

Human Resources
Employee Benefits
Medical and Dental Plans

This regulation supersedes Regulation 4730.5.

I. PURPOSE

To provide general information on deductions, enrollment, change, and/or cancellation of participation in the medical and dental plans offered by Fairfax County Public Schools (FCPS).

II. SUMMARY OF CHANGES

- A. Section IV. includes the number of deductions for biweekly employees.
- B. Section V. clarifies dates of open enrollment.
- C. Section VI.G. clarifies a qualified status change.
- D. Section VII. requires both husband and wife to be enrolled together in the same plan to qualify for lower rates.
- E. Section VIII. clarifies the meaning of dependent for medical and/or dental coverage.
- F. Section IX. clarifies when an employee is liable for claims.

III. AVAILABILITY OF MEDICAL AND DENTAL PLANS

The School Board may offer medical and dental plans to benefit-eligible employees as described in the current version of Regulation 4710. Contribution rates for each plan are published annually during the open enrollment period. Unless otherwise announced, rate changes are effective January 1.

IV. DEDUCTIONS

Deductions are made once per month for employees who are paid monthly, and the annual deduction amount is taken equally over the length of the employee's contract. Therefore, an employee working a 10-month contract will have ten deductions. Employees who are paid biweekly will have deductions taken in equal amounts over the length of their contracts: 10-month having 20 deductions, 11-month having 22 deductions, and 12-month having 26 deductions. Twelve-month employees who terminate employment will have medical and dental coverage through the month in which their last deduction was taken. Ten- and 11-month employees who terminate employment in the last month of their contracts will have medical and dental coverage through the end of August if a 10-month employee, and through the end of July if an 11-month employee. Ten- and 11-month employees who terminate employment before the

last month of their contract years will have medical and dental coverage through the end of the month in which they terminate.

If an employee's regular pay, after statutory and other mandatory deductions, is not sufficient to cover the amount of the medical and/or dental plan deduction on a regular basis, then the employee is ineligible for coverage under an FCPS plan.

Deductions are made on a pretax basis. This subjects the FCPS medical and dental plans to the rules of Section 125 of the Internal Revenue Code. Consequently, except for enrollments made within 30 days of a new employee's date of employment or during an open enrollment period, all other enrollments, changes, and cancellations must be made as a result of, and be consistent with, a "qualified status change" as defined in section VI.

V. ENROLLMENT, CHANGES, AND CANCELLATIONS

Newly hired eligible employees have 30 days from the date of employment to elect medical and dental plan coverage. Coverage is effective the first of the month after the date of employment, or, if the date of employment is the first day of the month, coverage is effective the first day of employment if enrollment forms are received by the Office of Benefit Services within 30 days. Employees who do not enroll during this 30-day period must wait until the open enrollment period.

Open enrollment is held at least annually, at the discretion of the Office of Benefit Services. The open enrollment period is generally mid-October through mid-November with elections made during this period taking effect the following January 1. However, an employee who has a "qualified status change," as defined in section VI., may do one of the following:

- A. Enroll in a medical and/or dental plan.
- B. Change or cancel coverage in a medical and/or dental plan.

The employee may do this provided that the enrollment, change, or cancellation is consistent with the qualified status change and is received by the Office of Benefit Services within 30 days of the event (change). Enrollments, changes, and cancellations must be in writing and include documentation satisfactory to the Office of Benefit Services evidencing the "qualified status change".

Employees who fail to enroll, change, or cancel coverage in the time periods specified must wait until the next open enrollment period to initiate, change, or cancel coverage. Until any change becomes effective, the existing coverage and concomitant contributions remain in effect. No refund is paid when an employee fails to make a timely change in coverage.

VI. QUALIFIED STATUS CHANGES

In accordance with Section 125 of the Internal Revenue Code, the following events are "qualified status changes" for purposes of this regulation.

- A. Birth or adoption of a child, the placement for adoption of a child, or becoming the legal guardian of a child.
- B. Marriage or divorce.
- C. Death of a spouse or a child.
- D. Spouse's or other dependent's change in employment status that affects that person's eligibility for medical and/or dental benefits or his or her employer's open enrollment period.
- E. Dependent reaching age 23.
- F. The marital status change of a dependent under age 23.
- G. Changing from an FCPS full-time rate position to a less-than-half-time rate position or vice versa.
- H. Change in residence that affects the benefit eligibility of the employee, spouse, or other dependent.
- I. Loss of other medical coverage.
- J. A significant cost change, a significant coverage curtailment, a significant improvement, a new option, or a change in coverage under the employee's, spouse's, or other dependent's plan.
- K. A court order requiring the employee to cover a child or an order requiring someone else to provide coverage.
- L. Entitlement to, or loss of, Medicare or Medicaid.
- M. Commencement of, or return from, an unpaid leave of absence.

VII. PROVISION FOR HUSBAND AND WIFE COVERAGE

If both husband and wife are benefit-eligible employees of FCPS, as described in the current version of Regulation 4710, the School Board may authorize separate, lower employee contribution rates for minifamily and family coverage. Both employees must be enrolled together in the same plan in order to qualify for the lower rates. Written application must be made to the Office of Benefit Services for these "spouse rates." Spouse rates will become effective for an eligible husband and wife on one of the following:

- A. The January 1 following an open enrollment period, if the application is received during such a period.
- B. The first day of the month following the month the written application is received by the Office of Benefit Services, provided the application is received within 30 days from the latter of (1) the date of marriage and (2) the date of employment of the last to be hired by FCPS.

If the request is received after the applicable 30-day period, the employees must wait until the next open enrollment period to request spouse rates. If the marriage ends, or if either husband or wife terminates employment or is granted a leave of absence, the Office of Benefit Services must be notified by the employees in order to make appropriate adjustments. Failure to notify the Office of Benefit Services will result in the employees being responsible for the difference between (1) the contributions that should have been paid and (2) the contributions paid for a period of up to three years.

Husband and wife coverage is not automatic, is not reinstated without a timely written application, and cannot be made retroactive. No refunds are paid to employees who fail to take advantage of spouse rates.

VIII. DEPENDENT COVERAGE

FCPS health program eligible dependents include spouses and children as defined below. The enrolled employee must provide documentation as required by the Office of Benefits Services regarding the dependent's eligibility.

An employee's spouse, as defined by U.S. federal law, is eligible for coverage under the enrolled employee's medical and dental plans as a dependent.

An employee's children by birth or by adoption, stepchildren of a current marriage, or children of whom the employee has been granted legal guardianship or legal custody, are eligible for coverage under the enrolled employee's medical and dental plans as dependents. These qualified dependents may remain on the enrolled employee's plan until they reach the age of 23, become financially independent, marry, or no longer meet the qualifications above, whichever comes first.

An older (over 23) dependent child who is wholly dependent on the enrolled employee for support and maintenance due to a disability that occurred prior to age 23 is eligible for coverage under the employee's medical and/or dental plan.

IX. LEAVE OF ABSENCE

An eligible employee who is in a nonpaid leave of absence status--but who is not on an approved family medical leave--may continue medical and dental plan coverage by paying the full amount of the cost of the plan (employee and employer contributions). If the employee fails to make the required contribution within the allotted time period, coverage will terminate and he or she will become liable for claims incurred after coverage ends. If the employee returns to employment with FCPS, he or she is eligible to enroll in medical and dental plans in accordance with section V.

An employee who is in a nonpaid leave of absence status that qualifies as approved family medical leave may continue medical and dental plan coverage by paying the employee contribution. Should the employee fail to make the required contribution within the allotted time period, coverage will terminate. If the employee returns to employment with FCPS, the employee is eligible to enroll in medical and dental plans in accordance with section V.

X. CONTINUATION COVERAGE

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) allows certain terminated employees, dependents, and former dependents of active and terminated employees to continue medical and dental coverage by paying the full amount of the cost of the plan (employee and employer contributions) plus a two percent administrative fee. FCPS is responsible for providing COBRA notification to terminated employees (and dependents of terminated employees) while active employees whose dependents lose coverage must notify FCPS to request a COBRA notice.

XI. STATE AND FEDERAL STATUTES AND REGULATIONS

Plan benefits and provisions are governed by the proposal issued by the successful vendor, as amended in negotiations, and by School Board regulations. However, when a conflict arises between plan provisions or School Board regulations versus state or federal statutes and regulations, the state or federal statutes and regulations will take precedence.

XII. ADDITIONAL INFORMATION

For more specific information, medical and dental plan booklets are available in the Office of Benefit Services.

Legal reference: Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA)
Section 125 of the Internal Revenue Code

See also the current version of: Regulation 4710, Benefit Plan Contributions and Salary Deductions