

## **AP 7130-2 District Health and Welfare Benefits Plan**

Reference:

**Government Code Section 53200**

1.0 **Employee Benefits:** Eligible employees may participate in the District's health and welfare plan, which provides the following benefits:

1.1 Hospitalization and Medical Care Plan

1.1.1 The District participates in the CalPERS Hospital and Medical Care plan which allows eligible employees to select from several plans for their hospitalization and medical care.

1.1.2 The District pays the full cost of the employee-only premium for eligible employees whose percentage of employment is at least fifty (50) percent. The District will contribute a negotiated amount towards dependent care medical premiums for eligible employees. The contribution amount for represented employees shall be the negotiated amount, and the contribution amount for unrepresented employees shall be established by the Board of Trustees, and shall be prorated based on the employee's percentage of employment.

1.1.3 If the total cost of the employee's and dependent(s) benefit choice(s) exceeds the District contribution, the cost in excess of the allowance amount will be deducted from the employee's paycheck in accordance with established District payroll procedure.

1.1.4 An eligible employee who elects not to participate in the District's hospitalization and medical care plan will receive an addition of three hundred (300) dollars to the annual fringe benefit allowance.

1.2 Fringe Benefit Allowance

1.2.1 The District provides an annual fringe benefit allowance to eligible employees. The amount of the allowance shall be the negotiated amount, for represented employees, and the amount established by the Board of Trustees, for unrepresented employees, and shall be prorated based on the employee's percentage of employment.

1.2.2 Effective January 1, 2016, the fringe benefit allowance for eligible employees will be paid as compensation. This allowance may be allocated towards the NOCCCD Section 125 Plan and/or a qualified tax-sheltered annuity.

1.3 Third-Party Administrator

1.3.1 Employee selection of a 403(b) or 457 investment plan option must be from the list of approved District vendors. Employees may contact SchoolsFirst Federal Credit Union, the District's third-party administrator, for options and enrollment documents. Employees are responsible for contacting the

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investment company and completing the necessary paperwork to establish an account.

### **2.0 Retiree Benefits**

2.1 The District pays the full cost of the retiree-only premium for the CalPERS hospitalization and medical care plan selected by an eligible retiree, subject to the provisions of the California Government Code and CalPERS regulations, and contingent upon the following:

2.1.1 At the time of retirement, the employee must be employed in a District position in a category of employment eligible to participate in the District's health and welfare plan, as provided in section 4.0 of this procedure.

2.1.2 At the time of retirement, the employee has fulfilled the requirements to receive a retirement benefit under the Public Employees Retirement System or the State Teachers Retirement System and retires within 120 days of separation of employment from the District.

2.1.3 Employees Hired Prior to July 1, 1993: An employee who was hired by the District prior to July 1, 1993, in a category of employment eligible to participate in the District's health and welfare plan as provided in section 4.0 of this procedure, shall be eligible for the District-paid post-retirement hospitalization and medical plan benefit if the employee meets the criteria specified in sections 2.1.1 and 2.1.2.

2.1.4 Employees Hired On or After July 1, 1993: An employee who was hired by the District on or after July 1, 1993, in a category of employment eligible to participate in the District's health and welfare plan as provided in section 4.0 of this procedure, shall be eligible for the District-paid post-retirement hospitalization and medical plan benefit if the employee meets the criteria specified in sections 2.1.1 and 2.1.2, and either of the following:

2.1.4.1 The employee has been employed full-time one hundred (100) percent and retires from the District with a minimum of fifteen (15) years of credited service in a position(s) in a category of employment eligible to participate in the District's health and welfare plan as provided in section 4.0 of this procedure.

2.1.4.2 The employee has been employed less than one hundred (100) percent and retires from the District with the accumulated pro rata equivalent of fifteen (15) years of credited service, or twenty (20) years of service, whichever occurs sooner, in a position(s) in a category of employment eligible to participate in the District's health and welfare plan as provided in section 4.0 of this procedure.

2.2 Classified, Confidential, and Management employees hired on or after January 1, 2019 and Full-time Faculty hired on or after July 1, 2021 in a category of employment eligible to participate in the District's health and welfare plan as

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provided in section 4.0 of this procedure, shall be eligible for the District-paid post-retirement hospitalization and medical plan benefit if the employee meets the criteria specified in sections 2.1.1 and 2.1.2 and either one of the following:

2.2.1 The employee has been employed by the District and retires with a minimum of fifty (50) years of District credited service in a position(s) in a category of employment eligible to participate in the District's health and welfare plan as provided in section 4.0 of this procedure.

2.2.2 The employee qualifies for a disability retirement under the Public Employees Retirement System or the State Teachers Retirement System shall qualify for one hundred (100%) percent District-paid post-retirement medical benefits as if they had qualified under the provisions of section 2.1.3 or 2.1.4.

2.3 The District pays the full cost of the retiree-only premium for the CalPERS hospitalization and medical care plan, subject to the provisions of the California Government Code and CalPERS regulations, for an annuitant who receives a pension benefit under the Public Employees Retirement System or the State Teachers Retirement System as a result of the death of a District retiree's death.

### **3.0 Domestic Partners**

3.1 Domestic partners of eligible employees or annuitants of the District, as defined by section 297 of the California Family Code, shall be eligible to enroll in the District's CalPERS Hospital and Medical Care plan, subject to the provisions of the California Government Code and CalPERS regulations.

3.2 Domestic partners of eligible employees or annuitants of the District, as defined by section 297 of the California Family Code, shall be eligible to enroll in the District's dental and vision insurance plans, subject to the regulations of the plan providers.

3.3 Where an eligible employee elects to enroll a qualified domestic partner in the CalPERS Hospital and Medical Care plan, or in a District dental or vision insurance plan, the cost of the premiums for the domestic partner's dependent coverage shall be paid by after-tax salary deductions from the employee's paycheck. Deductions will be made in accordance with District payroll procedures.

### **4.0 Categories of Employees Eligible to Participate in Health and Welfare Benefits Plan**

4.1 The following categories of employees are generally eligible to participate in the District's Health and Welfare Benefits plan:

4.1.1 Regular and probationary (tenure-track) faculty.

4.1.2 Classified employees.

4.1.3 Confidential employees.

4.1.4 Administrators employed in regular management positions.

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- 4.1.5 Temporary management and faculty employed at least 75% of a college year.
- 4.2 Individual employees in positions within the above categories shall be eligible to participate in the District's hospital and medical care plan and to receive the fringe benefit allowance in accordance with the provisions of sections 1.1 and 1.2 of this procedure.
- 5.0 **Categories of Employees Ineligible to Participate in Health and Welfare Benefits Plan:**
  - 5.1 The following categories of employees are not eligible to participate in the District's Health and Welfare Benefits plan:
    - 5.1.1 Part-time hourly academic (adjunct faculty).
    - 5.1.2 Short-term employees, substitute employees, professional experts and student employees employed pursuant to the provisions of Education Code section 88003.
    - 5.1.3 Temporary management and faculty employed less than 75% of a college year.
    - 5.1.4 Other persons employed on a temporary or short-term basis, regardless of the category of employment.
  - 5.2 Individual employees in positions within the above categories shall be ineligible to participate in the District's hospital and medical care plan and shall be ineligible to receive the fringe benefit allowance, regardless of the percentage of employment, unless otherwise specifically provided by the policies and procedures of the Board of Trustees.

**Date of Adoption:** January 28, 2008 Chancellor's Cabinet

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