year, regulated by the IRS.

Note: Outside the open enrollment period, changes may only be made due to qualifying events as outlined in the plan documents.

IX. HEALTH SAVINGS ACCOUNT (HSA)

- A. Yakima County offers a Health Savings Account program for you to make pre-tax contributions from your paycheck to go towards the payment of out-of-pocket health care expenses. To qualify, you must:
1. be enrolled in a High Deductible Health Plan (HDHP) or Consumer Driven Health Plan (CDHP);
 2. have no other health insurance coverage ("double coverage");
 3. have no other pre-tax health care account (Exception: Health Reimbursement Account (HRA VEBA) or Flexible Spending Account (FSA) reimbursements are allowed for dental and vision expenses only);
- B. For employees who are enrolled in a HDHP/CDHP plan, the County will contribute to the HSA for the Employee Only Tier, the difference between the premium for Employee Only coverage and the County's maximum contribution based on FTE.
1. For employees who are enrolled in the PEBB CDHP (High Deductible) Plans, the Employer Contribution to the Health Savings Account (HSA) for the Employee Only Tier shall be the difference between the premium for Employee Only coverage and the Employer maximum contribution. The Premium for the PEBB CDHP (High Deductible) Plans include a PEBB contribution to HSA.
 2. For employees enrolled in all other PEBB plans or tiers, the employee will pay the difference between the premium and the employer's maximum contribution.
- C. All contributions roll over annually and are owned by you and go with you should you leave employment. Account access and contributions are subject to IRS regulations. Your account may be subject to banking fees.

X. HEALTH REIMBURSEMENT ARRANGEMENT (HRA) VEBA

- A. Yakima County has adopted the HRA VEBA plans offered and administered by the Voluntary Employees' Beneficiary Association (VEBA) Trust for Public Employees in the Northwest (collectively the "Plans"):
1. the **Standard HRA Plan**, which shall be integrated with the County's qualified group health plan and to which the County shall remit contributions on behalf of eligible employees who are enrolled in or covered by such qualified group health plan and any other contributions that may be permitted by applicable law from time to time; and
 2. the **Post-separation HRA Plan** to which the County may remit contributions on behalf of eligible employees, including eligible employees who are not enrolled in or covered by the County's qualified group health plan, and which shall provide benefits only after the employee separates from service or retires.
 3. Yakima County shall contribute to the Plans on behalf of all non-bargaining employees ("Group") defined as eligible to participate in the Plans. Each eligible employee must submit a completed and signed Enrollment Form or enroll online to become an eligible participant and become eligible for benefits under the Plans.
- B. Contributions on behalf of each eligible employee shall be based on **Direct Employer Contributions**. Eligibility is limited to employees who have enrolled in a County Qualified Group Health Plan which is not a High Deductible Health Plan (HDHP) or Consumer Driven Health Plan (CDHP).
- C. For employees who are enrolled in any PEBB Plan other than the PEBB CDHP (High Deductible) Plans with Employee Only coverage, the Employer shall contribute the difference between the premium for the Employee Only Tier and the Employer maximum contribution to an HRA VEBA account for the employee based on FTE.

XI. WAIVING COVERAGE

- A. To waive enrollment in medical, the County must receive your completed *Employee Enrollment/Change form* indicating that you want to waive enrollment in medical **no later than 31 days** after the date you become eligible for PEBB benefits or during an annual or special open enrollment.
- B. Employees can waive medical coverage; however, contributions must still be made for the mandatory PEBB Dental, Basic Life Insurance and Basic Long Term Disability (LTD). The employer shall contribute only the premium amount for the mandatory PEBB Dental, Basic Life Insurance and Basic LTD for employees that waive medical coverage through the PEBB.
- C. If you waive PEBB medical:
1. You cannot enroll your eligible dependents in PEBB medical.
 2. The premium surcharges for tobacco/spouse waiver will not apply to you.
 3. You will not be eligible for the [SmartHealth](#) wellness incentive.

- D.** If you are a newly eligible employee who is already enrolled in PEBB coverage as a dependent under your spouse's, state-registered domestic partner's, or parent's account, you may either choose to:
- 1. Waive Yakima County PEBB medical, and stay enrolled in medical under your spouse's, state-registered domestic partner's, or parent's account.**
 - a) You must still enroll in PEBB dental, basic life, and basic long-term disability insurance under your own account.
 - b) In addition, if you are enrolled in dental coverage under your spouse, state-registered domestic partner, or parent, he or she must also complete and submit the *Employee Enrollment/Change form* or *Retiree Coverage Election/Change form* to remove you from their dental coverage to prevent dual enrollment in dental coverage.
- OR
- 2. Enroll in PEBB medical under your own account through Yakima County.**
 - a) Your spouse, state-registered domestic partner, or parent will also need to complete and submit the appropriate enrollment/change form(s) to remove you from their account to prevent dual medical and/or dental coverage.
- E.** If you waive the PEBB medical plan coverage, your next opportunity to enroll in PEBB will occur during the next annual open enrollment period (typically held during November - December) for coverage effective January 1 of the following year. However, you may qualify for special enrollment anytime during the year if you have a qualifying event that allows the change, such as birth, adoption, marriage, death, divorce, etc.
- F.** If you waive medical coverage, you are not entitled to any remaining county contribution and any remaining county contribution will not be applied to HRA VEBA.
- G.** Human Resources must receive your completed *Employee Enrollment/Change form* before the end of the annual open enrollment period or **no later than 60 days** after a special open enrollment event (i.e. marriage, birth, divorce, etc.).
- H.** The PEBB Program will require you to provide proof of eligibility for any enrolled dependents and proof of the event that creates a special open enrollment. For more information, see WAC 182-12-128.

Adopted Copy Available at
Yakima County Human Resources
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