

Regulation 4254: Health And Welfare Benefits

Status: DRAFT

Original Adopted Date: 10/05/2010 | Last Revised Date: 12/11/2012 | Last Reviewed Date: 03/19/2019

Affordability of Health Coverage

The Superintendent or designee shall seek written assurance from the district's health insurance carrier(s) that the health plan offered to full-time district employees and their dependents meets all requirements of the federal Patient Protection and Affordable Care Act. (42 USC 300gg-300gg95; 26 USC 4980H; 26 CFR 54.4980H-1-54.4980H-6)

The Superintendent or designee also shall ensure that each employee's contribution to the employee-only health coverage does not exceed 9.5 percent of his/her modified household income, as defined in 26 USC 5000A. The Superintendent or designee shall calculate the affordability of the coverage using one or more of the following methods in a uniform and consistent basis for all employees within the same category: (26 USC 4980H; 26 CFR 54.4980H-4-54.4980H-5)

1. The district shall ensure that the lowest cost employee-only coverage does not exceed 9.5 percent of wages paid to the employee by the district for the calendar year as reported on the employee's W-2 tax form. For an employee not offered coverage for an entire calendar year, the wages shall be adjusted to reflect the period for which coverage was offered.
2. The district shall ensure that the employee's required monthly contribution for the lowest cost employee-only coverage does not exceed 9.5 percent of an amount equal to 130 hours multiplied by the employee's hourly rate of pay on the first day of the plan year or his/her lowest hourly pay during the calendar month, whichever is lower.
3. The district shall ensure that the employee's contribution does not exceed 9.5 percent of a monthly amount determined as the federal poverty line for a single individual for the applicable calendar year, divided by 12.

Retired Certificated Employees

Any former certificated employee who retired from the district under any public retirement system and his/her spouse/domestic partner shall be permitted to enroll in the health and welfare and/or dental care benefit plan currently provided for certificated employees. The plan also shall be available to any surviving spouse/domestic partner of a former certificated employee who either retired from the district under any public retirement system or was, at the time of death, employed by the district and a member of the State Teachers' Retirement System. (Education Code 7000)

A retired certificated employee or surviving spouse/domestic partner shall be allowed to enroll in the coverage within 30 days of losing active employee coverage. If he/she does not enroll during this initial enrollment period, he/she may be denied further opportunity to do so. (Education Code 7000)

COBRA/CALCal-COBRA Continuation Coverage

Covered district employees and their qualified beneficiaries shall be offered the opportunity to continue health and disability insurance coverage when they otherwise would lose coverage due to one of the following qualifying events: (Health and Safety Code 1366.21, 1366.23, 1373; Insurance Code 10128.51, 10128.53, 10277; 26 USC 4980B; 26 CFR 54.4980B 4)

1. Death of the covered employee
2. Termination or reduction in hours of the covered employee's employment, other than termination by reason of the employee's gross misconduct
3. Divorce or legal separation of the covered employee
4. Covered employee's ~~The covered employee~~ becoming entitled to Medicare benefits

5. A dependent child ceasing to be a dependent child of the covered employee

Continuation health coverage shall be the same as provided to similarly situated individuals under the group benefit plan. (Health and Safety Code 1366.23; Insurance Code 10128.53; 26 USC 4980B)

The Superintendent or designee shall notify the health care service plan administrator of a qualifying event listed in item #1, 2, or 4 above, within 30 days of the event. A covered employee or qualified beneficiary shall notify the service plan administrator of a qualifying event listed in item #3 or 5 above within 60 days of the event or of the date that the beneficiary would lose coverage, whichever is later. (26 USC 4980B; 29 USC 1163, 1166; 26 CFR 54.4980B-6)

Continuation coverage shall be terminated in accordance with the district's insurance plan and federal and state law. (26 USC 4980B; 26 CFR 54.4980B 6; Health and Safety Code 1373.621; Insurance Code 10116.5)

The Superintendent or designee shall notify covered employees and qualified beneficiaries of the availability of conversion and continuation coverage. This notification shall include the statement in Labor Code 2800.2 encouraging individuals to examine their options carefully before declining such coverage. (Labor Code 2800.2)

Disability Insurance

The Superintendent or designee shall give notice of disability insurance rights and benefits to each new employee and each employee leaving work due to pregnancy, nonoccupational illness or injury, or the need to provide care for any sick or injured family member, or the need to bond with a minor child within the first year of the child's birth or placement in connection with foster care or adoption. (Unemployment Insurance Code 2613)

When disabled by an injury resulting ~~in~~ **sustained** from a violent act ~~sustained~~ while performing duties within the scope of employment and performing creditable employment, a certificated or classified employee may continue in the district health and dental care plans upon meeting criteria specified by law. The employee shall pay all employer and employee premiums and related administrative costs. (Education Code 7008)

Policy Reference Disclaimer: These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State References

Civ. Code 56.10-56.16

Civ. Code 56.20-56.245

Ed. Code 17566

Ed. Code 35208

Ed. Code 35214

Ed. Code 44041-44042

Ed. Code 44986

Ed. Code 45136

Ed. Code 7000-7008

Fam. Code 297-297.5

Fam. Code 300

Gov. Code 12940

Gov. Code 22750-22944

Gov. Code 53200-53210

H&S Code 1366.20-1366.29

H&S Code 1367.08

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[Disclosure of information by medical providers](#)

[Use and disclosure of medical information by employers](#)

[Self-insurance fund](#)

[Liability insurance](#)

[Liability insurance \(self-insurance or a combination of self-insurance and insurance through an insurance company\)](#)

[Payroll deductions for collection of premiums](#)

[Leave of absence; state disability benefits](#)

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[Cal-COBRA program; health insurance](#)

[Disclosure of fees and commissions paid related to health care service plan](#)

H&S Code 1373	Health services plan; coverage for dependent children
H&S Code 1373.621	Continuation coverage; age 60 or older after five years with district
H&S Code 1374.58	Coverage for registered domestic partners; health service plans and health insurers
Ins. Code 10116.5	Continuation coverage; age 60 or older after five years with district
Ins. Code 10128.50-10128.59	Cal-COBRA program; disability insurance
Ins. Code 10277-10278	Group and individual health insurance; coverage for dependent children
Ins. Code 10604.5	Annual disclosure of fees and commissions paid
Ins. Code 12670-12692.5	Conversion coverage
Lab. Code 2800.2	Notification of availability of continuation health coverage
Lab. Code 4856	Health benefits for spouse of peace officer killed in performance of duties
Unemp. Ins. Code 2613	Disability insurance; notice of rights and benefits

Federal References

1 USC 7	Definition of marriage and spouse
26 CFR 1.105-11	Self-insured medical reimbursement plan
26 CFR 54.4980B-1-54.4980B-10	COBRA continuation coverage
26 CFR 54.4980H-1-54.4980H-6	Patient Protection and Affordable Care Act
26 USC 105	Self-insured medical reimbursement plan; definition of highly compensated individual
26 USC 4980B	COBRA continuation coverage
26 USC 4980H	Penalty for noncompliance with employer-provided health care requirements
26 USC 5000A	Minimum essential coverage
26 USC 6056	Report of health coverage provided to employees
29 USC 1161-1168	COBRA continuation coverage
42 USC 1395-1395g	Medicare benefits
42 USC 300gg-16	Group health plan; nondiscrimination in favor of highly compensated individuals
42 USC 300gg-300gg95	Patient Protection and Affordable Care Act
45 CFR 164.500-164.534	Privacy of individually identifiable health information

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Management Resources References

CSBA Publication	Health Policy: Implications of Covered California for School Boards, Districts and Personnel, Governance Brief, January 2013
Internal Revenue Service Notification	2011-1 Affordable Care Act Nondiscrimination Provisions Applicable to Insured Group Health Plans
U.S. Department of Treasury Publication	Fact Sheet: Final Regulations Implementing Employer Shared Responsibility Under the Affordable Care Act (ACA) for 2015
Website	CSBA District and County Office of Education Legal Services
Website	U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services
Website	California Employment Development Department
Website	Internal Revenue Service
Website	U.S. Department of Labor

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Website

[CSBA](#)

Cross References

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4300	Administrative And Supervisory Personnel
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9250	Remuneration, Reimbursement And Other Benefits