

STATE OF MINNESOTA

LEGISLATIVE COORDINATING COMMISSION

LEGISLATIVE PLAN

FOR

EMPLOYEE BENEFITS

AND POLICIES

**Calendar years 2006 and 2007
as adopted by the LCC
on December 2, 2005**

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APPLICABILITY

The Legislative Plan for Employee Benefits (the Plan) applies to members and unclassified employees of the Legislature as provided in this section.

The provisions of the Plan relating to insurance apply to members of the Legislature and to unclassified employees of the Senate, the House of Representatives, and offices under the supervision of the Legislative Coordinating Commission, namely:

Legislative Coordinating Commission	Legislative Commission on Health Care Access
Legislative Reference Library	Legislative Commission on Pensions and Retirement
Office of the Revisor of Statutes	Legislative Commission on Planning and Fiscal Policy
Legislative Audit Commission	Legislative Commission on Minnesota Resources

Provisions of the Plan relating to vacation leave, sick leave, and severance pay apply to unclassified employees of the Senate, the House of Representatives, and offices under the supervision of the Legislative Coordinating Commission.

The Senate Committee on Rules and Administration may apply the provisions of the Plan relating to deferred compensation to members of the Senate. The House Committee on Rules and Legislative Administration may apply the provisions of the Plan relating to deferred compensation to members of the House of Representatives.

The remaining provisions of the Plan apply to unclassified employees of the Senate, the House of Representatives, and offices under the supervision of the Legislative Coordinating Commission when adopted by their respective appointing authorities.

The Plan governs the employees of any legislative commission, task force, or board created after its adoption or contained in statutes.

All employees covered under **APPLICABILITY** serve at the pleasure of their employer in the state unclassified service. The term “Regular Employee” refers to an employee hired without a limit on the duration of the employment and does not constitute a promise of permanent employment. Each employee covered by this Plan is an “at-will” employee and has a right to terminate the employee’s employment at any time for any reason. Likewise, each respective appointing authority has a similar right to terminate the employment of any employee at any time.

This Plan is designed to provide covered employees with a summary of certain policies and benefits and is not intended to create, nor is it construed to constitute, a contract with any employee or employees.

APPOINTING AUTHORITY: DEFINITION

For purposes of this Plan, appointing authority means the House Rules and Legislative Administration Committee for employees of the House of Representatives, the Senate Rules and Administration Committee for employees of the Senate, and the Legislative Coordinating Commission for the unclassified employees of joint commissions and offices. The appointing authority may delegate certain authorities and responsibilities of this Plan to appropriate staff.

*As a legislative employee, will I be required to file a **statement of economic interest**?*

*The Minnesota Public Disclosure Law affects certain legislative employees. The term "**public official**" in the law includes the following legislative staff positions: Chief Clerk of the House, Legislative Auditor, House Research researchers and attorneys, Revisor of Statutes, Secretary of the Senate, Senate Counsel and Research legislative analysts and attorneys. Further information on the Minnesota Public Disclosure Law may be obtained from the:*

Minnesota Campaign Finance and Public Disclosure Board
1st Floor South
Centennial Office Building
658 Cedar Street
St. Paul, MN 55155
or at their Web site: <http://www.cfboard.state.mn.us/EID.htm>

EFFECTIVE DATE AND DURATION

Once adopted, except as otherwise specifically provided by the appointing authority, this Plan is effective January 1, 2006. It remains in effect until amended or repealed by the Legislative Coordinating Commission or the appropriate appointing authority (see the section on Applicability) or until superseded by law.

LEGISLATIVE POLICIES

Immigration Reform and Control Act

Under the Immigration Reform and Control Act enacted on November 6, 1986, employers are required to verify that all new employees are either United States citizens or aliens authorized to work in the United States. Consistent with this law, employment in the Minnesota Legislature will be contingent upon completion of an [I-9](#) form and the ability to provide the necessary documents of citizenship and work authorization. Employees are required to complete the recertification section whenever their legal name changes. Employees should contact their Human Resources or Payroll representative for this form.

*Since I was born in this country, why would I have to sign an **I-9 form** under the Immigration and Control Act?*

The federal law allows for no exemptions--all new employees hired after November 6, 1986 fill out an I-9 form.

Background on the I-9 form is available from the U.S. Bureau of Citizenship and Immigration Services, at: <http://www.uscis.gov/graphics/howdoi/faqeev.htm>

Sexual Harassment

The Minnesota Legislature is committed to creating and maintaining a work environment in which all members and employees are treated with respect and are free from sexual harassment. To this end, sexual harassment by a member or employee of the Senate, the House of Representatives, or the Legislative Coordinating Commission is prohibited.

The goal of this policy is to ensure that all complaints of sexual harassment will be promptly, thoroughly, and respectfully handled.

- Reporting and investigating procedures are designed to encourage members and employees to report what they believe to be sexual harassment.

LEGISLATIVE POLICIES (continued)

- Complaints, investigations, and resolutions will be handled as discreetly as possible, with information being shared only with those who have a need to know and as may be required by the Legislature's obligation to comply with the law.
- Retaliation will not be tolerated against any person who complains, reports, or testifies about sexual harassment, or participates in an investigation of a sexual harassment complaint.
- Appropriate disciplinary action will follow when appropriate.

All those involved in the legislative process have a responsibility to contribute to a respectful work environment. The Minnesota Legislature encourages, expects, and appreciates cooperation in implementing this policy.

If I believe I have experienced sexual harassment or sexually offensive behavior, what should I do?

You should feel free to express your concern to the offending person about his/her behavior, to tell him/her what comment, joke or action disturbed you, and that you want the behavior to stop. If you do not feel comfortable in voicing your concern directly, if you have expressed your concern to the offender and the offensive behavior has not stopped, or if you believe your expression of concern has resulted in retaliation towards you, report your complaint of sexual harassment or of retaliation as follows:

*If you are a **SENATE** employee or member, report to any Senate supervisor, the Senate Majority Leader, Minority Leader, or the Director of Human Resources.*

*If you are a **HOUSE** employee or member, report to any House supervisor, the Speaker, Majority Leader, Minority Leader, or the Director of Human Resources.*

*If you are an employee under the jurisdiction of the **LCC**, report to any LCC supervisor, the LCC Chair, or the LCC Director of Human Resources.*

Copies of the complete sexual harassment policy may be obtained from the appropriate Senate, Revisor, or LCC administrative/personnel office.

House employees and members may obtain a copy of the House's policy on harassment and discrimination from the House's Human Resources Director or from the House Intranet site.

LEGISLATIVE POLICIES (continued)

Statement of Zero Tolerance of Violence

Consistent with Minn Stat. § [15.86](#), the Legislature endorses a policy of zero tolerance of violence.

Equal Employment Opportunity

The Minnesota Legislature is an equal opportunity employer and is committed to conducting its personnel activities without regard to race, color, creed, religion, national origin, sex, age, disability, marital status, status with regard to public assistance, or sexual orientation. Further information regarding equal employment opportunities and specific procedures governing incidents of sexual harassment may be obtained from the appropriate House, Senate, Revisor, or LCC administrative personnel office.

Americans with Disabilities Act (ADA)

The Minnesota Legislature is committed to complying with the provisions of the ADA and supports the goal that individuals with disabilities shall not be excluded from participating in or be denied the benefits of any program, service or activity offered by the Legislature. Background on the ADA is found on the Minnesota Department of Employee Relations Web site, at: <http://www.doer.state.mn.us/odeo-ada/ada.htm>.

Discrimination on the basis of disability is also prohibited by the Minnesota Human Rights Act ([Minn Stat. 363.01 – 363.20](#)). It is the responsibility of legislators and legislative employees to support the goals, objectives and concept of the ADA and the Minnesota Human Rights Act in their dealings with the public, prospective employees, and co-workers.

Employee Assistance Program

The Employee Assistance Program (EAP) is a confidential counseling service designed to help state employees with problems, either in or out of the workplace. If you have a personal or work-related problem which you do not care to discuss with anyone associated with the Legislature, contact EAP at (651) 296-0765, or visit their Web site at: <http://www.doer.state.mn.us/eap/eap.htm>.

Lactation Room

Lactation rooms are located in both the Capitol and the State Office Building. The lactation room in the Capitol is on the second floor. See Senate Offices, in Room 231 Capitol to obtain a key. The room in the State Office Building is located on the ground floor. See the House Sergeant at Arms in Room 190 State Office Building to obtain a key.

LEGISLATIVE POLICIES (continued)

Emergencies

NON-MEDICAL EMERGENCY: Call Capitol Security at (651) 296-2100.

MEDICAL EMERGENCY: Call 911, or go to the nearest emergency facility. Also, call Capitol Security at (651) 296-2100. Report the injury to your supervisor as soon as possible.

INJURY IS NOT AN EMERGENCY: Call the Workers' Compensation Certified Managed Care line at 651-296-6521 to report the injury, receive first aid instructions, and get a referral to a doctor (network provider) who will see you promptly. Report the injury to your supervisor, who will work with your personnel office to complete a "First Report of Injury."

In certain situations, you are allowed to see a non-network provider. For further information on Workers' Compensation, contact your payroll/personnel office. The Department of Labor and Industry also provides "An Employees Guide to the Minnesota Workers Compensation System, at: <http://www.doli.state.mn.us/guide.html>.

If I am working late and would like an escort to my car, what should I do?

Call Capitol Security at 296-6741, and a security escort will walk with you to your car.

WORKING HOURS AND COMPENSATION

Working Hours

The working hours of employees shall be set by the appointing authority as necessary to accomplish all assigned work. Appointing authorities schedule employees' work days, establish shifts, and use other devices to complete work. All employees are paid a salary to accomplish all available work and not for a set number of working hours each day, week, month, or year. Working hours in excess of a 40-hour week are to be expected; however, each appointing authority may establish a reasonable compensatory time policy for its employees. As required by the federal Fair Labor Standards Act Amendments of 1985, certain employees of the Legislative Reference Library are allowed additional compensation or compensatory time off.

Public Service Outside the Legislature

Employees who hold appointed or elected public positions outside the Legislature are nevertheless expected to accomplish all assigned work and may not receive compensation from any political subdivision of the state or any administrative board, commission, council, committee or task force if their activities occur during normal working hours for which they are also compensated by the Legislature.

Prorated Compensation for Nine-Month Employees

Employees may be hired to work for nine months and have their compensation prorated and paid over 12 months, provided an employee hired in this status works nine months before the three-month period of leave.

Service Award Program

The appointing authority shall formally recognize the service of its employees at regular intervals, in accordance with IRS regulations. Employees shall be given credit for their previous legislative or other state service under the same guidelines as for vacation accrual.

HOLIDAYS

Observed Holidays. The following days are observed as holidays:

- New Year's Day
- Martin Luther King Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day (November 11th)
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

Any holiday falling on a Saturday will be observed on the prior Friday. Any holiday falling on a Sunday will be observed on the succeeding Monday.

The appointing authority may have a procedure for allowing additional periods of time as paid holiday time for the employees serving under its jurisdiction.

Floating Holidays. Regular employees and temporary employees with at least six months of employment shall receive two floating holidays each calendar year. If an employee works any part of the six-month period beginning January 1, then that employee accrues one floating holiday. If an employee works any part of the six-month period beginning July 1, then that employee accrues one floating holiday. Floating holidays may be accumulated, but any floating holiday not used by December 31 of each year is lost. An employee may receive no more than two floating holidays each year, including any floating holidays taken from a previous position in state service. Temporary full-time employees who work six or more continuous months, leave a legislative payroll, and then return to temporary full-time status within 12 months of their separation, shall receive two floating holidays each calendar year.

The appointing authority may limit the number of employees who may be absent on any given day because of operational needs.

Holiday Pay. Full-time employees will be paid for observed holidays if they are on a paid status the day before and the day after the holiday. Employees who are taking time off without pay in accordance with an approved salary savings plan are also eligible for holiday pay and will be paid in accordance with the provisions of the plan.

Employees who work less than full-time will be paid for observed holidays if they are on a paid status the scheduled day before and the scheduled day after the holiday. An employee who normally works less than full-time is paid for a holiday in accordance with the appointing authority's policy.

HOLIDAYS (continued)

The number of hours paid for any observed holiday shall not exceed eight hours per day. If an employee is required to work on an observed holiday, the employee shall receive time off equal to that worked, not to exceed eight hours per day. Worked holiday hours must be used no later than the calendar year following the year in which the worked holiday hours are earned. In the event that an employee dies on a holiday or holiday weekend, the employee shall be entitled to be paid for the holiday(s).

Religious Holidays. When a religious holiday not observed as a holiday as provided above falls on an employee's regularly scheduled work day, the employee may take that day off to observe the religious holiday. An employee who chooses to observe a religious holiday must notify the employee's supervisor prior to the religious holiday.

Time off to observe religious holidays is without pay except where the employee has sufficient accumulated vacation leave, or an unused floating holiday. The employee may work an equivalent number of hours or days at some other time during the fiscal year to compensate for any hours or days lost.

*Do I have to take my **floating holiday** in the six-month period in which it was earned?*

The floating holiday earned in the first six months of the calendar year may be taken at any time during the year prior to December 31. The one earned in the second six-month period must be taken during that period. Floating holidays will not be paid in cash (like vacation) if an employee leaves legislative service.

VACATION LEAVE

Eligibility and Allowances. All regular full-time employees shall accrue vacation time based on length of service, according to the rates set out below. Temporary full-time employees begin to accrue vacation leave after six months of continuous employment with no break in service. Temporary full-time employees who work six or more continuous months, leave a legislative payroll, and then return to temporary full-time status within 12 months of their separation, are eligible to accrue vacation leave.

<u>Length of Service</u>	<u>26 Pay Periods</u>	<u>24 Pay Periods</u>	<u>Monthly</u>
0 through 5 years	4 hours	4-1/3 hours	8-2/3 hours
After 5 through 8	5 hours	5.4 hours	10.8 hours
After 8 through 12	7 hours	7.6 hours	15.2 hours
After 12 through 18	7.5 hours	8.1 hours	16.2 hours
After 18 through 25	8 hours	8-2/3 hours	17-1/3 hours
After 25 through 30	8.5 hours	9.2 hours	18.4 hours
After 30 through 35	9 hours	9.75 hours	19.5 hours
After 35 through 40	9.5 hours	10.3 hours	20.6 hours
After 40 years	10 hours	10.8 hours	21.6 hours

Eligible employees working on a percentage basis shall have their vacation accruals prorated consistent with the percentage of time paid. Eligible employees shall not receive additional vacation accrual for time worked in excess of their appointed schedule.

For purposes of determining changes in an employee's accrual rate, length of service does not include periods of suspension or unpaid non-medical leaves of absence; however, salary savings leaves are counted toward an employee's length of service. Temporary employees will receive length of service credit only for pay periods in which they are on a paid status. A regular employee working on a percentage basis who is on paid status at any time within a payroll period shall receive length of service credit for the full payroll period, except for the payroll period during which the employee's employment begins and the payroll period during which the employee's employment ends. A regular employee working on a percentage basis who is appointed by the LCC to an intermittent schedule and is scheduled to work at least 1044 hours a year will receive annualized length of service.

Temporary, session, or intermittent service prior to regular status is counted in determining accrual rate.

Changes in accrual rates are effective at the beginning of the next payroll period following completion of the specified length of service requirement.

Vacation leave hours shall not be used during the payroll periods in which the hours are accrued.

VACATION (continued)

Limit on Accumulation. Vacation leave may be accumulated to any amount provided that once during each calendar year each employee's balance must be reduced to 275 hours or less, except that the balance of an employee who takes voluntary unpaid leave of absence during a calendar year, must be reduced only to 300 hours or less once during that calendar year. An employee's 275 or 300 hour limit, whichever applies, is referred to in this section as "the maximum number of hours."

For this purpose, the employee's balance at the end of the payroll period is the vacation balance after the deduction of hours used that pay period and before the addition of vacation hours earned during the pay period. If this reduction to the maximum number of hours or less is not accomplished by the employee before then, the employer will reduce the amount of vacation to the maximum number of hours at the end of the last payroll period that ends during the calendar year. No employee may be paid for more than the maximum number of hours.

Employees on Paid Military Leave. Employees on a paid military leave accrue vacation leave as though actually employed without maximum accumulation. Vacation earned in excess of the maximum accumulation must be taken within two years of the date the employee returns from military leave.

Using Vacation Leave Instead of Sick Leave. Upon request, employees on sick leave may use vacation leave instead of sick leave provided they meet the criteria of sick leave use and would exceed the vacation leave maximum (see also page 16).

Vacation Leave Record. Each agency must keep a current record of each employee's vacation accruals which must be made available to the employee upon request.

Transfers and Reappointments. An employee's accumulated vacation leave and length of service, for purposes of determining vacation accrual, transfers to the new appointing authority if the employee transfers without a break in service: (1) to another appointing authority within the legislative branch; (2) to the legislative branch from another position in Minnesota state government, the University of Minnesota, or the Minnesota Historical Society; or (3) from the legislative branch to another position in Minnesota state government. In these cases, leave must not be liquidated by cash payment. However, if the new position does not provide for vacation leave, accumulated vacation leave must be liquidated by cash payment. The amount of vacation leave that may be transferred is subject to limits imposed by the receiving entity's collective bargaining agreement or compensation plan.

A departing employee may transfer the maximum amount of accumulated vacation leave permitted to be transferred in by the receiving entity. If the amount the receiving entity permits the employee to transfer in is less than the employee's accumulation, the employer will liquidate by cash payment the number of hours by which the employee's accumulation exceeds the amount transferable, so long as the total of the number of hours transferred and the number of hours paid out does not exceed the maximum number of hours specified in the section entitled "Limit on Accumulation" above.

VACATION (continued)

An employee reappointed to legislative service or an employee from any other position in state service, service in a local unit of government in Minnesota, the federal government, active military service, or another state government appointed to legislative service shall accrue vacation leave according to the length of service the employee had attained at the time of separation. However, the reappointment or appointment must be within ten years from the date of separation in good standing. The employee must provide supporting documentation no later than six months after hire or rehire.

Current employees who: i) previously worked in a local unit of government in Minnesota, the federal government, active military service, or another state government, ii) who transferred to the Legislature within ten years of separation from the institution identified in clause i); and iii) who have not had their length of service credited, may be credited with their previous service, if they make application to their appointing authority by June 30, 2006. The credit towards additional accrual rates will be effective the pay period in which the application is approved.

Vacation Requests. Every reasonable effort consistent with scheduling of the work unit must be made by the supervisor to schedule employee vacations at a time agreeable to the employee.

*Do I need to use my **vacation time for attending a training course?***

If the training has been approved as a job-related activity, you may count the time as part of your regular work time and do not need to charge it to vacation or leave without pay.

Employees must submit requests for vacation to their supervisor in advance of the requested date of the start of the vacation. Conflicts involving vacation scheduling shall be resolved by the supervisor.

Vacation Charges. Employees who use vacation are charged only for the number of hours they would have been scheduled to work during the period of absence. However, vacation leave may not be granted in increments of less than one-quarter hour. Holidays occurring during vacation periods are paid as a holiday and not charged as a vacation day. Employee vacation accruals earned while on paid leave may be used by the employee with the approval of the supervisor without returning to work prior to the use of accrued leave. Employees may not use sick leave for vacation purposes.

Should an employee be entitled to use sick leave while on vacation, vacation leave is changed to sick leave, effective the date of the illness or disability, upon notice to the employee's supervisor. Upon the notice, employees may be requested by the supervisor to furnish a medical statement from a medical practitioner.

VACATION (continued)

Vacation Rights. Any employee separated from state service is compensated in cash, at the employee's then current rate of pay, for all vacation leave accrued to the time of separation but not in excess of the maximum number of hours specified in the section entitled "Limits on Accumulation" above. However, the maximum cap does not apply if the separation is because the employee has died.

Employees paid for less than a normal pay period shall have their vacation accruals prorated.

SICK LEAVE

Sick Leave Accrual. All regular full-time employees accrue sick leave at the rate of 8 2/3 hours per month (4 hours per 26 pay periods, 4-1/3 hours per 24 pay periods) during continuous employment beginning with their date of hire. Temporary full-time employees begin to accrue sick leave after six months of continuous employment with no break in service. Temporary full-time employees who work six or more continuous months, leave a legislative payroll, and then return to temporary full-time status within 12 months of their separation, are eligible to accrue sick leave.

Emergency Sick Leave Upon Initial Employment. Upon initial employment (within ten months of start date) and with approval of the appointing authority, an employee is eligible for use of up to 80 hours (ten days) for emergency sick leave. An employee appointed to a part-time position is eligible for a prorated amount for use of emergency sick leave. The negative balance shall be reduced proportionately as sick leave is accumulated. If additional sick leave is used before the sick leave balance has been restored to a positive balance sufficient to cover the time off needed, the time will be charged to vacation or the appointing authority may grant leave without pay. If an employee has a negative sick leave balance upon termination of service, the negative balance must be eliminated by charging the time first to vacation leave and then, to the extent necessary, to reduce pay.

Accrual Rates for Employees on Percentage Basis. Employees working on a percentage basis shall have the same percentage of their sick leave accrual rates or have sick leave accruals prorated.

Employees on Military Leave. Employees reinstated from military leave must be credited with sick leave as though actually employed, as provided under Minn Stat. § 192.261.

Sick Leave Record. Each agency shall keep a current record of each employee's sick leave accruals which must be made available to the employee upon request.

Employees may not use sick leave for vacation purposes.

Sick Leave Use. An employee must be granted sick leave with pay to the extent of the employee's accumulation for absences:

- 1) By necessity for the employee's illness or disability;
- 2) By necessity for medical, chiropractic, or dental care for the employee;
- 3) By exposure to contagious disease which endangers the health of other employees, clients, or the public;
- 4) By illness or disability of the employee's spouse; children, step-children, or foster children (including wards, and children for whom the employee is the legal guardian);

SICK LEAVE (continued)

regular member of the immediate household; or parent or step-parent, for a reasonable period as the employee's attendance is necessary.

- 5) By illness or disability of the employee's sibling, grandchild, grandparent, mother-in-law or father-in-law for a reasonable period as the employee's attendance is necessary, for a period of up to five days.
- 6) By serious health condition of the employee's sibling, grandchild, grandparent or mother-in-law or father-in-law for a period of up to twelve weeks within a twelve month period commencing on the date leave is first taken. An employee must exhaust accumulated vacation and submit a completed Certification of Health Care Provider form prior to the leave. Please see your Human Resources or Payroll Representative for a form.
- 7) A pregnant employee must also be granted sick leave during the period of time that her medical practitioner advises that she is unable to work because of pregnancy. An employee who has given birth may use sick leave for a period of six weeks' convalescence or as advised by her medical practitioner.
- 8) Up to five days to arrange for necessary nursing or home care for members of the family;
- 9) Up to ten days for a parent upon placement for adoption of a child, or for a father or husband upon the birth of a dependent child. This leave is to be taken within one year after the child's birth, placement of adoption, or arrival in the home;
- 10) A reasonable period of sick leave must be granted because of death of the spouse or parents or grandparents of the spouse, or the parents, step-parents, close relative, grandparents, guardian, children, grandchildren, brothers, sisters, wards, or stepchildren of the employee, or a regular member of the immediate household.
- 11) Such reasonable periods as an employee's attendance may be necessary to accompany a spouse, parent, minor or dependent children, stepchildren, foster children (including wards, and children for whom the employee is the legal guardian) to dental or medical appointments.

Accrual Before Use. Sick leave hours may not be used during the payroll period in which they accrue.

Medical Practitioner Statement. Upon the request of the supervisor, employees using sick leave may be required to furnish the human resources representative with a statement from a medical practitioner supporting the use of sick leave. The supervisor may require this statement to provide information on when the employee will be able to return to work. The supervisor may also request the employee to furnish the human resources representative with a statement from a medical practitioner if the supervisor has reason to believe the employee is not physically fit to return to work or has been exposed to a contagious disease which endangers the health of other employees, clients, or the public.

SICK LEAVE (continued)

If the employee fails to furnish a statement requested under this provision within the timeframe specified in the request, the supervisor may require the employee to use vacation leave, compensatory time, or unpaid leave, at the appointing authority's discretion.

Sick Leave Use While on Paid Leave. Upon approval of the supervisor, employee sick leave accruals earned while on paid leave may be used by the employee without returning to work prior to the use of that accrued sick leave.

Using Vacation Leave Instead of Sick Leave. An employee on sick leave who uses all of his/her sick leave accumulation and who still meets the criteria for sick leave use shall have the right to use vacation leave to the extent of the employee's vacation accumulation (see also page 11).

Sick Leave Requests. Employees should submit requests for sick leave in advance of the period of absence. When advance notice is not possible, employees must notify their supervisor by telephone or other means at the earliest opportunity.

Sick Leave Charges. An employee using sick leave is charged only for the number of hours the employee was scheduled to work during the period of sick leave. However, sick leave may not be granted for periods of less than one-quarter hour except to permit use of lesser fractions that have been accrued. Holidays occurring during sick leave periods are paid as a holiday and not charged as a sick leave day.

Any employee incurring an on-the-job injury is paid the employee's regular rate of pay for the remainder of the day. Any necessary sick leave charges for employees so injured commence on the first scheduled work day following the injury (see Workers' Compensation section on page 51).

Transfers and Reappointments. An employee's accumulated sick leave transfers to the new appointing authority if the employee transfers without a break in service: (1) to another appointing authority within the legislative branch; (2) to the legislative branch from another position in Minnesota state government, the University of Minnesota, or the Minnesota Historical Society; or (3) from the legislative branch to another position in Minnesota state government. In these cases, accumulated sick leave must not be paid out as severance pay. However, if the new position does not provide for sick leave, accumulated sick leave must be paid out as severance pay. The amount of sick leave that may be transferred is subject to limits imposed by the receiving entity's collective bargaining agreement or compensation plan.

A negative sick leave balance may not be transferred. Any negative sick leave balance remaining on the date of transfer must be canceled by deducting the amount of pay for its negative hours from any pay due to the employee.

SICK LEAVE (continued)

An eligible employee reappointed to legislative service within ten years from the date of separation in good standing must have accumulated but unused sick leave balance and bank posted to the employee's credit. The employee must provide supporting documentation no later than six months after hire or rehire.

Current employees who: i) previously worked in a local unit of government in Minnesota, the federal government, active military service, or another state government, ii) who transferred to the Legislature within ten years of separation from the institution identified in clause i); and iii) who have not had their accumulated but unused sick leave balance credited, may be credited with their previous sick leave balance, if they make application to their appointing authority by June 30, 2006. The sick leave balance credit will be effective the pay period in which the application is approved.

An employee who receives severance pay for accumulated sick leave and accumulated sick leave bank, but returns to legislative service, shall have his/her sick leave balance and bank restored at the previous level less the number of hours paid as severance.

Work-Related Disability and Employment. The appointing authority will attempt to place employees who have incurred a work-related disability in areas of work which would fit the employee's capabilities but will not create a job just to provide employment.

SEVERANCE PAY

Severance Pay as a Benefit. Severance pay represents a benefit to employees for low usage of sick leave and to eliminate difficulties caused by a change of employer. It is not compensation. Severance pay does not include any accrued vacation time. Upon separation, compensation for accrued vacation time is covered under "Vacation Rights" (see page 13). For purposes of severance pay, "length of service" or "service" is calculated based on employment in the legislative, judicial, and executive branches of the State of Minnesota, or the University of Minnesota.

Retirement, Death or Involuntary Termination. The following employees, regardless of length of service, receive severance pay equal to 40 percent of the employee's first 900 hours of accumulated but unused sick leave balance and 12-1/2 percent of the employee's accumulated but unused sick leave balance in excess of 900 hours, times the employee's regular rate of pay at the time of separation:

Upon retirement on or after age 65;
Employees who die while employed;
Employees who are involuntarily terminated;
Employees who retire before age 65 but who are immediately entitled at the time of retirement to receive an annuity under a state retirement program (notwithstanding an election to defer payment of the annuity).

Upon Voluntary Termination. Upon voluntary termination, regardless of length of service, employees receive severance pay equal to two percent of accumulated but unused sick leave balance for each year of service to a maximum of 40 percent of the first 900 hours of accumulated but unused sick leave. An employee shall also receive severance pay equal to 12-1/2 percent of the employee's accumulated but unused sick leave balance that exceeds 900 hours.

Severance pay is figured at the employee's regular rate of pay at the time of separation.

How Severance Pay is Paid.

- (a) Severance pay is paid in cash to employees who have less than five years of service and are not annuity eligible, or who are deceased at the time of payment.
- (b) For employees who have five years or more of service and are not annuity eligible, severance is paid in cash for their first 100 hours of accumulated but unused sick leave. Severance based on accumulated but unused sick leave in excess of 100 hours is paid as a credit to the employee's account in the Health Care Savings Plan (see pages 48-49).

SEVERANCE PAY (continued)

- (c) For employees who, at the time of termination, are immediately entitled to receive an annuity under a state retirement program (notwithstanding an election to defer payment of the annuity), severance based on accumulated but unused sick leave is paid as a credit to the employee's account in the Health Care Savings Plan (see pages 48-49). In addition, each employee who meets this requirement must be paid an additional severance payment of \$200.
- (d) An employee who receives a credit in the Health Care Savings Plan must be paid an additional credit to the Health Care Savings Plan in an amount equal to the FICA taxes that would have been payable to the federal government by the appointing authority if the severance pay had been paid to the employee in cash.
- (e) Amounts to be paid into the Health Care Savings Plan under (b) to (d) must total at least \$1,000; otherwise the amount, excluding FICA taxes, must be paid to the employee in cash.
- (f) All severance payments based upon sick leave hours are calculated, as described above, by multiplying the number of hours by the applicable percentage and then by the rate of pay.

Reappointment to State Service. Should any employee who has received severance pay be subsequently reappointed to state service, eligibility for future severance pay is computed upon the difference between the amount of accumulated but unused sick leave restored to the employee's credit at the time the employee was reappointed and the amount of accumulated but unused sick leave at the time of the employee's subsequent eligibility for severance pay.

Exclusion from Retirement Deductions/Benefits. Severance pay and the liquidation of accrued vacation leave are excluded from retirement deductions and from any calculations in retirement benefits.

Unpaid Leave Upon Separation. Unpaid leave may not be used upon separation from legislative service to extend employer paid insurance coverage.

*I have a question on **unemployment compensation**. Whom should I contact?*

For general information, call the Minnesota Department of Economic Security ([MDES](#)) at 296-3644. Unemployment insurance benefits information is also found on the MDES Web site at: <http://www.uimn.org/ui/index.htm>

LEAVES OF ABSENCE

Application for Leave. All requests for leaves of absence or extensions thereof will be approved or denied by the appointing authority. Requests for leaves or extensions shall be submitted to the employee's immediate supervisor as soon as the need for the leave or extension is known. The request must state the reason for requesting leave and the anticipated duration of the leave of absence. Failure to return at the end of an approved leave of absence, without contacting the appointing authority to request an extension prior to the end of the approved leave, shall be deemed to be a voluntary resignation.

Authorization for Leave. All requests for a leave of absence must be answered promptly. A leave of absence request may not be unreasonably denied. An employee may not be required to exhaust vacation leave accruals prior to a leave of absence. Authorization or denial of a leave of absence by the appointing authority must be furnished to the employee by the supervisor.

When an unpaid leave of absence has been approved for an employee, the appointing authority shall advise the employee in writing of the steps the employee must take to continue insurance coverages.

Upon separation, an unpaid leave may not be used to extend employer paid insurance coverage.

Accrual Rates. Accrual of vacation and sick leave benefits and length of service shall continue during a leave of absence with pay. If an employee is granted leave without pay, the employee will not be credited with vacation, sick or length of service accruals for the period of leave without pay unless otherwise indicated.

Paid Leaves of Absence - Mandatory. Paid leaves of absence granted under this Plan may not exceed the employee's work schedule. An appointing authority **must grant** an advance request for a paid leave of absence for the following reasons:

- A. **Court Appearance Leave:** Leave, including travel time, for appearance before a court or other judicial or quasi-judicial body for job-related purposes.
- B. **Educational Leave:** Leave for educational purposes, if the education is required by the appointing authority.
- C. **Jury Duty Leave:** Leave for service upon a jury. "Service upon a jury" includes time when the employee is impaneled for actual service or is required by the Court to be present for selection for service. During any other time, the employee must report to work.

LEAVES OF ABSENCE (continued)

- D. **Military Leave:** 1) In accordance with Minn. Stat. § [192.26](#), up to 15 working days leave per calendar year shall be granted to members of the National Guard or military or naval reserves of the United States or of the State of Minnesota who take military leave. The employee, upon receiving written notification of duty, must notify his/her immediate supervisor within three calendar days of receiving that written notification. Employees must also provide their Human Resources representative with a copy of their orders.
- 2) In accordance with Minn.Stat. section 43A.183, a salary differential will be paid to certain members of the National Guard and other reserve components of the U.S. Armed Forces who are called up for active duty. These employees have certain rights to continue health, dental, and pre-tax accounts, as provided in that statute. The appointing authority will follow the procedures required under that statute in administering requests for the salary differential and benefit continuation required under that statute.
- E. **Voting Time Leave:** Leave for the time actually necessary to vote prior to noon of election day.
- F. **Election Judge Leave:** Leave for service as an election judge without penalty under procedures contained in Minn. Stat. § [204B.195](#).
- G. **Blood Donation Leave:** Leave to donate blood at an onsite program endorsed by the appointing authority.
- H. **Bone Marrow Donation Leave:** Leave to undergo a medical procedure to donate bone marrow. This leave is subject to Minn. Stat. 181.945.
- I. **Athletic Leave:** Leave under the same terms as those granted to state employees in the executive branch under Minn. Stat. § [15.62](#) to prepare for and engage in world, Olympic, or Pan American games competition.
- J. **Quarantine Leave:** Leave as required by Minn. Stat. § 144.4196 to comply with isolation or quarantine restrictions.
- K. **Domestic Abuse Leave:** Leave, as required by Minn. Stat. § 518B.01, subd. 23, to obtain relief from domestic abuse.
- L. **Harassment Leave:** Leave as required by Minn. Stat. § 609.748, subd. 10, to obtain relief from harassment.
- M. **Victim Witness Leave:** Leave as required by Minn. Stat. § 611A.036, subd. 3, to attend criminal proceedings as a victim or witness.

LEAVES OF ABSENCE (continued)

Paid Leaves of Absence – Optional. The appointing authority **may grant** paid leaves of absence for the following reasons:

- A. **Emergency Leave:** An appointing authority may excuse employees from duty with full pay in the event of a natural or man-made emergency, if continued presence would involve a threat to the employee's health or safety. A "natural emergency" includes severe weather conditions that, in the appointing authority's opinion, make traveling hazardous. Employees who must work despite the emergency must be allowed to take leave on another day agreed to by the employee and the appointing authority.
- B. **Transition Leave:** Leave of up to 80 hours, at the appointing authority's discretion, for a regular employee on notice of termination. This leave is limited to the final four calendar weeks, ending at the date of termination.
- C. **Investigatory Leave:** An appointing authority may place an employee who is the subject of a disciplinary investigation on an investigatory leave with pay.
- D. **Administrative Leave:** At the appointing authority's discretion, an employee may be placed on paid administrative leave for up to 30 calendar days when the employee or a member of the employee's immediate family or a regular member of the immediate household has been a victim of a violent crime. The appointing authority may request the employee to provide documentation demonstrating the appropriateness of the leave. The appointing authority's policy shall be to return the employee to work as soon as it is practical and prudent. For the purpose of this provision, "violent crime" includes murder, manslaughter, criminal vehicular homicide or injury, assault, robbery, kidnapping, criminal sexual conduct, witness tampering, arson, burglary, drive-by shooting, domestic abuse, as defined in Minn. Stat. § [518B.01](#), and harassment or stalking under Minn. Stat. § [609.749](#).
- E. **Disaster Volunteer Leave:** Participation in specialized disaster relief services for the American Red Cross by a certified disaster volunteer, as provided in Minn. Stat. § [43A.185](#).
- F. **Organ Donation Leave:** An appointing authority may grant a paid leave of absence to an employee who seeks to undergo a medical procedure to donate an organ or partial organ to another person. This leave may not exceed five days per donation. The appointing authority may require verification by a physician of the purpose and length of each leave requested by the employee for organ donation. If there is a medical determination that the employee does not qualify as an organ donor, the paid leave of absence granted to the employee prior to the determination is not forfeited. The use of this paid leave does not preclude the use of other leave for purposes of an organ donation.

LEAVES OF ABSENCE (continued)

Unpaid Leaves of Absence - Optional. The appointing authority **may grant** an advance request for an unpaid leave of absence for the following reasons:

- A. **Unclassified Service Leave:** Leave to any legislative employee to accept another position in the unclassified service of the state.
- B. **Educational Leave:** Leave for educational purposes not covered by provisions of this Plan governing paid leaves of absence.
- C. **Personal Leave:** Leave for personal reasons.
- D. **Leave for Related Work:** Leave not to exceed one year to accept a position of fixed duration outside of legislative service that is related to the employee's current work.
- E. **Salary Savings Leave:** (a) The appointing authority may allow each employee to take an unpaid leave of absence for up to 1,040 hours during the two calendar years covered by this plan. Each appointing authority approving the leave must allow the employee to continue accruing vacation and sick leave, be eligible for paid holidays and insurance benefits, accrue seniority, and, if payments are made under paragraph (b), accrue service credit and credited salary in state retirement plans as if the employee had actually been employed during the time of the leave. An employee covered by the unclassified plan may voluntarily make the employee contributions to the unclassified plan during the leave of absence. If the employee makes these contributions, the appointing authority must make the employer contribution. If the leave of absence is for one full pay period or longer, any holiday pay must be included in the first payroll warrant after return from the leave of absence. The appointing authority must attempt to grant requests for unpaid leaves of absence consistent with the need to continue efficient operation of the agency. However, each appointing authority retains discretion to grant or refuse to grant requests for leaves of absence and to schedule and cancel leaves.
(b) To receive eligible service credit and credited salary in a defined benefit plan, the employee must pay an amount equal to the applicable employee contribution rates. If an employee pays the employee contribution for the period of leave under this section, the appointing authority must pay the employer contribution. The appointing authority may, at its discretion, pay the employee contributions. Contributions must be made in a time manner prescribed by the executive director of the applicable pension plan.
(c) The provisions of paragraphs (a) and (b) that relate to state retirement plans can be provided only if permitted by the Minnesota State Retirement System at the time of the leave.

LEAVES OF ABSENCE (continued)

- F. **Elder Care Leave:** The appointing authority may grant elder care leave to arrange care for parents of the employee or of the employee's spouse.

Unpaid Leaves of Absence – Mandatory. The appointing authority **must grant** unpaid leaves of absence for the following reasons:

- A. **Disability Leave:** Leave up to one year to any regular employee who, as a result of an extended illness or injury, has exhausted the employee's accumulation of sick leave balance and bank. (Upon the request of the employee, the leave may be extended.) A supervisor may require an employee to furnish the human resources representative with a statement from a medical practitioner that supports the need for the leave. The supervisor may require this statement to provide information on when the employee will be able to return to work, including any restrictions on the employee's return to work. An employee who becomes disabled while on another type of leave of absence may apply for and receive disability leave status so the employee becomes eligible for disability pension.
- B. **Parental Leave (Maternity/Paternity/Adoption/Foster Care):** Leave up to six months to a birth parent, adoptive parent, or foster parent who requests leave in conjunction with the birth, adoption, or placement of a child. Leave may be extended up to one year by mutual consent between the employee and the appointing authority. (Maternity leave may be requested by an employee rather than sick leave or vacation leave. Maternity leave may be requested after using some or all of an employee's accumulated sick or vacation leave.)

An eligible employee may take Caretaker and Medical Leave as parenting leave for up to 12 weeks.

- C. **Caretaker and Medical Leave:** Leave up to 12 weeks with the employer contribution of health insurance paid for eligible employees for the birth of a child and to care for that child, the placement of a child for adoption or foster care and to care for that child, for a serious health condition that makes the employee unable to perform the employee's job or to care for those listed under sick leave use (4,5) on pages 14-15. Caretaker and Medical Leave may be taken intermittently or on a reduced schedule if medically necessary. A supervisor may require an employee to furnish the human resources representative with a statement from a medical practitioner that supports the need for the leave. The supervisor may require this statement to provide information on when the employee will be able to return to work, including any restrictions on the employee's return to work. Up to 12 weeks may be taken only once in each calendar year. See also "Parental Leave" listed above.

LEAVES OF ABSENCE (continued)

- D. **Military Leave:** Leave to an employee who enters into active military service in the armed forces of the United States for a period of military service, not to exceed the period of time required under federal law (usually five years), as provided in 38 United States Code, section 4112. Benefits provided by the appointing authority will be administered for an employee on military leave under this paragraph in compliance with 38 United States Code, sections 4301 to 4333.
- E. **VISTA or Peace Corps Leave:** Leave for VISTA or Peace Corps service for a period not to exceed four years.
- F. **Precinct Caucus Leave:** Leave for the purpose of attending a precinct caucus.
- G. **School Conference and Activities Leave:** Leave up to 16 hours during any school year to attend school conferences or activities related to the employee's child or to observe child care services or a pre-kindergarten program in accordance with Minn. Stat. § [181.9412](#).
- H. **Political Convention Leave:** Leave for the purpose of meeting and convention activities, as specified under Minn. Stat. § [202A.135](#). This does not sanction conduct that is otherwise prohibited or restricted by law or the appointing authority.
- I. **Civil Air Patrol Leave:** Leave, subject to Minn. Stat. § [181.946](#), to serve as a member of the civil air patrol.

Reinstatement After Leave. Subject to a contrary term under which a leave was granted, or subject to a reorganization by the appointing authority, an employee returning from an approved leave of absence shall be entitled to return to employment in the employee's former position or a position of comparable duties and pay.

Employees returning from leaves of absence in excess of one month must notify their appointing authority at least two weeks prior to their return from leave. Employees returning from an unpaid leave of absence return at the same rate of pay the employee had been receiving at the time the leave of absence commenced plus any automatic adjustments that would have been made had the employee been continuously employed during the period of absence.

LEAVES OF ABSENCE (continued)

Employees may return to work prior to the agreed upon termination date with the approval of the appointing authority.

Employee Interchange Program. An employee may participate in the government employee interchange program under Minn. Stat. §§ [15.51](#) to [15.59](#) subject to the approval of the appointing authority.

INSURANCE

SECTION 1. STATE EMPLOYEE GROUP INSURANCE PROGRAM (SEGIP). During the life of this Plan, the Employer agrees to offer a Group Insurance Program that includes health, dental, life, and disability coverages equivalent to existing coverages, subject to the provisions of this Plan. Coverage will be provided through the State Employee Group Insurance Program (SEGIP), except as otherwise provided by action of the LCC. Information on the State Employee Group Insurance Program is found on the Department of Employee Relation's Web site at: <http://www.doer.state.mn.us/Index/Insurancebenefits.htm>.

All insurance eligible employees will be provided with a Summary Plan (SPD) called "Your Employee Benefits." Such SPD shall be provided no less than biennially and prior to the beginning of the insurance year. New insurance eligible employees shall receive an SPD within 30 days of their date of eligibility.

SECTION 2. ELIGIBILITY FOR GROUP PARTICIPATION. This section describes eligibility to participate in the Group Insurance Program.

- A. **Employees - Basic Eligibility.** Employees may participate in the Group Insurance Program if they are scheduled to work at least 1044 hours in any 12 consecutive months.
- B. **Employees - Special Eligibility.** The following employees are also eligible to participate in the Group Insurance Program:
 - 1. **Employees with a Work-related Injury/Disability.** An employee who was off the legislative payroll due to a work-related injury or a work-related disability may continue to participate in the Group Insurance Program as long as such an employee receives workers' compensation payments or while the workers' compensation claim is pending.
 - 2. **Totally Disabled Employees.** Consistent with Minn. Stat. § [62A.148](#), certain totally disabled employees may continue to participate in the Group Insurance Program.
 - 3. **Retired Employees.** An employee who retires from legislative service, is not eligible for regular (non-disability) Medicare coverage, has five or more years of allowable pension service, and is entitled at the time of retirement to immediately receive an annuity under a State retirement program, may continue to participate in the health and dental coverages offered through the Group Insurance Program.

Consistent with Minn. Stat. § [43A.27](#), subd. 3, a retired employee of the State who receives an annuity under a State retirement program may continue to participate in the health and dental coverages offered through the Group Insurance Program. Retiree coverage must be coordinated with Medicare.

INSURANCE (continued)

4. **Employees on Unpaid Leave of Absence.** Employees on an approved leave of absence may enroll in such coverages at their own expense for a period of one year.
5. **Temporary Employees.** Temporary employees who are appointed for a period of no less than four months and who are scheduled to work no less than 50 percent of the normal work week may enroll in the hospital and medical coverages provided by this Plan at their own expense.

C. **Eligible Dependents.** For the purpose of this Plan, eligible dependents are:

1. **Spouse and other eligible persons.**

For employees and members of the House of Representatives, the spouse of an eligible employee (if not legally separated). The House Committee on Rules and Legislative Administration may by resolution provide coverage as eligible dependents to other persons who are eligible under the State Employee Group Insurance Program to receive health, dental, and life insurance benefits.

For employees and members of the Senate, the spouse of an eligible employee, if not legally separated. The Senate Committee on Rules and Administration may by resolution provide coverage as eligible dependents to other persons who are eligible under the State Employee Group Insurance Program to receive health, dental, and life insurance benefits.

For employees under the jurisdiction of the Legislative Coordinating Commission, the spouse of an eligible employee, if not legally separated.

For the purposes of health insurance coverage, if that spouse works full-time for an organization employing more than 100 people and elects to receive either credits or cash (1) in place of health insurance or health coverage or (2) in addition to a health plan with a \$750 or greater deductible through his/her employing organization, he/she is not eligible to be a covered dependent for the purposes of this Plan. If both spouses work for the State or another organization participating in the State's Group Insurance Program, neither spouse may be covered as a dependent by the other, unless one is not eligible for a full Employer Contribution as defined in Section 3A.

2. **Children and Grandchildren.** An eligible employee's unmarried dependent children and unmarried dependent grandchildren: (1) through age 18; or (2) through age 24 if the child or grandchild is a full-time student at an accredited educational institution; or (3) a handicapped child or grandchild, regardless of age or marital status who is incapable of self-sustaining employment by reason of mental retardation, mental illness or physical disability and is chiefly dependent on the employee for support. The handicapped dependent shall be eligible to continue coverage as long as s/he continues to be handicapped and dependent, unless coverage terminates under the contract. Children or grandchildren who become handicapped after they are no longer eligible dependents under (1) and (2) above may not be considered eligible dependents unless they are continuing coverage as a dependent through the employee's prior Employer.

INSURANCE (continued)

"Dependent Child" includes an employee's: (1) biological child, (2) child legally adopted by or placed for adoption with the employee, (3) foster child, and (4) step-child. To be considered a dependent child, a foster child must be dependent on the employee for his/her principal support and maintenance and be placed by the court in the custody of the employee. To be considered a dependent child, a step child must maintain residence with the employee and be dependent upon the employee for his/her principal support and maintenance.

"Dependent Grandchild" includes an employee's: (1) grandchild placed in the legal custody of the employee, (2) grandchild legally adopted by the employee or placed for adoption with the employee, or (3) grandchild who is the dependent child of the employee's unmarried dependent child. Under (1) and (3) above, the grandchild must be dependent upon the employee for principal support and maintenance and live with the employee.

If both spouses work for the State or another organization participating in the State's Group Insurance Program, either spouse, but not both, may cover their eligible dependent children or grandchildren. This restriction also applies to two divorced, legally separated, or unmarried employees who share legal responsibility for their eligible dependent children or grandchildren.

- D. **Continuation Coverage.** Consistent with state and federal laws, certain employees, former employees, dependents, and former dependents may continue group health, dental, and/or life coverage at their own expense for a fixed length of time. As of the date of the adoption of this Plan, state and federal laws allow certain group coverages to be continued if they would otherwise terminate due to:
- a. termination of employment (except for gross misconduct);
 - b. layoff;
 - c. reduction of hours to an ineligible status;
 - d. dependent child becoming ineligible due to change in age, student status, marital status, or financial support (in the case of a foster child or stepchild);
 - e. death of employee;
 - f. divorce or legal separation; or
 - g. a covered employee's entitlement to or enrollment in Medicare.

See Appendix A for more details.

INSURANCE (continued)

SECTION 3. ELIGIBILITY FOR EMPLOYER CONTRIBUTION. This section describes eligibility for regular employees for an Employer Contribution toward the cost of coverage.

A. **Full Employer Contribution - Basic Eligibility.** The following employees covered by this Plan receive the full Employer Contribution:

1. Employees who are scheduled to work at least 40 hours weekly for a period of nine months or more in any 12 consecutive months.
2. Employees who are scheduled to work at least 30 hours weekly for a 12 consecutive month period, but excluding part-time employees serving on less than a 75 percent basis.

B. **Partial Employer Contribution - Basic Eligibility.** Employees who are scheduled to work at least 50 percent of the time but less than 75 percent of the time in a calendar year receive the full Employer Contribution for basic life coverage, and at the employee's option, a partial Employer Contribution for health and dental coverages. The partial Employer Contribution for health and dental coverages is 75 percent of the full Employer Contribution for both employee only and dependent coverage.

C. **Special Eligibility.** The following employees also receive an Employer Contribution:

1. **Work-related injury/disability.** An employee who receives an Employer Contribution and who is off the legislative payroll due to a work-related injury or a work-related disability remains eligible for an Employer Contribution as long as such an employee receives workers' compensation payments. If such employee ceases to receive workers' compensation payments for the injury or disability and is granted a medical leave, he/she shall be eligible for an Employer Contribution during that leave.
2. **Employees not terminated for cause.** An employee who receives an Employer Contribution for health, dental and life insurance, who has three or more years of continuous state service, and who has been terminated for reasons other than for cause, remains eligible for an Employer Contribution and all other benefits provided under the Insurance Chapter for an extended benefit eligibility period of six months from the date of termination. An employee is eligible for this benefit if the employee is terminated because of abolition of the employee's position, shortage of work or funding, a management-imposed reduction in a full-time employee's normal work hours which continues longer than two consecutive weeks, or other reason outside the employee's control. Any employee who has voluntarily requested and received appointing authority approval to reduce his/her work hours shall not be considered to have been terminated. Rehire to a temporary position will not extend this period. In no event shall the Employer Contribution continue beyond the date at which the employee reaches the age of 65.

INSURANCE (continued)

D. Maintaining Eligibility for Employer Contribution.

1. **General.** An employee who receives a full or partial Employer Contribution maintains that eligibility as long as the employee meets the Employer Contribution eligibility requirements, and appears on a legislative payroll for at least one full working day during each payroll period. This requirement does not apply to employees who are eligible for workers' compensation payments as described in Section 3C1, or to employees terminated for reasons other than for cause as described in 3C2.
2. **Unpaid Leave of Absence.** If an employee is on an unpaid leave of absence, then vacation leave, compensatory time, or sick leave cannot be used for the purpose of maintaining eligibility for an Employer Contribution by keeping the employee on a legislative payroll for one working day per pay period.
3. **Other Leaves.** An employee who is on an approved Caretaker or Medical Leave or on a Salary Savings Leave as provided elsewhere in this Plan maintains eligibility for an Employer Contribution.

INSURANCE (continued)

SECTION 4. AMOUNT OF EMPLOYER CONTRIBUTION. For employees eligible for an Employer Contribution as described in Section 3, the amount of the Employer Contribution will be determined as provided in this section.

A. Contribution Formula - Health Coverage.

1. **Employee Coverage.** For employee health coverage, the Employer contributes an amount equal to 100 percent of the employee-only premium of Minnesota Advantage Health Plan (Advantage).
2. **Dependent Coverage.** For dependent health coverage for the 2006 and 2007 plan years, the Employer contributes an amount equal to 85 percent of the dependent premium of Advantage.

B. Contribution Formula - Dental Coverage.

1. **Employee Coverage.** For employee dental coverage, the Employer contributes an amount equal to the lesser of 90 percent of the employee premium of the State Dental Plan, or the actual employee premium of the dental plan chosen by the employee. However, for calendar years beginning January 1, 2006, and January 1, 2007, the minimum employee contribution shall be \$5.00 per month.
2. **Dependent Coverage.** For dependent dental coverage, the Employer contributes an amount equal to the lesser of 50 percent of the dependent premium of the State Dental Plan, or the actual dependent premium of the dental plan chosen by the employee.

- C. **Contribution Formula - Basic Life Coverage.** For employee basic life coverage and accidental death and dismemberment coverage, the Employer contributes 100 percent of the cost.

SECTION 5. COVERAGE CHANGES AND EFFECTIVE DATES.

A. When Coverage May Be Chosen.

1. **Newly hired employees.** All employees hired into insurance eligible positions must make benefit elections by their initial effective date of coverage as defined in this Chapter, Section 5C. Insurance-eligible employees will automatically be enrolled in basic life coverage. If employees eligible for a full Employer Contribution do not choose a **health plan** administrator and a primary care clinic by their initial effective date, they will be enrolled in a Benefit Level Two clinic (or Level One, if available) that meets established access standards in the health plan with the largest number of Benefit Level One and Two clinics in the county of the employee's residence at the beginning of the insurance year.

INSURANCE (continued)

2. **Eligibility changes.** Employees who become eligible for a full Employer Contribution must make their benefit elections within 30 calendar days of becoming eligible. If employees do not choose a health plan administrator and a primary care clinic within this 30-day timeframe, they will be enrolled in a Benefit Level Two clinic (or Level One, if available) that meets established access standards in the health plan with the largest number of Benefit Level One and Two clinics in the county of the employee's residence at the beginning of the insurance year.

If employees who become eligible for a partial Employer Contribution choose to enroll in insurance, they must do so within thirty (30) days of becoming eligible or during open enrollment.

An employee may change his/her health or dental plan if the employee changes to a new permanent residence, and the employee's current plan is no longer available. If the employee has family coverage and if the new residence location is outside of the current plan's service area, the employee shall be permitted to switch to a new plan administrator and new Benefit Level within 30 days of the residence location change. The election change must be due to and correspond with the change in status.

An employee or retiree may also change health or dental plans in any other situation in which the Employer is required by the applicable federal or state law to allow a plan change.

B. When Coverage May be Changed or Canceled.

1. **Changes Due to a Life Event.** After the initial enrollment period and outside of any open enrollment period, an employee may elect to change health or dental coverage (including adding or canceling coverage) and any applicable employee contributions in the following situations (as long as allowed under the applicable provisions, regulations, and rules of the federal and state law in effect at the beginning of the plan year).

The request to change coverage must be consistent with a change in status that qualifies as a life event, and does not include changing health or dental plans, which may only be done under the terms of Section 5A above. Any election to add coverage must be made within 30 days following the event, and any election to cancel coverage must be made within 60 days following the event. (An employee and a retired employee may add dependent health or dental coverage following the birth of a child or dependent grandchild, or following the adoption of a child, without regard to the 30 day limit.) These life events (for both employees and retirees) are:

- a. A change in legal marital status, including marriage, death of a spouse, divorce, legal separation and annulment.

INSURANCE (continued)

- b. A change in number of dependents, including birth, death, adoption, and placement for adoption.
- c. A change in employment status of the employee, or the employee's or retiree's spouse, or dependent, including termination or commencement of employment, a strike or lockout, a commencement of or return from an unpaid leave of absence, a change in worksite, and a change in working conditions of the employee (including changing between part-time and full-time or hourly and salaried), the employee's or retiree's spouse or dependent which results in a change in the benefits they receive under a cafeteria plan or a health or dental plan.
- d. A dependent ceasing to satisfy eligibility requirements for coverage due to attainment of age, student status, marital status or other similar circumstances.
- e. A change in the place of residence of the employee, retiree or their spouse, or dependent.
- f. Significant cost or coverage changes (including coverage curtailment and the addition of a benefit package).
- g. Family and Medical Leave Act (FMLA) leave (for employees of the Legislative Reference Library).
- h. Judgments, decrees, or orders.
- i. A change in coverage of a spouse or dependent under another Employer's plan.
- j. Open enrollment under the plan of another Employer.
- k. Health Insurance Portability and Accountability Act (HIPAA) special enrollment rights for new dependents and in the case of loss of other insurance coverage.
- l. A COBRA-qualifying event.
- m. Loss of coverage under the group health plan of a governmental or educational institution (a State's children's health insurance program, medical care program of an Indian tribal government, State health benefits risk pool, or foreign government group health plan).
- n. Entitlement to Medicare or Medicaid.
- o. Any other situations in which the group health or dental plan is required by the applicable federal or state law to allow a change in coverage.

INSURANCE (continued)

2. **Canceling Dependent Coverage During Open Enrollment.** In addition to the above situations, dependent health or dependent dental coverage may also be cancelled for any reason during the open enrollment period that applies to each type of plan (as long as allowed under the applicable provisions, regulations and rules of the federal and state law in effect at the beginning of the plan year).
3. **Canceling Employee Coverage.** A part-time employee may also cancel employee coverage within 60 days of when one of the life events set forth above occurs.
4. **Effective Date of Benefit Termination.** Medical, dental, and life coverage termination will take effect on the first of the month following the loss of eligible employee or dependent status. Disability benefit coverage terminations will take effect on the day following loss of eligible employee or dependent status.

C. Effective Date of Coverage.

1. **Initial Effective Date.** The initial effective date of coverage under the Group Insurance Program is the 35th day following the employee's first day of employment, re-hire, or reinstatement with the Legislature (i.e., the 36th day of employment, reemployment, or reinstatement). The initial effective date of coverage for an employee whose eligibility has changed is the date of the change, provided the employee has completed their first 35 days of work. An employee must be actively at work on the initial effective date of coverage, except that an employee who is on paid leave on the date State-paid life insurance benefits increase is also entitled to the increased life insurance coverage. In no event shall an employee's dependent's coverage become effective before the employee's coverage.

If an employee is not actively at work due to employee or dependent health status or medical disability, medical and dental coverage will still take effect. (Life and disability coverage will be delayed until the employee returns to work.)

2. **Delay in Coverage Effective Date.**
 - a. **Basic Life.** If an employee is not actively at work on the initial effective date of coverage, coverage will be effective on the first day of the employee's return to work. The effective date of a change in coverage is not delayed in the event that, on the date the coverage change would be effective, an employee is on an unpaid leave of absence or layoff.
 - b. **Medical and Dental.** If an employee is not actively at work on the initial effective date of coverage due to a reason other than hospitalization or medical disability of the employee or dependent, medical and dental coverage will be effective the first day of the employee's return to work.

The effective date of a change in coverage is not delayed in the event that, on the date the coverage change would be effective, an employee is on an unpaid leave of absence or layoff.

INSURANCE (continued)

- c. **Optional Life and Disability Coverages.** In order for coverage to become effective, the employee must be in active payroll status and not using sick leave on the first day following approval by the insurance company. If it is an open enrollment period, coverage may be applied for but will not become effective until the first day of the employee's return to work.

D. Open Enrollment.

1. **Frequency and Duration.** There shall be an open enrollment period for health coverage in each year of this Plan, and for dental coverage in the first year of this Plan. Each year of this Plan, all employees shall have the option to complete a Health Assessment. Open enrollment periods shall last a minimum of 14 calendar days each year of this Plan. Open enrollment changes become effective on January 1 of each year. Subject to a timely plan settlement, the Employer shall make open enrollment materials available to employees at least fourteen days prior to the start of the open enrollment period.

Open enrollment may be suspended at the discretion of the Commissioner of Employee Relations if, by October 15 of any insurance year, this Chapter or a negotiated insurance article has not been approved in accordance with Minn.Stat. 43A.18, Subd. 2.

2. **Eligibility to Participate.** An employee eligible to participate in the State Employee Group Insurance Program, as described in Sections 2A and 2B, may participate in open enrollment. In addition, a person in the following categories may, as allowed in section 5D1 above, make certain changes: (1) a former employee or dependent on continuation coverage, as described in Section 2D, may change plans or add coverage for health and/or dental plans on the same basis as active employees; and (2) an early retiree, prior to becoming eligible for Medicare, may change health and/or dental plans as agreed to for active employees, but may not add dependent coverage.
3. **Materials for Employee Choice.** Each year prior to open enrollment, the appointing authority will give eligible employees the information necessary to make open enrollment selections. Employees will be provided a statement of their current coverage each year of the plan.

- E. **Coverage Selection Prior to Retirement.** An employee who retires and is eligible to continue insurance coverage as a retiree may change his/her health or dental plan during the 60 calendar day period immediately preceding the date of retirement. The employee may not add dependent coverage during this period. The change takes effect on the first day of the month following the date of retirement.

INSURANCE (continued)

SECTION 6. BASIC COVERAGES.

A. Employee and Family Health Coverage.

1. **Minnesota Advantage Health Plan (Advantage).** The health coverage portion of the State Employee Group Insurance Program is provided through the Minnesota Advantage Health Plan (Advantage), a self-insured health plan offering four Benefit Level options. Provider networks and claim administration are provided by multiple plan administrators. Coverage offered through Advantage is determined by Section 6A2.
2. **Coverage Under the Minnesota Advantage Health Plan.** Effective January 1, 2006, Advantage will cover eligible services subject to the copayments, deductibles and coinsurance coverage limits stated. Services provided through Advantage are subject to the managed care procedures and principles, including standards of medical necessity and appropriate practice, of the plan administrators. Coverage details are provided in the Advantage Summary of Benefits.
 - a. **Benefit Options.** Employees must elect a plan administrator and primary care clinic. Those elections will determine the Benefit Level through Advantage. Enrolled dependents must elect a primary care clinic that is available through the plan administrator chosen by the employee.
 - 1) **Plan Administrator.** Employees must elect a plan administrator during their initial enrollment in Advantage and may change their plan administrator election only during the annual open enrollment and when permitted under Section 5. Dependents must be enrolled through the same plan administrator as the employee.
 - 2) **Benefit Level.** The primary care clinics available through each plan administrator are assigned a Benefit Level. The Benefit Levels are outlined in the benefit chart below. Primary care clinics may be in different Benefit Levels for different plan administrators. Family members may be enrolled in clinics that are in different Benefits Levels. Employees and their dependents may change to clinics in different Benefit Levels during the annual open enrollment. Employees and their dependents may also elect to move to a clinic in a different Benefit Level within the same plan administrator up to two additional times during the plan year. Unless the individual has a referral from his/her primary care clinic, there are no benefits for services received from providers in Benefit Levels that are different from that of the primary care clinic in which the individual has enrolled.

INSURANCE (continued)

- 3) **Primary Care Clinic.** Employees and each of their covered dependents must individually elect a primary care clinic within the network of providers offered by the plan administrator chosen by the employee. Employees and their dependents may elect to change clinics within their clinic's Benefit Level as often as the plan administrator permits and as outlined above.

Advantage Benefit Chart for Services Incurred During Plan Years 2006-2007

2006 and 2007 Benefit Provision	Benefit Level 1 The member pays:	Benefit Level 2 The member pays:	Benefit Level 3 The member pays:	Benefit Level 4 The member pays:
Deductible for all services except drug and preventive care (S/F)	\$30/\$60	\$100/\$200	\$280/\$560	\$500/\$1,000
Office visit copay (copay/urgent care waived for preventive services) 1) Having taken health assessment 2) Not having taken health assessment	1) \$15 2) \$20	1) \$20 2) \$25	1) \$20 2) \$25	1) \$30 2) \$35
Minute Clinic (deductible waived)	\$10	\$10	\$10	\$10
Emergency room copay	\$50	\$50	\$50	N/A-subject to deductible and 30% co-insurance to OOP maximum
Facility copays per: • inpatient admission • outpatient surgery	\$50 \$25	\$ 150 \$75	\$400 \$150	N/A-subject to deductible and 30% co-insurance to OOP maximum
Coinsurance for services NOT subject to copays	0% (100% coverage after payment of deductible)	0% (100% coverage after payment of deductible)	10% (90% coverage after payment of deductible)	30% for all services to OOP maximum after deductible
Coinsurance for durable medical equipment	20% (80% coverage after payment of 20% coinsurance)	20% (80% coverage after payment of 20% coinsurance)	20% (80% coverage after payment of 20% coinsurance)	30% for all services to OOP maximum after deductible
Copay for formulary/non-formulary prescription drug plan	\$ 15 formulary \$30 non-formulary	\$15 formulary \$30 non-formulary	\$15 formulary \$30 non-formulary	\$15 formulary \$30 non-formulary
Maximum drug out-of-pocket limit (S/F)	\$650/\$1,300	\$650/\$1,300	\$650/\$1,300	\$650/\$1,300
Maximum non-drug out-of-pocket limit (S/F)	\$1,000/\$2,000	\$1,000/\$2,000	\$1,000/\$2,000	\$1,000/\$2,000

INSURANCE (continued)

- b. Office visit copayments. Each year of the Plan, the level of the office visit copayment applicable to an employee and dependents is based upon whether the employee has completed the on-line Health Assessment during open enrollment.
- c. **Services received from, or authorized by, a primary care physician within the primary care clinic.** Under Advantage, the health care services outlined in the benefits charts above shall be received from, or authorized by a primary care physician within the primary care clinic. Preventive care, as outlined in the Summary of Benefits, is covered at 100 percent for services received from or authorized by the primary care clinic. The primary care clinic shall be selected from approved clinics in accordance with the Advantage administrative procedures. Unless otherwise specified in 6A2, services not received from, or authorized by, a primary care physician within the primary care clinic may not be covered. Unless the individual has a referral from his/her primary care clinic, there are no benefits for services received from providers in Benefit Levels that are different from that of the primary care clinic in which the individual has enrolled.
- d. **Services not requiring authorization by a primary care physician within the primary care clinic.**
 - 1) **Eye exams.** Limited to one routine examination per year for which no copay applies.
 - 2) **Outpatient emergency and urgicenter services within the service area.** The emergency room copay applies to all outpatient emergency visits that do not result in hospital admission within twenty-four hours. The urgicenter copay is the same as the primary care clinic office visit copay.
 - 3) **Emergency and urgently needed care outside the service area.** Professional services of a physician, emergency room treatment, and inpatient hospital services are covered at 80 percent of the first \$2,000 of the charges incurred per insurance year, and 100 percent thereafter. The maximum eligible out-of-pocket expense per individual per year for this benefit is \$400. This benefit is not available when the member's condition permits him or her to receive care within the network of the plan in which the individual is enrolled.
 - 4) **Ambulance.** The deductible and coinsurance for services not subject to copays applies.
- e. **Prescription drugs.**
 - 1) **Copayments and annual out-of-pocket maximums.**

INSURANCE (continued)

For each year of the contract:

Formulary copayment: Fifteen dollar copayment per prescription or refill for a formulary drug dispensed in a 34-day supply.

Non-formulary copayment: Thirty dollar copayment per prescription or refill for a non-formulary drug dispensed in a 34-day supply.

Out-of-pocket maximum: There is an annual maximum eligible out-of-pocket expense limit for prescription drugs of \$650 per person or \$1,300 per family.

- 2) **Insulin**. Insulin will be treated as a prescription drug subject to a separate copay for each type prescribed.
 - 3) **Brand name drugs**. If the subscriber chooses a brand name drug when a bioequivalent generic drug is available, the subscriber is required to pay the standard copayment plus the difference between the cost of the brand name drug and the generic. Amounts above the copay that an individual elects to pay for a brand name instead of a generic drug will not be credited toward the out-of-pocket maximum.
 - 4) **Special Coverage for “Grandfathered Diabetic Group”**. For insulin dependent diabetics who have been continuously enrolled for health coverage insured or administered by Blue Cross Blue Shield through the SEGIP since January 1, 1991, and who were identified as having used these supplies during the period January 1, 1991, through September 30, 1991 (herein the “Grandfathered Diabetic Group”), diabetic supplies are covered as follows:
 - Test tapes and syringes are covered at 100 percent for the greater of a 34-day supply or 100 units when purchased with insulin.
- f. **Special Service networks**. The following services must be received from special service network providers in order to be covered. All terms and conditions outlined in the Summary of Benefits apply.
- 1) Mental health services – inpatient or outpatient.
 - 2) Chemical dependency services – inpatient and outpatient.
 - 3) Chiropractic services.
 - 4) Transplant coverage.
 - 5) Cardiac services.
 - 6) Home infusion therapy.
 - 7) Hospice.

INSURANCE (continued)

- g. **Individuals whose permanent residence and principal work location are outside the State of Minnesota and outside of the service areas of the health plans participating in Advantage.** If these individuals use the plan administrator's national preferred provider organization in their area, services will be covered at Benefit Level Two. If a national preferred provider is not available in their area, services will be covered at Benefit Level Two through any other provider available in their area. If the national preferred provider organization is available but not used, benefits will be paid at the POS level described in paragraph "i" below. All terms and conditions outlined in the Summary of Benefits will apply.
- h. **Children living with an ex-spouse outside the service area of the employee's plan administrator.** Covered children living with former spouses outside the service area of the employee's plan administrator and enrolled under this provision as of December 31, 2003, will be covered at Benefit Level Two benefits. If available, services must be provided by providers in the plan administrator's national preferred provider organization. If the national preferred provider organization is available but not used, benefits will be paid at the POS level described in paragraph "i" below.
- i. **Individuals whose permanent residence is outside the State of Minnesota and outside the service areas of the health plans participating in Advantage.** (This category includes employees temporarily residing outside Minnesota on temporary assignment or paid leave (including sabbatical leaves) and all dependent children (including college students) and spouses living out of area.) The point of service (POS) benefit described below is available to these individuals. All terms and conditions outlined in the Summary of Benefits apply. This benefit is not available for services received within the service areas of the health plans participating in Advantage.

 - 1) **Deductible.** There is a \$350 annual deductible per person, with a maximum deductible per family per year of \$700.
 - 2) **Coinsurance.** After the deductible is satisfied, 70 percent coverage up to the plan out-of-pocket maximum designated below.
- j. **Lifetime maximums and non-prescription out-of-pocket maximums.** Coverage under Advantage is not subject to a per person lifetime maximum. Coverage under Advantage is subject to a plan year, non-prescription drug, out of pocket maximum of \$1,000 per person or \$2,000 per family.
- k. **Minute clinics.** Services received at Minute Clinics are subject to a \$10 copayment in each year of the Plan. First dollar deductibles are waived for Minute Clinic visits. (Note that prescriptions received as a result of a visit are subject to the drug copayment and out of pocket maximums described above at 6AS2 (4) e.)

INSURANCE (continued)

- 3) **Benefit Level Two Health Care Network Determination.** Issues regarding the health care networks for the 2007 insurance year shall be established in accordance with procedures in state collective bargaining agreements.
- 4) **Coordination with Workers' Compensation.** When an employee has incurred an on-the-job injury or an on-the-job disability and has filed a claim for workers' compensation, medical costs connected with the injury or disability shall be paid by the employee's health plan, pursuant to Minn. Stat. § [176.191](#), Subdivision 3.
- 5) **Health Promotion and Health Education.** The Plan recognizes the value and importance of health education programs. Such programs can assist employees and their dependents to maintain and enhance their health, and to make appropriate use of the health care system. The appointing authority may develop and implement health promotion and health education programs, subject to the availability of resources.

B. Employee Life Coverage.

1. **Basic Life and Accidental Death and Dismemberment Coverage.** The Employer agrees to provide and pay for the following term life coverage and accidental death and dismemberment coverage for all employees eligible for an Employer Contribution, as described in this Plan. Any premium paid by the State in excess of \$50,000 coverage is subject to a tax liability in accord with Internal Revenue Service regulations. An employee may decline coverage in excess of \$50,000 by filing a waiver in accord with appointing authority procedures. The basic life insurance policy will include an accelerated benefits agreement providing for payment of benefits prior to death if the insured has a terminal condition.

Employee's Annual Base Salary	Group Life Insurance Coverage	Accidental Death and Dismemberment Principal Sum
\$10,000 - \$15,000	\$15,000	\$15,000
\$15,001 - \$20,000	\$20,000	\$20,000
\$20,001 - \$25,000	\$25,000	\$25,000
\$25,001 - \$30,000	\$30,000	\$30,000
\$30,001 - \$35,000	\$35,000	\$35,000
\$35,001 - \$40,000	\$40,000	\$40,000
\$40,001 - \$45,000	\$45,000	\$45,000
\$45,001 - \$50,000	\$50,000	\$50,000
\$50,001 - \$55,000	\$55,000	\$55,000
\$55,001 - \$60,000	\$60,000	\$60,000
\$60,001 - \$65,000	\$65,000	\$65,000
\$65,001 - \$70,000	\$70,000	\$70,000
\$70,001-\$75,000	\$75,000	\$75,000
\$75,001-\$80,000	\$80,000	\$80,000
\$80,001-\$85,000	\$85,000	\$85,000
\$85,001-\$90,000	\$90,000	\$90,000
Over \$90,000	\$95,000	\$95,000

INSURANCE (continued)

2. **Extended Benefits.** An employee who becomes totally disabled before age 70 shall be eligible for the extended benefit provisions of the life insurance policy until age 70. Employees who were disabled prior to July 1, 1983, and who have continuously received benefits shall continue to receive such benefits under the terms of the policy in effect prior to July 1, 1983.

SECTION 7. OPTIONAL COVERAGES.

A. Employee and Family Dental Coverage.

1. **Coverage Options.** Eligible employees may select coverage under any one of the dental plans offered by the Employer, including State Delta Dental, Blue Plus Dental and HealthPartners Dental.

(The term "State Dental Plan" refers to one of two plans administered by Delta Dental Plan of Minnesota. The other plan administered by Delta Dental is Blue Plus Dental. The third dental plan that is available is HealthPartners Dental Plan. The benefits across all plans are similar, but there are some significant differences from plan to plan, such as the way benefits are administered. The plan described here is the State Dental Plan.)

2. **Coverage Under the State Dental Plan.** The State Dental Plan will provide the following coverage:
 - a. **Copayments.** The State Dental Plan will cover allowable charges for the following services subject to the copayments and coverage limits stated. Higher out-of-pocket costs apply to services obtained from dental care providers not in the State Dental Plan network. Services provided through the State Dental Plan are subject to the State Dental Plan's managed care procedures and principles, including standards of dental necessity and appropriate practice. The plan shall cover general cleaning two times per plan year and special cleanings (root or deep cleaning) as prescribed by the dentist. Coverages are as follows:

Service	In-Network	Out-of-Network
Diagnostic/Preventive	100%	50% after deductible
Fillings	60% after deductible	50% after deductible
Endodontics	60% after deductible	50% after deductible
Periodontics	60% after deductible	50% after deductible
Oral Surgery	60% after deductible	50% after deductible
Crowns	60% after deductible	50% after deductible
Prosthetics	50% after deductible	50% after deductible
Prosthetic Repairs	50% after deductible	50% after deductible
Orthodontics*	50% after deductible	50% after deductible

* Please refer to your certificate of coverage for information regarding age limitations for dependent orthodontic care.

INSURANCE (continued)

- b. **Deductible.** An annual deductible of \$50 per person and \$150 per family applies to State Dental Plan non-preventive services received from in-network providers. An annual deductible of \$125 per person applies to State Dental Plan basic and special services received from out of network providers. The deductible must be satisfied before coverage begins.
- c. **Annual maximums.** State Dental Plan coverage is subject to a \$1,000 annual maximum benefit payable (excluding orthodontia) per person. "Annual" means per insurance year.
- d. **Orthodontia lifetime maximum.** Orthodontia benefits are available to eligible dependent children ages 8 through 18 subject to a \$2,400 lifetime maximum benefit.

B. Life Coverage.

- 1. **Employee.** An employee may purchase up to \$500,000 additional life insurance, in increments established by the Employer, subject to satisfactory evidence of insurability. A new employee may purchase up to two times annual salary in optional employee life coverage by their initial effective date of coverage as defined in this Chapter, Section 5C without evidence of insurability. An employee who becomes eligible for insurance may purchase up to two times annual salary in optional employee life coverage without evidence of insurability within thirty days of the initial effective date as defined in this Chapter.
- 2. **Spouse.** An employee may purchase up to \$500,000 life insurance coverage for his/her spouse in increments established by the Employer, subject to satisfactory evidence of insurability. A new employee may purchase either \$5,000 or \$10,000 in optional spouse life coverage by their initial effective date of coverage as defined in this Chapter, Section 5C without evidence of insurability. An employee who becomes eligible for insurance may purchase either \$5,000 or \$10,000 in optional spouse coverage without evidence of insurability within 30 days of the initial effective date as defined in this Chapter
- 3. **Children/Grandchildren.** An employee may purchase life insurance in the amount of \$10,000 as a package for all eligible children/grandchildren (as defined in Section 2C of this Plan). For a new employee, child/grandchild coverage requires evidence of insurability if application is made after the initial effective date of coverage as defined in the Chapter, Section 5C. An employee who becomes eligible for insurance may purchase child/grandchild coverage without evidence of insurability if application is made within 30 days of the initial effective date as defined in this Chapter. Child/grandchild coverage commences 14 calendar days after birth.

INSURANCE (continued)

4. **Accelerated Life.** The additional employee, spouse, and child life insurance policies will include an accelerated benefits agreement providing for payment of benefits prior to death if the insured has a terminal condition.
5. **Waiver of Premium.** In the event an employee becomes totally disabled before age 70, there shall be a waiver of premium for all life insurance coverage that the employee had at the time of disability.
6. **Paid Up Life Policy.** At age 65 or the date of retirement, an employee who has carried optional employee life insurance for the five consecutive years immediately preceding the date of the employee's retirement or age 65, whichever is later, shall receive a post-retirement paid-up life insurance policy in an amount equal to 15 percent of the smallest amount of optional employee life insurance in force during that five year period. The employee's post-retirement death benefit shall be effective as of the date of the employee's retirement or the employee age 65, whichever is later. Employees who retire prior to age 65 must be immediately eligible to receive a state retirement annuity and must continue their optional employee life insurance to age 65 in order to remain eligible for the employee post-retirement death benefit.

An employee who has carried optional spouse life insurance for the five consecutive years immediately preceding the date of the employee's retirement or spouse age 65, whichever is later, shall receive a post-retirement paid-up life insurance policy in an amount equal to 15 percent of the smallest amount of optional spouse life insurance in force during that five year period. The spouse or post-retirement death benefit shall be effective as of the date of the employee's retirement or spouse age 65, whichever is later. The employee must continue the full amount of optional spouse life insurance to the date of the employee's retirement or spouse age 65, whichever is later, in order to remain eligible for the spouse post-retirement death benefit.

Each policy remains separate and distinct, and amounts may not be combined for the purpose of increasing the amount of a single policy.

C. Disability Coverage.

1. **Short-term Disability Coverage.** An employee may purchase short-term disability coverage that provides benefits of from \$300 to \$5,000 per month, up to two-thirds of an employee's salary, for up to 180 days during total disability due to a non-occupational accident or a non-occupational sickness. Benefits are paid from the first day of a disabling injury or from the eighth day of a disabling sickness. For a new employee, coverage applied for by the initial effective date of coverage as defined in this Chapter, Section 5C, does not require evidence of insurability. For an employee who becomes eligible for insurance, coverage applied for within 30 days of the initial effective date does not require evidence of insurability.

INSURANCE (continued)

2. **Long-term Disability Coverage.** New employees may enroll in long-term disability insurance by their initial effective date of coverage. Employees who become eligible for insurance may enroll in long-term disability insurance within 30 days of their initial effective date as defined in this Chapter, Section 5C. The terms are the same as for employees who wish to add/increase during the annual open enrollment. During open enrollment only, an employee may purchase long-term disability coverage that provides benefits of from \$200 to \$5,000 per month, based on the employee's salary, commencing on the 181st calendar day of total disability, and not subject to evidence of insurability but with a limited term pre-existing condition exclusion. Employees should be aware that other wage replacement benefits, as described in the Certificate of Coverage (i.e., Social Security Disability, Minnesota State Retirement Disability, etc.), may result in a reduction of the monthly benefit levels purchased. In any event, the minimum is the greater of \$300 or 15 percent of the amount purchased. The minimum benefit will not be reduced by any other wage replacement benefit. In the event that the employee becomes totally disabled before age 70, the premiums on this benefit shall be waived.

D. **Accidental Death and Dismemberment Coverage.** An employee may purchase accidental death and dismemberment coverage that provides principal sum benefits in amounts ranging from \$5,000 to \$100,000. Payment is made only for accidental bodily injury or death and may vary, depending upon the extent of dismemberment. An employee may also purchase from \$5,000 to \$25,000 in coverage for his/her spouse, but not in excess of the amount carried by the employee.

E. **Continuation of Optional Coverages During Unpaid Leave or After Termination Without Cause.** An employee who takes an unpaid leave of absence or who is terminated without cause may discontinue premium payments on optional policies during the period of leave or at termination. If the employee returns within one year, the employee shall be permitted to pick up all optionals held prior to the leave or termination. For purposes of reinstating such optional coverages, the following limitations shall be applicable.

For the first 24 months of long-term disability coverage after such a period of leave or termination without cause during which long-term disability coverage was discontinued, any such disability coverage shall exclude coverage for pre-existing conditions. For disability purposes, a pre-existing condition is defined as any disability which is caused by, or results from, any injury, sickness or pregnancy which occurred, was diagnosed, or for which medical care was received during the period of leave or termination without cause. In addition, any pre-existing condition limitations that would have been in effect under the policy but for the discontinuance of coverage shall continue to apply as provided in the policy.

The limitations set forth above do not apply to leaves that qualify under the Caretaker and Medical Leave provisions of this Plan.

INSURANCE (continued)

- F. **Long-term Care Coverage.** An employee may purchase Long-term Care Coverage to help pay for a variety of long-term care services not covered by health or disability insurances. Individualized policies may be purchased for the employee, the spouse of the employee or the parents/step-parents of the employee. Employees and their spouses or parents/step-parents may explore plan options and associated premiums by visiting the Long-term Care Coverage Web site at www.ltcbenefits.com using the password GoForLCC.

Newly-hired employees who enroll themselves within their first 90 days of employment may do so without providing evidence of insurability. Spouses and parent/step-parents must provide evidence of insurability by completing the short or long application, respectively.

Retirees who, at the time of separation from state employment, were eligible to purchase state insurance coverage at personal expense are eligible to apply for Long-term Care Coverage for themselves or their spouses. Parents of retirees are not eligible.

PRE-TAX EXPENSE ACCOUNTS, DEFERRED COMPENSATION AND HEALTH CARE SAVINGS PLAN

I. Pre-Tax Expense and Reimbursement Accounts

- A. **Premium Expense Account.** Insurance eligible employees will pay for the employee portion of health and dental premiums on a pre-tax basis as permitted by law or regulation unless the employee signs a waiver.
- B. **Health/Dental Expense Account.** Regular employees will be allowed to participate on a pre-tax basis in a medical and dental expense reimbursement program to cover copayments, deductibles, and other medical and dental expenses or expenses for services not covered by health or dental insurance as permitted by law or regulation, up to a maximum expenditure of \$5,000 per calendar year. On the Department of Employee Relations Web site, see: “Understanding Your Benefits: Medical/Dental Expense Account,” at: <http://www.doer.state.mn.us/ei%2Dsegip/Docs/mdea.pdf>.
- C. **Dependent Care Expense Account.** Regular employees have the option to participate in a dependent care reimbursement program for work-related dependent care expenses on a pre-tax basis as permitted by law or regulation. On the Department of Employee Relations Web site, see: “Understanding Your Benefits: Dependent Care (Daycare) Expense Account,” at: <http://www.doer.state.mn.us/ei%2Dsegip/docs/dcea.pdf>.
- D. **Mass Transit and Parking Expense and Reimbursement Account.** Regular employees have the option to participate in a pre-tax mass transit expense reimbursement and parking expense account program as permitted by law or regulation. Temporary employees who pay for parking by payroll deduction will have the deduction made on a pre-tax basis unless they file with their payroll officer a waiver of the pre-tax parking benefit within ten days after their date of hire. On the Department of Employee Relations Web site, see: “Understanding Your Benefits: Transit Expense Plan,” at: <http://www.doer.state.mn.us/ei%2Dsegip/docs/transit.pdf>.
- E. **Pre-tax Plans.** Pre-tax expense and reimbursement account plans will be those offered through the Department of Employee Relations, except as otherwise provided by action of the appointing authority.

- II. **Deferred Compensation.** Employees may participate in the State of Minnesota Deferred Compensation Plan. The plan is voluntary and allows employees to place a portion of their earnings into a pre-tax deferred investment program. Taxes on money set aside and on earnings are deferred until the time of withdrawal. This allows employees to defer present income for long-term savings to supplement retirement and other benefits. Full information on the plan is found online at: <http://www.mndcplan.com/>.

PRE-TAX ACCOUNTS (continued)

Once each calendar year, regular employees of the House and Senate may either elect to receive a state-paid contribution to the state deferred compensation program, or elect to convert vacation to deferred compensation. Once each fiscal year, regular employees under the jurisdiction of the LCC may either elect to receive a state-paid contribution to the state deferred compensation program, or elect to convert vacation to deferred compensation.

A. State-Paid Contribution to Deferred Compensation.

For employees electing the state-paid contribution benefit, payment is as follows:

The employer agrees to provide employees with a state-paid contribution to the deferred compensation program under Minn. Stat. § [352.96](#). The state-paid contribution shall be in an amount matching the employee's contribution on a dollar-for-dollar basis as permitted by Minn. Stat. § [356.24](#), not to exceed \$300 per employee each calendar year for House and Senate employees. For employees under the jurisdiction of the LCC, the state-paid contribution shall be in an amount matching the employee's contribution on a dollar-for-dollar basis as permitted by Minn. Stat. § 356.24, not to exceed \$300 per employee each fiscal year.

B. Conversion of Accumulated Vacation to Deferred Compensation.

For employees electing the conversion of accumulated vacation to deferred compensation benefit, payment is as follows:

The employee may convert a portion of the employee's accumulated vacation to a contribution to a deferred compensation plan for which a payroll deduction has been provided. For employees of the House and Senate, each employee may convert up to one hour of vacation for each three hours of vacation and compensatory time used in the 12-month period ending with the last full pay period within the previous calendar year. An employee may not convert more than 40 hours each calendar year. For employees under the jurisdiction of the LCC, each employee may convert up to one hour of vacation for each three hours of vacation and compensatory time used in the 12-month period ending with the last full pay period within the previous fiscal year. An employee may not convert more than 40 hours each fiscal year.

The provision shall not be used in the pay period that contains the first of July. Contributions to deferred compensation plans made through the conversion of vacation hours are subject to all the rules and regulations of the respective plans.

III. Health Care Savings Plan. The employer will provide the employee with an account in its Health Care Savings Plan, to receive any payments payable to the employee's account as severance pay or otherwise. The Health Care Savings Plan provides a tax-advantaged method of paying for certain health care and health insurance expenses after the employee is retired or simply no longer employed by the employer. These expenses can include COBRA continuation premiums, other health insurance expenses, copayments and deductibles under other health insurance, long-term care insurance premiums, or simply charges for health care. Expenses for the employee's dependents may also be paid from the employee's account in the plan. The employee pays no income tax on money deposited into the plan, and withdrawal of the money originally deposited and of the earnings is also tax-free, if the

PRE-TAX ACCOUNTS (continued)

withdrawal is for reimbursement of expenses permitted under federal law to be made from these accounts. The employee is given a choice of investment options for the employee's account. Under federal law, deposits into the plan may come only from employer contributions, mandatory employee contributions, or mandatory deposits of severance pay. Voluntary employee contributions are not permitted. The Health Care Savings Plan will be the plan offered through the Minnesota State Retirement System, except as otherwise provided by action of the appointing authority.

How can I find out if I am able to retire and what my pension benefits are?

Most legislative employees are part of the Minnesota State Retirement System (MSRS). The office is located at 60 Empire Drive, Suite 300, St. Paul, MN 55103 1855. You may call the office at 651-296-2761 or contact them via their Web site at: <http://www.msrs.state.mn.us>

*I am interested in **deferred compensation**. Whom shall I contact?*

Contact the Minnesota State Deferred Compensation Plan Participant Service Center at 1-877-457-6466 or via their Web site at: <http://www.mndcplan.com>

WORKERS' COMPENSATION

Job-Related Injuries. An employee incurring an on-the-job injury shall be paid his/her regular rate of pay for the remainder of the scheduled work day without deduction from vacation or sick leave accruals. An employee must complete the Information and Privacy Statement developed by the Workers' Compensation Program in the Department of Employee Relations.

An employee who incurs a compensable illness or injury and receives workers' compensation benefits may elect to use accumulated vacation or sick leave, or both, during an absence resulting from an injury or illness for which a claim for workers' compensation is made or while an award of benefits is pending. Such leave may be used on the following basis:

- 1) The employee retains the workers' compensation benefit check and receives payments from sick leave and vacation leave accruals in an amount which will total his/her regular gross pay for the period of time involved provided that the total rate of compensation shall not exceed the regular compensation of the employee (Minn. Stat. § [176.021](#), subd. 5); or
- 2) The employee retains the workers' compensation benefit check and takes an unpaid workers' compensation leave during the time he/she is unable to work; or
- 3) An employee shall return from workers' compensation leave upon appropriate release from workers' compensation status provided the employee is able to perform the work satisfactorily and safely as determined by competent medical authority.

Vacation and Sick Leave Accruals. An employee receiving workers' compensation benefits supplemented by vacation and/or sick leave accruals shall accrue vacation and sick leave for the total number of hours compensated by workers' compensation, sick leave, vacation leave, and regular hours worked. An employee on unpaid workers' compensation leave does not accrue vacation or sick leave.

Insurance. For employees who are off the State payroll due to a work-related injury or disability, benefits provided under insurance sections of this Plan shall continue as long as the employee is receiving workers' compensation payments or is using disability leave.

The Department of Labor and Industry provides "An Employees Guide to the Minnesota Workers Compensation System, at: <http://www.doli.state.mn.us/guide.html>.

For all matters involving workers' compensation, the state rules, regulations, and interpretations of statute will apply.

ADA/WORKERS' COMPENSATION

Compliance with the Americans with Disabilities Act (ADA) is an obligation of the Legislature, its employees and members. The appointing authority shall consider accommodation requests from individuals who qualify under the ADA and employees returning from workers' compensation leave.

Background on the ADA is found on the Web site of the Minnesota Department of Employee Relations, at: <http://www.doer.state.mn.us/odeo-ada/ada.htm>

EXPENSE ALLOWANCES

General. The appointing authority may authorize employee expenses for the effective conduct of the Legislature's business. Authorization must be granted prior to the incurring of the actual expenses. Employees affected under this Plan are reimbursed for expenses authorized by the appointing authority in accord with the terms of this Plan.

Non-Commercial Transportation Expense.

Automobile. When an employee is required to use the employee's personal automobile to conduct authorized state business, the appointing authority must reimburse the employee at the same rate per mile as the standard mileage rate for business use of an automobile as permitted by the IRS under the federal income tax as of the time of the business use of the automobile. Mileage will be calculated on the most direct route according to records used by and available from the appropriate Appointing Authority's accounting office. Deviations from the most direct route, such as vicinity driving or departure from the employee's residence, must be shown separately on the employee's daily expense record and reimbursed under the foregoing rate. Toll charges and parking fees actually paid shall be reimbursed. An employee may not be required by the appointing authority to carry automobile insurance coverage beyond that required by law.

When an employee does not report to the office during the day or makes business calls before or after reporting to the office, the allowable mileage is: (1) the lesser of the mileage from the employee's residence to the first stop or from the office to the first stop, (2) all mileage between points visited on state business during the day, and (3) the lesser of the mileage from the last stop to the employee's residence or from the last stop to the office.

Van or Van-type Vehicle. Employees who use a specially-equipped personal van or van-type vehicle on official state business are reimbursed for mileage at a rate as permitted by the IRS under the federal income tax code plus \$.09 per mile on the most direct route. In order to qualify for this reimbursement rate, the vehicle must be equipped with a ramp, lift, or other level exchanging device designed to provide access for a wheelchair.

Motorcycle. Reimbursement for use of a motorcycle on official state business shall be at a rate of 15 cents per mile on the most direct route.

Personal Aircraft. The appointing authority may authorize travel in personal aircraft when it is deemed in the best interest of the state. Mileage reimbursement is at the rate of 99.5 cents per mile, or any greater or lesser amount authorized by the General Services Administration for employees, and is based on the shortest route based on direct air mileage between the point of departure and the destination.

Commercial Transportation. When an employee is required to use commercial transportation (air, taxi, rental car, etc.) in connection with authorized business of an appointing authority, the employee is reimbursed for the actual expenses of the mode and class of transportation so authorized. Reasonable gratuities may be included in commercial travel costs.

EXPENSE ALLOWANCES (continued)

If an employee uses a personal automobile instead of commercial transportation, the employee is reimbursed either mileage, at the rates stated previously, or round trip air fare, whichever is less as determined by the appointing authority.

Frequent Flyer Miles. Airline frequent flyer miles or credits received from an airline as a result of air travel paid for by the appointing authority must not be used by the member or employee for personal travel but must be reported and turned over to the appointing authority, as required by Minn. Stat. § [15.435](#).

Overnight Travel. Employees in travel status who incur expenses for lodging are allowed actual reasonable costs of lodging and meals while away from their home station, up to the maximums stated below. Employees in travel status in excess of one week without returning home are allowed actual cost not to exceed \$16.00 per week for laundry and dry cleaning for each week after the first week. Employees in travel status may be reimbursed for personal telephone charges. The maximum reimbursement for personal telephone calls for each trip shall be the result of multiplying the number of nights away from home by three dollars.

Meal Allowances. If the employee is on assignment away from the employee's home station in a travel status, the employee is reimbursed for actual costs of meals (up to the maximum reimbursement) including gratuity. Employees are also reimbursed for meals which are an integral part of conferences and meetings which have been approved in advance by the appointing authority and are consistent with the appointing authority's policies or practices on the payment of Special Expenses.

Maximum reimbursements for meals, including tax and gratuity, are:

	Breakfast	Lunch	Dinner
Within the state:	\$7.00	\$ 9.00	\$15.00
Outside the state:	\$8.00	\$10.00	\$17.00

Employees who are in travel status for two or more meals are reimbursed for the actual costs of the meals up to the combined maximum amount per day for the reimbursable meals.

Breakfast reimbursements may be claimed only if the employee is on assignment away from his/her home station in a travel status overnight or departs from home in an assigned travel status before 6:00 a.m. Dinner reimbursement may be claimed only if the employee is away from his/her home station in a travel status overnight or is required to remain in a travel status until after 7:00 p.m.

Special Expenses. When prior approval has been granted by an appointing authority, special expenses, including registration or conference fees, individual annual professional membership dues and professional fees, and tuition for educational classes may be paid.

EXPENSE ALLOWANCES (continued)

Registration or conference fees may be paid or reimbursed only if the conference or meeting is relevant to the employee's current job and attendance is state business.

Professional membership dues and professional fees may be paid only if they are directly related to the employee's current position.

Educational expenses, including fees and tuition, may be paid or reimbursed only if:

- (1) the course is related to maintaining or improving performance in current or anticipated job responsibilities of the employee; or
- (2) the education is required by the appointing authority, or applicable professional or licensing group, as a condition for retention of employment.

Educational expenses may not be paid or reimbursed if the education is necessary for the employee:

- (1) to meet the minimum educational requirement for the employee's current position; or
- (2) to qualify for a new job.

Career Development. The appointing authority may develop an education program for career development.

Payment of Expenses. No expenses (transportation, lodging, meals or registration fees) may be paid to an employee in advance.

JOB CANDIDATE INTERVIEW AND RELOCATION ALLOWANCES

Authorization. The appointing authority may authorize reimbursement to a job candidate for actual expenses incurred in traveling to appear for a job interview. Reimbursement is the same as for employees traveling on legislative business.

When it has been determined by the appointing authority that a position is to be filled by a job candidate who resides fifty miles or more from the state capitol, the cost of moving the job candidate may be paid by the appointing authority.

Covered Expenses.

Moving and Packing. The appointing authority may pay the cost of moving and packing the employee's household goods. The employee must obtain no less than two bids for packing and/or moving household goods, and approval must be obtained from the appointing authority prior to any commitment to a mover to either pack or ship the employee's household goods.

Storage. The appointing authority may also pay for up to six months of storage of a prospective employee's goods, either at origin or destination, if necessitated by the employee's inability to coordinate the acquisition of a new residence with the departure from the old residence or for other good cause not amounting to a voluntary election to store the goods.

House Trailer. The appointing authority may pay for the moving of house trailers if the trailer is the employee's domicile. Reimbursement includes the cost of transporting support blocks, skirts, or other attached fixtures.

No Coverage for Loss or Damage. Neither the State of Minnesota nor any of its agencies are responsible for any loss or damage to any of the employee's household goods or personal effects as a result of transfer.

APPENDIX A (COBRA)

Continuation coverage provides you and your family the opportunity for a temporary extension of existing health, dental and life insurance coverage (at your expense) under certain circumstances when coverage would otherwise end.

If you lose your insurance coverage under certain circumstances, you and your dependents may have the right to continue:

- health insurance
- dental insurance
- life insurance
- Medical/Dental Expense Account (on an after-tax basis)

Under a federal law known as The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and under Minnesota law, you or your dependents may be entitled to continue these benefits if one of the following “qualifying events” causes you or your dependents to lose coverage under the State Employee Group Insurance Program. (Your dependents may not continue life insurance. Only you, as a state employee, may do so.)

Qualifying Events

- termination of employment (for reasons other than gross misconduct)
- reduction in work hours causing ineligibility for benefits
- divorce or legal separation
- child is no longer eligible as a dependent
- death of an employee
- a covered employee’s entitlement to or enrollment in Medicare

Qualifying events may affect you, your spouse, and/or dependent children. If you or your dependents are affected by one of the previously listed qualifying events, the State of Minnesota (your employer) must allow you to continue coverage. The coverage must be the same as the coverage provided by the state to similarly situated employees or family members. This means that if coverage for similarly situated employees or family members is changed, your coverage will also be changed.

Continuing Your Insurance Coverage

The procedures for continuing coverage depend on the type of qualifying event and who is affected. Except for life insurance, both you and your dependents have insurance continuation rights, so for the remainder of this section the word “you” refers to you (the employee) and your dependents.

In most cases, you have 60 days from the date of the qualifying event to select continuation coverage. If you choose to continue coverage, you must pay the full cost of coverage (plus a two percent administrative fee based on the cost of your premium) from the date coverage would have terminated.

Your Department Designated Insurance Representative (DDIR) is available to help you complete the forms to request continuation coverage. If you decide not to continue coverage, your participation in dental and optional coverages will stop at the end of the payroll period in which the qualifying event occurs; your health coverage will end at the end of the month which includes the termination date of your dental and optional coverages. If there is an appropriate qualifying event, members of your family also have the right to continue health and dental coverage.

Keep in mind the following important points:

- Health, dental, and life insurance must be continued at your own expense. You must pay the full insurance premium (both employee and employer costs) for continuation coverage, plus a two percent administrative fee.
- You need not provide evidence of good health to continue your coverage.
- After your continuation coverage period ends, you may enroll in individual conversion insurance plans for health and life insurance. Conversion coverage may cost more than continuation coverage and may not be identical to your current coverage. You need not provide evidence of good health to convert to an individual plan.
- Continuation coverage cannot be paid through payroll deduction.

Length of Continuation Coverage

This varies depending on what your qualifying event is and who is affected. Although your insurance certificates of coverage are the best source of information, these two general rules apply.

1. For life insurance, the length of continuation coverage is 18 months. Only employees, not dependents, may continue life insurance.
2. For health and dental insurance, you may continue coverage:
 - for up to 18 months for termination of employment or loss of employee insurance eligibility due to a reduction in hours. If another qualifying event occurs during this 18 months (child becomes ineligible as a dependent or you are divorced), the person(s) affected by that event will then be eligible to continue coverage up to the maximum amount of time allotted to a second qualifying event.
 - for up to 36 months if your child is no longer eligible as a dependent.

- for divorce, legal separation, or death of an employee until a disqualifying event occurs (see next paragraph).

If either you or your dependents are or become disabled within 60 days of the date your employment ends, an extension of continuation benefits may be available.

Disqualifying Events

Your continuation coverage may end sooner than the periods specified if any of the following disqualifying events occur:

- you fail to pay the premiums for your insurance coverage.
- you become covered under another group insurance plan that does not contain an exclusion or limitation for a pre-existing health condition which you or your dependent(s) may have.
- the State of Minnesota discontinues coverage for all of its employees.

If you have any questions about your rights to continue coverage, contact:

- your DDIR, or
- Department of Employee Relations Employee Insurance Division (651) 296-2457, (651) 297-7959 TTY

See also “Understanding Your Benefits: COBRA” on the Department of Employee Relations Web site, at: <http://www.doer.state.mn.us/ei%2Dsegip/Docs/1035.pdf>

Notification

In the event of your termination of employment or reduction in work hours, your DDIR will notify you of your rights to continue insurance coverage. This notice will include the premium cost required.

For all other events — death, divorce, legal separation, or over-age dependents — you (or your dependents in the event of your death) are responsible for notifying your department insurance representative within 60 days of the qualifying event. *If you do not properly notify your department insurance representative of these changes, you may jeopardize your dependents’ rights to continue coverage.*

Your health, dental and life insurance certificates of coverage/summaries of benefits explain in detail your rights and responsibilities under state and federal law. They are your best source of information about continuing your coverage. For more information about continuing your Medical/Dental Expense Account, please ask for a pre-tax benefits packet from your DDIR.

Caretaker and Medical Leave

Under the Caretaker and Medical Leave benefit, an employee may take up to 12 weeks of unpaid leave and receive the employer contribution for health insurance (see pages 23-24). During this leave you are responsible for paying any part of the insurance premium that would regularly be deducted from your pay. For more information, contact your human resource office.