

3 - EMPLOYEE BENEFITS

3.12 - Group Insurance Benefits – Continuation or termination of insurance when no longer employed by the City

Revised: July 1, 2007

If this policy is in conflict with any law or any Insurance Plan Document in effect, then the provisions of that law or that Document shall apply.

TERMINATING INSURANCE

Coverage in the group medical/dental and life plans ends at midnight of the last day of the month that employment ends unless coverage is continued under COBRA or similar legislation, or continued in accordance with the following provisions.

DEFINITIONS

- 1) **RETIREMENT** shall be defined **only** as "normal" retirement as defined by IPERS for employees covered by that retirement system or "service retirement" as defined by the Code of Iowa for employees covered by the Municipal Fire and Police Retirement System of Iowa.
- 2) Termination of employment due to **DISABILITY** with at least 15 years of continuous service due to either:
 - a) Ordinary disability retirement or accidental disability retirement as defined by the Iowa Code for employees covered by MFPRSI (Municipal Fire and Police Retirement System of Iowa) **or**
 - b) Retirement due to disability and the employee is eligible to receive federal Social Security payments

CONTINUATION UPON RETIREMENT OR DUE TO DISABILITY

Non-union City employees who are covered by the City's group medical/dental plan and life insurance on the day prior to retirement or termination of their employment due to a disability are eligible to continue their existing group coverage.

The City pays 50% of the premium for non-union employees (including spouse and eligible dependents covered by the plan) who have at least 15 years of continuous service in a position that was eligible for insurance benefits and who retire after July 1, 1980.

CONTINUATION UPON LEAVING CITY EMPLOYMENT WITH AT LEAST 15 YEARS OF SERVICE

A non-union employee who leaves City employment with at least 15 years of continuous service in an employment classification that was eligible for insurance coverage is allowed to continue existing group coverage. The employee will pay 100% of the premium. The affected individuals must have been covered by the plan on the day before the termination of employment occurs, unless other laws apply.

Individuals covered by this provision are not eligible to continue Life and Accidental Death and Dismemberment (AD&D) coverage in the group plan, however, notification of that option will be given if the insurance carrier provides for conversion or portability of that coverage.

MISCELLANEOUS PROVISIONS

An employee who is eligible to continue group insurance coverage after retirement or the end of employment but elects not to continue coverage or who later discontinues coverage will not be allowed to re-enroll.

An employee, who upon retirement or termination of employment, elects to continue group coverage may not increase that level of coverage unless other laws apply.

Temporary continuation of health coverage (COBRA) due to other circumstances will be offered in accordance with Federal and/or State regulations.