

**North Orange County Regional Occupational Program
EMPLOYEE MEDICAL INSURANCE COVERAGE
ROP AR 4140.1
AR 4240.1
AR 4340.1**

**AR 4140.1 (a)
AR 4240.1 (a)
AR 4340.1 (a)**

Administrative Regulation

Personnel

The Governing Board recognizes that medical insurance coverage for employees and their families is a significant benefit of employment and an incentive for attracting and retaining qualified staff. The Governing Board delegates to the Superintendent or designee the authority and responsibility for evaluating, selecting, and administering medical insurance programs for ROP employees in accordance with state and federal law. ROP has the exclusive right to select, modify, terminate, or replace health insurance plans for employees, their dependents, and covered retirees and their dependents, at the sole discretion of the Superintendent or designee.

ROP may provide group dental, vision, life, or other coverage to employees, at the sole discretion of the Superintendent or designee. The Superintendent or designee will, from time to time, assess the value and cost of providing such coverage.

Eligibility for Medical Insurance Benefits

All full-time employees, defined as employees with regularly assigned work schedules of 30 or more hours per week, will be offered the opportunity to enroll in ROP-provided medical insurance coverage. Eligible certificated, classified, and management employees shall be offered the same insurance options.

If at any time on or after July 1, 2017, a full-time employee's regularly assigned work schedule falls below 30 hours per week, that employee's medical insurance coverage will terminate at the end of the applicable measurement period.

Except as provided in this paragraph, part-time employees of ROP, defined as employees with regularly assigned work schedules of less than 30 hours per week, are not eligible for ROP-provided medical insurance coverage. Part-time employees with regularly assigned work schedules of at least 25 hours per week but less than 30 hours per week, who are actively employed by ROP as of July 1, 2017, may maintain any ROP-provided medical insurance coverage they have in force as of that date. If at any time on or after July 1, 2017, such part-time employee's regularly assigned work schedule falls below 25 hours per week, that employee's medical insurance coverage will terminate as of the end of the month in which the schedule change occurs.

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A full-time or part-time employee who loses medical insurance coverage as the result of a reduction in assigned work hours may be eligible for COBRA continuation coverage, described below.

With respect to eligibility to participate in the health benefits plan or the level of health benefits provided, ROP shall not discriminate in favor of employees who are among the highest paid 25 percent of all ROP employees. (26 USC 105; 42 USC 300gg-16)

For purposes of granting benefits pursuant to state law, a registered domestic partner and his/her child shall have the same rights, protections, and benefits as a spouse and spouse's child. (Family Code 297.5)

Cost of Medical Insurance Benefits

ROP may pay a portion of the premium cost for employee medical insurance coverage, as required by law or as determined by the Superintendent or designee to be in the best interest of ROP and its employees. ROP may contribute different amounts toward different levels of employee medical insurance coverage. ROP may, with reasonable notice to affected employees, adjust the employee contribution required for employee and dependent coverage. All employee contributions shall be paid through payroll deductions. An employee who takes an approved unpaid leave of absence from ROP shall continue to pay the monthly employee contributions for insurance coverage by tendering payment directly to ROP.

The Superintendent or designee will prepare a Benefits Contribution Schedule for approval by ROP Governing Board for each year in which a change to employee contributions occurs. The annual Benefits Contribution Schedule is incorporated by reference as though made a part of this policy.

Effective July 1, 2017, ROP will pay the employee-only premium cost for the baseline (least expensive) level of insurance coverage for full-time, eligible part-time employees and early retirees. Normally, the baseline policy will be for HMO coverage. Employees and retirees must pay the additional cost, beyond the employee-only premium for baseline coverage, of any more expensive coverage they select.

Full-time employees must contribute a portion of the cost of medical insurance premiums to cover spouses and other dependents. The monthly employee contribution for

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dependent insurance for the 2017-2018 academic year is \$200 for spouse coverage and \$300 for family (including spouse) coverage, if the employee selects the baseline level of coverage. If the employee selects more expensive coverage than the baseline plan, the employee must pay, in addition to the \$200 or \$300 for spouse or family coverage, the additional cost of the more expensive coverage selected for the employee's spouse or family. In the 2018-2019 academic year and thereafter, ROP may, with reasonable notice to affected employees, adjust the employee contribution required for dependent coverage.

Effective July 1, 2017, part-time ROP employees with regularly assigned work schedules of at least 25 hours per week, but less than 30 hours per week, who are actively employed by ROP as of July 1, 2017, shall pay the entire cost of medical insurance premiums for spouse coverage or family coverage, regardless of the insurance plan selected by the employee. ROP does not contribute to the cost of premiums for part-time employees' spouse or family coverage.

Nothing in this policy requires ROP to pay any specified portion of any medical insurance premium. ROP will notify employees of the required employee contributions for employee, spouse, and family coverage during the annual open enrollment period.

COBRA Continuation Coverage

Covered ROP 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. The covered employee becoming entitled to Medicare benefits

Adopted: April 12, 2017

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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 ROP'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)

Confidentiality

The Superintendent or designee shall not use or disclose any medical information ROP possesses pertaining to an employee without the employee's authorization obtained in accordance with Civil Code 56.21, except for the purpose of administering and maintaining employee benefit plans and for other purposes specified in law. (Civil Code 56.20)