

	<p><b>City of Albany</b>  Human Resources Policy  Policy #: HR-BC-09-005  Title: General Benefits</p>	<p align="center"><b>Benefits &amp;  Compensation</b></p>
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**Purpose**                    The City of Albany provides health and welfare benefit programs, which include medical, pharmacy, dental and vision coverage for employees and their eligible dependents, flexible spending account, life insurance, long-term disability, deferred compensation, Public Employees’ Retirement System (PERS)/Oregon Public Services Retirement Program (OPSRP) retirement programs, and credit union membership.

**Policy**                    **Eligible Employees:**  
All City of Albany regular employees scheduled to work 20 or more hours per week are eligible to enroll in insurance benefits established in this policy. Provisions of collective bargaining agreements prevail for bargaining unit employees.

Temporary employees on the City’s payroll, who are regularly scheduled to work 30 or more hours per week, are eligible to enroll in the City’s temporary employee health insurance plan.

All regular part-time employees scheduled to work less than 20 hours per week, temporary City employees scheduled to work less than 30 hours per week, and temporary services workers contracted through a temporary agency are not entitled to insurance benefits.

Temporary employees on the City of Albany’s payroll regularly working less than 30 hours per week, may become eligible for health insurance if they have been employed a minimum of one year (the qualifying measurement period) and worked an average of 30 hours per week looking back over the measurement period.


All regular employees are eligible to participate in the City Match Deferred Compensation Program.

**Notification of Employee Changes**

It is the employee’s responsibility to notify the Human Resources Department within 30 days of any and all personal changes that would affect the employee’s insurance benefits and benefit records. These changes include but are not limited to:

- Births, deaths, marriages, divorces, and adoptions
- Addition or removal of domestic partner
- Name, address, and telephone number
- A dependent who is no longer eligible for coverage due to reaching age 26.
- Other changes affecting payroll deductions

Employees who do not comply with this requirement and for whom the City pays insurance premiums for ineligible dependents may be required to reimburse the City for those expenditures.

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**Benefits Include:**

Medical, Dental, and Vision Insurance

The City of Albany provides health insurance coverage for employee and eligible dependents. See specific insurance summary booklets for further explanation.

Employees shall pay a medical insurance premium contribution as determined by the Human Resources Director annually.

The City’s health insurance plan for City temporary employees is a medical-only plan. Employees may elect employee-only or employee and child(ren) coverage. Spouse coverage is not offered under this plan. Employee-paid share of the premiums will be nine and one-half percent (9.5%) of the employee’s salary, not to exceed fifty percent (50%) of the total premium.

All medical records are maintained by the City of Albany’s insurance providers and are considered confidential medical records. The City will abide by the Federal Health Insurance Portability and Accountability Act (HIPAA) privacy standards law requirements.

Continuation of Health Insurance under Consolidated Omnibus Budget Reconciliation Act (COBRA) will be made available to terminating employees. There are qualifying events that entitle an employee to continue participating in the City of Albany’s group health insurance plans for a prescribed period of time, usually 18 months, after leaving the City’s employment. (In certain circumstances, such as employee’s divorce or death or a dependent ceasing to be eligible for coverage, the length of coverage period may be longer for qualified dependents.) COBRA coverage is not extended to employees who are terminated for gross misconduct.

Medical Savings Account (VEBA Trust)

All eligible Nonbargaining employees participating in the City’s current medical health insurance plan will be enrolled in the established Voluntary Employee Beneficiary Association (VEBA) Trust, effective January 1, 2017.

The City will make employee VEBA contributions January of each calendar year. Annual contributions to an employee’s account are dependent on the employee’s health insurance enrollment status. Deposited funds will be made available to each employee pursuant to the provisions stipulated by the IRS and the VEBA Trust agreement.

Participating employees will be responsible for any individual account-related VEBA Trust fees, i.e., administrative-, asset-based-, debit card-, and government-related fees and or taxes. *(This list is intended as illustrative examples only of the various types of fees that may be accessed to an individual’s account.)*



- **New Employee**  
A newly eligible employee will have the appropriate contribution made into the VEBA Trust account the first of the month following hire. The first contribution to an employee's account will be dependent on the employee's health insurance enrollment status the month the enrollment is effective.
- **Qualifying Event Status Changes**  
A mid-year health plan enrollment or status change based on a qualifying event (i.e., adding or dropping dependents) may result in additional funds being added to an employee's VEBA account; however, funds will not be taken away mid-year should dependents be dropped due to a qualifying event.
- **Terminating Employee**  
A terminating employee will retain their VEBA Trust account, but will not be eligible for continued annual City contributions to the account.

**Annual VEBA Contributions:**

<b>Insurance Enrollment Status</b>	<b>Annual VEBA Contribution</b>
Employee Only	\$1,000
Employee + Child (ren) Employee + Spouse Employee + Family	\$2,000

**NOTE:** See HR-BC-14 Sick Leave Policy for additional VEBA benefit information.

Life Insurance

City paid basic group life insurance for Nonbargaining employees shall be two-times the employee's annual salary up to \$150,000. Provisions of collective bargaining agreements prevail for bargaining unit employees.

Supplemental life insurance is available for all benefit eligible employees to purchase. Coverage for spouse and dependent children is also available to purchase.



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**Benefits &  
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#### Medical Expense & Dependent Care Reimbursement

The City of Albany offers a Flexible Spending Account Plan that was established under Section 125 of the Internal Revenue Code. Flexible spending accounts allow participants to be reimbursed for certain eligible medical and dependent care expenses with before tax dollars.

#### Long-Term Disability:

The City of Albany provides eligible employees coverage under a Basic Long-Term Disability (LTD) plan. The plan provides partial income protection for you in case of loss of income due to a lengthy disability. LTD benefits are coordinated with PERS, Social Security, Workers' Compensation and other sources of income to replace a portion of your pre-disability earnings. To file a claim, please contact the Human Resources Department.

#### Deferred Compensation:

Deferred Compensation is a voluntary plan available to eligible employees to help save for retirement on a pre-tax basis. Deferred compensation for public employees is allowed and regulated under Internal Revenue Code (IRS) Section 457.

#### City Match Program-

All regular City employees are eligible to participate in the City's deferred compensation match program. Employee's may enroll or decline participation within 30 days of their new hire date or during the annual open enrollment only. Participation in the City's match program is as follows:

1. Nonbargaining employees who contribute one percent (1%) or more of their monthly base salary into one of the City's deferred compensation programs will receive a match of up to a maximum of one percent (1%) of their monthly base salary.
2. Union employees who contribute one-half of one percent (0.5) or more of their monthly base salary into one of the City's deferred compensation programs will receive a match of up to a maximum of one-half of one percent (0.5) of their monthly base salary.

#### Public Employee Retirement (PERS/OPSRP)

Under the Public Employee Retirement System, eligible employees whose employment status is regular, probationary, limited duration or trainee and who have worked at least six months and 600 hours are members of PERS if hired prior to August 29, 2004. Employees hired after August 29, 2004, are members of the Oregon Public Service Retirement Program (OPSRP).



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**Benefits &  
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The City of Albany makes a monthly contribution to PERS/OPSRP on your behalf. All PERS Tier One or Tier Two members and OPSRP members are part of the Individual Account Program (IAP). Effective January 1, 2005, Tier one and Tier two members' employee 6% pre-tax annual salary contribution will be contributed to the employee's established IAP account. All previous Tier One and Tier Two PERS contributions are retained within the employees' existing PERS account. In addition, the City contributes an actuarially determined amount to PERS/OPSRP based on an annual valuation of plan costs.

The Oregon Public Employees Retirement System (PERS) and Oregon Public Service Retirement Program (OPSRP) publish a Member Help Section on-line that describes the rules and benefits of the system. For additional information please go to the PERS website at: <http://www.pers.state.or.us/>.

When an employee meets the member eligibility conditions for PERS/OPSRP retirement, an employee is eligible to retire with benefits earned under the PERS/OPSRP retirement plan.

Credit Union Membership

Employees may join the Central Willamette Credit Union. Members are entitled to account services through payroll deduction plans. For further information contact Central Willamette Credit Union at 541.928.4536.

For more information regarding any of the City's benefits, please contact the Human Resources Department.

**NOTE:**

An employee must complete all applicable enrollment forms in order for a City paid or employee paid benefit to take effect.

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**Definitions**

N/A

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**References**

Refer to specific Collective Bargaining Agreements.

**Refer to Member Benefit Handbooks-**

BlueCross/BlueShield

PacificSource Source

ODS Health Plans

**Refer to Summary Plan Document-**

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Manley Administrative Services 125 Flexible Spending Account

**Refer to Insurance Policies:**

HIPAA Privacy Practices Policy  
 Standard Insurance Life/AD&D Policy  
 Assurant Life Insurance Policy  
 HR-BC-14-010 Sick Leave

**Retirement Information:**

PERS/OPSRP Member Handbook  
 Nationwide Retirement Solutions 457 Deferred Compensation Plan  
 ICMA 457 Deferred Compensation Plan

**Review and Authorization**

Supercedes: HR-BC-09-004, 1/01/2016	Created/Amended by/date: DJ; 09/15/2016	Effective Date: 01/01/2017
HR Director:		City Manager:

1. Form or worksheet revision related to this document? No  Yes

If yes, attach a copy of the revised form or worksheet.

2. Training required? No