

**ORDINANCE REPEALING AND RESTATING POLICY CONCERNING
HEALTH INSURANCE BENEFITS FOR CURRENT AND RETIRED
EMPLOYEES OF DELAWARE COUNTY**

WHEREAS, the Board of Commissioners of Delaware County, Indiana (the "Commissioners") has adopted various ordinances and resolutions germane to the provision of health insurance benefits to employees of Delaware County, Indiana (the "County"); and

WHEREAS, the Commissioners have also adopted a personnel policy handbook which addressed the provision of health insurance benefits to employees of the County; and

WHEREAS, the various ordinances and resolutions, as well as the personnel policy handbook, have been updated several times since their inception leading to multiple and potentially conflicting positions regarding the health insurance benefits currently provided to employees of the County; and

WHEREAS, the Commissioners recently adopted Ordinance 2017-009, An Ordinance Adopting the Delaware County Personnel Policies Handbook, which officially adopted a fully revised version of the County's current personnel policy handbook; and

WHEREAS, the Commissioners now wish to adopt an ordinance repealing and restating the County's policy concerning health insurance benefits for current and retired Delaware County employees to ensure consistency and reduce confusion created by the current ordinances.

IT IS THEREFORE ORDAINED BY THE BOARD OF COMMISSIONERS OF DELAWARE COUNTY, INDIANA that:

1. Delaware County Ordinance 2013-002 is hereby repealed in its entirety.
2. Delaware County Ordinance 2013-003 is hereby repealed in its entirety.
3. Delaware County Ordinance 2013-025 is hereby repealed in its entirety.
4. Delaware County Ordinance 2009-007A is hereby repealed in its entirety.
5. Delaware County Ordinance 2006-029 is hereby repealed in its entirety.
6. Sections 1-9-1, 1-9-1.1, 1-9-1.2, 1-9-1.3, and 1-9-1.4 of the Delaware County Code of Ordinances are hereby repealed in their entirety and replaced with the following:

“1-9-1. Adoption of Personnel Policy Handbook.

“The Board of Commissioners of Delaware County hereby adopts the newly revised Personnel Policy Handbook, Version 3.1, approved April 17, 2017 and adopted pursuant to Delaware County Ordinance 2017-009, for all employees of the County and any office holder which adopts the same. The Personnel Policy Handbook adopted herein shall be in full force and effect and shall supersede and repeal existing oral or written personnel policies and procedures.”

7. Section 1-9-9 of the Delaware County Code of Ordinances is hereby amended to include the following:

“The provisions of Retiree Health Insurance program may be altered by the Board of Commissioners. If an employee has questions about retiree’s insurance they should direct their questions to the County Human Resources Department.”

8. Section 1-9-10 of the Delaware County Code of Ordinances is hereby repealed in its entirety and replaced with the following:

“1-9-10. Insurance for Delaware County Employees and Retired Employees.

Delaware County is self-insured and contributes a significant amount toward the cost of employee benefits, most notably in the area of medical benefits. Employee contributions for the benefits they select are made by payroll deduction each pay period, either on a pre-tax or after-tax basis, as allowed by IRS regulations.

Coverage for eligible new employees shall be effective after sixty (60) days of full-time employment from the hire date. Health insurance premiums are deducted on the first pay period after eligibility. Delaware County at its option, may change, delete, suspend or discontinue parts or the policy in its entirety, at any time without prior notice. In the event of a policy change, employees will be notified. Any such action shall apply to existing as well as to future employees.

Employees may only change their benefits during an identified open enrollment period or due to a change in a qualifying event. A qualifying event includes the following:

- Change in marital status,
- Change in number of dependants,
- Change of employment status (from full time to part time),
- Change in dependent eligibility due to plan requirements (e.g. loss of student status or age limit reached),

- Addition or reduction to benefit package,
- A change in coverage of spouse or dependent under another employer plan (e.g. spouse's employer did not offer insurance coverage previously, but now does),
- Loss of certain other health coverage (e.g. plans provided by governmental or educational institutions),
- Entitlement to Medicaid or Medicare, or
- Any other circumstance that may be recognized by the Internal Revenue Service (IRS) under Section 125 plans.

Group insurance benefits will continue while an employee is on a disability leave or Family and Medical Leave Act leave; however, when in a non-pay status, such employees shall be responsible for the timely payment of those insurance premiums that are normally deducted from the employee's gross pay.

The County reserves the right to modify, change or terminate any of these benefits at any time. The terms and conditions specified in the Plan Document govern coverage. In addition, benefit costs, specific provisions, and selection of providers are subject to change. Detailed information regarding these benefits is available in Human Resources.

Termination of Insurance

Insurance terminates when:

- The insurance policy terminates;
- The employee or retiree participant fails to make an agreed contribution to premium when due;
- The employee ceases to be eligible for coverage under the terms of the County's group insurance program; or
- The employee ceases to hold a full-time position

In the event of separation of employment with the County or loss of eligibility to remain covered under the County's group health insurance program, the employee and any eligible dependents may have the right to continued coverage under the County's health insurance program for a limited period of time at the employee's or dependent's expense. [(See Benefits Continuation (COBRA)]

Retiree Health Insurance

The provisions of Retiree Health Insurance program may be altered by the Board of Commissioners. If an employee has questions about retiree's insurance they should direct their questions to the County Human Resources Department."

9. Delaware County Resolution 2010-008 and Section 1-9-10(A) of the Delaware County Code of Ordinances are hereby repealed in their entirety.

10. Section 1-9-12 of the Delaware County Code of Ordinances is hereby repealed in its entirety and replaced with the following:

“1-9-12. Benefits Continuation (COBRA).

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the employer’s health plan when a “qualifying event” would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee’s hours or a leave of absence; an employee’s divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at the County’s group rates plus an administration fee.

The County provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under the employer’s health insurance plan. The notice contains important information about the employee’s rights and obligations.

All COBRA inquiries should be directed to the Human Resources Director.”

11. Section 1-9-13 of the Delaware County Code of Ordinances is hereby repealed in its entirety and replaced with the following:

“1-9-13. Short and Long-Term Disability (STD and LTD).

Administration

The application for benefits must be submitted by the employee, or some person acting on the employee’s behalf, to the Human Resources Department and must include a request for benefits and a signed physician’s statement evidencing the nature, extent, and probable duration of the disability.

The effective date of benefit payments shall not proceed the date on which application is made by the employee, or some person acting on his or her behalf, to the Human Resources Department.

If employment is terminated and an employee remains on Short- or Long-Term Disability, disability benefits will continue. A terminated employee may elect to continue his or her group health, if any, through COBRA. A terminated employee

may be considered for future positions which become available for which, in the County's opinion, he or she is qualified.

Elimination Period for Short Term Disability (STD)

There is a thirty (30) consecutive calendar day elimination period before disability insurance benefits begin. The elimination period is the same for all illnesses and injuries. **It is important to note that some disabilities may not be covered on the disability insurance plan.**

Before monthly payments begin, the Disability Insurance Carrier must approve the disability. Approval is based on written information provided by the employee, the employee's physician, and the County. It is very important, therefore, that an employee notify the Human Resources Department as soon as possible, if he or she believes that the absence may turn into a disability. By doing that, the Human Resources Department can help the employee begin completing the paperwork so that, in the event the absence results in a disability, monthly payments will not be delayed. There are not negative consequences for completing the paperwork for a disability that does not happen.

Exclusions

Neither Short- nor Long-Term Disability benefits are payable for a disability resulting from the following:

- War, declared or undeclared;
- Participation in a rebellion, insurrection, or riot;
- Intentionally self-inflicted injury;
- Commission, or attempt to commit a crime;
- An accident caused by intoxication due to alcohol or illicit drugs;
- Willful failure to follow designated safety procedures;
- Willful disregard of rules; or
- Willful failure to perform a stated duty.

Recurrence or Continued Treatment

An employee who returns to work from a Short- or Long-Term Disability and returns to non-work status within fourteen (14) days will not begin a new benefit period or be subject to a new elimination period if the second disability is the same as the first. The entire period of absence will be considered as one (1) continuous period resulting from the same disability.

If the employee returns to work but periodically needs time off for ongoing medical treatment related to the disability, the sporadic absences for treatment may be compensated by using accrued leave.

Long-Term Disability Return to Work

If an employee, having recovered from the Long-Term Disability, desires to return to work and the department, in which he or she was employed before the

onset of the disability, has no vacant position in their classification, or a similar classification with the same basic qualifications and salary range, then the employee is to be laid off.

Maximum Benefit Period (Short- and Long-Term Disability Combined)

Except as otherwise provided in this section, Long-Term Disability benefit payments are limited to a maximum duration of four (4) years. Benefits will only be provided if the employee is deemed disabled.

The maximum Short- and Long-Term Disability benefit period for a mental and/or nervous disability is limited to twenty-four (24) months.

The maximum benefit period for a disability occurring on or after attained age sixty-two (62) is limited as follows:

<u>Age at Disability</u>	<u>Benefit Duration</u>
62	3.5 years
63	3 years
64	2.5 years
65	2 years
66	1.75 years
67	1.5 years
68	1.25 years
69+	1 year"

12. Section 1-9-14 of the Delaware County Code of Ordinances is hereby repealed in its entirety and replaced with the following:

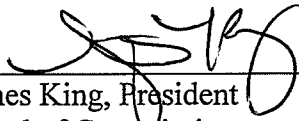
"1-9-14. Employee Insurance Guidelines.

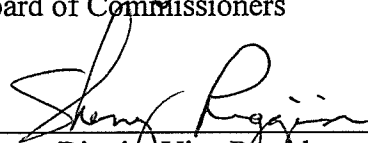
The rules and guidelines of the Personnel Policy Handbook, as may then be in force, shall govern employee insurance programs."

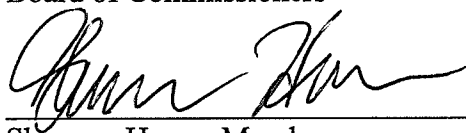
13. Any and all existing ordinances and/or resolutions, or any parts thereof, which may be in conflict with this Ordinance, are hereby superseded.
14. This Ordinance shall take effect upon adoption.

PASSED AND ADOPTED on this, the 2 day of ^{July}~~June~~, 2017.


BOARD OF COMMISSIONERS, DELAWARE COUNTY, INDIANA


James King, President
Board of Commissioners


Sherry Riffin, Vice President
Board of Commissioners


Shannon Henry, Member
Board of Commissioners

Attest:


Steven G. Craycraft, Auditor
Delaware County, IN