



POLICY

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| Title: | Eligibility for University Provided Benefits |
| Effective Date: | November 1, 2015 |
| Approved By: | President's Council |
| Responsible Party: | Vice-President for Administration |
| History: | |
| Related Documents: Affidavit of Domestic Partnership | |

I. PURPOSE

The purpose of this policy is to define the parameters by which University-provided benefits (other than paid time off) become available, the limits of these benefits and the conditions under which the benefits might become forfeited.

II. DEFINITIONS

Benefit Eligible Employee means an individual who is regularly scheduled to work at least 26 hours per week in a regular full time or regular part time job category. Such employees generally will be eligible to participate in the University provided plans (subject to the special eligibility requirements that may apply with respect to certain of those plans). Employees represented by a collective bargaining unit may be covered by a different plan offered by Salus to the extent plan benefits have been agreed to by the applicable union and employer. (See applicable current union contracts for more details.)

Eligible Dependents - No dependent coverage can be elected unless the employee has elected coverage through the University. Eligible dependents of University-sponsored medical and dental benefit plans are an employee's spouse (unless legally separated or divorced), eligible domestic partner, dependent child(ren), or individuals under a qualified medical support court order (QMSCO).

Eligible Spouse (including Same-Sex Spouses) - An individual who, together with the Benefits Eligible Employee, has entered into a legal marriage, which is officially recognized by the United States government for federal income tax purposes. The Employee and the Eligible Spouse are able to attest that their marriage has not been dissolved or ended by divorce.

Eligible Domestic Partner (including Same Sex) – An individual who, together with the Benefits Eligible Employee, meets all of the following criteria:

- a. Is in a relationship (same or opposite sex) of mutual support, caring, and commitment with the Employee, in which both intend to remain.
- b. Has been sharing a primary residence as partners with the Employee for at least six continuous months unless residing in different geographical areas on a temporary basis.
- c. Is not currently married to, nor part of a civil union or domestic partnership, with anyone else, and whose Employee Domestic Partner can attest to the same.
- d. Is at least 18 years of age or an emancipated minor.
- e. Shares joint responsibility for one another's common welfare and basic needs for at least six continuous months, as evidenced by at least two (2) of the following:
 - i. named parents in a co-parenting or adoption agreement
 - ii. joint mortgage, lease, or title
 - iii. joint ownership of motor vehicle or bank account or credit card account
 - iv. designation of domestic partner as a primary beneficiary of employee's life insurance, retirement benefits, or will
 - v. assignment of a durable Power of Attorney or Health Care Proxy to one another.

Eligible Dependent Child - Dependent children are defined as:

- A natural child
- A step-child
- A same-sex domestic partner's child
- A child legally adopted
- Or physically handicapped or mentally retarded children who are incapable of self-sustaining employment, regardless of age, provided they are covered prior to the maximum age otherwise applicable (additional information on Disabled Dependent Eligibility is below)

Eligible Disabled Dependent Child - If a dependent child is physically handicapped or mentally retarded, incapable of self-sustaining employment, regardless of age, they can be certified as a disabled dependent for medical coverage beyond the age of 26. If an employee believes that their dependent is still in a disabled status when their 26th birthday approaches, please contact the Employee Benefits Division for assistance in certifying a dependent as disabled.

The disability certification will be completed by the medical insurance carrier and communicated to the Employee Benefits Division for applicable coverage.

III. POLICY

Salus University provides a comprehensive package of benefits designed to allow eligible faculty and staff to create a program suited to their individual needs and the needs of their family. This policy outlines the eligibility requirements for benefits provided by the University. This policy does not apply to paid time away from work benefits.

University benefits are provided to all employees assigned to work at least .75 FTE (26 hours per week).

Depending on individual eligibility, the University offers healthcare coverage, dental coverage, flexible spending accounts, pre-tax transit and parking reimbursement, life insurance, disability coverage, tuition programs and more.

For a quick overview of the benefits and services available, please view the *Benefits at a Glance* (which can be found on the ADP Employee Portal). Not all benefits have eligibility requirements. Employees can obtain detailed information about each benefit by contacting the Human Resources Office.

IV. PROCEDURE

Enrollment of Eligible Employees, Spouses, Domestic Partners, and Dependents -

Enrollment in benefits must take place within 31 days of an employee first becoming eligible for benefits, during an annual open enrollment period or within 31 days of an appropriate qualifying life event. All necessary forms and required documentation must be submitted to the Human Resources Office within this time period.

Eligible Employee - Coverage becomes effective on the first of the month following date of hire, provided all the necessary enrollment forms are completed electronically using the Salus On-Boarding Portal no later than thirty-one days from a new employee's date of employment.

Eligible Dependents – Dependents are eligible for coverage on the day the eligible employee's coverage begins, or at the time they become eligible dependents due to an IRS-qualifying life event change. These life event changes are listed below under the topic of Adding and Removing Dependents Mid-Year.

No dependent coverage can be elected unless the employee has elected coverage through the University. Eligible dependents of University-sponsored benefit plans are an employee's spouse (unless legally separated or divorced), domestic partner, dependent children, or individuals under a qualified medical support court order (QMSCO).

Eligible Spouse (including Same-Sex Spouses) - University-sponsored benefits are extended to legal spouses of Salus University employees. An employee may cover his/her dependent spouse even if that dependent spouse also is an employee of the University. However, no one is eligible to be covered as a spouse, dependent, or domestic partner under a University-sponsored plan if he/she already is covered as an employee under a University-sponsored plan, or vice versa.

Due to legal changes as a result of the Defense of Marriage Act (DOMA), same-sex spouses of employees are eligible for benefits, deducted as a pre-tax benefit from the employee's paycheck, as long as the individuals were married within a state that legally recognizes same-sex marriages.

Eligible Domestic Partner - University-sponsored benefits are extended to domestic partners of Salus University employees and associated children. In order to be eligible for University-sponsored benefit plans, the domestic partner must file an Affirmation of Domestic Partnership. An employee may cover his/her dependent spouse even if that dependent spouse also is an employee of the University. However, no one is eligible to be covered as a spouse, dependent, or domestic partner under a University-sponsored plan if he/she already is covered as an employee under a University-sponsored plan, or vice versa.

The Affirmation of Domestic Partnership will remain in effect until the domestic partnership ends. It is the employee's immediate responsibility to notify the Human Resources Department if a domestic partnership dissolves.

Normally, the IRS does not allow an employee to pay for healthcare coverage for a domestic partner on a pre-tax basis. However, recent legislative changes now provide the ability for an employee's share to be made on a pre-tax basis if the couple were married in a State where same-sex marriage is legal. Also, the employee's share of the healthcare coverage for their same-sex domestic partner can be made on a pre-tax basis if the same-sex domestic partner is a legal tax dependent under Tax Code section 152.

Please note that all documentation regarding domestic partnerships will remain in Human Resources Office. All information contained on these documents is kept CONFIDENTIAL.

Eligible Dependent Child - An adult dependent child of an employee is eligible for coverage up to the age of 26. Eligibility is regardless of whether he/she qualifies as the employee's tax dependent, is a full-time student or is married.

Note: If the adult dependent child of the employee is married, only the adult dependent child of the employee will be eligible for coverage.

Dependent children are covered until the end of the calendar year in which they turn 26 on medical and dental insurance. Notification is sent to the employee from the insurance carrier approximately 45 days prior to a dependent child turning age 26. This notification includes information concerning a dependent child who may be eligible to continue coverage if that dependent is mentally or physically handicapped, so as to be incapable of earning a living when coverage would normally terminate due to age. After a dependent child is no longer eligible, the dependent child will receive information from the University's insurance broker regarding continuing benefits under COBRA.

The newborn child of a covered employee will be covered immediately from birth for the first 31 days if (1) the employee was covered under the Plan on the child's date of birth, and (2) the newborn meets the definition of eligible dependent. Notice of the birth sent to the Plan Administrator does not add the newborn to the employee's medical or dental plan. In order for the newborn to have coverage beyond the first 31 days, the employee must add the dependent to existing coverage via the Employee Self-Service Portal (ADP) within 31 days after the child's birth (even if the employee is currently enrolled in Family or Employee/Child coverage).

Open Enrollment

Open Enrollment is an annual process that affords employees the opportunity to enroll in new medical and/or dental plans or make changes to their existing coverage effective November 1. Changes to flexible spending accounts and other elected benefits occur at this time annually as well.

If an employee does not wish to change their prior elections, the employee does not need to re-enroll during Open Enrollment (i.e., the employee's previously selected medical and dental benefits will remain in effect through the following plan year – November 1 through October 31.)

However, elections for Healthcare and Dependent Care Flexible Spending Account (FSA) plans must be re-initiated every plan year otherwise elected deductions cease.

Adding and Removing Dependents Mid-Year

Outside Open Enrollment, a dependent can be added or removed only if the employee experiences an IRS-defined life event changes. Changes must be made within 31 days of the date of the life event change. After that time, the employee must wait until the next Open Enrollment.

The following is a summarized list of IRS-defined life event changes:

- Employee's legal marital status changes, due to marriage, divorce, legal separation, or the death of a spouse;
- Employee's change in relationship status due to establishing a same-sex domestic partnership;
- A change in the number of dependents an employee wishes to cover, due to birth, legal adoption, a qualified medical support court order (QMSCO), or death;
- Changes in employment status of the employee, such as moving from full-time to part-time employment;
- Changes in employment status of a spouse or same-sex domestic partner, which can include the ending of their employment, new or different working hours resulting in a change of their employer-sponsored benefits, a benefit change due to a strike, a benefit

change for them due to a change in work hours, or if they begin an unpaid leave of absence resulting in a change of benefits;

- A dependent who becomes ineligible for the benefit plan due to age, student status, or by obtaining coverage via other means

Termination of Coverage

Coverage for an Eligible Employee, Spouse, Domestic Partner, or Dependent will be terminated upon the date he or she no longer meets the eligibility criteria for benefits (e.g., date of divorce, dissolution of marriage, civil union or registered domestic partnership, or the earliest date the Domestic Partner criteria are no longer met, as applicable). Eligible Employees must notify the Office of Human Resources and submit all necessary forms and required documentation within 31 days of the date their covered Spouse, Domestic Partner or Dependent no longer meets the eligibility criteria.

Eligible Employees may voluntarily terminate coverage for themselves or their Eligible Spouses, Domestic Partners, and Dependents during an annual open enrollment period or within 31 days of an appropriate qualifying life event. For qualifying life events, benefits will be terminated as of the date of the event provided all necessary forms and required documentation are submitted to the Office of Human Resources within the 31 day time period.

An Eligible Spouse's or Domestic Partner's open enrollment that includes new coverage options not previously available is considered a qualifying life event for voluntarily terminating coverage.

Duty to Notify of Ineligibility

The employee is responsible for notifying the University in writing of any change that affects the employee's dependent eligibility, for example, marriage or divorce. An enrollee ceases to be a covered dependent of all employee benefit plans on the date the enrollee no longer meets the definition of a dependent, regardless of when notice is given to the University. The employee is responsible for notifying the University in writing within 31 days to initiate any reduction in premium contribution.

Special Eligibility Provisions - In addition to the eligibility requirements listed above, other University-sponsored benefit plans have special eligibility provisions. Such plans include:

- Employee Tuition Reimbursement;
- Dependent Tuition Remission for dependent attendance at the University;
- University-Provided Retirement Contributions;
- Long Term Disability Income Protection; and
- Life Insurance and Accidental Death and Dismemberment plans.

Special benefit eligibility requirements also exist for retirees and certain employees represented for collective bargaining purposes. Special eligibility requirements that apply with respect to a particular benefit can be obtained from the Office of Human Resources.

NOTE: If there is any inconsistency between this policy (or any policy referred to in this policy) and the terms of the applicable University employee benefits plan, policy, or program, the terms of that applicable plan, policy, or program will control.

Salus University reserves the right at any time to modify the plans, policies, or procedures described herein. However, Salus makes every effort to notify all affected members when such changes or modifications are being considered and made.