

Administrative Policy No. 05-02R
Health Benefits Appeals
Attachment A- Revised 10/2014

A Health Benefits Appeal panel will hear claims appeals and appeals of decisions regarding the application of the health benefit plan. The panel will include: the City Manager, the Risk Manager, and a member of the Health Benefits Committee appointed by the City Manager. The City Manager may elect to appoint an alternate Health Benefits Appeal panel member in the absence of a regular committee member.

All appeals must be in writing delivered to the Risk Management Office, and include the employee's name, mailing address, and the reason for the request or appeal. Upon receipt of the appeal, the panel will review and notify the employee of the outcome of the panel's decision within 10 working days.

The panel will use benefit plan requirements, related laws and policies, and the following criteria.

I. Open Enrollment Appeal

If an employee misses the open enrollment deadline established by the Risk Management Division, and believes that he or she missed the deadline due to circumstances beyond the employee's control, the employee may appeal to have the enrollment deadline waived. The appeal period begins the hour after the close of open enrollment period and closes at 4:30 pm on July 31, or 4:30 pm on the last working day of July. To qualify for a waiver, the employee must provide evidence that the deadline was missed due to:

A. "Qualifying events" as provided by the IRS, and consistent with CBJ Family Medical Leave Policy:

- For the birth of the employee's child or for the placement of a child with the employee through adoption or foster care;
- When the employee is needed to care for the employee's child, spouse, or parent who has a serious health condition; or
- When the employee is unable to perform the functions of his or her job due to a serious health condition; or

B. Other events:

- A natural disaster or other circumstances entirely outside the employee's control that prevented the employee from meeting the deadline; or
- Failure of reasonable notice or delivery of enrollment information.

Due to IRS rules, appeals under section I B must be received by June 30 to qualify for the pre-tax payroll deduction. Appeals received between July 1 and July 31 will be considered, but if granted, the employee co-pay will not be eligible for pre-tax payroll deduction.

If the appeal in both section I A and B is denied, the employee will be automatically enrolled in the Employee Only Economy tier at no cost to the employee. The employee does have the option of paying a one-time fee of \$400 to enroll in a higher tier health benefit plan. If the employee elects a higher tier, all enrollment information must be returned to CBJ Risk Management within 5 working days of receipt of the appeal notification. There is no second appeal process if this time requirement is not met. At the employee's request, the cost can be divided into equal payments over 10 or fewer pay periods. The Health Benefits Appeal Committee's decision is final.

II. New Employee Enrollment

If a new employee does not enroll in health benefits plan within the first 30 days of employment they will automatically be placed in the employee only economy tier at no cost to the employee.

III. New Employee Appeal

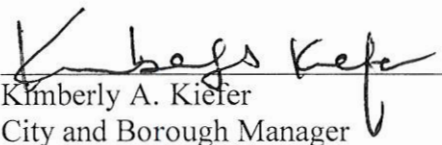
If a new employee believes that he or she missed the deadline due to circumstances beyond the employee's control, the employee may appeal to have the 30 day deadline waived. The appeal period begins the hour after the close of business 30 days from the date of hire. To qualify for a waiver, the employee must provide evidence that the deadline was missed due to:

- A natural disaster or other circumstances entirely outside the employee's control that prevented the employee from meeting the deadline; or
- Failure of reasonable notice or delivery of enrollment information.

If the new employee appeal is denied, the employee will be automatically enrolled in the Employee Only Economy tier at no cost to the employee. The employee does have the option of paying a one-time fee of \$400 to enroll in a higher tier health benefit plan. If the employee elects a higher tier, all enrollment information must be returned to CBJ Risk Management within 5 working days of receipt of the appeal notification. There is no second appeal process if this time requirement is not met. At the employee's request, the cost can be divided into equal payments over 10 or fewer pay periods. The Health Benefits Appeal Committee's decision is final.

IV. Appeals of Claims

If an employee has a complaint about a benefit or coverage decision, they may appeal as outlined in the employee benefit booklet. If after completing the Level II appeal, the employee does not agree with the claim coverage, they may appeal to the Health Benefits Appeal Committee. The Health Benefits Appeal Committee's decision is final.


Kimberly A. Kiefer
City and Borough Manager

October 8, 2014
Date