

Policy 705.2 – Group Health Benefits Program, Montana University System

Date Adopted: 8/2/04

Issuing Office: Administration & Finance

Date Revised:

Approved By:

References: Plan Document; MUS 804.1; 2-18-701 through 2-18-704 M.C.A., HRS Procedures

I. POLICY

The University of Montana Western administers a Group Health Benefits program in accordance with Montana University System policies, and applicable state and federal laws.

II. PURPOSE

The purpose of this policy is to provide information on the Group Health Benefits program for UMW employees.

III. PROCEDURE

A. Benefits Package

The Montana University System offers a comprehensive Employee Group Benefits Plan, called “*Choices*.” The plan consists of Group Life Insurance with Accidental Death and Dismemberment benefits, Long-Term Disability benefits, Comprehensive Major Medical benefits, Dental benefits and a Prescription Drug program. The medical, dental and prescription drug benefits are self-insured. Premiums are contributed directly into a fund, which pays eligible benefits for Plan Participants who experience illness or injury.

Additional voluntary benefits are available to plan-eligible employees. These policies include Accidental Death and Dismemberment, Supplemental Term Life insurance, Supplemental Dependent Term Life insurance and Health Care, Dependent Care and Premium Expense Reimbursement Accounts. The Montana University System provides for a Wellness Program and Employee Assistance program, funded by group plan premiums.

A Montana University System advisory group, the Inter-Unit Benefits Committee, meets periodically and advises the Commissioner of Higher Education regarding management of the plan.

B. Eligibility

1. UMW Employee Eligibility

Full-time permanent employees, permanent part-time employees (those regularly scheduled to work twenty (20) hours or more per week and seasonal employees scheduled to work more than six (6) months in any twelve (12) month period) and temporary employees scheduled to work twenty (20) hours or more per week for six (6) months or more are eligible for coverage under the Montana University System Group Benefits Plan. All eligible employees are required to complete a “*Choices*” benefits enrollment form and return it with their elected coverage within 31 days of hire or date of eligibility even if coverage is waived. Student employees are not eligible to join the plan.

2. Dependent Coverage

UMW may elect dependent coverage under the benefits plan. Eligible dependents are defined in the Plan Document available through the Human Resource Services Office.

C. Contributions

1. Employer/Employee Contributions

The employer contribution rate is established by the State of Montana legislature. The current employer contribution rate is available from the Human Resources Office. Employee benefit premium rates are determined prior to each new plan year by the Commissioner of Higher Education. Employees electing benefit coverage levels greater than the employer contribution are subject to the applicable premium rate as a payroll deduction. All employee premiums are deducted through the payroll process before federal, state, Medicare and Social Security taxes, as allowed by section 125 IRC and adopted by the Montana University System, July 1, 1990. Employees may not receive the state contribution as wages in lieu of the employer contribution.

D. Coverage

1. Default Coverage

Eligible employees have 31 days from date of hire or date of eligibility in which to elect their benefit coverage. Employees will forfeit their right to elect coverage after 31 days and will be defaulted into “Employee Only” coverage. Employees forfeiting their right to elected coverage will not be eligible to enroll dependents or change default coverage unless there is a qualifying event under section 125 IRC, or at the next open enrollment period.

2. Coverage in an Extended Leave of Absence or Extended Sick Leave

Employees granted extended leave without pay under an appropriate personnel policy or collective bargaining agreement may continue benefits, (with the exception of the Long Term Disability) for two years provided employee and employer contributions are paid by the employee. Rates are available from Human Resource Services.

3. Retiree Eligibility

A person retiring from UMW may continue post-retirement coverage in the medical plan, provided the retiree makes arrangements to maintain continuous coverage by self-payment of the premiums. This is a one-time-only decision. Continuation in dental and vision plans is optional and decision must be made at time of enrollment. A retiree must be eligible to receive a state retirement benefit from the Teachers Retirement System or the Public Employees Retirement System. Retirees who receive retirement benefits under the Optional Retirement System must have worked five or more years with the University System to be eligible to remain with the plan. Rates are available from the Human Resources Office.

3. Loss of Eligibility

Employees who terminate from employment with the University system or who lose eligibility to remain with the benefits plan for other reasons will automatically receive a notice outlining continuation of coverage rights for themselves and their dependents under COBRA (Consolidated Omnibus Budget Reconciliation Act, Public Law 99-272, Title 10, April 1986). No Life Insurance, AD&D, Long Term Disability or Optional Reimbursement accounts may be continued under COBRA. Benefit coverage with UMW will cease, effective

the last day of the month in which eligibility is lost. COBRA rates are available from the Human Resources Office.

4. Specific Plan Description

A plan summary, plan eligibility and coverage detail can found in the Group Benefits Plan booklet, “*Choices*” or on the MUS Choices website. Refer to the Group Benefits plan guide or contact the Claims Administrator for more detail on specific plan coverage.

IV. AUTHORITY

Plan Document; MUS 804.1; 2-18-701 through 2-18-704 M.C.A., HRS Procedures

V. RESPONSIBILITY

Vice Chancellor for Administration & Finance/Student Affairs, Associate Director of Human Resource Services