

Policy No. 813

Section OPERATIONS

Policy Guide

Title OTHER INSURANCE

Adopted AUGUST 21, 1989

Revised MARCH 19, 2001

	<p style="text-align: center;">POLICY NO. 813 OTHER INSURANCE</p> <p>1. Purpose Proper School District operation requires that adequate basic insurance programs be provided for the protection of the District and employees of the District.</p> <p>2. Authority The board has the authority and responsibility to provide adequate insurance coverage to protect the District's interests. Such coverage shall be in accordance with the following guidelines.</p> <p>3. Guidelines</p> <ul style="list-style-type: none"> a. Liability insurance for the District shall include coverage for liability as a result of general liability, acts of employees, corporal punishment, disputes with contractors, incidental malpractice, and errors and omission. b. Travel Accident Insurance shall include coverage for Board Members and administrators while in the performance of their duties. c. Health Care Insurance shall include coverage for hospital care, medical-surgical treatment, major medical expenses, dental care, and vision care for regularly employed persons. 	
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- d. A furloughed employee may elect to continue hospitalization, dental and vision coverage for a period of eighteen (18) months, commencing the month after furlough. Monthly payment shall be made by a date specified by the Business Office. Failure to submit payment by the date will result in termination of coverage.
- e. Group Life Insurance shall include coverage for regularly employed persons.

Income Protection Plan

An Income Protection Plan shall include coverage for regularly employed persons. All eligible employees returning from an illness or disability under the District Income Protection Plan will adhere to the following provisions:

- a. Each eligible employee returning from an illness or disability under the Income Protection Plan must have an examination by a qualified physician to certify physical and/or mental competency to perform the requirements of the position on a full-time basis and in a satisfactory manner. The physician will complete a required District health form regarding the employee.
- b. If an eligible employee has exhausted twelve (12) months of benefits under the Income Protection Plan, the following conditions would apply:
 - 1. An employee who is unable to return to duty, because of personal illness or disability and who has exhausted all sick

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leave available and all benefits under the Income Protection Plan, may be granted a leave of absence without pay for the duration of such illness or disability, not to exceed 365 days commencing with the first day of the leave.

2. If an eligible employee returns to work and is unable to perform the requirements of the position on a full-time basis in a satisfactory manner after one (1) week on the job, the employee may request an unpaid leave of absence up to one (1) year.
 3. If such a leave is granted and, if upon return, the employee still is unable to perform the requirements of the position of a full-time basis in a satisfactory manner after one (1) week on the job, employment will be terminated in the manner prescribed by law.
- c. If an employee returns to work after being under the Income Protection Plan for a period of less than twelve (12) months, s/he would remain eligible to receive benefits for up to a total of twelve (12) months should the same injury or disabling condition prevent full employment.
- d. Upon return to work, an employee would have to work one (1) month to establish eligibility to participate again in the Income Protection Plan. The district would again pay benefits for up to twelve (12) months only if a new claim addressed an illness of a disabling condition different from the previous illness or disabling condition for

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which the employee received benefits under the plan.

In placing insurance the Board shall be guided by the service of an insurance agent, scope of coverage provided by the policy, price of desired coverage, and assurance of coverage.

In the event of a qualifying event to the employee, as described below, the employer has thirty (30) days to notify the plan administrator of the termination, reduction in hours, or death of the employee. This terminates his/her insurance under the plan. The administrator once notified, has fourteen (14) days to notify the employee of this right to continue coverage under the Consolidated Budget Reconciliation Act of 1986 (COBRA) as amended. In the event of a qualifying event to a dependent, the employer has fourteen (14) days to notify the dependent of his/her rights to continue coverage after s/he is advised by the employee or dependent that the event has occurred.

<u>Qualifying Events</u>	<u>Duration of Continuance of Coverage</u>
(1) Termination of employment (except) for gross misconduct	Up to 18 months
(2) Reduction of the employee's hours which results in loss of coverage	Up to 18 months
(3) Death of an employee	Up to 36 months
(4) Divorce	Up to 36 months

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(5) Loss of dependent coverage because employee becomes entitled to Medicare benefits Up to 36 months

(6) Dependent child no longer meets definition of an eligible dependent Up to 36 months

Employees who have suffered a qualifying event as outlined above and who wish to continue coverage are responsible for the gross rate of premiums charged with an additional two percent (2%) charged for the additional corporate administrative cost.

3. Delegation of Responsibility

The Finance committee is charged with the responsibility of constantly studying the adequacy of the Board's insurance coverage.