Office of Employee Benefits Administrative Manual	**EMPLOYEE ELIGIBILITY AND ENROLLMENT**	**210**
	INITIAL EFFECTIVE DATE: May 1, 2003	
	LATEST REVISION DATE: September 2017	
	PURPOSE: To provide guidance in determining the eligibility of Employees for the University of Texas Uniform Group Insurance Program and their enrollment options	
	SCOPE: Employees of the University of Texas System	
	STATUTORY AND ADMINISTRATIVE REFERENCES: Texas Insurance Code, Chapter 1601; Texas Government Code, §667.005	

1.0 BACKGROUND

In compliance with the eligibility and enrollment provisions in the Uniform Insurance Benefits Act for Employees of The University of Texas (UT) System and The Texas A&M University System (Act), eligible Employees of the UT System (System) and their eligible Dependents may participate in the UT Uniform Group Insurance Program (Program). The Act is codified in the Texas Insurance Code, Chapter 1601.

Section 1601.101 requires the System to provide basic insurance coverage to benefits-eligible Employees. Optional coverages are also available. This policy describes the Program coverage options for Employees. Program coverage options for Retired Employees are described in Policy 220 of this Administrative Manual. Program coverage options for Dependents are described in Policy 230 of this Administrative Manual.

2.0 ELIGIBILITY FOR UT GROUP INSURANCE

An Employee of a UT institution is benefits-eligible for Program coverage if the Employee meets the eligibility requirements as described below:

2.1 Full-Time Employees and Part-Time Employees

An individual is eligible to participate as a benefits-eligible Employee of a UT institution if the individual receives compensation for services performed for the institution, is eligible to be a member of the Teacher Retirement System of Texas (TRS), and either:

(a) is expected to work at least 20 hours per week and to continue in the employment for a term of at least 4 ½ months; or

(b) is appointed for at least 50% of a standard full-time appointment.

2.2 Graduate Student Employees

An individual is eligible to participate as a benefits-eligible Employee of a UT institution if the individual:

(a) receives compensation for services performed for the institution; and

(b) is employed at least 20 hours a week; and

(c) is not permitted to be a member of TRS because the individual is solely employed by the institution in a position that as a condition of employment requires the individual to be enrolled as a student at the institution in graduate-level courses.

2.3 Certain Non-Employee Postdoctoral Fellows and Qualifying Graduate Students

See Policy 211 for information regarding the eligibility and enrollment for certain non-employee Postdoctoral Fellows and Qualifying Graduate Students.

A newly benefits eligible Employee may not be immediately eligible for health benefits if the employing institution has a waiting period for benefit eligibility. See Policy 141 for more information about eligibility waiting periods.

Important: An individual who has retired under the Teacher's Retirement System of Texas (TRS) is not eligible to participate in any UT Program coverage as an Employee, with the exception of a TRS retiree who is employed in a position that requires the individual to be a graduate student as a condition of employment. In the event that a TRS retiree who is a participant in the TRS UGIP is employed in a graduate student position that is benefits eligible, the Employee should be informed that TRS does not currently provide open enrollment to allow former TRS Care participants to reinstate coverage they have previously dropped.

3.0 PREMIUM SHARING

Eligibility for Premium Sharing is based on the categories of Employee as described below:

3.1 Full-Time Employees

An Employee expected to work 40 or more hours a week for a period of at least four and ½ months, or appointed to a standard full-time appointment, is a Full-time Employee eligible for Premium Sharing in the amount of:

(a) 100% of the premium cost of health, Basic Group Term Life (GTL) and Basic Accidental Death and Dismemberment (AD&D) coverage for the Full-time Employee; and

(b) Not more than 50% of the premium cost of health coverage for covered Dependents of the Full-time Employee.

3.2 Part-Time Employees

3.2.1 Works Less Than 40 Hours Per Week

An Employee expected to work at least 20 hours but less than 40 hours per week for a period of at least 4 ½ months, or more than 50% but less than 100% of a full-time appointment), is a Part-time Employee eligible for Premium Sharing in the amount of:

(a) Not more than 50% of the premium cost of the Basic Coverage Package for the Employee; and

(b) Not more than 25% of the premium cost for the Employee's dependent medical coverage.

3.2.2 Exception for Certain Nurse Employees

Texas Education Code 51.969 permits the president of a System health institution to determine that certain nurses employed by the unit for patient or clinical activities who work less than 40 hours a week are full-time employees for purposes of the Program. A medical and dental unit that has made such a determination may supplement the premium cost for basic health care coverage for such nurses and their dependents, as long as the additional monies are allocated from the institution's funds and not from funds appropriated for state Premium Sharing purposes.

3.2.3 Designation for PPACA Compliance

To ensure compliance with the federal Patient Protection and Affordable Care Act (PPACA), for the limited purpose of state Premium Sharing, a UT institution may designate an employee who is expected to work at least 30 hours per week as working 40 hours a week.

3.2.4 Additional Funding by Institution Prohibited

Except as expressly authorized in this Section, funding in excess of the percentages described in this Policy is not permitted regardless of the source of the funds.

3.3 Graduate Student Employees

If an institution employs a person in a position that, as a condition of employment, requires the person to be enrolled as a student in graduate-level courses at the institution, the amount of state Premium Sharing is limited to 1/2 of the employer amount for a Full-time Employee, not to exceed:

(a) 50% of the premium cost of the Basic Coverage Package for a Graduate Student Employee; and

(b) 25% of the premium cost of health coverage for covered Dependents of a Graduate Student Employee.

A UT institution has the option to offer supplemental premium funding for its Graduate Student Employees and their Dependents, but only from funds not appropriated from general revenue funds, including any money set aside by the institution for state Premium Sharing.

An institution may offer supplemental premium funding at any level for which funds other than general revenue funds can be budgeted, provided the total combined state Premium Sharing and supplemental premium funding for Graduate Student Employees does not exceed:

(a) 100% of the premium cost of the Basic Coverage Package for a Graduate Student Employee; and

(b) 50% of the premium cost of health coverage for covered Dependents of a Graduate Student Employee.

3.3 Tenured Faculty With Phased Retirement

Tenured Faculty who enter into a phased retirement agreement and retire at the beginning of the agreement receive 100% Premium Sharing as a Retired Employee as outlined in this Policy. Tenured Faculty who enter into a phased retirement agreement that requires the Faculty to retire at a specified future date, while reducing their work hours to less than 100% but at least 50% for 4 ½ months or longer, are eligible for premium supplementation from institution funds to cover the full cost of the Faculty's basic coverage until the retirement date and to retain full-time Premium Sharing. An institution that enters into such an agreement with Tenured Faculty with phased retirement may supplement the premium cost for basic health care coverage for the Tenured Faculty and their dependents, as long as the additional monies are allocated from the institution's funds and not from funds appropriated for state Premium Sharing purposes.

4.0 EMPLOYEE BENEFITS

Employees who meet the criteria for participation in the Program (described in Section 2.0 of this policy) are eligible for the following benefits. A required waiting period may apply (see Policy 141 of this Administrative Manual for more information).

4.1 Basic Coverage Package

4.1.1 Full-Time Employees

All new Full-time Employees are automatically eligible for the Basic Coverage Package which includes coverage in the UT SELECT Health, Basic GTL of $40,000, and Basic AD&D of $40,000 for the Employee only, following any required waiting period. See Policy 141 of this Administrative Manual for complete details concerning any required waiting period for new enrollees in the Program.

The state Premium Sharing pays the entire premium cost for the Full-time Employee's Basic Coverage Package. See Section 3.0 of this policy for more information.

4.1.2 Part-Time Employees

Part-time Employees may enroll in the Basic Coverage Package after an election is made and the appropriate authorization and premium redirection agreement is signed. A waiting period may apply. The state Premium Sharing pays 50% of the premium cost for the Basic Coverage Package.

4.1.3 Graduate Student Employees

Graduate Student Employees who receive the additional institution contribution described in Section 3.3.2 are automatically enrolled in the Basic Coverage Package. A waiting period may apply. The state Premium Sharing pays 50% of the premium cost for the Basic Coverage Package, and the institution contributes the remaining 50%.

Graduate Student Employees who do not receive the additional institution contribution may enroll in the Basic Coverage Package after an election is made and the appropriate authorization and premium redirection agreement is signed. A waiting period may apply. The state Premium Sharing pays 50% of the premium cost for the Basic Coverage Package.

4.2 Basic Group Term Life and Basic AD&D Coverage

Basic GTL of $40,000 and Basic AD&D coverage of $40,000 are provided to Full-time Employees and Graduate Student Employees who receive the additional institution contribution enrolled in the Basic Coverage Package at no cost. Employees must be enrolled in a UT health plan in order to be enrolled in the Basic GTL and Basic AD&D coverage. Premium Sharing pays 50% of the premium cost for Part-time Employees and Graduate Student Employees who do not receive the additional institution contribution.

Dependents are <u>not</u> eligible for Basic GTL and Basic AD&D coverage.

For a more detailed description, see the definitions of Basic GTL and Basic AD&D coverage in Policy 130 of this manual.

4.3 Voluntary Group Term Life Coverage

Within the first 31 days of initial employment, an Employee may elect Voluntary GTL coverage of 1 – 10 times their basic annual earnings, up to a maximum of $2 million. EOI is required for new Employees electing Voluntary Employee GTL coverage in excess of 3 times salary. The Employee also may enroll an eligible spouse and Dependent children for $10,000 of coverage. An Employee who has elected Voluntary GTL of at least one times annual earnings plus Dependent Voluntary GTL of $10,000 may apply through the EOI process for Spouse Voluntary GTL of $25,000 or $50,000 (totals include the $10,000 Dependent Voluntary GTL).

Following an Employee's initial enrollment period, EOI will be required for an amount greater than 3 times annual salary following a qualified status change request, or for any Voluntary GTL election or increase requested during the Annual Enrollment period. The Employee is responsible for the full payment of premiums for Voluntary GTL coverage.

For a more detailed description, see the definition of Voluntary GTL in Policy 130 of this manual.

4.4 Voluntary Accidental Death and Dismemberment Coverage

Within the first 31 days of an Employee's initial employment, an Employee may elect an additional amount of Voluntary AD&D coverage up to the lesser of $2 million or 10 times their basic annual earnings. In addition, if the Employee has Voluntary AD&D coverage of at least $20,000, the Employee may enroll an eligible spouse for an amount of coverage that does not exceed 50% of the Employee coverage elected and may enroll other Dependents for $10,000 coverage for each Dependent. EOI is not required if Voluntary AD&D coverage is increased following the initial period of employment. The Employee is responsible for the full payment of premiums for Voluntary AD&D coverage.

For a more detailed description, see the definition of Accidental Death and Dismemberment in Policy 130 of this manual.

4.5 Dental and Vision Coverage

An Employee may enroll in an eligible dental plan and/or vision plan. The Employee also may enroll eligible Dependents. EOI is not required for the dental and vision plans. The Employee is responsible for the full payment of the premiums for dental and vision coverages, except when the Employee waives the Basic Coverage Package as described in Section 5.4 of this policy.

4.6 Short Term Disability and Long Term Disability Coverage

Employees may enroll in Short Term Disability (STD) and/or Long Term Disability (LTD) coverage without EOI during their initial 31 days of employment. EOI will be required for enrollment after initial eligibility, except when there is a qualified Change in Status event during the plan year. See Policy 270 (EOI) and Policy 310 (Change in Status) in this manual for more information.

The Employee is responsible for the full payment of STD and LTD premiums.

Dependents are <u>not</u> eligible for STD or LTD coverage.

4.7 UT FLEX Participation

4.7.1 Premium Redirection Plan

Full-time Employees are automatically enrolled in the Insurance Premium Redirection Plan that allows an Employee to deduct certain out-of-pocket premium costs from their paychecks on a pre-tax basis. Part-time Employees and Graduate Student Employees are enrolled in the premium redirection plan once the appropriate enrollment forms have been completed.

If an Employee is enrolled in the Basic Coverage Package (medical, basic group term life of $40,000 and basic accidental death and dismemberment of $40,000), the state Premium Sharing will pay the portion of the premiums for this coverage, as described in Section 3.0 of this policy, on a pre-tax basis. The Employee's out-of-pocket cost to pay the remainder of the premiums for the following Program coverages are eligible for the Insurance Premium Redirection Program and will automatically be deducted from the Employee's paycheck on a pre-tax basis:

- Medical – Employee and Dependent coverage
- Dental – Employee and Dependent coverage
- Vision – Employee and Dependent coverage
- Voluntary Accidental Death and Dismemberment (AD&D) – Employee and Dependent coverage

Note: Voluntary Group Term Life, Short Term Disability, and Long Term Disability premiums are not eligible for premium redirection and are deducted from an Employee's salary on a post-tax basis.

Important: Retired Employees and Return-to-Work Retired Employees are not eligible for participation in the Insurance Premium Redirection Program.

4.7.2 Employee Waives Basic Coverage Package

If an Employee waives the Basic Coverage Package, see Section 5.4 of this policy for a description of the Program coverages that are eligible for Premium Sharing. The portion of the premiums not eligible for Premium Sharing will be eligible for premium redirection as described above in this section.

4.7.3 Flexible Spending Accounts

Employees may also elect to participate in one or both of the UT FLEX reimbursement accounts (Health Care Reimbursement Account and Day Care Reimbursement Account). UT FLEX reimbursement account elections must be renewed each Annual Enrollment period.

5.0 INITIAL PERIOD OF EMPLOYMENT

5.1 Assignment of a Benefits Identification (BID) Number

A unique alphanumeric 8-character BID number is assigned by OEB as an identifier to each Participant in the Uniform Group Insurance Program. This unique BID will remain with the individual as long as he/she is a participant in the Program, including following a break and reenrollment in Program coverage, transfer from one UT institution to another, enrollment as a Retired Employee, and/or enrollment as a COBRA participant.

5.2 Election Options During First 31 Days of Employment

A newly hired Full-time Employee or Graduate Student Employee who receives the additional institution contribution is automatically eligible for the Basic Benefits Package. The effective date of coverage is determined by the policy of their employing institution concerning a required waiting period. See Policy 140, Section 4.0 for information about effective dates and Policy 141 for information about a waiting period.

A newly eligible Part-time Employee or Graduate Student Employee who does not receive the additional institution contribution must sign an institution payroll authorization and premium redirection agreement before enrollment can be completed and coverage can begin.

During an Employee's initial 31 days of employment, the Employee may make the following elections:

(a) Choose an eligible health plan other than UT SELECT, if available;

(b) Select one or more of the available optional coverages described in Section 4.0 of this policy;

(c) Add an eligible spouse and/or dependent children to the Employee's coverage; and/or

(d) Decline Program coverage.

Regardless of whether an employing institution has a required waiting period for newly hired Employees, the newly eligible Employee must make all Program coverage elections within their first 31 days of employment.

5.3 Waiting Period

See Policy 141 (Waiting Period for Group Insurance Benefits) of this Administrative Manual for a detailed description of the waiting period for Employees and their eligible Dependents.

5.4 Premiums

***Important*: Monthly premiums for the Program are not pro-rated. An entire month's premium must be paid for the first month of coverage regardless of the day on which the coverage becomes effective during the month.**

An Employee is responsible for payment of the portion of the premium for Dependent health coverage that is not covered by state Premium Sharing plus the total cost of any other optional coverages elected for the Employee and any Dependents.

5.5 Employee Waives Basic Coverage Package

During an Employee's initial period of employment, after a qualified Change in Status event or during Annual Enrollment, the Employee may elect to waive the Basic Coverage Package and receive up to one-half (50%) of the state Premium Sharing amount that would have been available to the Employee for the Basic Coverage Package (described in Section 3.0 of this policy) toward the purchase of certain voluntary coverages if the following documentation is provided to the institution Benefits Office:

(a) proof of other group health coverage; <u>and</u>
(b) proof that the Employee is not enrolled in another group insurance program funded by the State of Texas.

An Employee who waives the Basic Coverage Package and receives up to one-half of Premium Sharing may purchase one or more of the following optional coverages that are paid on a pre-tax basis:

- Dental – Employee and Dependent coverage
- Vision – Employee and Dependent coverage
- Voluntary Accidental Death and Dismemberment – Employee and Dependent coverage

  Note: Voluntary Group Term Life & Short and Long Term Disability premiums are not eligible for premium redirection and are deducted from the Employee's salary on a post-tax basis.

***Important*:** An Employee who is unable to show proof of other group coverage is not eligible to receive a percentage of state Premium Sharing toward optional coverage.

5.6 Employee Declines Basic Coverage Package

During an Employee's initial period of employment, the Employee may elect to decline all Uniform Group Insurance Program (UGIP) coverage. No proof of other group insurance coverage is required to decline UGIP coverage. However, the Employee is not entitled to Premium Sharing funds to pay for optional coverages if he declines the Basic Coverage Package unless he or she provides proof of other comparable coverage.

6.0 Annual Enrollment

Current Employees have the opportunity during each Annual Enrollment period to make the following changes to their Program coverages. The effective date of these changes will be the following September 1.

(a) Apply to add previously eligible Dependents to the Employee's UT SELECT coverage

(b) Apply to enroll in or increase Voluntary GTL coverage (EOI required for any increase in coverage);

(c) Enroll Employee and previously-eligible Dependents to the dental and vision plans;

(d) Apply to enroll in Short Term Disability and/or Long Term Disability coverage (EOI required);

(e) Enroll in a UT FLEX reimbursement account(s); and

(f) Drop or decrease current levels or amounts of coverages.

An Employee hired during the Annual Enrollment period has 31 days from the first day of active employment to elect optional coverages. Section 5.0 of this policy describes the new hire's election options and effective dates during the initial period of employment.

7.0 Change in Coverage After Initial Period of Employment and Outside of Annual Enrollment

Generally, an Employee may not make changes during the plan year. See Policy 310 (Change in Status) of this Administrative Manual for exceptions that may be permitted in specific circumstance. Following an Employee's first 31 days of employment, outside of the Annual Enrollment period, and following a qualified Change in Status event, EOI may be required for enrollment in or changes to certain Program coverages during the plan year. For information about the effective date of coverage, see Policies 270 (Evidence of Insurability) and 310 (Change in Status) of this Administrative Manual.

8.0 Transfers

8.1 Employee Transfers from One UT Institution to Another

An Employee of a UT System institution who transfers to another UT System institution with no break in Program coverage should continue the current Program coverages with no lapse in coverage. If an Employee has a qualified Change in Status (see Policy 310), the Employee is eligible to make Program changes and the effective date will be the first of the month following the transfer. However, if the effective date of the transfer is the first of the month, the effective date of the coverage change will be on that date.

If there is a break in Program coverage between the last date of coverage at the former UT institution and the first day of coverage at the new UT institution, the Employee will be considered a newly benefits-eligible Employee and be eligible to elect coverage as described in Section 5.0 of this policy, and the waiting period may apply.

If the transfer is effective during the month, the institution from which the Employee transfers is responsible for coordination of the Premium Sharing, out-of-pocket premium deductions, and Program benefits for that month. The institution to which the Employee transfers assumes responsibility for coordination of the Employee's Program coverage effective the first of the month following the transfer.

Example 1: A benefits-eligible Employee transfers from Institution A to Institution B. Her last day of employment at Institution A is June 15th with Program coverage effective through June 30th. Her first day of employment at Institution B is July 1st. Since there is no break in Program coverage, this Employee will continue the same coverages. If this Employee had a qualified status change event during this time, she may make Program changes as described in Policy 310.

Example 2: A benefits-eligible Employee transfers from Institution A to Institution B. Her last day of employment at Institution A is June 15th with Program coverage effective through June 30th. Her first day of employment at Institution B is July 2nd. Since there is a break in Program coverage, this Employee will be considered a new hire by Institution B.

8.2 Employee Transfers from ERS or Texas A&M to a UT Institution

An Employee transferring to a System institution from another State of Texas agency or higher education institution under the Employees Retirement System of Texas (ERS) or from the Texas A&M System is eligible for Program coverages as a new Employee.

The employing institution should obtain written verification from ERS or Texas A&M of the Employee's prior service, dates of employment, and group insurance coverage termination date.

An individual, who is employed in a benefits-eligible position at another state group plan and is enrolled in the ERS or A&M group insurance program immediately prior to directly transferring to a benefits-eligible position at a UT institution, is eligible to enroll in UT group insurance coverage without a waiting period for medical coverage if there is no break in coverage between the end date of the other state group plan coverage and the beginning date of UT coverage. Such an individual is eligible for UT optional coverages available to any other new Employee regardless of the coverage the Employee had under the previous plan.

Example 3: An individual transferred from a state university participating in the ERS group insurance program to a UT institution without a break in coverage. He had Employee and Family medical, four times life insurance, and long term disability coverage in his prior state plan. He is eligible to enroll in UT SELECT Medical Employee and Family coverage, three times Voluntary Group Term Life insurance, and Long Term Disability coverage in the UT group insurance plan without EOI. Any amount greater than three times life coverage must be approved through the EOI process.

If this individual's first day of active UT employment is during the month, his ERS coverage will continue through the last day of the month of transfer, and his UT coverage will begin the first day of the following month.

Important: An individual, who is employed at a Texas independent school district (ISD) and enrolled in TRS Active Care immediately prior to employment in a benefits eligible position at a UT institution, is considered a new hire and therefore does not qualify for waiver of the waiting period prior to enrollment in the UT group insurance program. TRS Active Care is not funded by the State of Texas and therefore are not considered to be a state group plan. (See important note at the end of Section 2.0 regarding individuals who are retired from an ISD through TRS prior to employment with a UT institution.)

For information about the waiting period, see Policy 141 of this Administrative Manual.

9.0 RE-EMPLOYMENT WITH UT INSTITUTION

Important: This section deals with actively employed employees. Employees who retire from a System institution or another state institution of higher education or agency and then return to work at the same or another System institution are subject to special rules. See Policy 220 (Retired Employee Eligibility and Enrollment) of this Administrative Manual for more information.

9.1 Break in Program Coverage

If there is a break in Program coverage between the date an Employee of a System institution terminates employment and the date the Employee returns to employment at the same or another System institution, the re-hired Employee is considered to be a newly benefits eligible Employee with the same enrollment options as a newly eligible Employee. The Employee is subject to any required waiting period for newly hired Employees at the employing institution.

9.2 No Break in Program Coverage

If there is no break in Program coverage (including COBRA enrollment with no break in coverage) between the date an Employee of a System institution terminates employment and the date the Employee is rehired at the same or another System institution, the rehired Employee will be eligible to be re-enrolled in the same coverages in effect on the last day of the Employee's prior coverage. The Employee is not subject to any new hire waiting period.

9.3 Coverage with Annual Deductibles and Maximum Benefits

Group insurance benefits for medical, dental and vision coverage are renewed at the beginning of each Plan Year and subject to annual Plan Year deductibles and maximum benefit amounts. Maximum benefits cannot exceed the maximum plan benefits allowed for that Plan Year.

Example 4: An Employee enrolled in the UT SELECT Dental plan uses $500 of the $1,250 annual maximum benefits before terminating UT employment in December. This Employee is rehired in June, which is within the same plan year. Therefore, only $750 of dental benefits remain available for the remainder of the current plan year.

Example 5: An Employee enrolled in the Superior Vision plan has a comprehensive eye exam prior to terminating UT employment in March. This Employee is rehired in May, which is within the same plan year. Therefore, another eye exam is not covered until the following plan year.

Example 6: An Employee enrolled in the UT SELECT medical plan uses $150 of the $350 network annual deductible prior to terminating employment in January. This Employee is rehired in March, which is within the same plan year. Therefore, only $200 of the annual deductible remains to be paid for the remainder of the plan year.

10.0 Dual State Premium Sharing and Duplicate Group Coverage Prohibited

10.1 Coverage Funded by Premium Sharing

See Policy 140 of this manual for detailed information about the prohibition of dual state Premium Sharing.

10.2 Coverage Paid by Employee/Retired Employee

Duplicate coverage is prohibited for any UT coverage even when the premium is paid in part or in full by the State. Additionally, an enrolled UT Subscriber or Dependent cannot be covered by two UT optional plans of the same type of coverage regardless of the funding source, but can have secondary coverage provided by another employer or group plan.

The following are examples of prohibited duplicate coverage:

(a) An individual cannot have medical coverage as a UT Employee and also as a dependent of another UT Employee or Retired Employee.

(b) An individual cannot have vision coverage as a UT Employee and also as a dependent of another UT Employee or Retired Employee.

(c) An individual cannot have dental coverage as a UT Employee and also as a dependent of another UT Employee or Retired Employee.

(d) An individual cannot have voluntary group term life or voluntary accidental death and dismemberment coverage as a UT Employee and also as a dependent of another UT Employee.

11.0 Ceasing Employee Coverage

If an Employee's eligibility for coverage in the Program ends due to termination of employment or nonpayment of premium, the effective date of the termination of coverage generally will be the end of the month in which the last premium was collected. For information regarding retroactive adjustments, see Policy 707 of this Administrative Manual.

11.1 Termination of Employment

An Employee enrolled in the Program whose eligibility for coverage ends due to termination of employment may be able to continue certain coverages under COBRA unless terminated due to gross misconduct. See Policy 250 for more information.

An Employee, who terminates employment and whose final paycheck is not sufficient to allow deductions for the total out-of-pocket portion for which the Employee is responsible, must remit the entire remaining balance to the institution Benefits Office by the end of the coverage period (i.e., usually the end of the current month). If the Employee does not pay for the coverage, the institution Benefits Office shall provide the Employee with written notification of the past due premium(s), the requirements to make the payment no later than 15 days after the end of the coverage period, and the address where the payment should be sent.

If the payment is not received by the due date, the cost of any coverage in effect will be deducted from the Employee's last paycheck and any coverage for which payment was not received will be retroactively cancelled effective the first of the month for which payment was not received. See Policy 707 of this Administrative Manual.

11.2 Nonpayment of Premium

An Employee's Program coverage will be cancelled if the Employee does not make timely payment of all required premiums. See Policy 707 of this manual for detailed information.

Important: Employees who are on Leave Without pay (LWOP) that is not also designated as FMLA leave are not eligible for Premium Sharing for themselves or their Dependents. Coverage for an Employee on LWOP who does not place Program coverage in abeyance and fails to pay all required premium will be terminated for non-payment of premium. See Policy 140 (Funding), Section 3.5 of this Administrative Manual for more information.

11.3 Death of Employee

Upon the death of an Employee enrolled in the Program, all coverages will terminate on the last day of the month in which the Employee's death occurs.

If the deceased Employee had a spouse and/or dependent children covered on the date of death, the Dependents may be eligible to continue medical, vision, and dental coverage, either as a surviving dependent or a COBRA participant, if they were enrolled in the Program on the date of death and the Employee had a minimum of five years of service in a benefits-eligible position. See Policy 230 for more information.

12.0 MISREPRESENTATION

Misrepresentation regarding meeting benefit eligibility requirements constitutes a violation of OEB's official policy. A verified misrepresentation by an Employee or Retired Employee shall be reported by OEB to the appropriate institution for investigation and possible sanctions. Possible sanctions for such a violation range from a reprimand to dismissal. In addition, reimbursement may be required for any benefits paid on behalf of an ineligible individual. Deliberate misrepresentation of Dependent eligibility by an Employee or Retired Employee may constitute criminal fraud and may result in a referral to a law enforcement office. Any ineligible Dependent may be terminated from plan participation upon discovery of ineligibility.