

Section: BENEFITS  
Subject: Group Insurance Program  
Procedure: HR 3600

I. Institutional Regulations

- A. The Des Moines Area Community College group insurance program shall cover only Regular employees. Insurance carriers and premium rates shall be subject to approval by the Board of Directors.
- B. The group insurance program shall include the following **employer-paid** insurance coverages:
  - 1. Single Medical Insurance
  - 2. Single Dental Insurance
  - 3. Basic Term Life Insurance
  - 4. Long Term Disability Insurance
- C. The group insurance program shall include the following optional insurance coverages paid in part by the **employer** and in part by the **employee**:
  - 1. Tiered Family Medical Insurance - For full-time Regular employees, the employer shall pay a percentage of the tiered family premium and the employee shall pay the remainder of the premium. For part-time Regular employees, the **employer** shall pay an amount equal to a single premium plus a prorated amount, based on their FTE, of the percentage of the difference between a single and a tiered family premium. The employee shall pay the remainder of the premium.
  - 2. Family Dental Insurance - For part-time and full-time Regular employees, the **employer** shall pay an amount equal to a single premium.
- D. The group insurance program shall include the following optional **employee-paid** insurance coverages:
  - 1. Employee and/or Spouse/Domestic Partner Life Insurance
  - 2. Dependent and/or Spouse/Domestic Partner Life Insurance
  - 3. Short Term Disability Insurance
  - 4. Long Term Care Insurance
- E. Domestic partners may be covered under the College's group insurance plans on the same basis as spouses if they meet the criteria set forth in HR Procedure 3602 Domestic Partners and an Affidavit of Domestic Partnership is on file in Human Resources.

II. Procedure

- A. Enrollment Process
  - 1. Human Resources shall provide new employees with information on the group insurance program, including enrollment forms, shortly after they begin employment with the College.
  - 2. Employees shall be required to select their insurance coverages and complete the required paperwork before the effective date of the coverages.
- B. Effective Date of Coverage
  - 1. Medical, dental, basic life, and if applicable, long term disability insurance shall be effective on the first day of the month following the month in which a new employee is hired (and is actively at work). If an employee is hired to start on the first day of a month, the insurance shall be effective the first day of the following month.

2. Optional Insurance Coverage

- a. For new employees, unless evidence of insurability is required, optional insurance coverage shall be effective on the first day of the month following the month in which a new employee is hired (and is actively at work). If an employee is hired to start on the first day of a month, the insurance shall be effective the first day of the following month. For optional supplemental life insurance and optional supplemental dependent life insurance, the guaranteed amount of coverage shall be effective on the first day of the month following the month in which a new employee is hired (and is actively at work). Any amount of coverage requested above the guaranteed amount will begin the first day of the month after approval by the insurance carrier.
- b. Optional insurance may also be applied for at any time during employment by submitting evidence of insurability. When evidence of insurability is required, the issuance of insurance shall be subject to the approval of the carrier. If approved, it shall be effective the first of the month following approval by the carrier.

C. Insurance Coverages

1. Medical and Dental Insurance

- a. An employee may not waive single medical and dental coverage with the College, even if s/he has coverage elsewhere.
- b. An employee may elect to purchase tiered family coverage at Board approved rates. The family insurance portion of the monthly premium paid by the employee shall be deducted from his/her paycheck.

2. Basic Life Insurance

- a. The basic term life insurance coverage provided by the College shall be equal to twice an employee's annual salary rounded to the nearest thousand dollars until an employee reaches their 70<sup>th</sup> birthday. When an employee reaches their 70<sup>th</sup> birthday, the amount of basic term life insurance coverage shall begin to be reduced in accordance with the terms and conditions of the College's contract with the life insurance carrier.
- b. The coverage shall include an accidental death and dismemberment (AD&D) provision and an accelerated benefit provision.

3. Long Term Disability Insurance - An employee must work at least 30 hours per week for a minimum of nine months during a calendar year in order to be eligible for LTD insurance coverage.

4. Optional Supplemental Employee and/or Spouse/Domestic Partner Life Insurance

- a. An employee may elect to purchase personal and/or spouse/domestic partner term life insurance coverage in addition to that provided by the College unless the spouse/domestic partner is also employed by the College. In this situation, each employee may only be covered under one optional supplemental policy, either personally or as a spouse/domestic partner.
- b. The coverage shall include an accidental death and dismemberment (AD&D) provision and an accelerated benefit provision.
- c. Evidence of insurability shall be required with the following exceptions: If purchased within 31 days of initial employment, employees are guaranteed additional personal term life insurance coverage beyond basic term life insurance up to \$100,000 without evidence of insurability. Spouse/Domestic Partner term life insurance coverage up to \$25,000 is guaranteed without evidence of insurability.
- d. When a covered employee or spouse/domestic partner reaches his/her 70<sup>th</sup> birthday, the amount of term life insurance coverage shall begin to be reduced in accordance with the terms and conditions of the College's contract with the life insurance carrier.

5. Optional Supplemental Dependent and/or Spouse/Domestic Partner Life Insurance
- a. An employee may elect to purchase term life insurance for his/her eligible dependent children and/or spouse/domestic partner. If both the employee and the spouse/domestic partner are employed by the College, only one employee may elect to purchase this coverage.
  - b. The insurance must be purchased in units, up to a maximum of three. Each unit shall provide \$5,000 coverage for each dependent child and/or \$10,000 coverage for the spouse/domestic partner.
    - 1) One, two, or three units may be purchased without proof of insurability if purchased within 31 calendar days of a new employee's insurance effective date (see II-B).
    - 2) Purchase of units after expiration of the initial enrollment period shall require proof of insurability for the spouse/domestic partner.
  - c. When a covered spouse/domestic partner reaches their 70<sup>th</sup> birthday, the amount of term life insurance coverage shall begin to be reduced in accordance with the terms and conditions of the College's contract with the life insurance carrier.

6. Optional Short Term Disability Insurance

- a. Short term disability insurance shall not require proof of insurability if purchased within 31 calendar days of a new employee's insurance effective date (see II-B).
- b. If purchased after expiration of the initial enrollment period, a 60 day elimination period shall be in effect if the benefit is used within the first year of coverage for illness. Accident benefits will still be paid from the first day.

7. Optional Long Term Care Insurance

- a. Long term care insurance may be purchased by an employee for him/herself, spouse, and/or parent(s).
- b. If purchased by an employee for him/herself, long term care coverage shall not require proof of insurability if purchased within 31 calendar days of the new employee's insurance effective date (see II-B). If purchased later, proof of insurability shall be required.
- c. If purchased by the employee for his/her spouse and/or parent(s), proof of their insurability shall be required.

D. Change of Insurance Coverage

1. Employees may change from family, employee/spouse, or employee/dependents to single coverage at the end of any month if the employee provides proof of coverage for the family member(s) s/he is dropping.
2. Employees shall have 30 calendar days from the date of a life event to change from single to tiered family coverage or from one tiered family plan to another. Life events shall include, but shall not be limited to: marriage, death, divorce, birth, adoption, change in dependent status, or loss of spouse coverage.
3. Employees may change plans, absent a life event, only during an open enrollment period.

## E. Section 125/Flexible Spending Plans

1. The Premium-only plan allows employees who carry tiered family medical and/or dental insurance to have their contribution toward the monthly premium deducted from his/her salary before taxes.
2. The Dependent Care Benefit Account and the Healthcare Spending Account allow employees to deduct eligible expenses for dependent care and/or unreimbursed health care expenses or qualified insurance premiums from his/her salary before taxes.
3. IRS regulations shall govern the administration of all flexible spending plans plans.

## F. Termination of Employment

1. Payroll deductions for insurance premiums may continue through a terminating employee's last pay period.
2. DMACC insurance coverage shall cease on the last day of the month in which the employee terminates employment.
3. Continuation of Medical and/or Dental Insurance Coverage
  - a. Under COBRA:
    - 1) An employee, and/or his/her spouse, and/or his/her dependent children may continue group medical and/or dental insurance coverage in certain situations where group coverage would otherwise end. These situations, or qualifying events, shall include but shall not be limited to: termination of employment for other than gross misconduct, death, divorce, legal separation, and a child losing "dependent" status.
    - 2) An employee must notify Human Resources within 60 calendar days from the date of the qualifying event if s/he wishes to continue coverage.
    - 3) The length of time that insurance may be continued varies depending upon the qualifying event. The minimum amount of time is 18 months.
    - 4) The cost of this coverage to the employee or the continuee shall be the total of the monthly premium plus a 2% administrative fee.
  - b. Under regular retirement:
    - 1) An employee may continue group medical coverage to age 65 if the employee applies for and receives his/her IPERS or TIAA-CREF retirement benefit.
    - 2) The cost of this coverage to the employee shall be the total monthly premium.
  - c. Under DMACC Early Retirement:
    - 1) An employee may continue group medical coverage to age 65 if s/he elects to retire under DMACC's early retirement program (see HR 3810). The retiree may, at his/her own expense, continue tiered family coverage equal to that carried at the time of his/her retirement.
    - 2) The College shall provide single dental insurance for 36 months for retirees under DMACC's early retirement program who elect to remain in the College's group dental plan. The retiree may, at his/her own expense, continue family dental coverage.

- 3) An employee who elects family medical and/or dental coverage may have the first year's premiums withheld from his/her final paycheck and/or vacation payout.
- d. Domestic Partner:
  - 1) A domestic partner and/or his/her dependent children may continue group medical and/or dental insurance coverage in certain situations where group coverage would otherwise end. These situations, or qualifying events, shall include but shall not be limited to: termination of employment for other than gross misconduct, death, or a child losing "dependent" status.
  - 2) Insurance may be continued for 36 months.
  - 4) The cost of this coverage to the continuee shall be the total of the monthly premium plus a 2% administrative fee.
4. Continuation of Life Insurance Coverage
  - a. An employee who terminates employment with the College, may convert his/her employer paid group term life insurance coverage to an individual whole life policy at his/her expense at conversion rates set by the carrier.
  - b. If an employee becomes totally disabled prior to age 60 and is approved for LTD, the employee may request a waiver of the group life insurance premium. The request must be made within the first year of the disability. If approved by the carrier, the term life insurance shall continue to age 70 or until the employee is no longer disabled, whichever occurs first.
  - c. Optional employee/spouse/domestic partner life insurance may be converted to an individual whole life policy at the employee's expense at conversion rates set by the carrier. Optional dependent life insurance may also be converted.

APPROVED:



Executive Director, Human Resources

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