

## **BENEFIT ELIGIBILITY**

**(Effective July 1, 2016)**

### **A. General Eligibility**

An individual employed by the District in an introductory or regular position for 20 hours or more per week (or 0.5 FTE, in the case of licensed employees) is eligible to enroll in the District's medical, dental and vision insurance plans and the District's Section 125 Plan.

An individual who is not described above but who is a "full-time employee" for applicable purposes of the Affordable Care Act, as determined by the District, is also eligible to enroll in a District medical insurance plan (but not the District's dental and vision insurance plans) and the District's Section 125 Plan.

Individuals employed for less than 20 hours per week (or who are less than 0.5 FTE, in the case of licensed employees), temporary, substitute, and retired employees, and individuals who are working during a transition year following retirement are not eligible to enroll in the District's medical, dental and vision insurance plans or the District's Section 125 Plan (except as otherwise provided above).

A new employee must complete and submit an enrollment package (generally online) within 30 days of the employee's start date to participate in District benefits for the current plan year. A new employee (and his or her eligible dependents) who are not enrolled during that initial 30 day period may enroll only during a future open enrollment period, unless there is a family or employment change in status that, per IRS definitions, permits mid-year enrollment.

All benefits or coverage will be effective the first day of the month following 30 days of employment. For example, if your start date is August 15, your coverage will be effective October 1.

For information regarding eligibility for dependent life insurance, please see the eligibility provisions under the Dependent Life Insurance Section of the enrollment form.

### **B. Paid Leaves of Absence**

An employee on an authorized paid leave of absence who otherwise meets the eligibility requirements for insurance coverage above is allowed to continue his or her health, dental, vision, and life insurance coverage during such leave of absence.

### **C. Unpaid Leaves of Absence**

An employee on an authorized, unpaid leave of absence who meets the eligibility requirements for insurance coverage above is allowed to continue health, dental, vision, and life insurance coverage during such period, *provided that the full cost (employee plus District contribution) of coverage is timely paid* in accordance with the Littleton Public Schools Employee Benefits Plan.

An employee on a leave of absence under the Family and Medical Leave Act will have insurance coverage continued for the lesser of: (1) the period of the leave, or (2) 12 weeks (or 26 weeks, if the employee is the spouse, son, daughter, parent or next of kin of a member of the armed forces and is caring for that person), *provided that the required employee contributions (at the same level as an active employee) are timely paid* and the employee has not cancelled the insurance coverage.

An employee on a leave of absence under the Uniformed Services Employment and Reemployment Act (“USERRA”), may continue his or her health, dental, and vision coverage while on USERRA leave. While on USERRA leave for less than 31 days, the employee must *timely make the same contribution as is required for an active employee*. If on USERRA leave for 31 days or longer, the employee must *timely pay the full cost (employee plus District contribution) of coverage*.

The Family Care Act, Colo. Rev. Stat. § 8-13.3-201 *et seq.* may also impact your eligibility for benefits.

During an authorized, unpaid leave of absence, insurance coverage will not be terminated unless you initiate a cancellation or do not make the required payment on a timely basis; *provided, however*, that any termination of insurance coverage will be in accordance with applicable law, including the Family and Medical Leave Act and/or the Family Care Act.

**D. Dependents Eligible for Health, Dental, and Vision Insurance**

An eligible dependent for health, dental, and vision insurance purposes is any individual who meets any one of five following criteria:

1. Your legal spouse, unless you are legally separated, including
  - a. a person of the opposite sex who is your husband or wife (including a common law husband or wife); and,
  - b. a person of the same sex who is your husband or wife if you were married in a jurisdiction that permits same-sex marriage (including if you entered into a common law marriage in a jurisdiction that recognizes both common law and same-sex marriages).
2. Your partner in a civil union, as defined in Colo. Rev. Stat. § 14-15-103(5) who is not your spouse as described in D.1.b. above, unless the civil union has terminated (a “civil union partner”).
3. Your child, through the end of the month in which the child turns age 26, for health insurance, and through the end of the month in which the child turns age 26 if your child is a full-time student, for dental and vision insurance. Your child who is not a full-time student is eligible for dental and vision insurance only through the end of the calendar year in which the child turns age 19.

4. Your unmarried child of any age who is medically certified as disabled and dependent upon you, your spouse, or your civil union partner, and for health insurance provided through CIGNA only, the disability arose while such child (or grandchild who lives with you) was covered as a dependent under the CIGNA plan, or covered as a dependent under a prior plan with no break in coverage.
5. Your grandchild who lives with you, through the end of the month in which the grandchild turns age 26, for health insurance provided through CIGNA only, and through the end of the month in which the grandchild who lives with you turns age 26 if the grandchild is a full-time student, for dental and vision insurance. Your grandchild who lives with you and who is not a full-time student is eligible for dental and vision insurance only through the end of the calendar year in which the grandchild turns age 19.

For purposes of determining whether your child is eligible for health, dental, and vision insurance coverage, your child includes only your stepchild, your adopted child, a child placed for adoption with you, a child for whom you are the legal guardian (but not for Kaiser health insurance purposes) and a child of your civil union partner (so long as you are in a civil union with such civil union partner); it does not include a foster child. For purposes of determining whether a person is your child for health insurance coverage provided by Kaiser, a child also includes a dependent person (such as your or your spouse's grandchild) for whom you or your spouse is the court-appointed permanent legal guardian (or was before the person reached age 18) and your newborn grandchild if the grandchild's parent is covered as your dependent under the Kaiser plan at the time of birth.

Full-time student means a student during each of 5 calendar months during the calendar year at an educational organization that normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance at the place where its educational activities are regularly carried on.

**E. Dependents Eligible for Pre-Tax Premiums for Health, Dental, and Vision Insurance**

The dependents who are eligible for pre-tax payment of premiums may differ from the dependents who are eligible for health, dental, or vision insurance. Only the following dependents are eligible for pre-tax premiums:

1. Your spouse described in D.1.
2. Your child described in D.3. and your child who is under age 27 as of the end of the taxable year.
3. Your civil union partner described in D.2., a child of such civil union partner, your disabled child described in D.4., and your grandchild described in D.5., but only if:
  - a. you can claim such individual as a dependent on your tax return; or

- b. you could otherwise claim such individual as a dependent on your tax return, except that you cannot because
  - i. the individual filed a joint return;
  - ii. the individual had gross income of more than the personal exemption amount (\$4,050 in 2016); or,
  - iii. you could be claimed as a dependent on someone else's return.

**F. Dependents Eligible for Health Flexible Spending Account or Health Savings Account Reimbursements**

Expenses for the following individuals are eligible for reimbursement from your Health Flexible Spending Account or your Health Savings Account, as applicable:

- 1. Your spouse described in D.1.
- 2. Your child who is under age 27 as of the end of the taxable year.
- 3. Any individual who you can claim as a dependent on your tax return.
- 4. Any individual who you could otherwise claim as a dependent on your tax return, except that you cannot because
  - a. the individual filed a joint return;
  - b. the individual had gross income of more than the personal exemption amount (\$4,050 in 2016); or,
  - c. you (or your spouse, if you file jointly) could be claimed as a dependent on someone else's return.

**G. Dependents Eligible for Dependent Care Flexible Spending Account Reimbursements**

The Dependent Care Flexible Spending Account allows you to pay for employment-related expenses incurred for dependent care assistance<sup>1</sup> on a pre-tax basis for “qualifying individuals.” If you are married, your spouse must be gainfully employed, a full-time student, or incapable of self-care (as described in G.4. below).

For purposes of the Dependent Care Flexible Spending Account, a qualifying individual is:

1. Your child, brother, sister, stepbrother, stepsister, or a descendent of any such relative who
  - a. is under the age of 13;
  - b. lives with you for more than half the calendar year;
  - c. does not provide over half of his or her own support for the calendar year;
  - d. has not filed a joint tax return for the year (other than only for a claim of refund); and,
  - e. is younger than you (or your spouse, if you are married).
2. Your child, brother, sister, stepbrother, stepsister, or a descendent of any such relative who
  - a. is under the age of 13;
  - b. lives with you for more than half the calendar year;
  - c. has not filed a joint tax return for the year (other than only for a claim of refund);,
  - d. does not provide over half of his or her own support for the calendar year; and,
  - e. is permanently and totally disabled.
3. An individual who meets the requirements of G.1. who is not your child, provided the child’s parents do not claim such child as a qualifying child and your adjusted gross income is higher than the adjusted gross income of either of the child’s parents.

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<sup>1</sup> Dependent care assistance is defined as the payment of employment-related expenses incurred to enable you to be gainfully employed. Employment-related expenses are amounts paid for the following expenses, if such expenses are incurred to enable you to be gainfully employed, for any period during which you have one or more qualifying individuals:

- (1) expenses for household services, and
- (2) expenses for the care of a qualifying individual.

For additional information, please see the Littleton Public Schools Section 125 Plan Summary Plan Description.

4. Your spouse described in D.1. who is physically or mentally incapable of caring for himself or herself and who lives with you for more than half the calendar year.
5. Any individual described in F.3 or F.4. who is physically or mentally incapable of caring for himself or herself and who lives with you for more than half the calendar year.

You may submit claims for reimbursement from your Dependent Care Flexible Spending Account only for the eligible dependents included on your Child and Dependent Care Questionnaire.

#### **H. Eligibility to Enroll in a Health Savings Account**

The Health Savings Account allows you to pay for qualifying medical expenses incurred for you, your spouse, and your eligible tax dependents through a tax-advantaged trust or custodial account that belongs to you.

To be eligible to enroll in a Health Savings Account:

1. You must be covered under a high deductible health plan (currently, the Cigna Open Access Plus-In Network Consumer Driven Health Plan or the Kaiser HDHP) on the first day of the month.
2. You may not have disqualifying non-high deductible health plan coverage.
3. You may not be covered by a General Purpose Health Flexible Spending Account.
4. You may not be another person's tax dependent for tax purposes.
5. You may not be enrolled in Medicare.

You will be required to certify your eligibility to maintain a Health Savings Account prior to being permitted to enroll in a Health Savings Account.

#### **I. Special Eligibility Rule for Children of Divorced or Separated Parents for Health, Dental, Vision (and related Pre-tax Premiums), Health Flexible Spending Account Reimbursements, and Health Savings Account Reimbursements**

A special rule generally allows a child of divorced or legally separated parents to be a dependent of both parents if the following conditions are satisfied:

1. the parents are divorced, legally separated under a decree of divorce or separate maintenance, legally separated under a written separation agreement, or live apart at all times for the last six months of the calendar year;
2. the child receives over one-half of his or her support during the calendar year from his or her parents;
3. the child is in the custody of one or both parents for more than half the calendar year; and

4. the child is a “qualifying child” or “qualifying relative” of one of the child’s parents.<sup>2</sup>

**J. Special Rule for Child of Divorced or Separated Parents regarding Dependent Care Flexible Spending Account Reimbursements**

The child of a divorced or separated employee is generally treated as a qualifying individual of the custodial parent regardless of who claims the dependency exemption for the child.

If a child is in the custody of one or both parents for more than half of the calendar year, the child is treated as having been in the custody of the parent who had custody for the greater portion of that calendar year.

**K. Residency or Citizenship Requirements**

In addition to the requirements described above, any dependent (other than your spouse) eligible for enrollment in health, dental, and vision insurance, for tax-free premiums or reimbursements from your Health Flexible Spending Account, Health Savings Account, or Dependent Care Flexible Spending Account must be a U.S. citizen, a U.S. national, or a resident of the United States, Canada or Mexico. This rule does not apply to an adopted child who has the same principal place of abode as you for the calendar year and is a member of your household so long as you are a U.S. citizen or national.

**L. Foster Children**

Expenses for a foster child who is placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction are eligible for reimbursement from your Health Flexible Spending Account, Health Savings Account, or Dependent Care Flexible Spending Account; however, a foster child is not eligible for coverage under the health, dental, or vision insurance plans.

**M. Where to Get More Information**

This is not a complete description or discussion of eligibility. You should consult the most recent versions of the following IRS publications for more information regarding whether an individual is your dependent for tax purposes.

Publication 17, Your Federal Income Tax

Publication 501, Exemptions, Standard Deduction and Filing Information

Publication 503, Child and Dependent Care Expenses

Publication 969, Health Savings Accounts and Other Tax-Favored Health Plans

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<sup>2</sup> Refer to IRS Publication 501, Exemptions, Standard Deduction and Filing Information, for definitions of “qualifying child” and “qualifying relative.”

You may be required to provide proof of marital or civil union status or a dependent's eligibility as a condition of enrolling your spouse, civil union partner, or dependent. Littleton Public Schools reserves the right to request that you provide proof of your marital or civil union status, or a dependent's eligibility, at any time. If you fail to provide such proof or it is determined that a person you enrolled was not eligible to be enrolled, coverage may be denied. In addition, civil and criminal penalties could apply if you enrolled an ineligible person.

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This document contains more details than the documents provided by any one carrier. In the event of a conflict between the documents provided by any carrier, the benefit eligibility description in this document, the Littleton Public Schools Employee Benefits Plan, and the Littleton Public Schools Section 125 Plan governs specific coverage, eligibility rules, and other provisions of the plans. Please be sure to contact the Employee Benefits Office if you have questions regarding benefit eligibility.

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Please consult with your own tax professional regarding your own situation, particularly regarding special rules for divorced or separated parents.

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## ***CHANGES IN ENROLLMENT***

**Open enrollment:** The District's plan year coincides with its fiscal year, which runs from July 1 to June 30. Open enrollment is held in May each year, during which time you may change your enrollments in District benefit plans. The effective date of those changes will be July 1<sup>st</sup>.

**Change in Status/Special enrollment:** For purposes of health, dental, vision (and related premiums), and the health flexible spending account, you may not change your enrollment decisions during the plan year unless you have a change in status or special enrollment event, which include the following:

- Birth or adoption of a child, or change of legal custody of a child.
- Marriage, legal separation or divorce (including marriage to, or legal separation or divorce from, a same-sex spouse if you were married in a jurisdiction that permits same-sex marriage).
- Death of a dependent
- An enrolled dependent ceases to satisfy the definition of dependent.
- For purposes of health, dental and vision only, you previously declined enrollment for you or your dependent(s) while other health insurance or group health insurance was in effect, and you or your dependent(s) lose eligibility for such other coverage (or the employer stops contributing toward your dependent's other coverage).

If one of these events occurs, you must notify the Benefits Office within thirty (30) days of the event to change your enrollment status and complete a new enrollment form. In general, your election change must be consistent with the change in status. In some cases, you may be asked to provide written evidence of insurability or documentation of loss of coverage.

Changes in coverage will be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator, except in the case of birth, adoption, or change in legal custody in which case the child's coverage will be effective on the date the child is acquired. If you have been asked to provide evidence of insurability, coverage will be effective on the date of approval by the insurance company.

Other change in status or special enrollment events may allow a change in your enrollment. Please check the Littleton Public Schools Section 125 Plan Summary Plan Description for more details.

For purposes of dependent life insurance, changes in enrollment during the plan year may only be made in accordance with the guidelines provided by the dependent life insurance carrier.

## **WHEN COVERAGE ENDS**

You may cancel your enrollment in any of the District benefit plans during the open enrollment period or under the change in status or special enrollment provisions outlined above. Otherwise, your enrollment in District benefit plans will terminate at:

- the end of the month following your last day of work in your benefit-eligible classified position.
- the end of the month of your employment contract period following termination of benefit-eligible employment for teachers and administrators.
- the end of the month in which you lose your benefit eligibility for any reason other than termination of employment.