Frederick Community College Policy

Section 3.00 Personnel Policies	Policy Number	3.20
	Page	1 of 4
Insurance Benefits	Procedure Number	None
	Board Approved Re-approved Revision approved Revision approved	3/20/02 4/20/05 3/15/06 3/17/10

A. Dental Insurance. The College will contribute 75% per year toward the cost of individual coverage on a Group Dental Insurance Plan selected by the College. The balance of the individual premium and 100% of the dependent premium will be paid by the employee. Qualified employees (full-time or part-time employees who are employed on at least a half-time basis in budgeted positions) are eligible for this benefit. The dental plan is optional for all qualified employees.

B. Disability Insurance. Every qualified full-time staff member is eligible for participation in the group total disability insurance plan. The program is paid for by the College.

C. Life Insurance Benefit.

1. The College will pay premiums to provide life insurance equal to two times a qualified employee's annual salary, rounded to the nearest one thousand dollars; but in no case will the insurance coverage be more than $250,000. This benefit shall include qualified full-time and part-time employees.

2. Supplemental Life Insurance. Employees eligible for the College's Term Life Insurance Benefit may purchase additional life insurance for themselves and dependents (to include domestic partners as defined in the Domestic Partner Declaration form) through payroll deduction at their own expense. This additional coverage is subject to availability from the College's insurance carrier and to the carrier's policy restrictions. The amounts of available coverage and carrier shall be selected by the College.

D. Medical Insurance.

1. The College offers two medical insurance options from which eligible employees may choose:

a. Preferred Provider Organization (PPO). A PPO is a group of physicians, hospitals and other health care providers who agree to provide health care services at pre-negotiated rates to plan participants. Under this plan, employees are free to receive services

from any health care provider they wish. However, when they use health care providers who belong to the PPO network, or preferred providers, they receive a higher level of benefits. When they use providers who do not belong to the network, non-preferred providers, they still receive benefits, but at a lower level.

b. Health Maintenance Organization (HMO). An HMO is a similar network of health care providers in which the employee selects a primary care physician who is responsible for providing or coordinating the member's medical care, including referrals for specialty and hospital care when medically necessary. Benefits normally are not provided for the use of health care providers who do not participate in the network.

2. Eligibility.

a. Full-Time Employees. Individual enrollment in a medical insurance plan is required for qualified full-time employees who are employed in budgeted positions with the exception stated in paragraph 3 below.

(1) Preferred Provider Plan. The College shall pay 95% of the total premium costs of the PPO plan for qualified full-time employees. In addition, the College shall pay 50% annually toward the total premium costs of the approved plan for the eligible family members (to include domestic partners as defined in the Domestic Partner Declaration form) of each qualified employee. The balance of both employee and dependent premiums will be paid by the employee. Dependent coverage is optional and available only when the employee also enrolls.

(2) Health Maintenance Organization. The College will make the same percentage contribution toward employee/dependent (to include domestic partners as defined in the Domestic Partner Declaration form) coverage in the selected HMO plan as it does to the PPO plan. If the cost of the HMO is less than what the College contributes to the PPO, then the College contribution to the HMO may not exceed the actual cost of the HMO. Also, individual and dependent coverage are considered separately in determining the contribution amounts toward each line of coverage.

b. Part-Time Employees. Budgeted employees who work a regular schedule of at least 28 hours per week will receive the same medical insurance benefits as full-time employees. Budgeted employees working 17.5 hours per week or more, but less than 28 hours, will receive benefits on the following schedule:

(1) Employees Hired Before 7/1/96: Employees hired in budgeted part-time positions prior to 7/1/96 will receive the same percentage of coverage for themselves and their dependents as full-time employees. Employees hired in budgeted positions prior to 7/1/96, who later transfer to a schedule of between 17.5 and 28 hours per week, will

continue to receive the same medical insurance benefits they received previously. Participation is required for these employees with the exception stated below in paragraph 3; dependent coverage is optional and available only when the employee also enrolls.

(2) Employees Hired After 6/30/96: For employees hired in budgeted positions after 6/30/96 working at least 17.5 but less than 28 hours per week, the College shall pay 50% of the total premium costs for individual coverage in either the HMO or PPO plan. In addition, the College shall pay 25% annually toward total premium costs of the approved plan for eligible family members if dependent coverage is elected. Employee participation is optional; dependent coverage is available only when the employee also enrolls.

c. Temporary employees assigned to positions that are in the budget conversion process (as approved by PAS in accordance with FCC Policy 3.12) are eligible for the above health care plans using the same criteria set in sections a.(2) and b.(2) above.

3. Waiver of Medical Insurance. Employees eligible for medical insurance under approved College plans who have medical coverage from another source, may elect to waive such coverage by completing a Waiver of Medical Insurance Coverage form. Future enrollment in an approved College plan will be limited to open enrollment periods and other times as provided by plan rules and State and federal laws in effect at the time. No financial rewards will be given to employees who choose to waive medical insurance coverage.

4. Employees who retire from employment with the College will be permitted to continue in the medical, dental and/or vision insurance plans at their expense indefinitely. Contributions must be remitted by the individual to the College monthly. Insurance coverage for retirees will be governed by contracts in effect with the insurance carriers and may differ from coverage for active employees. To be eligible for this continuation of insurance at the time of retirement, the employee must begin to collect benefits through the Maryland State System or one of the State-approved Optional Retirement Plans (ORP).

E. Flexible Benefits Plan. Employees defined as eligible for participation in College medical, dental and vision insurance plans may elect to pay for the employee share of costs of these plans on a pre-tax basis through salary reduction. This plan is intended to be a cafeteria plan as defined in Section 125(d) of the Internal Revenue Code of 1954, as amended. The effective date of this plan is January 1, 1987.

F. Vision Care Insurance. The College will contribute to a Group Vision Care Insurance Plan selected by the College. The offering of such a plan is subject to a participation level which meets the plan's requirements. The College will contribute 75% per year toward the cost of individual coverage. The balance of the individual premium and 100% of the dependent premium will be paid by the employee. Qualified employees (full-time or part-time employees who are employed on at least

a half-time basis in budgeted positions) are eligible for this benefit. The vision care plan is optional for all qualified employees.