

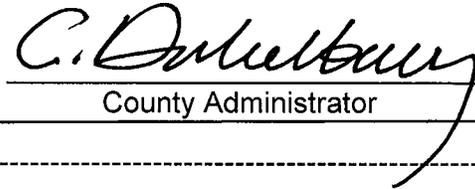


# ADMINISTRATIVE PROCEDURES

Procedure Number: 23-4

Effective Date: 03/01/1999

Revision Date: 05/23/2019

  
County Administrator

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SUBJECT: **LEAVE OF ABSENCE – INSURANCE PROCEDURES**

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DEPARTMENT RESPONSIBLE: **Human Resources Department**

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## I. STATEMENT

To communicate an employee's intentions regarding his/her medical, dental and life insurance coverage while on any type of a leave of absence to Human Resources. The employee shall notify Human Resources Benefits to communicate their intentions when he/she is on an unpaid leave of absence or is amending or canceling coverages.

## II. DEFINITIONS

- A. ICA – an employee who is on a leave of absence due to a work related injury or illness as defined by the Industrial Commission of Arizona. When receiving Worker's Compensation, an employee is required to pay only his/her portion of the premiums. If accruals are used, an amount necessary to cover the cost of the elected insurance coverage may be used.
- B. FMLA - an employee who is on a leave of absence under the provisions of the Family and Medical Leave Act of 1993, in accordance with Personnel Policy 8-108. While on an FMLA leave, an employee is required to pay only his/her portion of the insurance premiums. If accruals are used, an amount necessary to cover the cost of the elected insurance coverage may be used.
- C. LOA - an employee who is on a leave of absence approved by the department as defined under Personnel Policy 8-108. While on an LOA, an employee is required to pay only his/her portion of the insurance premiums. If accruals are used, an amount necessary to cover the cost of the elected insurance coverage may be used.

Unless protected under the Family Medical Leave Act (FMLA), once the employee has exhausted all accruals, he/she must forward payment of both the employee and the employer portion of the insurance premiums to Human Resources Benefits in order for coverage to continue and to avoid cancellation or a lapse in coverage.

- D. Military Leave - an employee who is on a leave of absence due to orders from the military. This may be a short or long term leave of absence. An employee on short-term military leave and who is using paid civic duty leave in accordance with A.R.S. §38-610 or is using accrued annual leave or compensatory time is required

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to pay only his/her portion of the premiums. An employee on long-term military leave who has been called to active duty is required to pay only his/her portion of the premiums, if continuation of coverage has been elected. A Board of Supervisor directive may further define insurance procedures during military leave.

### III. PROCEDURES

- A. The employee shall notify Human Resources Benefits to communicate their intentions when he/she is on an unpaid leave of absence or is changing or canceling their medical, dental, or vision coverage.
- B. Employees must elect a Level of Coverage while on an unpaid leave of absence. If an employee is unable to complete the form, his/her Power of Attorney, immediate family member, or the person who will be responsible for payment of the premiums, must complete the form. Employees may change the level of coverage or cancel insurance coverage when beginning a leave of absence because this is considered a qualifying event. (Note: an employee returning from a leave of absence has thirty-one (31) calendar days after his/her return to work to re-elect dropped coverage and to add dropped dependents. Refer to Administrative Procedure 23-22).
  - 1. Employees on a leave of absence under FMLA, Workers Compensation, Short-Term Military Leave, or Military Leave when the Board of Supervisors approves special leave arrangements for special military operations such as for Operation Enduring Freedom who wish to continue their benefits are only responsible for the employee portion of the premium and the County will continue to pay its share of the premium for the level of coverage selected.
  - 2. Employees on an unpaid leave of absence for any reason other than those noted above who wish to continue their benefits are responsible for payment of both the employee and County portion of the premiums.
  - 3. Premium payments are due each payday. Checks or money orders must be made payable to "Pima County Treasurer" and mailed to Pima County Benefits, 150 W. Congress – 4<sup>th</sup> Floor, Tucson, AZ 85701
  - 4. In order to maintain ancillary coverages (flexible spending accounts, prepaid legal, short-term disability, etc.) the employee must make arrangements to pay the provider directly during an unpaid leave.
- C. Human Resources Benefits will create a payment account that will be established for employees who have elected to continue their coverage and who are required to make personal payments to maintain their coverage.

Please be advised that a \$25.00 fee will be charged for each returned check (e.g., notice of insufficient funds or closed accounts) in accordance with County Ordinance 2002-37, A.R.S. §11-251.08(A) and Pima County Administrative Procedure 16-2.

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- D. Human Resources Benefits reserves the right to cancel an employee's coverage when payments have been missed. Every reasonable attempt shall be made to contact the employee regarding missed payments and pending cancellation.
1. Upon return to work, Human Resources shall deduct any missed premiums from an employee's paycheck with notice to the department.
  2. If the employee terminates while on a leave of absence and fails to maintain current payments, COBRA will be offered with the condition that all missed payments while on a leave of absence are made current before benefits elected under COBRA can become effective.

#### **IV. RESPONSIBILITIES**

- A. An employee shall pay premium payments each payday while on an unpaid leave of absence unless election is made to cancel coverage(s).
- B. Human Resources shall ensure that appropriate information is forwarded to the Treasurer's office for deposit of premiums collected from the employee's direct payment. Human Resources Benefits will distribute monies to the appropriate insurance providers.
- C. The Finance Department shall forward payments to the providers in a timely manner and in accordance with generally accepted accounting procedures.