



## PROVISIONS RELATING TO ALL EMPLOYEES

### ADMINISTRATIVE REGULATION – HEALTH AND WELFARE BENEFITS

AR 4154

#### **Affordability of Health Coverage**

The County Superintendent of Schools or designee shall seek written assurance from the SBCEO's health insurance carrier(s) that the health plan offered to full-time SBCEO employees and their dependents meets all requirements of the federal Patient Protection and Affordable Care Act. (42 USC 300gg-300gg95; 26 USC 4980H; 26 CFR 54.4980H-1-54.4980H-6)

The County Superintendent of Schools or designee also shall ensure that each employee's contribution to the employee-only health coverage does not exceed 9.5 percent of the employee's modified household income, as defined in 26 USC 5000A. The County Superintendent of Schools or designee shall calculate the affordability of the coverage using one or more of the following methods in a uniform and consistent basis for all employees within the same category: (26 USC 4980H; 26 CFR 54.4980H-4-54.4980H-5)

1. The SBCEO shall ensure that the lowest cost employee-only coverage does not exceed 9.5 percent of wages paid to the employee by the SBCEO for the calendar year as reported on the employee's W-2 tax form. For an employee not offered coverage for an entire calendar year, the wages shall be adjusted to reflect the period for which coverage was offered.
2. The SBCEO shall ensure that the employee's required monthly contribution for the lowest cost employee-only coverage does not exceed 9.5 percent of an amount equal to 130 hours multiplied by the employee's hourly rate of pay on the first day of the plan year or the employee's lowest hourly pay during the calendar month, whichever is lower.
3. The SBCEO shall ensure that the employee's contribution does not exceed 9.5 percent of a monthly amount determined as the federal poverty line for a single individual for the applicable calendar year, divided by 12.

#### **Retired Certificated Employees**

Any former certificated employee who retired from the SBCEO under any public retirement system and the former certificated employee's spouse/domestic partner shall be permitted to enroll in the health and welfare and/or dental care benefit plan currently provided for certificated employees. The plan also shall be available to any surviving spouse/domestic partner of a former certificated employee who either retired from the SBCEO under any public retirement system or was, at the time of death, employed by the SBCEO and a member of the State Teachers' Retirement System. (Education Code 7000)

A retired certificated employee or surviving spouse/domestic partner shall be allowed to enroll in the coverage within 30 days of losing active employee coverage. If the retired certificated employee does not enroll during this initial enrollment period, the retired certificated employee may be denied further opportunity to do so. (Education Code 7000)

#### **COBRA/Cal-COBRA Continuation Coverage**



Covered SBCEO employees and their qualified beneficiaries shall be offered the opportunity to continue health and disability insurance coverage when they otherwise would lose coverage due to one of the following qualifying events: (Health and Safety Code 1366.21, 1366.23, 1373; Insurance Code 10128.51, 10128.53, 10277; 26 USC 4980B; 26 CFR 54.4980B-4)

1. Death of the covered employee
2. Termination or reduction in hours of the covered employee's employment, other than termination by reason of the employee's gross misconduct
3. Divorce or legal separation of the covered employee
4. The covered employee becoming entitled to Medicare benefits
5. A dependent child ceasing to be a dependent child of the covered employee

Continuation health coverage shall be the same as provided to similarly situated individuals under the group benefit plan. (Health and Safety Code 1366.23; Insurance Code 10128.53; 26 USC 4980B)

The County Superintendent of Schools or designee shall notify covered employees and qualified beneficiaries of the availability of conversion and continuation coverage. This notification shall include the statement in Labor Code 2800.2 encouraging individuals to examine their options carefully before declining such coverage. (Labor Code 2800.2)

### **Disability Insurance**

The County Superintendent of Schools or designee shall give notice of disability insurance rights and benefits to each new employee and each employee leaving work due to pregnancy, nonoccupational illness or injury, the need to provide care for any sick or injured family member, or the need to bond with a minor child within the first year of the child's birth or placement in connection with foster care or adoption. (Unemployment Insurance Code 2613)

When disabled by an injury sustained from a violent act while performing duties within the scope of employment and performing creditable employment, a certificated or classified employee may continue in the SBCEO health and dental care plans upon meeting criteria specified by law. The employee shall pay all employer and employee premiums and related administrative costs. (Education Code 7008)

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### **Policy Reference Disclaimer:**

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the County Superintendent of Schools or designee to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

<b>Federal</b>	<b>Description</b>
1 USC 7	<a href="#">Definition of marriage, spouse</a>
26 CFR 1.105-11	Self-insured medical reimbursement plan
26 CFR 54.4980B-1-54.4980B-10	COBRA continuation coverage
26 CFR 54.4980H-1-54.4980H-6	Patient Protection and Affordable Care Act
26 USC 105	Self-insured medical reimbursement plan; definition of highly compensated individual
26 USC 4980B	COBRA continuation coverage



26 USC 4980H

26 USC 5000A

26 USC 6056

29 USC 1161-1168

42 USC 1395-1395g

42 USC 300gg-16

42 USC 300gg-300gg95

45 CFR 164.500-164.534

**Management Resources**

California School Boards Association

Publication

Internal Revenue Service Notification

U.S. Department of Treasury Publication

Website

Website

Website

Website

Website

**State**

Civ. Code 56.10-56.16

Civ. Code 56.20-56.245

Ed. Code 17566

Ed. Code 35208

Ed. Code 35214

Ed. Code 44041-44042

Ed. Code 44986

Ed. Code 45136

Ed. Code 7000-7008

Fam. Code 297-297.5

Fam. Code 300

Gov. Code 12940

Gov. Code 22750-22944

Gov. Code 53200-53210

H&S Code 1366.20-1366.29

H&S Code 1367.08

H&S Code 1373

H&S Code 1373.621

H&S Code 1374.58

Ins. Code 10116.5

Ins. Code 10128.50-10128.59

Ins. Code 10277-10278

Ins. Code 10604.5

Ins. Code 12670-12692.5

Lab. Code 2800.2

Lab. Code 4856

Penalty for noncompliance with employer-provided health care requirements

Minimum essential coverage

Report of health coverage provided to employees

COBRA continuation coverage

Medicare benefits

Group health plan; nondiscrimination in favor of highly compensated individuals

Patient Protection and Affordable Care Act

Health Insurance Portability and Accountability Act (HIPAA)

**Description**

Health Policy: Implications of Covered California for School Boards, Districts and Personnel, Governance Brief, January 2013

2011-1 Affordable Care Act Nondiscrimination Provisions

Applicable to Insured Group Health Plans

Fact Sheet: Final Regulations Implementing Employer Shared Responsibility Under the Affordable Care Act (ACA) for 2015

[U.S. Department of Labor](#)

[U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services](#)

[Internal Revenue Service](#)

[CSBA](#)

[California Employment Development Department](#)

**Description**

[Disclosure of information by medical providers](#)

[Use and disclosure of medical information by employers](#)

Self-insurance fund

Liability insurance

Liability insurance (self-insurance or a combination of self-insurance and insurance through an insurance company)

Payroll deductions for collection of premiums

Leave of absence, state disability benefits

Benefits for classified employees

Health and welfare benefits, retired certificated employees

Rights, protections, benefits under the law; registered domestic partners

Definition of marriage

Unlawful discriminatory employment practices

Public Employees' Medical and Hospital Care Act

Group insurance

Cal-COBRA program, health insurance

Disclosure of fees and commissions paid related to health care service plan

Health services plan, coverage for dependent children

Continuation coverage, age 60 or older after five years with district

Coverage for registered domestic partners, health service plans and health insurers

Continuation coverage, age 60 or older after five years with district

Cal-COBRA program, disability insurance

Group and individual health insurance, coverage for dependent children

Annual disclosure of fees and commissions paid

Conversion coverage

Notification of availability of continuation health coverage

Health benefits for spouse of peace officer killed in performance of duties



Unemp. Ins. Code 2613

Disability insurance; notice of rights and benefits

ADOPTED BY COUNTY SUPERINTENDENT: September 1, 2022  
REVISED: