

WEST LIBERTY UNIVERSITY BOARD OF GOVERNORS
POLICY 39: GROUP INSURANCE

STATEMENT:

The following programs are made available to all eligible employees through the Human Resources Department. Payroll deduction for any required premiums are made over a nine or twelve-month period, depending upon the length of the individual's appointment. For insurance benefit purposes, "full-time eligible employee" means any employee with an FTE of .53 or more. Questions regarding insurance benefits and eligibility may be directed to the Human Resources Department.

BENEFIT CHOICES:

Public Employees Insurance Agency (PEIA) coordinates all health care programs and life insurance programs for the state of West Virginia. PEIA offers several managed care health plan options, a PPO and a PPB plan Listed below are brief descriptions of the various types of insurance benefit programs.

1. HEALTH MAINTENANCE ORGANIZATIONS (HMO)

A Health Maintenance Organization is a managed care plan which not only pays for health care but provides the care as well. Each person who joins an HMO must select a network doctor to be his or her primary care physician (PCP), and the PCP coordinates all the member's health care needs.

2. PREFERRED PROVIDER ORGANIZATION (PPO)

A Preferred Provider Organization Plan is a healthcare plan that uses a network of providers to provide care. To get the highest level of benefit you must use these network providers. PPOs also offer members a reduced out-of-network benefit which enables members to use the provider of their choosing although the member will pay more of the cost if using a non-network provider with plan approval. Each PPO has its own network of healthcare providers; PPOs do not require members to choose a primary care physician to coordinate their care.

3. PREFERRED PROVIDER BENEFIT PLAN (PPB)

The PEIA PPB Plans are PPO plans that cover care based on where you live, and where you receive your care. If you live in WV or a bordering county of a surrounding state, care provided by participating network physicians is generally covered at 80%, Care provided by non-participating physicians is covered at 60%, unless prior authorization is provided.

4. MOUNTAINEER FLEXIBLE BENEFITS

Mountaineer Flexible Benefits is a "cafeteria plan" which offers additional optional benefits such as dental, vision and disability insurance, as well as a medical care and dependent care flexible spending account.

5. EMPLOYEE PREMIUMS

Employee premiums are subject to the rules and restrictions contained within the individual plan coverage. Certain changes to premium amounts may not be possible except for certain "qualifying events" during the plan year. IRS Code section 125 pre-tax premiums have these restrictions.

6. OPTIONAL LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

If an employee wants more protection than the basic life insurance policy provides, there are several choices. Optional Life and AD&D insurance allow you to insure your family members. Note: An employee must be enrolled in Basic Life to be eligible for Optional Life coverage. Coverages range from \$5,000 to \$500,000.

7. OPTIONAL DEPENDENT LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

Dependent Life and AD&D insurance allows you to insure your family members. This coverage is as follows depending on the plan and level you select:

- a. Spouse is covered for \$5,000, \$10,000, \$15,000 or \$20,000
- b. Each child is covered for \$2,000, \$4,000, \$7,000 or \$10,000

NOTE: The employee must be enrolled in Optional Life before the dependents are eligible for Dependent Life.

* Some premiums depending on insurance chosen may be paid on a pre-tax basis. Premiums may also vary depending on the insurance plan and the coverage level chosen.

8. COBRA BENEFITS

When an employee's position is terminated for any reason other than gross misconduct, or if an employee's work hours are reduced to the extent that eligibility for health benefits is lost, the University allows the employee and dependents covered at the time the "qualifying event" occurs to continue to access health coverage for a maximum of 18 months by paying the full premium then in effect.

In the event an employee should die, become divorced or legally separated, or become eligible for Medicare, dependents were covered at the time of the qualifying event may continue to access health coverage for a maximum of 36 months by paying the full premium then in effect.

The continuation option applies only to medical benefits; there are no extension provisions for employee or dependent life insurances. PEIA's COBRA program is administered by Healthsmart Benefit

Solutions. All eligible employees and dependents will receive a detailed notice of their COBRA rights at the time of the qualifying event. An election to continue coverage must be made within 60 days of the end of the group coverage. Managed care participants will be given the same continuation options as those plan members covered by the PEIA PPB Plan. Coverage under COBRA will cease under these circumstances if the participant:

- Becomes a member of another group plan
- Becomes entitled to Medicare
- Fails to pay the premium

Approved by the WLSC Board of Governors on 12/11/06.