07-10.01- GROUP INSURANCE BENEFITS FOR ACTIVE EMPLOYEES

I. Purpose:

This policy provides guidance and direction for the administration of all group insurance benefit programs offered by the State of Maryland and through the USM for active employees. Details on available programs can be accessed by going to the Benefits link on the OHR website at https://www.towson.edu/hr/current/benefits/.

II. Definitions:

A. Regular employee— for purposes of this policy, an employee who works in a position that has been approved through the budgetary and pertinent appointment classification processes, that is intended to last six months or more regardless of the nature of the source of funds, and that has a Position Identification Number (PIN). This definition applies to both full time and part time employees employed at 50% or more of full time employment.

B. Direct Pay employee — for purposes of this policy, part time regular employees employed at less than 50% of full time employment, Contingent I and II employees, Lecturers and part time (contractual) faculty members.

C. Group Insurance Plans — medical (includes vision and mental health/substance abuse coverage), dental, prescription drug, term life insurance, accidental death and dismemberment, group universal life insurance, long term disability, flexible spending accounts, and long term care insurance.

D. Qualifying Event — a change of status that could allow changes to coverage after initial enrollment or outside of the annual Open Enrollment period such as the birth or adoption of a child, loss of a dependent, marriage, divorce, death of spouse or other dependent, termination of spouse’s employment which results in loss of coverage, or loss of coverage under another program.

E. Spouse — a person in a legally contracted marriage as recognized by the State of Maryland.

F. Dependent Child — the following dependent children are eligible:

1. Unmarried children of an employee until the end of the calendar year in which the child becomes 19 years old. These children include:
a. A blood descendent of the first degree, (i.e., son or daughter),

b. A legally adopted child (including a child living with the adopting parents during the period of probation);

c. A stepchild residing in the household of the employee; and

d. A child permanently residing in the household of which the employee is the head, and who is being supported solely by the employee, provided that the employee is related to the child by blood or marriage or is the child’s legal guardian.

2. An unmarried child 19 years or older who is incapable of self-support because of a mental or physical incapacity that began before the end of the calendar year of the child’s 19th birthday, and who is residing with the employee and is dependent for support upon the employee.

3. An unmarried child who is a full-time student attending an accredited educational institution and who is dependent upon the employee for support, until the end of the calendar year in which the child becomes 23 years old or the end of the month in which the child ceases to be a full-time student, whichever occurs first, or, any unmarried child 23 years of age or older who is incapable of self-support because of mental or physical incapacity that began while the child was a full-time student and before the child’s 23rd birthday.

III. Responsible Executive and Office:

Responsible Executive: Associate Vice President of Human Resources

Responsible Office: Office of Human Resources

IV. Benefits for Regular Employees:

A. Choices: any combination of the available group insurance plans.

B. Enrollment: must enroll within 60 days of employment, during the annual Open Enrollment period or within 60 days of a Qualifying Event. Enrollment in group universal life insurance and long-term disability beyond first 60 days of employment is allowed but requires medical underwriting. May include any eligible dependents with proper documentation.

C. Payment: deductions for the employee’s share of the premiums will be made from the bi-weekly paycheck. Medical, prescription drug and dental insurance are subsidized by the State; all other coverage is paid in full by the employee.
Employees on unpaid Family and Medical Leave pay their normal subsidized costs directly to the State in order to maintain benefits. Employees on other unpaid leaves of absence are required to pay the full premium costs in order to maintain benefits during the period of leave.

D. Effective Date of Coverage: for non-Open Enrollment actions, determined by the payroll deductions for enrolled coverage, either the 1st or the 16th of the month, based on State policy. Retroactive coverage back to initial date of employment or date of qualifying event is possible by paying missing premiums. Open Enrollment actions are effective July 1st.

V. Benefits for Direct Pay Employees:

A. Choices: any combination of the available group insurance plans except for Flexible Spending Accounts and Long Term Care Insurance.

B. Enrollment: Must enroll in group benefits within 60 days from the beginning date of the initial contract, within 60 days of a Qualifying Event or during the annual Open Enrollment period. Not eligible to enroll at contract renewal time if enrollment was waived at the beginning of the initial contract. Enrollment in group universal life insurance and long-term disability beyond first 60 days from the beginning date of the initial contract is allowed but requires medical underwriting. May include any eligible dependents with proper documentation.

C. Payment: will be billed directly on a monthly basis for the full premium costs for all selected coverage; there is no State subsidy. Payroll deductions are not available. Employees on unpaid Family and Medical Leave must continue to pay their full premium costs in order to maintain benefits during the period of leave.

D. Effective Date of Coverage: for non-Open Enrollment actions, usually the 1st of the month following submission of completed enrollment forms. Open Enrollment actions effective July 1st.

VI. Process:

A. Initial Enrollment: plan descriptions, rates and enrollment forms are distributed to employees upon confirmation of their employment, during new hire processing sessions and/or orientation programs. Employees are encouraged to return their enrollment materials personally to the Office of Human Resources’ Total Rewards Unit in order to avoid delays in processing due to incomplete forms.

B. Changes in Coverage: employees must contact the Office of Human Resources’ Total Rewards Unit within 60 days of any Qualifying Event in order to obtain the necessary materials to affect the desired change. Requests received after that 60 day time period will not be accepted and the change will have to be made during the next annual Open Enrollment period.
Related Policies: None.

Approval Date: 5/12/05

Effective Date: