

TO: ALL COUNTY PERSONNEL
FROM: VERDENIA C. BAKER
COUNTY ADMINISTRATOR
PREPARED BY: RISK MANAGEMENT DEPARTMENT
SUBJECT: GROUP HEALTH AND LIFE INSURANCE
PPM #: CW-P-023

ISSUE DATE
April 29, 2025

EFFECTIVE DATE
April 29, 2025

PURPOSE:

To provide a comprehensive selection of group health and life insurance plans to full time County employees and eligible dependents of the Board of County Commissioners (the Board).

UPDATES:

Future updates to this PPM are the responsibility of the Director of Risk Management.

AUTHORITY:

- Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), as may be amended
- F.S. 112.0801, as may be amended
- Palm Beach County Code, Chapter 2, Article I, Section 2-6, as may be amended
- Health Insurance Portability & Accountability Act of 1996 (HIPAA), as may be amended
- Affordable Care Act (ACA), as may be amended
- Internal Revenue Code, as may be amended
- Section 125 Cafeteria Plan document, as may be amended
- Group Insurance plan documents (located on Risk Management/Group Insurance website under “Publications”), as may be amended
- Palm Beach County Merit Rules, as may be amended

DEFINITIONS:

Refer to **Attachment A** for a listing of definitions related to this PPM.

POLICY:

Group Health Insurance. A selection of group health insurance plans is provided by the County to eligible employees and their eligible dependents at varying levels of employee premium contribution as approved by the Board. Employee contribution levels are evaluated annually. Variable hour employees, including employees in intern, on-call, seasonal, temporary, substitute, or overlap status are eligible for **group health** coverage **only**, if they meet the definition of full-time employee in accordance with the Affordable Care Act and relevant Internal Revenue Code

definition of full-time employees. Variable hour employees who are deemed eligible following an initial measurement period are subsequently included in annual evaluations. Variable hour employees may drop in and out of eligibility for health coverage based on the annual evaluation results.

Group Life Insurance: Basic group life and accidental death and dismemberment insurance are provided by the County at no cost to eligible employees. Supplemental group life, accidental death and dismemberment insurance, spouse/domestic partner term life and dependent life insurance are available to employees through payroll deductions. The amounts of basic, supplemental, spouse/domestic partner and child life insurance available are computed in accordance with the flat rate offered by the contracted carrier, regardless of the employee's age or rate of pay.

Enrollment in supplemental life may be contingent on medical underwriting as determined by the contracted carrier.

At the time of hire and within the allowable time period prior to the effective date of coverage, permanent employees who work 30 hours or more a week may enroll in the group life insurance plan, choosing basic group life only, or additional and/or dependent group life coverage. The option of enrolling in additional group life may not be exercised at a later date than above described unless there is an official Open Enrollment period. A permanent employee is defined as an employee hired into a permanent full-time position and the employee is not employed in a part-time position (less than 30 hours per week).

Other Group Insurance: The Board also offers voluntary (employee pay-all) insurance plans, such as dental, short term, and long term disability policies. Employees who purchase these policies are subject to the same eligibility rules as in place for group health and life insurance.

Enrollment in long term and short term disability coverage may be contingent on medical underwriting as determined by the contracted carrier.

Group Insurance Coverage Effective Date: Coverage becomes effective on the first day of the month coinciding with or next following 60 consecutive days of employment. (Example: Hire date May 15, effective date of coverage August 1.)

A permanent Board employee who transfers from other than a full time employment category to full time permanent will be given the option to have coverage effective on the first day of the month immediately following his/her hire date with the Board provided the employee has been continuously employed in that permanent other than full-time position for at least 60 consecutive calendar days. An employee transferring from employment with a Palm Beach County Constitutional Officer or Palm Tran, without any break of service, will be given the option to have coverage effective on the first day of the month immediately following his/her hire date with the Board. Employees must be full time, scheduled to work 30 hours or more per week, to be eligible for coverage.

Elected officials and their appointed staff are eligible for group insurance coverage to become effective the first of the month following their hire date.

Election Changes: Election changes can only be exercised during the official annual Open

Enrollment period or within the allowable time period following a qualified family status change.

Proof of Eligibility: Employees may include their spouse, children (including step children, adopted children, foster children and/or children for which the employee is the legal guardian), domestic partner, domestic partner's children (including, adopted children, foster children and/or children for which the domestic partner is the legal guardian), under the County's health plans. Proof of eligibility is required for all dependents added to the employee's coverage. Required documentation, referenced in Table 1 below, shall be submitted to Risk Management/Group Insurance upon hire, or when dependents are added during the plan year. Staff, at its discretion, may also require the documents referenced above during the Open Enrollment period or any time during the plan year during random or formal file audits, or when circumstances arise that lead to a single file audit of an employee. It is hereby noted that when a third party is hired to conduct a dependent verification review, it may require additional information from what is noted herein.

If proof of eligibility is not provided with the plan enrollment, Risk Management/Group Insurance will request it. Documentation must be received within 60 days of the request by Risk Management/Group Insurance or the dependent may not be enrolled in, or remain in the plan(s). Such dependents would not be eligible for coverage until the next Open Enrollment period except in the case of a qualifying family status change. Qualified family status changes are defined in the applicable group insurance plan document and are also governed by Section 125 Cafeteria Plan document and includes events such as change in legal marital status, change in number of dependents, change in employment status, change in residence to outside the employer's network service area and changes to a dependent's eligibility status as well as HIPAA special enrollment rights. Employees are required to notify Risk Management within 30 days in the event of a qualified family status change and provide appropriate documentation. Refer to the following chart for required documentation.

Table 1

Eligibility Categories	Required Documents
<p>Spouse or Domestic Partner</p> <ul style="list-style-type: none"> • Legal spouse • Domestic partner of the same or opposite sex 	<ul style="list-style-type: none"> • Copy of page 1 of federal tax return of most current tax year as filed (personal and income information redacted) listing spouse • OR: Copy of marriage license • Certificate or copy of executed, notarized and recorded Declaration of Domestic Partnership form (Palm Beach County Code, Chapter 2, Article I, Section 2-6) • PLUS (Spouse OR Domestic Partner) • Proof marriage/partnership is still current (recurring monthly or quarterly household bill or statement of account listing spouse's/partner's name at employee's address within the past 60 days)
Child up to end of the month the child turns age 26	
<ul style="list-style-type: none"> • Biological child 	<ul style="list-style-type: none"> • Official birth certificate (hospital birth record not acceptable)
<ul style="list-style-type: none"> • Adopted child 	<ul style="list-style-type: none"> • Official adoption documents
<ul style="list-style-type: none"> • Foster child 	<ul style="list-style-type: none"> • Official documents, placing the child in employee's care
<ul style="list-style-type: none"> • Child placed into custody by a court order 	<ul style="list-style-type: none"> • Court documented guardianship papers (Power of Attorney is not acceptable)
<ul style="list-style-type: none"> • Step child 	<ul style="list-style-type: none"> • Marriage license of marriage to biological parent of child and birth certificate for child that names the employee's spouse as a parent

<ul style="list-style-type: none"> • Child of Domestic Partner 	<ul style="list-style-type: none"> • Birth verification as indicated above, depending on type of child (biological, adopted, foster child, or child placed into custody of Domestic Partner by a court order) plus executed, notarized and recorded Declaration of Domestic Partnership form (Palm Beach County Code, Chapter 2, Article I, Section 2-6) PLUS • Proof partnership is still current (recurring monthly or quarterly household bill or statement of account listing partner's name at employee's address within the past 60 days)
<ul style="list-style-type: none"> • Child born to an insured dependent of the employee 	<ul style="list-style-type: none"> • Official birth certificate of child born to the employee's insured dependent
<p>Child age 26 to 30</p>	
<p>Unmarried child age 26 up to until the end of the calendar year in which the child reaches the age of 30, provided child does not have a dependent of his/her own, is a Florida resident or a full-time or part-time student, and is not covered under a plan of his/her own or entitled to benefits under Title XVIII of the Social Security Act.</p>	<ul style="list-style-type: none"> • Official birth certificate (hospital birth record not acceptable) • Copy of driver's license OR • State-issued ID showing s/he is a Florida resident OR • Copy of current school registration, confirming full-time or part-time student status
<p>Disabled Child</p>	
<p>Qualified child who is 26 or more years old and primarily supported by the employee and incapable of self-sustaining employment by reason of mental or physical handicap</p>	<ul style="list-style-type: none"> • Official birth certificate (hospital birth record not acceptable) • Official adoption documents • Official documents, placing the child in employee's care • Court documented guardianship papers (Power of Attorney is not acceptable)
<p>Documentation required for other qualified events</p>	
<p>Qualified family status change</p>	<p>Documentation</p>
<p>Dissolution of Domestic Partnership</p>	<ul style="list-style-type: none"> • Executed, notarized and recorded Declaration of Termination of Domestic Partnership form (Palm Beach County Code, Chapter 2, Article I, Section 2-6)
<p>Divorce (divorced spouses are not eligible for dependent coverage regardless of the court decree)</p>	<ul style="list-style-type: none"> • Final Divorce Decree
<p>Death</p>	<ul style="list-style-type: none"> • Death certificate

If it is determined that employees have covered dependents under these plans that are not eligible for coverage, the County reserves the right to require the return of all County-paid premiums, any associated claims costs paid on behalf of the ineligible dependent, and will pursue any and all other remedies available under law. The employee may also be subject to disciplinary action, up to and including termination.

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit is guilty of a crime and may be subject to fines and confinement in prison. Coverage may be retroactively terminated (rescinded) if it is determined that a covered individual has performed an act or practice that constitutes fraud or makes an intentional misrepresentation of material fact as prohibited by the terms of the applicable group insurance plan or benefit. Prior notice to the enrollee will be issued should coverage be rescinded.

As indicated by the applicable group insurance plan documents anyone who is eligible as an Employee will not be considered as a Dependent.

Opt-Out Benefit: The Board may offer an opt-out program to employees who have waived the County's health coverage, are covered by a health plan elsewhere, and have verified the other coverage. The Opt-Out benefit does not affect an employee's eligibility for group insurance benefits other than health coverage.

A pre-determined amount is paid to eligible employees per pay period through an employer payroll contribution.

The Opt-Out benefit is not provided to any employee who is enrolled in a plan (as an employee or a dependent) to which the Board contributes – including the health plan of the Board, Palm Tran and Supervisor of Elections as well as any other entities that may join the Board health plan in the future. Employees who are enrolled in the health plan of Palm Beach County Fire Rescue are also excluded from the Opt-Out benefit as long as Board contributes towards the funding of the Fire Rescue health plan in accordance with the provisions of the Collective Bargaining Agreement.

Employees and their dependents who opted out of the Board's health plan cannot enroll or re-enroll in the health plan of Palm Beach County until the next annual Open Enrollment period, unless coverage ceases in the other group plan; acceptable documentation must be received by Risk Management/Group Insurance within 30 days from the date the other coverage ceased, or, unless the employee experiences another qualified family status change during the year and notifies Risk Management of the same within 30 days of the event.

All Opt-Out participants (including new and current) must actively enroll or re-enroll in the Opt-Out program each Plan Year and must annually show their proof of other coverage. Proof of other coverage must state employee's name.

Continuation of Coverage under COBRA: In compliance with COBRA, employees who terminate employment for other than gross misconduct or who reduce their work hours to less than 30 hours per week will have the option to continue their benefits for up to 18 months.

Employees or qualified beneficiaries of the employee who are eligible for 18 months of continuation coverage may qualify for an additional eleven months of COBRA continuation for a total maximum of 29 months, if the individual meets the qualification of a disability extension as outlined under COBRA.

Qualified beneficiaries of employees have an option to continue insurance for up to 36 months if coverage is lost due to divorce, death of the employee or ineligibility of a dependent child.

Qualified individuals may be requested to pay the full premium cost for COBRA coverage up to 102 percent of cost of the plan; individuals eligible for an eleven month disability extension, may be charged up to 150 percent of the cost of the plan.

Retiree Continuation Benefit: In accordance with F.S. 112.0801 employees who retire in accordance with the provisions of the Florida Retirement System (FRS) and who begin receiving FRS retirement benefits **immediately** after retirement from County employment are eligible to continue their health and dental insurance coverage for themselves and eligible dependents at the full premium cost. Retirees may also elect retiree life insurance.

Eligible employees must enroll in retiree benefits within 31 calendar days of retirement to participate in retiree benefits. Enrollments received outside of this deadline will not be accepted, nor will the annual Open Enrollment periods apply.

Retirees are required to pay by deduction from their FRS Pension Plan monthly payments, if possible. An initial self-payment may be required at the time of retirement. Any retiree not a part of the FRS, or whose monthly pension payment is not sufficient to cover the retiree insurance premium cost as well as FRS Investment Plan members, will be set up for premium collections through a billing service designated by Risk Management. Automatic payment is the standard payment method for retiree premium payments with the billing service.

Retirees must continuously remain in the plan, and cannot return to the plan if a break in coverage occurs.

RESPONSIBILITIES:

Employees are responsible for actively participating in the group insurance enrollment processes. This includes thoroughly reviewing available choices and contacting Risk Management with any group insurance questions, concerns, or for assistance with elections.

Employees are responsible for completing enrollments within the stated deadlines and via the benefits system that is made available to employees.

Employees must provide required documentation, including dependent verification documents and annual proof of other coverage by stated deadlines to Risk Management. Dependent Social Security numbers are required for medical plan enrollment due to federal requirements.

Certain programs, such as Flexible Spending Accounts (FSAs) and Opt-Out credit program must be actively re-elected every year and will not renew automatically. For the Opt-Out credit program,

proof of other coverage must be submitted by the employee to Risk Management and verified by Risk Management every year.


Employees are responsible for reviewing confirmation statements and group insurance deductions and credits on paychecks and notify Risk Management of any discrepancies immediately.

PROCEDURES:

Administration of enrollment procedures and establishment of correct dates of coverage for new employees as well as for changes desired by existing employees are administered by Risk Management.

Coverage termination dates are determined by the applicable Group Insurance benefit plan document. The Payroll section of the Finance Department issues any applicable refunds.

Premium deductions are automatically processed by the Payroll department by way of the applicable benefit administration system. The deduction method is established by Risk Management in accordance with available automated premium deduction methodology, which may result in premium deductions starting after a coverage effective date as well as premium deduction for terminated coverage being processed with a paycheck that falls into a month following coverage termination, based on the pay period dates, when the pay period for which the paycheck is processed, including any dates where group insurance coverage was in force.


VERDENIA C. BAKER
COUNTY ADMINISTRATOR

Supersession History:

1. A.O. 6-8 effective 09/13/1983
2. PPM# CW-P-023, effective 07/01/1988
3. PPM# CW-P-023, effective 08/15/2007
4. PPM# CW-P-023, effective 06/01/2009
5. PPM# CW-P-023, effective 02/22/2012
6. PPM# CW-P-023, effective 05/23/2017

ATTACHMENT A

DEFINITIONS

Accidental death and dismemberment insurance - Accidental death and dismemberment insurance is coverage that applies to accidental death or dismemberment by accidental injury.

Basic group life insurance - Basic life insurance is term life insurance that is paid for by the County and is provided at no cost to the employee.

COBRA - On April 6, 1986, Congress enacted the Consolidated Omnibus Budget Reconciliation Act of 1986. COBRA requires employers to offer employees and qualified beneficiaries the opportunity to temporarily continue their group health plan coverage under certain circumstances in which they otherwise would lose coverage.

Employee Contributions - Portion of group insurance premium amounts paid by the employee.

HIPAA - Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Long term disability - Provides income to an employee who is unable to work for an extended period of time, due to a disabling non-work related injury or sickness.

Open Enrollment period - The annual event when employees can make changes to their group insurance benefits.

Qualified family status change - Employees or eligible dependents may experience changes in status due to a life event such as marriage, divorce, birth, change in employment status that may allow the employee to change his or her coverage, within allowable timelines and consistent with the change that occurred.

Section 125 - An Internal Revenue Code section that governs pre-tax payment of insurance premiums.

Short term disability - A voluntary program designed to cover any gap in an employee's existing sick leave accumulation until the employee recovers or becomes eligible for long term disability (if enrolled).

Supplemental group life insurance - A voluntary, additional group term life coverage that employees may apply for to insure their own life.

Supplemental group accidental death and dismemberment insurance - A voluntary, additional life insurance that employees may apply for to insure against accidental death or dismemberment by accidental injury.

Variable hour employee - The ACA defines an employee as variable if, based on the facts and circumstances on the employee's start date, an employer cannot determine whether the employee is reasonably expected to work an average of at least 30 hours per week during the initial

measurement period because the employee's hours are variable or uncertain. This may include employees in positions classified as student, on-call, seasonal, temporary; as well as part-time positions scheduled less than 30 hours per week.

Voluntary supplemental benefits – Policies that may cover out-of-pockets costs for deductibles, copays, and coinsurance and other related costs not paid by a medical plan arising out of an accident, cancer diagnosis or a hospitalization, in accordance with the terms of the policy.

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