

ARTICLE 15 - HEALTH AND WELFARE BENEFITS FOR ACTIVE EMPLOYEES

15.1 Active Employee Health Plans

An eligible employee and eligible dependents may enroll in a County offered medical, dental, vision, and/or dependent life insurance plan through June 1, 2009.

Effective June 2, 2009, an eligible employee and eligible dependent(s) (as defined below) are allowed only to enroll either as a single subscriber in a County offered medical, dental, vision and/or dependent life insurance, as the dependent spouse/domestic partner of another eligible County employee/retiree, but not both. If an employee is also eligible to cover their dependent child/children, each child will be allowed to enroll as a dependent on only one employee or retirees' plan (i.e., an employee and his or her dependents cannot be covered by more than one plan).

An eligible employee is:

- A County of Sonoma probationary or regular full-time or probationary or regular part-time employee¹.

An eligible dependent is²:

- Either the employee's spouse or domestic partner (requires signed domestic partner affidavit filed with the County); or
- An unmarried child based on your plan's age limits or a disabled dependent child regardless of age.

15.2 Participation in County Offered Health (Medical, Dental, Vision, Life Insurance) Plans

Election to participate in a County offered health plan will take place during the first full pay period following employment or it shall be made during an annual open-enrollment period.

The effective date of benefits will be the first pay date after the pay period in which the employee has 50% or more of his or her allocated full-time equivalent (FTE) in pay status.

¹ Refer to Section 5.2.8 regarding plans offered and pro-ration of benefits for part-time employees.

² As defined in each plan document/summary plan description.

15.2.1 County Offered Participating Provider Option (PPO) Medical Plans

For eligible individuals covered under this resolution, there are two PPO plans: the County Health Value Plus Plan #2 (CHVPP) and the County Health Value Plan #3 (CHVP). The benefit provisions are outlined in the County Health Plan Summary Plan Description.

15.2.2 County Offered Health Maintenance Organization (HMO) Medical Plans

The County may offer up to two (2) HMO medical plans to eligible employees and their eligible dependent(s). Specific reference to a vendor listed below does not obligate the County to continue to offer a medical plan offered by a specific vendor. The County may change health insurance carrier(s) and/or network provider(s) provided the plan design(s) are substantially equivalent. The HMOs have the following co-pays:

Benefit Type	Co-Pay
Kaiser Office Visit	\$10
Kaiser Prescription Drug	\$5 generic/ \$10 formulary brand name
PacifiCare Office Visit	\$10
PacifiCare Prescription Drug	\$5 generic/ \$15 formulary brand name/ \$30 non-formulary brand name

For all other plan benefits and provisions, refer to the insurance carrier's plan document for each HMO medical plan.

15.2.3 Contributions Toward Medical Insurance for Employees

Through June 1, 2009, the County shall contribute towards the cost of County offered medical insurance for any eligible employee and their eligible dependent(s), in the following manner:

- A. The County shall contribute a set dollar amount equal to eighty-five percent (85%) of the total premium of the lowest cost medical plan offered

for each level of coverage (employee only, employee plus one (1) dependent, and employee plus two (2) or more dependents), regardless of the medical plan selected;

1. Employees may elect to enroll in any County offered medical plan and shall pay for all costs in excess of the County contribution dollar amount specified in Section 15.2.3(A), above, however;
 2. Any County contribution dollar amount for a higher cost medical plan that exceeds the contribution amount specified in Section 15.2.3(A), shall be frozen at the 2007/2008 County contribution dollar amount, until such time as the amount in Section 15.2.3(A), meets or exceeds that frozen contribution dollar amount.
- B. Effective June 2, 2009, the County contribution toward employee medical benefits described in Section 15.2.3(A) shall be discontinued.

Effective June 2, 2009, the County shall contribute a flat dollar amount not to exceed \$229.98 per pay period (\$500 per month) toward the cost of any County offered medical plans for eligible full-time regular employee and their eligible dependent(s).

This is the full and total contribution amount the County will contribute toward medical benefits for active regular employees and their dependent(s)

The County shall contribute to part-time eligible employees on a pro-rated basis, in accordance with Section 15.2.8.

15.2.4 Dental Benefits

The County will offer dental and orthodontic benefits to full and part-time regular employees and their eligible dependent(s). For all plan benefits and provisions, refer to the insurance plan document.

The following employee contribution(s) will be:

Effective September 3, 2008: \$12 per pay period
Effective June 10, 2009: \$13 per pay period

The County shall contribute to part-time eligible employees on a pro-rated basis, in accordance with Section 15.2.8.

15.2.5 Vision Benefits

The County will provide vision benefits to active employees and their dependent(s). For all plan benefits and provisions, refer to the insurance plan document. The County will pay the total cost of the premium for vision benefits for full-time active employees.

Part-time employees will be enrolled automatically in the vision benefit and the County shall contribute to part-time eligible employees on a pro-rated basis, in accordance with Section 15.2.8.

15.2.6 VDT (Video Display Terminal) Optical Benefits

The County will offer a VDT benefit. Full-time and part-time employees who are assigned to use a VDT for twenty hours per week or more on an ongoing basis, as a part of their regular job assignment, will be eligible to the VDT benefit. Employees who do not meet the ongoing twenty-hour per week threshold, but are experiencing problems can contact their supervisor to arrange for an assessment by Risk Management.

Eligible employees will receive a VDT eye examination and, if prescribed, VDT lenses and frames through arrangement with the County's VDT vendor.

15.2.7 Domestic Partner Medical, Dental, and Vision Coverage

The County agrees to offer medical, dental and vision coverage to the domestic partners' of eligible employees who have provided the County with a signed domestic partner affidavit.

15.2.8 Part-Time Employee – Health Benefits

- a. Part-time employees shall be eligible to participate in the County's medical, dental, and vision plans and the County's contribution toward their premiums shall be pro-rated. Pro-ration shall be based on the number of pay status hours in the pay period, excluding overtime.

- b. A part-time employee covered under this Salary Resolution, whose allocated position is .75 FTE or greater bi-weekly, shall receive medical, dental and vision coverage as if the part-time employee were a full-time employee. Said part-time employee shall receive life insurance and long-term disability insurance in accordance with the employee's FTE.
- c. Except for part-time (.75 FTE+) employees referred to in this Section 15.2.8(b), part-time employees shall not be eligible to participate in the County's life insurance program

15.3 Employee Assistance Program

The County will continue the current level of benefits under the Employee Assistance Program (EAP) for all unrepresented employees during the term of this Memorandum.

15.4 Long-Term Disability

The County agrees to provide and pay the premium for a Long-Term Disability (LTD) benefit as described in the applicable plan document to all full and part-time employees (0.4 FTE minimum) who meet the eligibility requirements. Benefit eligibility begins after 60 calendar days of disability. Employees eligible to received LTD benefits are not required to exhaust sick leave before receiving LTD benefits, but an employee who chooses to use sick leave or other paid leave after the 60th day of disability is not eligible to receive any LTD benefits until the employee stops using paid leaves. LTD benefits cannot be supplemented with any paid leave. LTD benefits will be offset by any applicable income, such as, short-term disability benefits, social security and social security disability benefits, etc.

15.4.1 Long-Term Disability Claims Dispute

County Self-Insured Plan: Any dispute by an employee over a claim processed under the County's Self-Insured Long-Term Disability (LTD) Plan shall be appealed through the Risk Management Division of the Human Resources Department for a final County decision.

Outside Provider Plan: The Provider claims dispute process is described in the Plan Document. The County Risk Management Division will assist employees with claims dispute processing related to the County's outside LTD provider.

15.5 Workers' Compensation Claims Disputes

Any dispute by an employee over a claim processed through workers' compensation shall be resolved solely through the appropriate appeal procedures of that system.

15.5.1 Workers' Compensation Temporary Disability – Supplementing with Paid Leave

An employee not entitled to the benefits of Labor Code Section 4850 who is absent from work by reasons of industrial injury, compensable by temporary disability shall supplement such compensation with enough paid leaves to increase his/her gross earnings to equal his/her regular base salary as follows:

- All sick leave shall be taken until the remaining sick leave balance is 40 hours or less.
- Once the sick leave balance is 40 hours or less, the employee may elect to supplement by taking any combination of the remaining sick leave, vacation, and/or compensatory time off up to his/her base salary.
- Employees whose sick leave balance is 40 hours or less may also elect not to supplement at all.

An employee shall accrue vacation leave and sick leave only during such portion of absence from work due to industrial injury for which the employee uses previously earned vacation leave, sick leave or compensatory time off.

15.6 Medical/Pregnancy Disability Leave

When an employee exhausts all but forty (40) hours of sick leave and goes on medical or pregnancy disability leave without pay, the County will make its normal contribution to the employee's medical, dental, vision care, life insurance and LTD benefits for a period not to exceed thirteen (13) pay periods per illness. Beginning with the fourteenth (14th) pay period, the employee will be entitled to continue coverage by paying the full cost of the insurance premiums. Prior to the exhaustion of the thirteen (13) pay periods, the County will provide reasonable advance notice of the employee's obligations regarding the opportunity to continue employee-paid benefits.

An employee who returns to work from medical or pregnancy disability leave without pay prior to the exhaustion of the thirteen (13) pay periods of entitlement under this Section shall not have the thirteen (13) pay period entitlement reduced for any pay period in which the employee is in pay status for at least fifty percent (50%) of the employee's allocated full time equivalent as specified in this Section 15.6 (Medical or Pregnancy Disability Leave). If the employee returns to medical or pregnancy leave without pay for the same condition, the thirteen (13) pay period time frame will continue where it left off and will be reduced only for those pay periods when the employee's pay status hours fall below fifty percent (50%) of the allocated full-time equivalent.

The County's thirteen (13) pay period Medical Leave without pay benefit entitlement shall run concurrent with Family Medical Leave Act (FMLA), California Family Rights Act (CFRA), and California Pregnancy Disability Leave (CPDL).

The employee's eighteen (18) month entitlement under COBRA law shall begin when FMLA/CFRA/CPDL has been exhausted and the employee goes on an unpaid leave, which is less than fifty percent (50%) of the employee's allocated hours. When an employee returns to work and has at least fifty percent (50%) of the employee's allocated full time equivalent in pay status in any pay period and subsequently goes out on Medical or Pregnancy Disability Leave, the eighteen (18) month COBRA time period starts over again. A new eighteen (18) month COBRA period begins again from the pay period in which the employee has a reduction of hours below fifty percent (50%) of the employee's allocated full time equivalent, as this would constitute a new qualifying event under COBRA.

15.6.1 Health Benefits During Leaves of Absence – Non-Medical Leaves Without Pay

If an employee is on an unpaid absence or goes on leave without pay, either of which reduces the employee's time in pay status to less than 50% of the employee's allocated full-time equivalent (FTE) in a pay period, the County will cease to pay its contributions to the employees' benefits. The employee must pay the total benefit premium(s), if the employee desires to continue coverage. If an employee is on an unpaid absence or goes on leave without pay, either of which reduces the employee's time in pay status to not less than 50% of the employee's allocated full-time equivalent (FTE), the County will continue to pay its normal benefit contributions.

15.6.2 Continuation of Health Benefits Coverage

An employee on unpaid leave as specified in 15.6 or 15.6.1, must notify the Auditor-Controller-Treasurer-Tax Collector's office (ACTTC) no later than five (5) County business days after the first day of the leave of absence, of the employee's intent to continue their participation in their County offered health plans. A Request for Leave of Absence form signed by the employee and his/her appointing authority shall be forwarded to the ACTTC's office two weeks in advance of the first day of absence.

To assure continued insurance coverage, premiums shall be paid by the employee to the ACTTC's office no later than the last day of the pay period. This premium provides coverage for the two-week period from the next pay date. If the employee fails to pay the premium by the last day of the pay period, he/she will receive one reminder notice. In order to reinstate coverage, the employee shall pay a \$25.00 late charge in addition to the premium amount by the date specified in the reminder notice.

Only one (1) reminder notice will be sent to the employee. If the employee fails to make proper payment to the ACTTC's office by the end of the second pay period, the employee's continued medical, dental, vision, life insurance and long-term disability coverage shall be terminated.

15.6.3 Part-Time Employees – Health benefits During Leave of Absence

Part-time employees shall be eligible to participate in the medical benefit plans and/or the dental plans, as defined in Section 15.2.8. For pay periods with no pay status hours, pro-ration shall be based on the employee's FTE.

15.7 Tax-Deferred Retirement Contribution - 414(h)(2)

All employees who belong to the County's Retirement System shall continue to have their wages adjusted according to Section 414(h)(2) of the Internal Revenue Code that will have the effect of deferring Federal and State income taxes on the employee's retirement contributions.

15.8 Health Care Premium Conversion Plan

All employees who have health, dental, or vision insurance premium contributions deducted from their salary, shall have their taxable wages adjusted according to Section 125 of the Internal Revenue Code, which has the effect of diverting health care premium contributions from taxable wages.

15.9 Health Flexible Spending Account (Health FSA/HCAP)

The County shall continue to offer under IRS Code Section 105, a Health Care Reimbursement Account (Health Flexible Spending Account (FSA)) to enable eligible employees to set aside pre-tax dollars for reimbursement of eligible medical expenses, as prescribed in Internal Revenue Code Section 105.

15.10 Dependent and Child Care Assistance

The County will offer the Dependent and Child Care Assistance plan under Internal Revenue Code Section 129.

15.11 Plan Documents and Other Controlling Documents

While mention may be made in this resolution of various provisions of benefit programs, specific details of benefits (including disputes and/or appeals) provided under County offered health plans shall be governed solely by the plan documents or insurance contracts and/or policies maintained by the County. The County will bear no responsibility for resolving disputes/appeals between an employee and a contracted health plan vendor. Within this section, vendor refers to insurance company, Knox-Keene organizations licensed in the state of California to provide health benefits, benefits administration, or network management.

15.12 PST/457 Deferred Compensation Retirement Plan

Part-time (less than .50 FTE) and extra-help employees who are hired on or after October 1, 1991, shall participate in the PST/457 Deferred Compensation Retirement Plan authorized by Internal Revenue Code Section 457 in lieu of Social Security.

The County shall contribute to the employee's PST/457 deferred compensation account according to the following schedule:

EMPLOYEE	COUNTY
3.5%	4.0%

The Sonoma County Water Agency employees are not included in the PST/457 Deferred Compensation Plan as they are presently covered by Social Security.

15.13 Extra-Help Employees

Only benefits required by law and the following sections of Article 15 apply to extra help employees: 15.11 (Plan Documents and Other Controlling Documents), 15.5 (Workers' Comp-Claims dispute), sections 15.13 through 15.20 (Extra-Help Employees – Medical Benefits).

15.14 Extra-Help Employees - Medical Benefits

Extra-help employees shall have access to a medical plan with optical coverage. This plan has a \$15 office co-pay and \$10 prescription drug co-pay. Premiums for the plan will be paid in advance on the first two pay dates of the month prior to the coverage effective date and on the first two pay dates of every month thereafter. When payment has been made in full, coverage will take effect on the first of the month following payment and shall end on the last day of the same month. Coverage will be month to month and is dependent on full payment of premiums and subject to continued eligibility.

15.15 Medical Benefits - Extra-Help Employees: Eligibility

Employees who meet the following criteria will be eligible to begin payroll deductions once all four criteria are met:

- Employed by the County for at least 11 consecutive pay periods, and
- Worked at least 440 hours, and
- Worked at least 160 hours in the previous 4 pay periods, and
- Must generally work at least 40 hours per pay period

15.16 Extra Help Employees: Contribution Rates for Medical Plan

The biweekly County contribution shall be eighty percent (80%) of the cost of employee only coverage.

For each pay period in which the extra-help employee works more than 20 but less than 40 hours, the above amounts shall be prorated in proportion to the number of hours worked in the pay period.

The employee shall pay the balance of the premiums by pre-tax payroll deduction as allowed by IRS Code Section 125.

15.17 Extra-Help Employees: Continued coverage and Conditions for Regaining Eligibility for Medical Plan

An extra-help employee who is enrolled in the medical plan who fails to work at least 20 hours in any pay period in which a premium deduction was due, will be eligible to contribute toward the medical coverage by paying the full amount of the premiums by payroll deduction if sufficient funds are available to fully cover the deduction. Premium payments not paid by payroll deduction will be due in the ACTTC's Payroll Office by the last day of the pay period in which there were insufficient hours worked.

A \$25 late fee will apply for each payment not received by the due date.

Premium payments not paid by payroll deduction but paid directly to the ACTTC's Office may be continued for a maximum of three (3) months or upon the exhaustion of any approved CPDL, CFRA, or FMLA benefit period, whichever is later.

Employees who choose to pay timely premiums directly to the ACTTC's Office by cash or check without a lapse in coverage shall resume premium payment by payroll deduction on the first available pay date following their last cash premium payment without a lapse in coverage.

Employees who choose to lapse their coverage during a period of absence may do so by notifying the ACTTC's Payroll Office in writing no later than 7 days after the premium due date. Coverage will be lost for the months not paid. Premium payment by payroll deduction shall restart on the first pay date of a month with sufficient funds to cover the cost of premiums due and shall

continue until discontinued by a written cancellation notice, non-payment of premiums, a temporary lapse in coverage in accordance with this section, or separation from employment. Coverage will not restart until a full month's premiums are paid in full.

Employees may choose to cancel their coverage by completing the appropriate forms.

Employees who fail to make any of the above elections or who fail to pay premiums when due shall receive one notice of payment due and shall have their coverage canceled for failure to respond.

The County reserves the right to cancel an employee's active coverage if the employee lapses coverage more than three times, or a similar frequency that is determined to be an administrative burden.

Employees who choose option (c) or are canceled under item (d) or (e) must wait until the next open enrollment period to re-enroll.

An employee who loses coverage under this section may be eligible to elect COBRA continuation of coverage if he or she is no longer eligible to pay premiums directly to the Auditor-Controller-Treasurer-Tax Collector's (ACTTC)' payroll division.

The failure to pay premiums or the election to lapse or cancel coverage are not COBRA qualifying events.

15.18 Extra-Help Employees: Medical Plan - Dependent Coverage

Covered employees may purchase dependent coverage for eligible dependents at their own expense through pre-tax payroll deduction as allowed by IRS Code Section 125.

15.19 Extra-Help Employees: Enrollment in Medical Plan

Approximately 2 months prior to the anticipated eligibility date, the County shall provide enrollment materials to the employee. The employee then has 21 calendar days to complete and submit the enrollment forms. If coverage is waived upon initial eligibility, election to participate in the medical plan can only

be made during an annual open enrollment period designated by the County or as required by law.

15.20 Extra Help Employees: Medical Benefits & Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), or California Pregnancy Disability Leave (CPDL)

Eligible extra-help employees who are off work on an FMLA or CFRA or CPDL qualifying leave shall receive a County contribution toward medical insurance equal to the average amount received in the two pay periods immediately preceding the first pay period of eligible leave. Employees must pay their share of the medical insurance premiums in order to maintain coverage and to continue to be eligible for a County contribution. Employees must file an Extra Help FMLA/ CFRA/CPDL Request for Leave form along with appropriate medical documentation with their department. Upon approval, the leave form signed by the employee and his/her appointing authority shall be forwarded to the ACTTC's office.

An employee who is eligible for this continued benefit shall notify the ACTTC's payroll division of the employee's intent to continue insurance coverage no later than five (5) County business days after the first day of the leave.

To ensure continued insurance coverage, premiums shall be paid by the employee to the ACTTC's office no later than the last day of the pay period for which premiums were due. If the employee fails to pay the premium by the last day of the pay period, he/she will receive one reminder notice. In order to reinstate coverage, the employee shall pay a \$25.00 late charge in addition to the premium amount by the date specified in the reminder notice. Only one reminder notice will be sent. If the employee fails to make proper payment by the end of the second pay period, the employee's continued medical insurance shall be terminated.

The employee will not regain eligibility until he or she has worked four (4) consecutive pay periods with 40 or more hours worked in each. Under no circumstances will the County be obligated to pay premiums for dependent coverage.

15.21 Long-Term Care Insurance-Payroll Deduction

The County agrees that employees may purchase CalPERS Long Term Care Insurance at their own expense through bi-weekly payroll deduction as long as the County is eligible to participate in the CalPERS payroll deduction program. Each employee is responsible to submit his/her own application and any subsequent membership changes directly to CalPERS, as CalPERS Long Term Care is not a County program or under County direction. CalPERS may directly invoice employees for missed payroll deductions or premiums due prior to start-up of payroll deduction.