

 <p style="text-align: center;">ADMINISTRATIVE REGULATION</p>	ORIGINATION DATE: January 1, 2017
	DATE REVIEWED/REVISED: July 1, 2022
	NUMBER: CC Reg. CM-49 (Formerly ASD-30)
	DPR: City Manager
ACTIVE EMPLOYEE BENEFITS PLAN ELIGIBILITY	

I. PURPOSE

- A. To establish a policy for City of Chandler active Employee benefits plan eligibility.

II. RESPONSIBILITY

- A. Human Resources shall ensure compliance with this policy for all affected Employees and shall give Eligible Employees advanced notification of their eligibility for City-sponsored benefits.
- B. Employees shall follow this administrative regulation as well as any others that pertain to benefits eligibility, enrollment, or requirements under the benefit plans.
- C. For purposes of this administrative regulation the term Employee will also mean Elected Official.

III. DEFINITIONS

- A. See CM-56 – City of Chandler Benefits Plans – Definitions and Required Notices.

IV. PROCEDURES

- A. Eligibility

1. Employees must meet one of the following requirements to enroll in a City sponsored health plan. Once the Employee is eligible to enroll for benefits, the Employee will be offered the opportunity to enroll their eligible dependent spouse and children.

a. Eligibility for Medical Plan benefits:

- i. A full-time budgeted Employee averaging at least 30-hours of service per week;
- ii. A part-time budgeted Employee (RPT) averaging at least 20 hours of service per week;
- iii. An Elected Official, only while serving in their elected capacity; and
- iv. A non-budgeted Employee averaging at least 30 hours of service per week (medical plan only).

The Affordable Care Act defines a full-time Employee as an Employee who averages 30-hours of service per week. For the determination of full-time Employee status, the City uses the Look Back Measurement Method to determine if a City Employee reaches the level of a full-time Employee, as defined in the IRS regulations under the Patient Protection and Affordable Care Act (PPACA). The City's look back measurement period runs from October 15 – October 14. The Look-Back Measurement Method determines the status of a new Employee or an ongoing Employee as full-time or not for a future period (called a stability period) based on the average number of hours of service per week the Employee attained in a prior period (called a measurement period).

b. Eligibility for Dental Plan, Vision Plan, and other Employee benefits:

- i. A regular Employee or initial probationary Employee who works in a budgeted position averaging at least 20 hours of service per week;
- ii. An Elected Official, only while serving in their elected capacity.

2. Employees and/or Eligible Dependents who qualify for coverage as a dependent of another City employee are eligible for:

a. Medical, Dental, and Vision Plan benefits:

- i. Eligible Employees who are legally married to each other may both enroll as individuals, or one may enroll as a Dependent, but not both. See Administrative Regulation CM-50 - Retiree Benefit Plan Eligibility and Procedures for special rules for retiree coverage and eligible employees.
- ii. Eligible Dependent children of two City employees may enroll as Dependents of one Employee or the other, but not both.

b. Life Insurance benefits:

Each Employee may not have spouse and child voluntary life insurance coverage on the other Employee/Dependents.

c. Accidental Death & Dismemberment benefits:

Each Employee may not have spouse and child voluntary accidental death and dismemberment (AD&D) coverage on the other Employee/Dependents.

3. Employees & Child(ren) both employed by the City are eligible for:

Medical, Dental, and Vision Plan benefits:

Eligible Employees where both the parent and eligible dependent child both work for the City may both enroll as individuals or the child may enroll as an Eligible Dependent, if eligible, but not both.

4. For a City Employee killed in the line of duty and in the course and scope of City employment, the Surviving Spouse and Surviving Dependent Child or Children may continue their coverage under City-sponsored Medical, Dental, and Vision plans per City Resolution 4529.

5. An Eligible Individual will be enrolled when the Employee completes enrollment in a timely manner for themselves and their Eligible

Dependents, including providing proof of dependent status and paying any required contributions. (See Administrative Regulation CM-51 Proof of Dependent Status.)

B. Initial Enrollment and Benefit Eligibility Start Dates

1. Initial Enrollment is the first opportunity an eligible Employee is given an offer to enroll themselves and any eligible Dependents in the health plans offered by the City. Newly hired Employees are eligible for benefits the first of the month following their hire date. When offered the opportunity to enroll during an Initial Enrollment period, the eligible Employee must enroll before the effective date.
 - a. To “enroll” means to submit a completed enrollment application form to the City’s HR Division. If the Employee elects Dependent coverage, the Employee must provide the required proof of Dependent status and pay any required contributions for coverage.
 - b. Dependents cannot be enrolled unless the Employee is also enrolled.
 - c. If the eligible Employee declines the offer to enroll at the Initial Enrollment period, the Employee must wait to enroll under the Annual Open Enrollment period or Special Enrollment period (if the Employee is still eligible for plan enrollment at that time).
 - d. The Special Enrollment provisions of the Plan are detailed in Administrative Regulation CM-53 - Benefit Plan Mid-Year/Special Enrollment Changes.

2. Eligible Employee (and) their Eligible Dependents:

A newly hired eligible, budgeted Employee, working 20 or more hours of service per week, will become eligible for coverage on the first day of the Calendar month following their hire date.

Exceptions:

- a. If the Employee is in a non-budgeted position and receiving medical benefits and subsequently is hired into a full-time or part-time budgeted position with no break in service, there is no

additional waiting period for medical and there will be no break in coverage. The initial waiting period is still applicable to all other benefits.

3. Eligible Elected Official (and) Eligible Dependents:

An Elected Official shall become eligible for coverage on the first day of the calendar month following the date the member is sworn in.

4. Newborn/Adopted Child/Placed for Adoption (a special enrollment):

A child of a covered Employee or covered Dependent is eligible for coverage on the date of birth, date of adoption or placed for adoption. A child will be covered under the City's health plan for the first thirty-one (31) days following birth, adoption, or placement for adoption. In order to continue coverage for the child beyond the thirty-one (31) day period, the Employee must enroll or be enrolled in the City-Sponsored coverage. In addition, the Employee must properly enroll the child and other eligible Dependents by submitting the appropriate Mid-Year change request, required dependent verification documentation, and paying any required contributions. Failure to properly enroll a Dependent as a mid-year/special enrollment change will result in enrollment being delayed to the Annual Open Enrollment period. Contact the Plan Administrator to receive an adoption packet.

5. Spouse:

The effective date for a new spouse is the first of the month after the date of marriage if the Eligible Employee requests enrollment, in writing, within 31 days of the date of marriage. The Employee is required to properly enroll the new spouse by submitting the appropriate Mid-Year change request, required dependent verification documentation, and paying any required contributions; otherwise, the spouse may not enroll until the next Annual/Open Enrollment period, unless they qualify under permissible Administrative Regulation CM-53 – Benefit Plan Mid-Year/Special Enrollment Changes.

6. Other Children:

The effective date for a Dependent child who is not a newborn child, adopted child or a child placed for adoption shall be the same date as the Employee/Elected Official as long as the Eligible Employee properly

enrolls the Dependent within 31 days of the Employees Initial Eligibility Date, otherwise, the child may not enroll until the next Annual/Open enrollment period, unless the child qualifies under Administrative Regulation CM-53 – Benefit Plan Mid-Year/Special Enrollment Changes.

7. If enrollment is not completed by the Benefit Eligibility Start Date, the Eligible Employee shall receive coverage for “Employee Only” status under the Basic Life Insurance Plan, Employee Assistance Program, Short Term Disability, and the Travel Accident Plan. For all other benefit plans, including Medical, Dental, Vision, Healthcare Flexible Spending Account (HCFA), Dependent Care Flexible Spending Account (DCFA), Supplemental or Dependent Life Insurance Plan benefits, the Employee will not be eligible to request enrollment until the next Annual/Open Enrollment or Mid-Year/Special Enrollment change.

C. Chart Summarizing the Benefits Plans Available to Employees, Dependents of Employees, Surviving Spouse, Surviving Dependent Child and Legally Divorced Spouse:

Type of Benefit	Active Employees and Elected Officials	Dependents of Active Employees	Surviving Spouse	Surviving Dependent Children	Divorced Spouse
Medical Plan(s) (including outpatient & prescription drugs)	Yes	Yes	Yes	Yes	No, unless COBRA was elected.
Dental Plan(s)	Yes	Yes	Yes	Yes	No, unless COBRA was elected.
Vision Plan(s)	Yes	Yes	Yes	Yes	No, unless COBRA was elected.
Employee Assistance Program (EAP)	Yes	Yes	No	No	No, unless COBRA was elected.
Basic Life Insurance	Yes	Yes *for exclusions see Section A-2 (b) above.	No	No	No

Type of Benefit	Active Employees and Elected Officials	Dependents of Active Employees	Surviving Spouse	Surviving Dependent Children	Divorced Spouse
Life Insurance (Voluntary)	Yes	Yes *for exclusions see Section A-2 (b) above.	No	No	No
Accidental Death and Dismemberment (AD&D) Insurance (City paid)	Yes	No	No	No	No
Short Term Disability	Yes	No	No	No	No
Long Term Disability	Yes	No	No	No	No
Travel Accident Benefit	Yes	No	No	No	No
Flexible Spending Account (FSA)	Yes	No	No	No	No
Dependent Care Flexible Spending Account (DCFSA)	Yes	No	No	No	No
Health Savings Account (HSA)	Yes, if on qualified health plan	No	No	No	No
Retirement Health Saving Plan (RHSP)	Yes	No	Yes, if designated beneficiary	No	No

D. Declining/Waiving Coverage

Employees may decline/waive the opportunity to enroll for coverage during the Initial Enrollment period during the new hire enrollment process. The next opportunity to enroll for City-sponsored coverage is during the Annual/Open Enrollment period unless there is a Special Enrollment/Mid-Year Change Event (See Administrative Regulation CM-53). No additional compensation is paid to the Employee if benefit coverage is declined or waived.

E. Return to City Employment

If an Employee terminates their employment with the City, and is subsequently rehired, the Employee will be subject to the initial waiting period. Eligibility for benefits is determined by the City.

F. Reinstatement of Coverage for A Retiree's Return to Work

If a retiree returns to City Employment in a benefits-eligible position, the Retiree will be subject to the initial waiting period. If the retiree is enrolled in one or more of the City's benefit plans prior to returning to a benefits eligible position, the retiree will continue to pay the retiree rate during the initial waiting period for their existing benefits. The rehired retired Employee has the ability to make additions/changes to plans they have been enrolled in as a retiree during the benefits enrollment period. Once coverage begins as an active Employee, they will be subject to the active Employee premium structure.

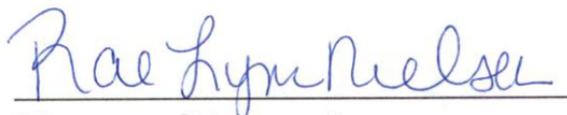
IV. RELATED FORMS:

- Life Event Change Form

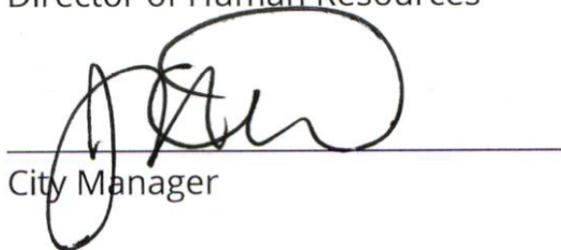
V. RELATED ADMINISTRATIVE REGULATIONS:

- CM-50 (Retiree Benefit Plan Eligibility and Procedures)
- CM-56 (City of Chandler Benefits Plans – Definitions and Required Notices)
- CM-51 (Proof of Dependent Status for City of Chandler Health Plans)
- CM-52 (Benefit Plan Termination)
- CM-53 (Benefit Plan Mid-Year/Special Enrollment Changes)

Attachments: N/A



Director of Human Resources


City Manager

1-1-2022

Effective Date