



CALIFORNIA'S  
VALUED TRUST

Healthcare Benefits for the Education Community

## OVERVIEW

### ACTIVE EMPLOYEE ELIGIBILITY POLICY

This document is an overview of the eligibility policy revised on August 1, 2012. If you would like a complete copy of this policy please contact your district office or CVT.

#### REQUIRED PARTICIPATION

**Full time employees:** All full time employees of a district are required to participate in the benefit plans offered by their district through CVT. If the requirement of 100% participation of all full time employees is violated, the district must correct the discrepancy on the first of the following month of the notification. If not corrected the district's participation in the Trust will be terminated.

**Dependents of full time employees:** A dependent of a full time employee is not required to participate in the Trust and is not subject to the 100% participation requirement. However, if an eligible dependent is not enrolled within 31 days of first becoming eligible to enroll for coverage, they are not eligible to be enrolled until the annual open enrollment period or until the employee experiences a qualifying event.

**Part time employees:** Part time employees and their dependent(s) are not subject to the 100% participation requirement. However, if a part time employee or an eligible dependent of a part time employee does not enroll within 31 days of first becoming eligible to enroll for coverage, they are not eligible to enroll until the annual open enrollment period or until the employee experiences a qualifying event.

#### ENROLLMENT

An enrollment form is required to be completed and submitted to the Trust for every eligible employee and dependent for whom coverage is requested through CVT. Eligible dependents for whom coverage is sought when the employee initially enrolls, should be included on the employee enrollment form. Enrollment must be applied for within 31 days of first becoming eligible for coverage.

#### ELIGIBILITY AND COMMENCEMENT OF COVERAGE

**New districts joining CVT:** The initial eligibility period and/or coverage for employees of new districts and their eligible dependents will commence on the effective date of the signed Participation Agreement.

**New employee:** The initial eligibility period for a new employee and his or her dependent(s) will begin on the employee's date of hire as an active employee or, if applicable, at the end of the probationary period established by the district. Unless a district has established a probationary period, coverage will commence for an eligible employee, and his or her eligible dependent(s) if enrollment is requested, on the first day of the month following the date of hire as an active employee. If a district has established a probationary period, coverage will commence on the first day of the month following notice to CVT that the probationary period has been completed. **It is the responsibility of the employee to notify the district, in a timely manner, of any changes in the eligibility status of his or her dependent(s).**

**Dependents:** A dependent of a covered employee continues to be eligible for coverage as long as the employee upon whom they are dependent remains covered and the dependent continues to qualify as an eligible dependent. Request for enrollment must be received within 31 days of first becoming eligible for coverage. If a request for enrollment is not received within 31 days of first becoming eligible, the dependent may not be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event. Coverage for an eligible dependent commences on the first day of the month following the receipt of a timely request to enroll an eligible dependent. **(Documentation requirements listed below)**

**Completion of negotiations:** A new open enrollment period begins when negotiations are completed and the district requests a new open enrollment period to allow employees to elect to participate in a different plan based on the outcome of the negotiations. Under no circumstances will a retroactive effective date of coverage be permitted.

## WHO IS ELIGIBLE FOR COVERAGE

**Full time employee:** All full time employees of a participating group are eligible for coverage.

**Part time employee:** All part time employees of a participating group are eligible for coverage. Board members of participating districts are considered part time employees for purposes of eligibility. If the bargaining agreement provisions include benefit coverage for adjunct faculty, the adjunct faculty of a participating district are considered part time employees for purposes of eligibility.

**Spouse of employee:** A spouse of an enrolled employee is eligible for coverage. **(Marriage Certificate is required)**

**Domestic Partner:** A domestic partner of the same or opposite sex of an enrolled employee may be eligible for coverage, if the eligible employee and his or her domestic partner satisfy the following:

- **State registered domestic partners (same sex or over 62 opposite sex)** – A domestic partner is eligible for coverage. **(State Registration Certificate is required for enrollment)**
- **Unregistered domestic partners** – Must satisfy all of the following as evidenced by a signed Declaration of Domestic Partnership in the form approved by CVT **(Declaration of Domestic Partnership is required for enrollment):**
  - o Each is over 18 years of age, and is otherwise capable of entering into a binding contract.
  - o They consider each other to be, and hold themselves out as, engaged in a relationship of mutual caring and commitment.
  - o They have resided together for at least the past six (6) consecutive months, currently reside together, and intend to continue residing together.
  - o They are financially interdependent, responsible for each other's basic living expenses, so that anyone who is owed such expenses can collect from either.
  - o Neither has any other domestic partner, and neither has had a spouse or other domestic partner in the previous six months.
  - o They are not blood relatives such that a marriage between them would be illegal under California law.

### **Child of an enrolled employee or domestic partner under 26 years of age:**

- Natural child – **(Birth Certificate is required for enrollment)**
- Adopted child – **(Final Adoption Papers are required for enrollment)**
- Step child – **(Birth Certificate is required for enrollment)**
- Child of an eligible, covered domestic partner – **(Birth Certificate is required for enrollment)**
- Unmarried child under legal guardianship - A dependent child under a court ordered legal guardianship of the employee is eligible for coverage, provided they meet all other eligibility requirements. Please note: eligibility ends on the date of expiration of the court awarded guardianship or upon the 18th birthday of the child, whichever comes first. **(Legal Guardianship Papers are required for enrollment)**

**Permanently disabled child:** A permanently disabled child who is presently covered with CVT as a dependent may continue as a dependent regardless of age provided the disabling condition existed before the child attained the age of 26, the disability renders the child incapable of self-sustaining employment, and the child is chiefly dependent on the subscriber for support.

Permanently disabled dependents over the age of 26 are eligible for coverage when a new group enrolls or an existing group enrolls a new employee with a permanently disabled child, if the employee provides proof that the dependent was an accepted and covered disabled dependent on a medical plan immediately prior to requesting enrollment in CVT.

A permanently disabled dependent who is married will lose their coverage at age 26; and a permanently disabled dependent who is single will continue to be covered past age 26 until he or she marries, is no longer certified as permanently disabled, or no longer dependent on the *subscriber* for support.

### **WHO IS NOT ELIGIBLE FOR COVERAGE**

Dependents of employees are not eligible for coverage unless the employee is enrolled for coverage. Persons not specifically included as eligible above are not eligible for coverage. This includes, but is not limited to, the following:

**Divorced Adult Dependents:** A husband/wife dependent who has been divorced from the CVT member is not eligible for coverage. If there is a court order to provide insurance for the divorced dependent, the member will have to obtain other coverage.

**Custodial Child:** A child in the custody of an employee or the employee's spouse or domestic partner, whether voluntary or court ordered, whose custody will not culminate in a superior court "Decree of Adoption" or "Court Ordered Legal Guardianship" is not eligible for coverage.

**Foster Child:** A child placed in the home of an employee or an employee's spouse or domestic partner by a state or federal agency, while awaiting adoption by someone other than the employee or his or her domestic partner, is not eligible for coverage.

**Grandchild:** The grandchild of an employee or an employee's spouse or domestic partner who does not qualify as either the employee's, or the employee's spouse or domestic partner's legally adopted child, or is not under court ordered legal guardianship, is not eligible for coverage.

**Child of a Dependent Child:** A child of a dependent child of an employee or an employee's spouse or domestic partner is not eligible for coverage.

**Dependent Adult:** The parent or step-parent of an employee or the parent or step-parent of an employee's spouse or domestic partner is not eligible for coverage, even though the parent or step-parent may qualify as a dependent for financial purposes under the IRS Code.

## ENROLLMENT OF DEPENDENTS

A dependent of an enrolled employee is eligible to enroll for coverage within 31 days of first becoming eligible for dependent coverage. If an eligible dependent is not enrolled within 31 days of first becoming eligible, he or she will not be allowed to enroll for coverage until the annual open enrollment period or until the employee experiences a qualifying event.

- **New spouse and eligible dependent(s):** A new spouse and an eligible dependent(s) of the new spouse are eligible to enroll for coverage within 31 days of the date of the marriage to the employee. An enrollment form for the new spouse and eligible *dependent(s) must be submitted to request* coverage within 31 days of the date of the marriage. Coverage will commence on the first day of the month following the date of the marriage and receipt of a timely request for enrollment.

**(Copies of Marriage Certificate and Birth Certificates for children under age 26 are required)**

- **New domestic partner and eligible dependent(s) of domestic partner:** A domestic partner and his or her eligible dependent(s) are eligible to be enrolled by an employee when the requirements for eligible domestic partners (see "Who is Eligible For Coverage – Domestic Partner") have been met. An employee has 31 days from the date of first meeting the requirements of domestic partnership to enroll his or her domestic partner and eligible dependent(s). Coverage will commence on the first day of the month following the date of first meeting the requirements and receipt of a timely request for enrollment.

**Same Sex Domestic Partners are required to submit a copy of their State Registration – Unregistered / Opposite Sex Domestic Partners must submit a Declaration of Domestic Partnership and all other required documents to the Trust to be considered for enrollment.**

- **Newborn child:** A newborn child of an employee, an employee's spouse, or an employee's covered domestic partner is eligible to be enrolled for coverage at the moment of birth. An enrollment request and copy of the birth certificate must be submitted within 12 months of the date of birth. (See HMO guidelines below) Coverage will commence on the date of birth. **If a request for enrollment is not received within 12 months of the date of birth, the newborn child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

An employee participating in one of CVT's Kaiser HMO medical plans must submit an enrollment request and copy of the birth certificate within 6 months of the date of birth. **If a request for enrollment is not received within 6 months of the date of birth, the newborn child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

An employee participating in one of CVT's Blue Cross or Blue Shield HMO medical plans must submit an enrollment request and copy of the birth certificate within 90 days of the date of birth. **If a request for enrollment is not received within 90 days of the date of birth, the newborn child is not eligible to be enrolled for coverage until the annual open enrollment period or**

until the employee experiences a qualifying event.

- **Adopted child:** Adopted children are eligible to be enrolled for coverage on the date of placement in physical custody “for the purpose of adoption.” A copy of the adoption agency placement agreement, or in the case of a private placement, a copy of the court “Petition for Adoption” or “Decree of Adoption” is required to be provided to the Trust before the child will be added to the coverage as a dependent of the employee. An employee must submit and enrollment request within 12 months of the child being placed in the employee’s physical custody for the “purpose of adoption.” (See HMO guidelines below) Coverage will commence on the date of placement in physical custody “for the purpose of adoption” and receipt of a timely request for enrollment. **If a request for enrollment is not received within 12 months of the date of placement the child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

An employee participating in one of CVT’s Kaiser HMO medical plans must submit an enrollment request within 6 months of the date of adoption or date on which the child is placed in the physical custody of the employee for the purpose of adoption, whichever is earlier. **If a request for enrollment is not received within 6 months of the date of placement the child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

An employee participating in one of CVT’s Blue Cross or Blue Shield HMO medical plans must submit an enrollment request within 90 days of the date of adoption or date on which the child is placed in the physical custody of the employee for the purpose of adoption, whichever is earlier. **If a request for enrollment is not received within 90 days of the date of placement the child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

- **Guardianship:** Children under the legal guardianship of the employee are eligible to be enrolled for coverage on the date the guardianship is awarded by the court. A copy of the “court ordered custody documents” is required before the child will be added to the coverage as a dependent of the employee. An employee must submit an enrollment request within 12 months of the date the guardianship is awarded to the employee by the court. (See HMO guidelines below) Coverage will commence on the first day of the month following the court awarded guardianship and receipt of a timely request for enrollment. **If a request for enrollment is not received within 12 months of the date the guardianship is awarded by the court the child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

An employee participating in one of CVT’s Kaiser HMO medical plans must submit an enrollment request within 6 months of the date of the court ordered guardianship to enroll a newborn child, or a child for which there has been a court ordered guardianship. **If a request for enrollment is not received within 6 months of the date the guardianship is awarded by the court the child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

An employee participating in one of CVT’s Blue Cross or Blue Shield HMO medical plans must submit an enrollment request within 90 days of the date of the court ordered guardianship to enroll a newborn child, or a child for which there has been a court ordered guardianship. **If a request for enrollment is not received within 90 days of the date the guardianship is awarded by the court the child is not eligible to be enrolled for coverage until the annual open enrollment period or until the employee experiences a qualifying event.**

## ANNUAL OPEN ENROLLMENT PERIOD

CVT's annual open enrollment is the month of September. Any changes made during the annual open enrollment will be effective October 1. During the month of September:

- a full time or part time employee may elect to change his or her medical plan selection and participate in a different plan offered by the group.
- a full time or part time employee may terminate or add eligible dependents to medical, vision, or dental coverage.
- a part time employee may terminate or add medical, vision, or dental coverage.

## Plan Selection or Coverage Changes

Plan selection changes by a full time or part time employee or adding or terminating coverage of a part time employee or the eligible dependent(s) of a full time or part time employee, **will not be allowed at any other time than the annual open enrollment period unless:** 1) an open enrollment period is requested by the district due to the completion of negotiations, or 2) an employee experiences a qualifying event listed below:

- a marriage
- a divorce
- the birth of a child
- the adoption of a child
- court ordered guardianship of a minor child
- the requirements of domestic partnership are met
- the effective date of a 25% increase in the employer/employee portion of contribution to the benefit package.
- the effective date of an increase in the number of hours worked by the employee
- the termination of employment of the person through whom the employee's dependent was previously covered
- a change in the employee's employment status or a change in the employment status of the individual through whom the employee's dependent was previously covered
- the **involuntary** termination of the other plan under which the employee's dependent was covered
- the cessation of an employer's contribution toward an employee's or dependent's coverage
- the death of a person through whom an employee's dependent was previously covered as a dependent
- acquiring coverage
- gaining Medicare
- death of subscriber or covered spouse

Written application for additions, terminations, and coverage changes must be made within 31 days of the qualifying event. If application is not made within 31 days, an employee will have to wait until the next annual open enrollment period or another qualifying event is experienced to make any changes. Additions, terminations, or coverage changes will be effective on the first day of the month following the receipt of a



timely request for the change. **Documentation is required for any of the above.**

## **TERMINATION OF ELIGIBILITY**

Eligibility in CVT will be terminated for any of the following reasons or circumstances:

### **A. GROUPS**

The eligibility of an employee and his or her dependent(s) will terminate on the last day of the month in which the group to which they belong withdraws from CVT. Coverage for all district-paid or self-paid retirees and their dependents, and all COBRA participants and their dependents will also terminate on the last day of the month in which the active group with which they are associated withdraws from CVT.

### **B. INDIVIDUAL EMPLOYEES**

The eligibility of an employee will terminate on the last day of the month in which the employee ceases to meet the definition of an employee. **Notification in a timely manner of all terminations of employment is the responsibility of the district.**

Benefits for a terminated employee may not be continued beyond the period provided in a collective bargaining agreement. A district cannot make any settlement with an employee that extends eligibility beyond that provided for under COBRA.

### **C. DOMESTIC PARTNER**

Coverage for a domestic partner and his or her child(ren) terminates at the end of the month in which the eligibility requirements of domestic partnership in Section II are not satisfied.

### **D. DEPENDENT OF EMPLOYEE**

The eligibility and/or coverage of a dependent of an employee terminates on the last day of the month in which one of the following events occurs:

- The group to which the dependent belongs withdraws from CVT.
- The employee under whom the dependent is eligible terminates coverage.
- The employee's eligibility under which the dependent is eligible terminates.
- The employee dies, unless extended coverage for dependents (including domestic partners) is provided for in the collective bargaining agreement or district board policy and the district pays all or part of the contribution. **Documentation is required.**
- A spouse's eligibility terminates as of the date of the final divorce decree. **Documentation is required.**
- A domestic partner's eligibility terminates on the date of the termination of the domestic partnership. **Documentation is required.**
- The date of expiration of a court awarded guardianship or upon the 18th birthday of the minor child, whichever comes first.
- The 26th birthday of an eligible overage dependent who does not qualify as a permanently disabled child.

The eligibility and coverage of all employees, district-paid retirees, self-paid retirees, COBRA participants and

all dependents will terminate as of the date CVT is dissolved by its Board of Trustees.

### **COBRA EXTENSION**

Covered employees and covered dependents, excluding domestic partners and the dependents of a domestic partner, whose eligibility in CVT is terminated may be eligible for continuation of coverage as a COBRA participant.

A domestic partner and the child(ren) of a domestic partner are not entitled to COBRA continuation coverage under federal law and therefore are not entitled to COBRA continuation coverage with CVT in the event of the termination of the domestic partnership.

If a former eligible employee elects COBRA coverage for herself or himself because of a loss of coverage due to termination of employment, layoff, or reduction in hours, the employee may elect to continue the same coverage for his or her domestic partner and any child(ren) of his or her domestic partner. This coverage is not to be construed as COBRA coverage for the domestic partner and the child(ren) of a domestic partner. Coverage for the domestic partner and the child(ren) of a domestic partner may only be continued for as long as the eligible employee purchases COBRA coverage for himself or herself.

An employee engaged in a strike who is not otherwise eligible shall be entitled to COBRA coverage at the composite rate in lieu of the normal COBRA rate.

In the event of the death of a covered employee, his or her spouse or domestic partner and other covered dependents may elect to continue coverage for not more than 36 months by paying the appropriate premium as established by the Trust and subject to other terms and conditions as may be determined by CVT.