



WESTCHESTER COUNTY

DEPARTMENT of FINANCE

***EMPLOYEE BENEFIT POLICY and
ADMINISTRATION***

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Enrollment Information

All new County employees eligible for benefits are required to complete a Benefit Enrollment Form and should attend the orientation session on the first working day of the pay period in which they commence employment. They should bring with them a W-4 Form, a Benefit Enrollment Form and a New York State Retirement System Application. These forms will be collected at the end of the session.

Eligibility

A new employee is not automatically eligible for benefits. The employee must meet certain eligibility requirements.

The employee must work 17-1/2 hours or more a week, and/or be paid at least \$3,000 per year on an annual salary basis, or

The employee must be a paid elected or appointed official.

Non-Eligibility

New employees who are not eligible for benefits are:

Employees who are terminated before what would have been their effective date of coverage.

Employees who are appointed or elected to a position for less than three months.

Employees who retire prior to the effective date of the plan and who are subsequently re-employed in a temporary, seasonal, or occasional basis.

Eligible Dependents

An employee enrolling for health benefits may wish to have family coverage if he or she has eligible dependents. An eligible dependent would be an employee's:

Spouse

A legally spouse separated spouse may be covered as a dependent. Divorced spouses are not eligible.

Children

Unmarried child under 19 years of age.

Unmarried child 19 years of age that is incapable of self-support by reason of mental or physical disability and who became incapable before reaching age 19.

Eligible Dependents (Continued)

Unmarried child 19 years or older, but under 25 years of age, who receives more than half his or her support from the employee and who is a full-time student at an accredited educational institution or an accredited secondary or preparatory school and who is not otherwise eligible for employee group coverage. Time spent in military service, not to exceed 4 years, may be deducted from the age of a student dependent in determining his or her eligibility for enrollment.

An employee's child includes:

His or her own child, whether by birth or adoption.

Any stepchild of the employee who permanently resides in his or her home.

Any child supported by the employee or the spouse of an employee and permanently residing in the household of which employee is the head, provided such support and residence commenced before such child reached age 19.

Additional forms may be required to determine a dependents eligibility.

- Statement of Student Status – For dependents between the ages of 19 and 25 who are full-time college students.

- Statement of Dependence – For dependents with a last name different than the employee and/or dependents other than the employee's natural or adopted child.

- Application for Enrollment of a Disabled Dependent – For a totally disabled dependent.

Dependent Child No Longer Eligible (Refer to COBRA)

When a dependent is no longer an eligible dependent, his or her coverage will terminate
As follows:

When a dependent becomes 19 years of age and is not a full-time student or totally disabled, coverage will terminate on the last day of the month of his or her 19th birthday.

When an eligible student dependent graduates from school or withdraws for reasons other than a medical leave or absence, coverage will terminate on the last day of the month in which the graduation or withdrawal takes place.

(Continued)

Dependent Child No Longer Eligible

If an eligible dependent marries, coverage will terminate on the date of marriage.

When an eligible student without any military service reaches age 25, coverage will be terminated on the last day of the month of his or her 25th birthday.

If an eligible student dependent is granted a medical leave from school, coverage will be extended for a maximum of one year plus the time between the end of that beginning of the next regular semester.

If a dependent leaves school and later enrolls full-time in an accredited educational institution, a new Statement of Student Status Form should be completed and returned to the Employee Benefits Section of the Finance Department. He or she will automatically be covered from the date of his or her registration, provided family coverage is in effect.

DOMESTIC PARTNER

*Domestic Partner - A domestic partnership is one in which partners are 18 years of age or older; unmarried and not related by marriage or blood in any way that would bar marriage; residing together, involved in a committed (lifetime) rather than casual relationship, and mutually interdependent financially. The partners must be each other's sole domestic partner and must have been involved in a domestic partnership for a period of not less than one year. Documentation of all these criteria will be required for the enrollment to be permitted.

Please Note* Domestic partner coverage is only extended to those employees who have this benefit included in their current bargaining agreement.

Domestic Partner's Children. An eligible employee may provide coverage for a partner's child (children) if the child permanently resides in the employee's household and the employee provides 51% or more of the child's support. Documentation will be required. Loss of eligibility follows the same guidelines as loss of eligibility by dependent children.

Enrollment of a Domestic Partner

When domestic partner coverage is requested, a domestic partner enrollment package will be given to the employee. This package includes:

- Instructions
- Affidavit of Domestic Partnership
- Affidavit of Financial Interdependence
- Dependent Tax Affidavit
- Termination of Domestic Partnership Form

First, the employee and partner must complete the Affidavit of Domestic Partnership and the Affidavit of Financial Interdependence. These documents along with two items of proof of financial interdependence and proof of residence for both partners must be submitted to the Employee Benefits Section of the Finance Department.

In addition, if the domestic partner qualifies as your dependent for federal tax purposes and you wish to avoid the additional taxes that may result from this benefit, the Dependent Tax Affidavit must be completed and returned with the other documents. Applications filed without the required affidavits or proof, will not be processed. Ambiguity or lack of clarity will not be interpreted in the employee's/partner's favor.

Imputed Income

Under Internal Revenue Service rules, if a domestic partner is not a "dependent" within the meaning of Section 152 of the Internal Revenue Code, the "fair market value" of the partner's coverage, less any contribution by the enrollee, is treated as income for federal tax purposes. This value referred to as "imputed income" will be added to the Westchester County Employee's annual salary for income tax purposes and will apply even if the employee covers other dependents in addition to the domestic partner. If the partner qualifies under IRC 152, The imputed income will not be added to the employee's salary. A Dependent Tax Affidavit Must be completed and submitted with the other required documentation.

Effective Date for Adding A Domestic Partner

The date of initial eligibility will be one year after the most recent date on the documents of proof that are submitted with the application. The same effective date rules used for a change in coverage due to marriage will apply.

Terminating Domestic Partner Coverage

Coverage for a domestic partner will end the last day of the month that the employee and/or partner no longer meet one or more of the requirements on the two affidavits both have signed. The terms and conditions of this coverage require the employee to report this relationship termination within 14 days of its occurrence by completing the Termination of Domestic Partnership form. The employee will not be eligible to enroll another domestic partner or to re-enroll the same partner until 2 years after the Termination of Domestic Partnership Form is submitted to the Employee Benefits Section of the Finance Department. C.O.B.R.A. coverage will be provided using the same rules as those that apply to a divorced spouse. An employee may delete a partner from benefit coverage at any time; even if the relationship is not terminated.

Surviving Domestic Partners

Domestic partners who survive a deceased employee will be eligible for dependent survivor coverage under the same circumstances as surviving spouses.

Declination of Benefits

An employee may not wish to enroll in the Benefit Program at his or her time of initial eligibility. If this is the case, the employee must fill out the Benefit Enrollment Form and state that he or she is declining benefits. The purpose of this is to have a record of the fact that the employee was made aware that he or she was eligible for benefits.

An employee who initially declined benefits may at any time reapply for it as long as he or she still meets eligibility requirements. However, if the employee decides to enroll later than one month from his/her hire date, coverage will take effect the first day of the third month following the request for enrollment.

Effective Dates of Coverage

New Employees

The effective date of coverage for a new employee is determined when the application for health benefits is made.

If the employee applies within one month of hire date, coverage begins the first day of the second month following hire date, example:

<u>Hire Date</u>	<u>Apply By</u>	<u>Effective Date</u>
6/5	7/5	8/1

If the employee applies later than one month after hire date coverage begins the first day of the third month following the request for coverage, example:

<u>Hire Date</u>	<u>Apply By</u>	<u>Effective Date</u>
6/5	7/20	10/1

Changes In Coverage

Changes in an employee's family status may make it necessary for a change in the employee's benefit coverage.

If an employee wishes to change from single to family coverage, the effective date of the change would be as follows:

1. If the application for a change from individual to family coverage is made within one month of the date the employee acquires an eligible spouse or dependent child, the change becomes effective on the first day of the month following the request for a change.

Example:

<u>Date of Marriage</u> 6/13	<u>Request For Change</u> Before 6/30	<u>Effective Date</u> 7/1
<u>Date of Marriage</u> 6/13	<u>Request For Change</u> Before 7/10	<u>Effective Date</u> 8/1

- a. If an employee already has family coverage and acquires a new dependent child, that child is covered under the family policy, however, the employee should give the name and birthdate of the child to the Employee Benefits Section of the Finance Department within 30 days of the birth of the child.
- b. If an employee is unmarried and requests a change from individual to family coverage because of the birth of a dependent child, the effective date for family coverage begins on the first day of the month of the birthdate of the child.

Changes In Coverage (continued)

2. If the application for a change from individual to family coverage is made later than one month from the date an employee acquires an eligible spouse or child, the change becomes effective the first day of the third month following the request for a change.

<u>Date of Marriage</u>	<u>Request For Change</u>	<u>Effective Date</u>
6/13	7/20	10/1

From Family to Individual Coverage

An employee may no longer have any eligible dependents, or may no longer wish to cover the eligible dependents he or she already has. The effective date for the change would be as follows:

If an employee requests a change from family to individual coverage, the change becomes effective the first day of the month following the request for a change.

Procedure To Request A Change In Coverage

Any time an employee wishes to change his or her benefit coverage, from individual to family or vice versa, the employee must see the departmental personnel representative and complete the Benefit Enrollment Form requesting the change in coverage. The completed form will be sent to the Employee Benefits of the Finance Department, Room 730, Michaelian Office Building.

This procedure should always be done within thirty days of the circumstance that necessitated the request for a change. If a request is not made in the thirty day period, the employee, must wait until the first day of the third month following the request for the change.

Coordination of Benefits

Sometimes employees and their dependents are covered under two health benefit plans. If this is the case, bills for medical services must be submitted to the primary plan first. If there is still a balance after the primary plan payment, then the bills may be submitted to the other plan. This is known as a coordination of benefits. The County of Westchester has this provision in its health benefit plan to avoid payment in excess of the billed charges.

Working Spouse Rule – This rule currently applies to CSEA, Teamsters, Nurses and Confidential employees hired after December 30, 2008 who are eligible for health benefit coverage. Please check with your current collective bargaining agreement to see if this rule applies to you. An employee whose non-County spouse/domestic partner (as defined in the County) has health insurance available through another employer is ineligible for County provided health insurance for the non-County spouse/domestic partner. If both parents have family health benefit coverage, the birthday rule will continue to apply for eligible dependent children. If the non-County spouse/domestic partner has individual coverage available, while the non-County spouse/domestic partner is ineligible to be covered under the County’s plan, the County shall cover eligible dependents. If an employee and/or dependents are covered under more than one plan, the plan that will be primary is as follows:

<u>Bills For</u>	<u>Primary Plan</u>	<u>Secondary Plan</u>
Employee	Employee’s Plan	Spouse’s Plan
Spouse	Spouse’s Plan	Employee’s Plan
Dependent Children	The plan of the parent whose birthday (month and date) falls earlier in the year is primary.	
Example 1: Mother 3/14/50 Father 7/02/47	Mother’s Plan Primary	Father’s Plan Second
Example 2: Mother 5/03/54 Father 2/15/52	Father’s Plan Primary	Mother’s Plan Second

If a husband and wife are separated or divorced, the plan of the parent with whom the Childs resides is primary unless a court document specifies otherwise.

Coordination of Benefits continued

Employee With 2 Plans

If the employee is covered under one plan as an active employee and another plan as a retiree, the plan that covers the person as an active employee is primary.

If both plans cover the employee as active or retired, the plan that has covered the person the longest is primary.

For those subscribers who have primary benefits through a Health Maintenance Organization or similar organization, the subscriber must first seek such services, facilities, supplies that can be performed or are eligible for payment through those organizations. Services and/or facilities and supplies that can be covered or performed under these organizations will not be considered for payment under the Westchester County Plan.

Leave Without Pay

An employee who is on authorized leave without pay or a departmental suspension without pay may continue his or her health benefit coverage by making direct payments to the employee benefits Section of the Finance Department. Dental and vision coverage is not continued while on an authorized leave.

An employee on seasonal lay-off is also considered to be on leave without pay for health benefit purposes.

An employee whose services have been terminated due to the abolition of his or her job or who has been placed on a preferred list for a reinstatement may continue coverage by making direct payments for a maximum of one year or until re-employed.

An employee who has enlisted in the Armed Services is not eligible to continue coverage. Ordinarily, the Armed Forces provide complete health services for military personnel and their dependents.

An employee who wishes to continue his or her health benefit coverage while on an authorized leave without pay, is required to remit the entire cost of family or individual coverage (whichever the employee has) to the Benefits Section of the Finance Department.

The procedure for making direct payments while on an authorized leave is as follows:

1. The department personnel representative must complete the Employee Separation Form and send it to the benefits Section of the Finance Department, Room 730, Michaelian Office Building, in a timely manner.
2. When the Benefits Section receives the Employee Separation Form, a bill will be sent to the employee. The bill indicates to the employee the cost of the coverage on a monthly basis. It also indicates that if no response is received within 10 days, the coverage will be terminated. The date of termination will be included. There will be no COBRA notice for continued coverage issued if an employee's coverage is terminated while on an authorized leave without pay.

Leave Without Pay (Continued)

If an employee's coverage is terminated for failure to remit payment, or because the employee chooses not to continue coverage and does not apply for direct payments, the employee may not be re-enrolled for health benefits until he or she is back on the payroll with the following exception.

If an employee whose coverage has been canceled for failure to remit payments while still on leave and wishes to make direct payments, coverage can be reinstated as of the first day of the third month following the date of request.

If coverage is canceled for non-payment and not reinstated while the employee is on leave, it may be reinstated upon his or her return to the payroll.

If an employee's request for reinstatement of coverage is received before the expiration of his or her leave, or on the day of his or her return to the payroll, or within one month (30 days) of his or her return to the payroll, then coverage will be reinstated effective the first day of the month following the date of return to the payroll.

Example: An employee leave will expire on July 30, and he or she will be returned to the payroll on August 1. On July 15, he or she requests reinstatement of coverage. Coverage will be reinstated as of August 1.

Example: An employee is returned to the payroll on July 1. On July 15, he or she request reinstatement of coverage. The employee's coverage will be reinstated effective August 1.

If the employee's date of return to the payroll is the first day of a month and the request for reinstatement was received on or before that date, coverage will be reinstated on that date.

Example: An employee is returned to the payroll on June 1. He or she requests reinstatement of coverage on June 1. The employee's coverage will be reinstated on June 1.

If the employee's request for reinstatement of coverage is received more than one month following his or her return to the payroll, coverage will be reinstated as of the first day of the third month following the date of the request.

Example: An employee is returned to the payroll on June 5. He or she requests reinstatement of coverage on August 3. The employee's coverage will be reinstated on November 1.

Waiver of Payment While on an Authorized Leave Without Pay

A waiver of payment for a period of up to one year in duration may be granted to an employee who is totally disabled while on an authorized leave without pay or while name is on a Civil Service preferred eligible list.

In order to be eligible for such a waiver, the employee must meet all of the following conditions:

1. He or she must be totally disabled, as a result of sickness or injury and have been continuously disabled for at least three months.
2. The employee must be on authorized leave without pay or on a Civil Service preferred eligible list.
3. He or she must have kept coverage in effect during their period off the payroll.

In order to apply for a waiver of payment, an employee must obtain an Application For Waiver Of Payment form from the Benefits Section of the Finance Department. The form must be completed by the employee and his or her physician and returned to the Benefits Section of the Finance Department.

If approved, the waiver will begin on the first day of the fourth calendar month following the occurrence of the disability or on the first day of the calendar month following exhaustion of accrued sick leave, whichever is later.

The waiver will continue during the period of total disability but, in no event, for more than one year. If any of the following conditions occur before the expiration of the year, the waiver will cease:

- Cessation of the disability
- Return of the employee to the payroll
- Approval of a request for retirement
- Separation from Service
- Death of an enrollee

Vested Rights

Enrolled employees who terminate their employment before retirement age may continue their health benefit coverage if they have five (5) years of paid service with the County of Westchester and have vested as a member of a retirement system administered by the State of New York.

The 5 years of paid service with the County of Westchester requirement is waived for Westchester County elected officials and appointed department heads who have been vested as a member of a retirement system administered by the State of New York.

An enrolled employee may not continue coverage in an HMO (Health Maintenance Organization) but will have the opportunity to continue coverage in the Westchester County Health Benefit Plan.

Employees are not eligible to continue their dental or vision benefit coverage while in a vested status. Refer to the Retirement Section.

Requesting Continuation of Coverage While In a Vested Status

Eligible employees who wish to continue health benefits while they are vested are required to pay the entire cost their coverage (individual or family) from the date they are terminated until they are eligible to receive a retirement allowance.

In order to do this, the employee must submit a written request to the Benefits Section of the Finance Department asking for vested rights to continue health benefit coverage. At this time, a bill will be sent to the employee indicating the amount due each quarter.

Vestees who wish to continue their coverage into retirement and commence dental coverage in retirement must continue their health benefits coverage as an enrollee or a dependent of an enrollee while in vested status.

Vestees whose health benefit coverage is terminated because they made no request to continue coverage, or failed to make payments after requesting coverage, will not be permitted to reinstate health coverage during vested status or after retirement.

Once an employee has established eligibility to continue health benefit coverage as a retiree, that eligibility shall not be impaired by subsequent employment.

Retirement

An enrolled employee can carry his or her health dental benefit coverage into retirement as long as both of the following eligibility requirements are met

1. The employee must have at least five years of paid service, not necessarily continuous with the County of Westchester.
2. The employee is eligible to receive, or would have received if he had joined, retirement allowance from a retirement system administered by the State of New York or one of its civil divisions.

The 5 years of paid service with the County of Westchester requirement is waived for Westchester County elected officials and appointed department heads who are eligible to receive a retirement allowance from a retirement system administered by the State of New York or one of its civil divisions.

An enrolled employee may not continue coverage in an HMO (Health Maintenance Organization) but will have the opportunity to continue coverage in the Westchester County Health Benefit Plan.

An employee who is not a member of a retirement system when he or she leaves employment is considered to be retired for benefit purposes if the above requirements are met.

Employees who have qualified for Social Security disability payments are considered to be retired for health benefit purposes, regardless of age, provided that they have at least 10 years of service with the County of Westchester.

The cost for Retiree Health Coverage is determined by the employee's union affiliation and their date of retirement. Please check with the Employee Benefits Office to determine what the current cost of continuing coverage would be.

Departmental personnel must separate the employee from the payroll with a Retirement Action Code indicating the employee's date of retirement. If the employee is required to pay for the coverage, a bill will be sent to him or her requesting the payment that will be due on a quarterly basis. This payment will be remitted to the Benefits Section of the Finance Department.

Any retiree, spouse or domestic partner who becomes Medicare eligible as a result of age or disability should send a copy of their Medicare Card to the Benefits Section of the Finance Department so they can begin receiving a standard Medicare reimbursement check on a quarterly basis. Retirees and their spouses must enroll in Medicare Part A and B if they become eligible. Failure to do so would result in a reduction in your plan benefits.

Survivor Coverage

If an employee or retiree with individual coverage dies, coverage will terminate on the date of death. If an employee or retiree with family coverage dies, survivors will have extended health benefits at no further cost for a three month period.

Survivors are not eligible to continue dental or vision benefit coverage.

If the deceased employee or retiree has ten years of paid County Service or a combination of 10 years of paid service between Westchester County and another agency participating in the New York State retirement System, survivors are eligible to continue health benefits by directly paying the cost of coverage to the County of Westchester. Survivors are not eligible to continue benefits with an HMO (Health Maintenance Organization). If the deceased employee was enrolled in an HMO the surviving family will be offered the opportunity to continue benefits by enrolling in the Westchester County Health benefit Plan.

If the deceased employee or retiree did not have ten years of County Service, the survivors are not eligible to continue health benefit coverage under Westchester County's group policy. However, the survivor will be offered continuation of coverage under the COBRA Provisions for a maximum 36 month period.

If at any time a survivor spouse remarries, coverage will be terminated. Dependent children can continue to have coverage as long as they would have been eligible had the employee lived.

Requesting Survivor Coverage

If a spouse or dependent children wish to elect survivor coverage, they must notify the Benefits Section of the Finance Department by letter, requesting the continuation of their benefits along with a copy of the former employee's death certificate.

This request should be made within three months from the date of death. When a request is made, the survivor will receive a bill for the full cost of family or individual coverage to be paid on a quarterly basis.

Please note: Eligible Survivors of Police, Criminal Investigators, Superior Correction Officers and Correction Officers who die in the line of duty do not have to pay for survivor coverage. Please refer to the current Collective Bargaining Agreements at the time of death to determine whether survivors would be required to pay for the coverage in the event of a death that is not a line of duty death.

Who May Enroll

If there is a surviving spouse and children (or child), the spouse may enroll for family coverage with the children (or child) as dependents.

If there are only two survivors at the time of the employee's death or at any time thereafter, the two survivors may apply for two individual coverages.

FORMER SPOUSE COVERAGE

If an employee or retiree had then (10) years of paid County Service or a combination of ten (10) years of paid service between the County and another agency participating in the NYS Retirement System, and at least five (5) of those years were with the County, then the former spouse is eligible to continue health benefits if he/she were eligible for coverage as a spouse for a minimum of the aforementioned ten (10) years. Health coverage may be continued by directly paying the total cost of coverage to the County of Westchester.

If the employee was enrolled in a Health Maintenance Organization, the former spouse will be offered the opportunity to continue benefits enrolled in the Westchester County Health Benefit Plan.

If an employee or retiree did not have ten (10) years of County service, his/her former spouse is not eligible to continue health insurance coverage under Westchester County's group policy. However, continuation of coverage will be offered under the COBRA Law. Refer to Continued Health Coverage When Lost Eligibility in this manual for details.

If an employee's former spouse remarries or becomes eligible for other group coverage, the eligibility under the County's Plan ceases and coverage will be terminated.

Former spouses are not eligible to continue dental or vision benefit coverage.

PROCEDURE - CONTINUATION OF COVERAGE FOR FORMER SPOUSES

Former spouses must send a request to the Employee Benefits Section, in writing, if they wish to have continued coverage. The request should be made within one (1) month from the date of the divorce decree.

When a request is made, the employee's divorced spouse will receive a bill for the full cost of family or individual coverage to be paid on a quarterly basis. Refer to the last section herein for details regarding Billing and Collection of Premiums for Continuation of Coverage.

Termination of Employment

An employee's benefit coverage terminates on the last day of the month following the month that the employee last worked.

Example:	<u>Last Working Day</u>	<u>Coverage Terminated</u>
	11/5	12/31
	9/1	10/31

The only exception to this rule is when an employee's last working day is the 1st day of a 31 day month; the termination date would be the last day of the month.

Example:	<u>Last Working Day</u>	<u>Coverage Terminated</u>
	10/1	10/31

COBRA

Consolidate Omnibus Budget Reconciliation Act of 1986 ("COBRA") – Public Law 99-272:

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) which became effective on January 1, 1987, provides the opportunity for both Health Plan and HMO members to elect to continue medical and dental benefits which would otherwise end as the result of one of the following conditions:

- Termination of your employment (except for retirement due to gross misconduct) or a reduction in your work hours.
- Death of a covered family member.
- Dissolution of your marriage.
- Your dependent child's ceasing to be an eligible dependent under this plan.

The period for which benefits may be continued varies depending on the circumstances. In general, benefits may be continued for:

18 months for terminated employees and their family members, or employees working reduced hours and their family members.

36 months for all others eligible for continued benefits.

In order for your benefits to continue, you must provide a quarterly contribution toward the cost of the benefits. This cost will be 102% of the calculated premium equivalent. Forms for the election of continued benefits will be sent by the administrator of the plan.

Change of Option

Once a year in the fall, employees are offered the opportunity to transfer from one health option to another. This change will take effect on the first day of January and cannot be changed again until the following annual change of option period. Employees who elect to make such a change should be sure that they have a clear understanding of the benefits available under the plan they have chosen.