

## INSURANCE

DDB

The following insurance is provided to employees.

### **HEALTH AND ACCIDENT (PEHP)**

#### **All full time, 12 month employees and all full time teachers:**

The district pays the entire premium up to the Silver Plan premium rate. If the employee wants the Gold Plan, he/she will be required to pay the additional premium.

#### **Classified employees who work 7 or more hours per day in any capacity for 9 months, but less than 12 months:**

The district will pay the premium for single or couple up to the Silver Plan premium rate. If the employee wants the Gold Plan, he/she will be required to pay the additional premium. If the employee desires family coverage, he/she will be required to pay the additional premium. *(Anyone hired after July 1, 2013 who works less than 30 hours per week will not receive insurance benefits.)*

#### **Classified employees who work less than 7 hours per day in any capacity for 9 months, but less than 12 months: (26 hours per week minimum required)**

The district will pay the single premium for nine months up to the Silver Plan premium rate. If the employee wants the Gold Plan, he/she will be required to pay the additional premium. If the employee desires further coverage he/she will be required to pay the additional premium. *(Anyone hired after July 1, 2013, who works less than 30 hours per week will not receive insurance benefits.)*

#### **Bus drivers who are assigned a regular route:**

The district will pay 50% of the family premium up to the Silver Plan premium rate. If the employee wants the Gold Plan, he/she will be required to pay the additional premium. If the employee desires further coverage, he/she will be required to pay the additional premium. *(Anyone hired after July 1, 2013 who works less than 30 hours per week will not receive insurance benefits.)*

#### **Teachers who teach less than full time:**

The district will pay the percentage of the premium in proportion to the percentage of time they teach up to the Silver Plan premium rate. If the employee wants the Gold Plan, he/she will be required to pay the additional premium.

*9-15-05 Any classified employee who was hired prior to August 2005, will retain their same benefits if they work less than 26 hours, but must work at least 20 hours per week to be eligible to retain those same benefits. (Anyone hired after July 1, 2013 who works less than 30 hours per week will not receive insurance benefits.)*

## **OPT OUT INSURANCE PLAN:**

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An employee may choose to opt out of receiving insurance from the district and receive financial compensation in lieu of insurance coverage. The employee must show proof of insurance from another source to qualify for this option. The purpose of this policy is to benefit both the employee and the district. If both parties do not benefit from this option, an employee will not qualify for participation.

Teachers who work half time will qualify for the single coverage option.

The following **examples** displayed are based on insurance premium rates, retirement & social security costs for the 2016-17 school year. These **examples** will change each year as applicable.

Compensation to qualified employees depending on their specific coverage:

Family Coverage:  $\$1835 \times \frac{1}{2} = \$918 / 1.0765\% = \$852/\text{month}$   
Couple Coverage:  $\$1251 \times \frac{1}{2} = \$625 / 1.0765\% = \$581/\text{month}$   
Single Coverage:  $\$579 \times \frac{1}{2} = \$289 / 1.0765\% = \$269/\text{month}$

\*Percentage listed above is the cost of social security.

The final amount will be added to the employee's monthly check, which subjects that amount to taxation.

The North Summit Board of Education reserves the right to discontinue the program at the end of August on any given year.

## **LIFE INSURANCE**

For employees who work 26 hours or more per week, the district will pay the entire premium. *(Anyone hired after July 1, 2013 who works less than 30 hours per week will not receive insurance benefits.)*

## **LONG TERM DISABILITY**

For employees who work 26 hours or more per week, the district will pay the entire premium. *(Anyone hired after July 1, 2013 who works less than 30 hours per week will not receive insurance benefits.)*

## **WORKMENS COMPENSATION**

All district employees are covered under this program during the time they are actually on the job.

Pursuant to Utah Code Ann. § 63-56-408(1)(b)(iii), the Board determines that it is not advantageous to the District to procure workers compensation insurance for employees of the District through competitive sealed bidding or competitive sealed proposals. Rather, the Board

elects to secure workers compensation insurance coverage through joining a pool of other school districts in the state.

The Board determines that procurement of workers compensation insurance through bidding or requests for proposals is not advantageous to the District because insurance available through those means does not provide the opportunity to closely control and monitor the costs of insurance claims, or the opportunity to develop and implement safety programs for District employees with more direct and immediate impact upon insurance cost savings.

By procuring workers compensation insurance through participation in a pool of school districts from the state, the District will be able to more directly control and monitor its insurance costs. The District will be able to develop and implement safety programs tailored specifically to the needs and characteristics of its employees. These tailored safety measures will have a more immediate impact on savings to the District.

On cost savings to the districts, by joining the pool and obtaining workers compensation insurance through this means, the District will be grouped with other similar risks rather than with other types of dissimilar businesses. For these reasons, the Board finds that procurement of workers compensation insurance through competitive sealed bidding and competitive sealed proposals would not be advantageous to the District.

#### **LIABILITY INSURANCE**

All employees will be provided with insurance protection against liability for torts arising out of performance of services for the district. The extent of such coverage shall coincide with the maximum liability permitted under the provisions of the tort liability act of the State of Utah against the district.

