

Rules and Regulations – Guidelines for Enrollment

These rules and regulations apply to employees of the City of Albuquerque and government entities that have elected to participate in the same insurance plans. There may be differences in eligibility between entities. For example, not all governing bodies of the entities have approved allowing an employee's domestic partner and his/her children to be eligible for insurance coverage. Entities also differ in the employer contribution towards insurance premiums. Please check with your employer's Benefits Office for clarification. Employees with family members working for any participating entity may not double cover any family member on the same group insurance plan.

Who is Eligible:

- Regular employees (including those on probation)
- Elected officials
- Legal spouse of an employee
- Domestic Partner of an employee*
- Children who are under age 26 AND meet at least one of the following criteria:
 - Natural child of the employee, spouse or domestic partner
 - Placed in the employee's home and in process of being adopted by the employee, spouse or domestic partner
 - Adopted by the employee, spouse or domestic partner
 - Court order that requires the employee, spouse or domestic partner provide health insurance coverage for the child
 - Court document that shows the employee, spouse or domestic partner has full, permanent custody of the child
 - Children over age 26 may **continue** participating in the group insurance plans if they are physically or mentally disabled and are not eligible for any other plan. This continuation is subject to normal enrollment guidelines and documentation approved by the insurance carrier.

* A domestic partner is defined as a person of the same or opposite sex who lives with the employee in a long-term relationship of indefinite duration and has not been married to anyone during the previous 12 months. There must be an exclusive mutual commitment similar to that of marriage, in which the partners agree to be financially responsible for each other's welfare and share financial obligations. These benefits are also available to the domestic partner's children provided that the child meets the definition of eligibility stated above. Note the criteria and required documents in the *Changing Benefit Elections* section.

Benefit Options:

Options vary by participating entity but may include:

Medical Insurance	Auto & Home Insurance
Dental Insurance	Legal Insurance
Vision Insurance	Short Term Disability Insurance
Term Life Insurance	Long Term Disability Insurance
Short Term Loan Program	Accident/Critical Illness Insurance
Flexible Spending Accounts (Medical, Dependent Care, Parking/Transit)	

Coverage Options

Employee Only
Single Parent

Employee Plus Spouse or Domestic Partner
Family

Changing Benefit Elections and Qualifying Life Events:

Many of the rules for enrollment and eligibility are made by the Internal Revenue Service because they allow your salary to be reduced by the premiums you pay before taxes are calculated (Internal Revenue Code Section 125.) Only medical, dental, vision and flexible spending account benefits listed on the previous page are deducted on a pre-tax basis. Other benefit options are post-tax. Important rules to know are:

Once you have made an election during your initial enrollment period of 31 days from your hire date then you are **locked into that decision until the next open enrollment.**

Exceptions to this are qualifying life events. Please note: Qualifying Life Events do not allow you to change your Presbyterian Gym Membership election. The only time to elect participation, or disenrollment, is during open enrollment.

You must provide documentation of the Life Event and log into PeopleSoft Employee Self Service (ESS) to enroll within **31 days of the Life Event.** Documents should be scanned and you will be prompted to upload them during your Life Event entry in ESS. Qualifying Life Events and acceptable documents are:

- **Marriage** - Most Recent Tax Return or
 - Marriage Certificate and 2 joint financial statements
- **Domestic Partnership meeting eligibility requirements** – Affidavit* and three proofs of financial interdependence
- **Termination of Domestic Partnership agreement – Affidavit of Termination of Domestic Partnership form must be complete.**
- **Divorce** – Court issued, date stamped, divorce decree (Ex-spouses are ineligible for coverage after the divorce except through COBRA. Divorce not reported timely may result in full responsibility of claims and loss of COBRA rights.)
- **Birth** – Hospital certificate/ Proof of birth is acceptable to add your dependent. Birth certificate is required upon receipt
- **Death** – Death certificate
- **Change in employment status** affecting benefits eligibility (for you or your spouse) - Letter/form from employer that is notification of the job change, coverage ending or new eligibility period of your Spouse/Domestic Partner's employer
- **Open Enrollment** – If you are adding a dependent for which you have not yet established proof of your relationship then you must do so at this time.
 - Most Recent Tax Return or
 - Marriage Certificate and 2 joint financial statements
- Birth Certificate for Dependent Child(ren)
- Court Order
- **Involuntary loss of coverage** – Official notification of involuntary loss
- **Dependent child losing eligibility** - Official notification of loss
- **Dependent change of residence** that affects benefits eligibility - Documentation of the change or a letter explaining the change
- Dental Insurance Only – **dependent child between the ages of 2 and 3** may be added to a plan in which you are already enrolled – you must submit a written request

* The **Affidavit of Domestic Partnership**: is a City form and legal document in which both the employee and the domestic partner swear that they meet the following criteria:

- Both are unmarried and have been for at least 12 months
- Reside in the same residence for at least 12 months and intend to do so indefinitely
- Meet the age requirements for marriage in the state of New Mexico
- Are not related by blood to the degree prohibited in a legal marriage in the State of New Mexico
- Are financially responsible for each other's welfare and share financial obligations

In addition to the notarized affidavit, **three** of the following documents are also required.

- Joint lease/mortgage or ownership of property
- Jointly owned motor vehicle, bank **or** credit account
- Domestic partner named as beneficiary of the employee's life insurance
- Domestic partner named as beneficiary of the employee's retirement benefits
- Domestic partner named as primary beneficiary in the employee's will
- Domestic partner assigned as power of attorney or legal designee by the employee
- Both names on a utility bill
- Both names on an investment account

Adding a Domestic Partner can be done through Employee Self Service (ESS). The Affidavit of Domestic Partnership can be found on the City's website at cabq.gov/benefits

The Federal Government does not recognize domestic partners as qualified dependents and therefore the premium paid for their coverage cannot be pre-tax. In addition, the employee must pay tax on the portion of the premium paid by the city for the domestic partner and his/her covered children. Employees wanting to change benefit elections involving a domestic partner must adhere to the same rules regarding qualifying events.

Delayed Enrollment: Missing the initial enrollment period, 31-day qualifying event period, or the annual open enrollment period, may result in **delayed enrollment**, a delay in notification of loss of coverage and **paying for coverage no longer provided (such as for an ex-spouse.)** Alternatively, delayed entry may result in double deductions for premiums due for backdated coverage. The effective date will depend on the event.

Name/Address Changes: It is important to keep your employer and the insurance plans informed when you experience a name and/or address change to prevent a disruption of service and receipt of important policy information. Please make updates yourself through PeopleSoft Employee Self Service. Address changes in ESS will automatically be communicated to the vendors. An employee's name change requires uploading a Social Security Card with the new name on it.

Effective Date of Coverage, Changes and/or Terminations:

New Employees – Coverage begins on your hire date which is the first day of the pay period. Pay periods begin on Saturday and are two weeks long. New Employee Orientation (NEO) is usually held on Monday following the beginning of a pay period. You have 31 days from your hire date to complete the online enrollment process and upload verification of dependent eligibility.

Qualifying Life Events – Coverage begins on the first day of the pay period following your event date. Three exceptions to this are for the birth of a child, marriage and divorce. The coverage begins on the date of birth if documentation and online entry are completed within the 31-day enrollment period. Delaying the entry of a Life Event may result in extra deductions for premiums due. Losing or gaining eligibility for Medicaid allows a 60-day enrollment period.

An ex-spouse or domestic partner is *not eligible* to continue participation in the insurance program, except through COBRA (see the next page). Therefore, when the divorce decree is uploaded into PeopleSoft and the Divorce Life Event is entered, the end of coverage will be back dated to the day following the court stamped date on the decree.

- **Reinstatement** – An employee who is terminated from the City and subsequently reinstated is eligible to re-enroll in benefits through ESS by selecting the Life Event “I had a Life Status Change Not Listed Above.” The required document is the letter of reinstatement. The effective date of coverage will be the first day of the pay period following the reinstatement.
- **Open Enrollment** – This is a three-week (or longer) period established annually (usually in May/June) that allows all benefits eligible employees to make changes to their benefit elections without having experienced a qualifying life status change. Annual premium changes also occur at this time and will automatically be updated on the 1st paycheck containing July 1st, without you having to make a new election.

Benefit changes elected during open enrollment are effective on July 1st or if you are cancelling coverage then the last day of coverage will be June 30th. It is the only time to make benefit changes without a Qualifying Life Event.

Effective 7/1/2016 Presbyterian Health Plan offers the option of a gym membership for no additional premium. **The only time to elect participation, or disenrollment, is during open enrollment.**

- **Termination of Coverage** – Insurance ends at the end of the pay period in which the event occurs. Exceptions to this are:
 - Retirees’ coverage stops at the end of the month prior to the PERA retirement date
 - Dependents reaching the age limit lose coverage at the end of the month after their 26th birthday
 - Ex-spouses lose coverage the day after the divorce is final
 - Domestic Partners lose coverage the end of the pay period in which the termination notice is signed.

Double Coverage:

Neither you, nor your spouse, domestic partner nor dependent child who works for the City, or one of our participating entities (i.e. Town of Bernalillo), may be double covered on medical, dental, vision or voluntary term life. The only exception to this is when you or your spouse/domestic partner is retiring or terminating and the only alternative to double coverage is a gap in coverage. Double coverage can last no longer than two weeks with proper documentation.

Insurance Premium and Benefit Plan Participation Payments:

The City pays a substantial portion of medical, dental and vision premiums regardless of the coverage options you elect. Your benefit payments are deducted for coverage during the same two week period for which you are paid. Your earnings are reduced by your portion of the medical, dental and vision insurance premiums before Federal, State and FICA taxes are calculated, thereby saving you money.

Leave Without Pay/FMLA/Military Leave:

Employees are responsible for paying their Group Health Premiums regardless of receiving a paycheck. This means if your employment status is "active" and you do not receive a paycheck then you will be responsible for paying the employee AND the employer portion of your medical, dental, vision premiums, and also your current deduction(s) for other supplemental benefits in that period. You will be responsible for making payment arrangements through the Insurance and Benefits Office (contact information is provided in the back of this booklet). Payment arrangements depend on the situation and will be reviewed on an individual basis. Failure to either make payment arrangements or to make timely payments will result in cancellation of benefits back to the end of the pay period for which the premiums were paid.

NOTE: You are exempt from having to pay the employer's portion if you are on military leave or approved leave under the Family Medical Leave Act.

COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) is the federal law that allows the employer to offer continued participation in medical, dental, and/or vision group insurance coverage if your employment terminates (18 months maximum) or your covered dependent loses eligibility (36 months maximum.) The Insurance & Benefits Office monitors when dependent children are approaching the end of eligibility on the last day of the month in which they turn 26 and will automatically cancel their coverage and have the notification of COBRA options mailed to them. Domestic partners of employees are eligible to continue coverage under COBRA when their eligibility ends under the active employee plans. Electing to continue coverage must be made within 60 days of the date eligibility was lost on the active employee plans or from the notification of the loss of coverage. Therefore, continued coverage will be offered to children losing eligibility or ex-spouses of employees whenever you submit documentation of the qualifying event. However, all the months since the coverage ended must be paid in order to reinstate coverage. The cost of the coverage is 102% of the full monthly premium. You will receive written notification of your rights and responsibilities after you upload documentation into PeopleSoft when you or your dependent experience an event that qualifies. Additional information is available in the Insurance and Benefits Office and on the City's website.