



City of Albany
Administrative Policy
Benefits & Compensation
Policy #: HR-BC-09-007
Title: General Benefits

Human Resources

Purpose

The City of Albany provides health and welfare benefit programs, which include medical, pharmacy, dental, and vision coverage for employees and their eligible dependents, flexible spending account, life insurance, long-term disability, deferred compensation, and Public Employees' Retirement System (PERS)/Oregon Public Services Retirement Program (OPSRP) retirement programs.

Policy

Eligible Employees:

All City of Albany regular employees scheduled to work 20 or more hours per week are eligible to enroll in insurance benefits established in this policy. Provisions of collective bargaining agreements prevail for bargaining unit employees.

Temporary employees on the City's payroll, who are regularly scheduled to work 30 or more hours per week, are eligible to enroll in the City's temporary employee health insurance plan.

All regular part-time employees scheduled to work less than 20 hours per week, temporary City employees scheduled to work less than 30 hours per week, and temporary services workers contracted through a temporary agency are not entitled to insurance benefits.

Temporary employees on the City of Albany's payroll regularly working less than 30 hours per week, may become eligible for health insurance if they have been employed a minimum of one year (the qualifying measurement period) and worked an average of 30 hours per week looking back over the measurement period.

All regular employees are eligible to participate in health care benefits if they are in paid status for a minimum of 80 hours in a month.

All regular employees are eligible to participate in the City Match Deferred Compensation Program.

Notification of Employee Changes

It is the employee's responsibility to notify the Human Resources Department within 30 days of any and all personal changes that would affect the employee's insurance benefits and benefit records. These changes include but are not limited to:

- Births, deaths, marriages, divorces, and adoptions
- Addition or removal of domestic partner
- Name, address, and telephone number
- A dependent who is no longer eligible for coverage due to reaching age 26.
- Other changes affecting payroll deductions

Employees who do not comply with this requirement and for whom the City pays insurance premiums for ineligible dependents may be required to reimburse the City for those expenditures.

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Benefits Include:

Medical, Dental, and Vision Insurance

The City of Albany provides health insurance coverage for employee and eligible dependents. See specific insurance summary booklets for further explanation.

Employees shall pay a medical insurance premium contribution as determined by the Human Resources Director annually.

The City’s health insurance plan for City temporary employees is a medical-only plan. Employees may elect employee-only or employee and child(ren) coverage. Spouse coverage is not offered under this plan. Employee-paid share of the premiums will be nine and one-half percent (9.5%) of the employee’s salary, not to exceed fifty percent (50%) of the total premium.

All medical records are maintained by the City of Albany’s insurance providers and are considered confidential medical records. The City will abide by the Federal Health Insurance Portability and Accountability Act (HIPAA) privacy standards law requirements.

Continuation of Health Insurance under Consolidated Omnibus Budget Reconciliation Act (COBRA) will be made available to terminating employees. There are qualifying events that entitle an employee to continue participating in the City of Albany’s group health insurance plans for a prescribed period of time, usually 18 months, after leaving the City’s employment. (In certain circumstances, such as employee’s divorce or death or a dependent ceasing to be eligible for coverage, the length of coverage period may be longer for qualified dependents.) COBRA coverage is not extended to employees who are terminated for gross misconduct.

Medical Savings Account (VEBA Trust)

All eligible Nonbargaining employees participating in the City’s current medical health insurance plan will be enrolled in the established Voluntary Employee Beneficiary Association (VEBA) Trust.

The City will make employee VEBA contributions in January of each calendar year in an amount to be determined by the Human Resources Director annually. Annual contributions to an employee’s account are dependent on the employee’s health insurance enrollment status. Deposited funds will be made available to each employee pursuant to the provisions stipulated by the IRS and the VEBA Trust agreement.

Participating employees will be responsible for any individual account-related VEBA Trust fees, i.e., administrative-, asset-based-, debit card-, and government-related fees and or taxes. *(This list is intended as illustrative examples only of the*

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various types of fees that may be accessed to an individual's account.)

- **New Employee**
A newly eligible employee will have the appropriate contribution made into the VEBA Trust account the first of the month following hire. The first contribution to an employee's account will be dependent on the employee's health insurance enrollment status the month the enrollment is effective.

- **Qualifying Event Status Changes**
A mid-year health plan enrollment or status change based on a qualifying event (i.e., adding or dropping dependents) may result in additional funds being added to an employee's VEBA account; however, funds will not be taken away mid-year should dependents be dropped due to a qualifying event.

- **Terminating Employee**
A terminating employee will retain their VEBA Trust account but will not be eligible for continued annual City contributions to the account. If an employee terminates from employment and returns to the City of Albany within the same calendar year as a regular status employee eligible for healthcare benefits, they will not be eligible for a second contribution in the same calendar year.

Annual VEBA Contributions:

Insurance Enrollment Status Effective January 1, 2022	Annual VEBA Contribution
Employee Only	\$1,000
Employee + Child (ren) Employee + Spouse Employee + Family	\$2,000

NOTE: See HR-BC-14, Sick Leave Policy for additional VEBA benefit information.



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Life Insurance

City paid basic group life insurance for Nonbargaining employees shall be two times the employee's annual salary up to \$150,000. Provisions of collective bargaining agreements prevail for bargaining unit employees.

Supplemental life insurance is available for all benefits-eligible employees to purchase. Coverage for spouse and dependent children is also available to purchase.

Medical Expense & Dependent Care Reimbursement

The City of Albany offers a Flexible Spending Account Plan that was established under Section 125 of the Internal Revenue Code. Flexible spending accounts allow participants to be reimbursed for certain eligible health and dependent care expenses with before tax dollars.

Long-Term Disability

The City of Albany provides eligible employees coverage under a Basic Long-Term Disability (LTD) plan. The plan provides partial income protection for you in case of loss of income due to a lengthy disability. LTD benefits are coordinated with PERS, Social Security, Workers' Compensation and other sources of income to replace a portion of your pre-disability earnings. To file a claim, please contact the Human Resources Department.

Workers Compensation

The City of Albany provides workers compensation insurance coverage for all temporary and regular City employees under the provisions of the Oregon State Workers' Compensation Act for injuries received while at work for the City. Employees must notify their supervisor and Human Resources of any workplace injuries, illnesses, or exposures regardless of whether the employee intends to file a workers compensation claim. To file a claim, please contact the Human Resources Department.

Deferred Compensation

Deferred Compensation is a voluntary plan available to eligible employees to help save for retirement on a pre-tax basis. Deferred compensation for public employees is allowed and regulated under Internal Revenue Code (IRS) Section 457.

City Match Program-

All regular City employees are eligible to participate in the City's deferred compensation match program. Employee's may enroll or decline participation at any time. Participation in the City's match program is as follows:

1. Nonbargaining employees who contribute one percent (1%) or more of their monthly base salary into one of the City's deferred compensation programs will receive a match of up to a maximum

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- of one percent (1%) of their monthly base salary.
- 2. Provisions of collective bargaining agreements prevail for bargaining unit employees.

Public Employee Retirement (PERS/OPSRP)

Under the Public Employee Retirement System, eligible employees whose employment status is regular, probationary, limited duration or trainee and who have worked at least six months and 600 hours are members of PERS if hired prior to August 29, 2004. Employees hired after August 29, 2004, are members of the Oregon Public Service Retirement Program (OPSRP).

The City of Albany makes a monthly contribution to PERS/OPSRP on eligible employees' behalf. All employees who are eligible members of PERS/OPSRP are part of the OPSRP Individual Account Program (IAP). Effective January 1, 2005, Tier one and Tier two members' employee 6% pre-tax annual salary contribution will be contributed according to PERS legislation. In addition, the City contributes an actuarially determined amount to PERS/OPSRP based on an annual valuation of plan costs.

The Oregon Public Employees Retirement System (PERS) and Oregon Public Service Retirement Program (OPSRP) publish a Member Help Section online that describes the rules and benefits of the system. For additional information please go to the PERS website at: <https://www.oregon.gov/pers/Pages/index.aspx>.

When an employee meets the member eligibility conditions for PERS/OPSRP retirement, an employee is eligible to retire with benefits earned under the PERS/OPSRP retirement plan.

For more information regarding any of the City's benefits, please contact the Human Resources Department.

NOTE:

An employee must complete all applicable enrollment forms in order for a City-paid or employee-paid benefit to take effect.

Definitions

N/A

References

Refer to specific Collective Bargaining Agreements.

Refer to Member Benefit Handbooks-



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BlueCross/BlueShield
 PacificSource Source
 ODS Health Plans

Refer to Summary Plan Document-

PacificSource Administrators 125 Flexible Spending Account

Refer to Insurance Policies:

HIPAA Privacy Practices Policy
 Standard Insurance Life/AD&D Policy
 Sunlife Insurance Policy
 HR-BC-14-011, Sick Leave
 HR-ER-12-002 Types of Appointments

Retirement Information:

PERS/OPSRP Member Handbook
 Nationwide Retirement Solutions 457 Deferred Compensation Plan
 ICMA 457 Deferred Compensation Plan

Review and Authorization

Supersedes: HR-BC-09-006, 12/01/2019	Created/Amended by/date: HR; 11/30/2021	Effective Date: 12/01/2021
HR Director: <i>Signature on File</i>		City Manager: <i>Signature on File</i>

1. Form or worksheet revision related to this document? No Yes

If yes, attach a copy of the revised form or worksheet.

2. Training required? No