

POLICY AND PROCEDURE
UNION PUBLIC UTILITY DISTRICT

DATE REVISED: 05/22/2024	MANUAL	POLICY NO. 2110
APPROVED BY: Board of Directors	POLICY TITLE Health and Welfare Benefits	Page 1-4

2110.1 Health Insurance. Benefits eligible employees are defined as full-time regular employees scheduled to work 30 or more hours per week. The District currently pays for 100% of the cost of health insurance for full-time eligible employees and their eligible dependents, as defined below:

- Legally married spouse
- CA registered domestic partner
- Employee, spouse or domestic partner's child under age 26 including natural child, stepchild, legally adopted child, child for whom the employee, spouse or domestic partner is the legal guardian.
- Employee, spouse or domestic partner's unmarried child who was enrolled before age 26 and is incapable of self-sustaining employment due to physical or mental condition. A physician must certify in writing within 60 days this condition and it is subject to carrier approval.
- Children eligible for coverage as a result of a valid qualified medical child support order.

For an eligible dependent to be enrolled in coverage, a copy of a marriage certificate, State of California Declaration of Domestic Partnership form (NP/SF DP-1), birth certificate, or other identifying paperwork is required. It is the employee's responsibility to notify the district in writing upon divorce, termination of domestic partnership, over-age dependent, or any event that changes the status of dependency.

The benefits waiting period for full-time eligible employees and their eligible dependents is first of the month following date of hire. Part-time employees working less than 20 30 hours per week are not eligible for health insurance benefits under the current plan. All benefits eligible employees must enroll in medical coverage. No waivers allowed. Full-time employees and part-time employees working 30 hours per week or more are eligible for health benefits upon employment per CalPERS contract. Part-time employees working 20-29 hours per week are eligible for health insurance after completion of their 6-month probation period. The District will pay Part-time employees 50% of the cost of health insurance for the employee and their dependents. The scope of coverage and the portion of premiums to be paid by the District are subject to periodic review and revision by the Board of Directors and per CalPERS ACWA JPIA's Employee Benefits Program participation requirements.

2110.2 Dental Insurance. The District currently pays for 100% of the cost of dental insurance for full-time eligible employees and their eligible dependents (defined in 2110.1). The benefits waiting period is first of the month following date of hire. Part-time employees working less than 20 30 hours per week are not eligible for dental insurance benefits under the current plan. All benefits eligible employees and their eligible dependents must enroll in dental coverage. No waivers allowed. Full-time employees and part-time employees working 30 hours per week or more are eligible for dental insurance benefits upon

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~~employment per dental insurance contract. Part-time employees working 20-29 hours per week are eligible for dental insurance benefits after completion of their 6-month probation period. The District will pay Part-time employees 50% of the cost of dental insurance for the employee and their dependents. The scope of coverage and the portion of premiums to be paid by the District are subject to periodic review and revision by the Board of Directors and per ACWA JPIA's Employee Benefits Program participation requirements.~~

2110.3 Vision Insurance. The District currently pays for 100% of the cost of vision insurance for full-time, eligible employees and their eligible dependents (defined in 2110.1). The benefits waiting period is first of the month following date of hire. Part-time employees working less than 20-30 hours per week are not eligible for health insurance benefits under the current plan. All benefits eligible employees must enroll in vision coverage. No waivers allowed. ~~Full-time employees and part-time employees working 30 hours per week or more are eligible for vision insurance benefits upon employment per vision insurance contract. Part-time employees working 20-29 hours per week are eligible for health insurance after completion of their 6-month probation period. The District will pay Part-time employees 50% of the cost of vision insurance for the employee and their dependents.~~ The scope of coverage and the portion of premiums to be paid by the District are subject to periodic review and revision by the Board of Directors and per ACWA JPIA's Employee Benefits Program participation requirements.

2110.4 Benefit Changes. A benefits eligible employee may change their benefit elections during annual Open Enrollment in the Fall. Election changes will be effective January 1st of the upcoming calendar year. Otherwise, changes to benefit elections may not be made unless the employee experiences a qualifying life event.

2110.4.1 Qualifying life events. Qualifying life events include marriage, divorce, birth or adoption of a child, loss or gain of other coverage, and loss of dependent eligibility among others. If you experience a qualifying life event and wish to make a change to your benefits, you must notify the District within 31 days of the event to make the change. Changes take effect on the first of the month following the life event. You then have 31 calendar days from the effective date of the coverage change to provide documentation of the qualifying event. Dependent verification documents, such as a marriage certificate for spouse or a birth certificate for child, must be provided for newly enrolled dependents. Coverage will not be effective until this documentation has been provided. If you do not complete your enrollment and provide documentation before this deadline, your next opportunity to make changes to your benefits will be during Open Enrollment with an effective date of January 1st of the next calendar year.

2110.5 COBRA. The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) was enacted to protect employees and their eligible family members by allowing them to continue their group health insurance under the employer's plan at affordable group rates. Employees are notified at hiring of their rights under this law and it is the employee's responsibility to notify the Union Public Utilities District of any qualifying event (defined below) within 60 days of the event. Specifics of COBRA include:

1. Qualifications. Any employee/eligible family member who loses regular group eligibility because of a qualifying event is eligible for enrollment under COBRA.
2. Qualifying Event. Qualifying event is defined by COBRA regulations and includes loss of coverage due to: termination of employment; reduction of hours; death of employee;

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employee's Medicare entitlement; divorce or legal separation; child ceasing to be eligible; bankruptcy of employer; and expiration of leave criteria. It is the employee's or eligible family member's responsibility to inform the District within 60 days when a qualifying event takes place or your eligibility for COBRA may be jeopardized.

3. Selection Period. The District will send written notification, upon notification to the District, to the employee/eligible family member of their right to elect continued coverage, the election period, and premium payments.

4. Cost. The employee/eligible family member must pay a full monthly premium for each coverage selected plus a 2% administrative charge to UPUD by the first day of each month that the premium(s) is due.

5. Coverage Available. At the time of the qualifying event, whichever health insurance the employee/dependent is enrolled in will be considered the coverages available.

6. Open Enrollment Purpose. COBRA continues have the same rights under the plan as active employees. This includes rights during open enrollment periods. When an open enrollment period occurs, COBRA continues must be informed of their rights. The Open Enrollment Notification should inform COBRA continues of the open enrollment period, the options available during the open enrollment period and the monthly premium rates for those options. It defines COBRA continues as possible electees, electees and continues. Possible electees are individuals in their 60-day election period; electees are individuals who have elected but have not yet paid; continues are individuals who have elected and paid.

7. Non-Payment of Premiums. Participants in COBRA that have defaulted more than 30 days on their portion of the premium payments will be eliminated from the plan and will not be permitted to reenroll.

8. Cal-COBRA. If the employee has exhausted their COBRA coverage and was entitled to less than 36 months of coverage, then the employee may choose additional continuation coverage under Cal-COBRA up to 18 months. The District will send notification to the COBRA enrollee upon COBRA expiration. Cal-COBRA participants have the same rights and responsibilities as COBRA participants identified above.

~~2110.4~~ **2110.6** Health Savings Account (HSA). The District currently has no Health Savings Plan.

~~2110.5~~ **2110.7** Retirement Plan. Any full-time employee is required to join the Public Employees Retirement System (CalPERS) immediately upon hire per the CalPERS contract. Part-time and temporary employees are eligible once they meet the 1,000 hour threshold or if they are already CalPERS members. Contributions made to the retirement system by the District are in accordance with the current contract with the Board of Administration of the Public Employees Retirement System and the Board of Directors of the Union Public Utility District.

~~2110.6~~ Opt Out Option. ~~Employees covered by the insurance of a spouse or Medicare insurance may choose to "opt out" of the provided health, dental and vision insurance and receive a monthly cash payment of in lieu of 2110—2 benefits. "The "opt out" payment will be the equivalent of 33.333% of the cost of insurance coverage for an employee & spouse. Cash "opt out" pay is paid the first two payrolls of each month on a taxed basis. Part-time employees "opt out" pay will be based on 50% cost. The employee choosing this option must provide proof of other coverage to be kept in their personnel file. This amount is capped and shall not be adjusted without approval by the Board of Directors.~~

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~~2110.7~~ **2110.8** 457 Savings Plan. District employees may elect to participate in the voluntary 457 Savings Plan. An amount determined by the employee may be deducted from the employee's regular paycheck on a pre-tax basis and invested in the 457 Plan approved by the District.

~~2110.8~~ **2110.9** State Disability Insurance (SDI). The District participates in the voluntary State Disability Plan (SDI). A percentage of the employee's wages are deducted from the employee's regular paycheck and paid into the State fund for compensation during non-work related illness or injury.

~~2110.9~~ **2110.10** Workers' Compensation Insurance. All District employees will be insured against injuries received while on the job as required by State law.

2110.11 Termination. Upon termination of employment or retirement, employees (and any dependents) enrolled in benefits will be offered COBRA continuation coverage.