

# Health Insurance Programs

## Date

8/20

### A. Coverage and Eligibility for Active Employees

The University offers several health insurance plans. The University pays a portion of the premium cost for eligible employees enrolled in the medical and dental plans. The University offers optional vision coverage to eligible employees; vision premiums are fully paid by the employee. Premium rates are determined on an annual basis.

Married, eligible employees may enroll a spouse. Proof of marriage will be required. Additional information is available in the Human Resources Department.

Effective January 1, 2011, the University health plan, as required by the Patient Protection and Affordable Care Act, extended dependent coverage to age 26. To be eligible for this coverage, dependent children do not need to be financially dependent on the subscriber for support, claimed as dependents on their tax return, residents of their household, enrolled as students or unmarried. Children-in-law (spouse of children) and grandchildren are not eligible. "Children" includes natural children, legally adopted children, and stepchildren. Disabled dependents are covered under special plan provisions.

Additional coverage information is available in the Human Resources Department. Comparisons of the University sponsored health insurance plans are available both in the Human Resources Department and on the University website at <https://www.usi.edu/hr/benefits/medical-insurance/>.

Due to federal regulations associated with the Section 125 Flexible Benefit Plan, employees can only change coverage or participation in the health insurance program during the annual enrollment period or within 30 days of a qualifying event. Under federal regulations, a "qualifying event" is defined as:

- change in marital status--marriage, divorce, death of a spouse, legal separation, or annulment;
- change in number of dependents, including birth, adoption of a child, placement of a child for adoption, or death of a dependent;
- change in employment status--any of the following events for an employee, employee's spouse, or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;
- dependent satisfies or ceases to satisfy the requirements for coverage due to change in age, or any similar circumstance;
- change in the place of residence of employee, employee's spouse, or dependent; and
- Significant cost or coverage changes.

If a qualifying event occurs, the employee must notify Human Resources within 30 days of the qualifying event in order to change coverage. Failure to do so within the 30-day period will result in a delay of the effective date of the change to the employee's coverage to no sooner than the next open enrollment period.

Employees enrolling in health insurance will have premiums automatically deducted from their paychecks. If the employee's share of the insurance premium is increased or decreased either during or at the beginning of a plan year, the amount of compensation necessary to cover the increased premium cost will automatically be adjusted to reflect the change in the employee's share of the premium. Current rate information is available in the Human Resources Department.

Information regarding the Health Insurance Portability and Accountability Act (HIPAA) is available on the University website at <https://www.usi.edu/hr/benefits/annual-notice>.

### B. Enrollment

Eligible staff members interested in health insurance coverage must enroll in the program within 31 days of the employment date. If a staff member waives coverage or fails to enroll during the initial 31-day eligibility period, he may only enroll in the plan during an annual open enrollment period, unless a qualifying event has occurred and is reported. Marital status changes and the addition of dependents must be reported within 31 days of such change in order for coverage to be effective on the date of change.

**C. Benefit Continuation Upon Termination**

Under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the election of continued health insurance coverage is available to eligible employees and their dependents following events that would normally result in the loss of coverage such as termination or divorce. Information concerning the provisions of COBRA is provided upon plan enrollment and is available both in the Human Resources Department and on the University website at .

Some employees hired before July 1, 2014, may be eligible for continued insurance benefits upon retirement. Such eligibility is described in Retirement Policy, Section C6.