

**AMERICAN LIBRARY ASSOCIATION
PERSONNEL POLICY MANUAL**

Item Number 401

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INSURANCE - HEALTH, DENTAL, LIFE, AD&D
AND DISABILITY

Revised and
Reissued 6/03

All the benefit plans described in this manual are subject to modification or termination by ALA at any time with or without prior notice to the employee. The details of each plan is completely described in the plan document, which can be obtained from the Human Resources Director. If there is any apparent discrepancy between the description in this manual and in the plan document, the latter shall be determinative.

ALA's Insurance Plan

Health insurance or an alternate choice, a Health Maintenance Organization (HMO), dental, life, AD&D and disability insurance are available to the staff. Employees may select one or all of the insurances.

ALA's medical and dental plans are contributory with both ALA and the employee paying a share of the cost. For current costs of insurance plans, see Human Resources. ALA contribution for regular part-time employees will be on a pro-rated basis.

Eligibility

All full-time and part-time regular employees and their qualified dependents are eligible for coverage the first day of the month after 30 days of employment.

Employees must sign up for a health plan within the first 10 days of employment to enroll in the plan without furnishing evidence of insurability. Employees who elect to enroll in the Blue Cross/Blue Shield health insurance plan between 31 and 45 days of employment will be asked to furnish evidence of insurability. Open enrollment periods are held once a year for all health/dental programs. Enrollment after open enrollment, other than a change in status, will require the employee to complete an Evidence of Insurability form. Individuals who do not elect coverage after 30 days of employment must wait for open enrollment to select coverage.

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Health Insurance

ALA offers several PPO's and HMO'S. The Illinois, Connecticut and District of Columbia offices have health plans specific for those offices. Employees must be in a budgeted FTE (working at least a budgeted 17.5 hours per week) or greater to be eligible.

Dental

ALA's dental plan provides different options for the Illinois, District of Columbia and Connecticut offices. Employees must be in a budgeted FTE (working at least a budgeted 17.5 hours per week) or greater to be eligible.

Life Insurance/AD&D

Active employees are eligible for an amount of life insurance coverage equal to two times the employee's annual base salary up to a maximum of \$300,000 to the age of 70 at which time the benefit is reduced by half. This is an employer provided benefit during the time of employment. Temporary, seasonal and retirees are not eligible.

Active employees are eligible for an amount of AD&D coverage, equal to 1.5 times the employee's annual base salary up to a maximum of \$150,000 to the age of 70 at which time the benefit is reduced by half. Temporary, seasonal and retirees are not eligible.

Long Term Disability

Disability insurance provides income in the event an employee becomes unable to work because of a disability. Benefits start as of the first of the month after six months by continuous total disability. The benefit equals 60% of your monthly wage base not to exceed \$4,000 per month. Age and time limits are applicable per policy.

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Employees must be in a budgeted FTE (working at least a budgeted 17.5 hours per week) or greater to be eligible.

Retirement - Refer to Policy #407

When an employee retires, health and dental benefits will be continued for the employee and the employee's qualified dependents per Policy. Benefits are coordinated with Medicare payments up to 100% of benefits provided under the group plan. Life insurance is also continued when an employee retires but the amount is reduced to \$5,000 until age 70, at which time the coverage amount is reduced to \$2,500.

Short Term Disability

The company does not provide this type of coverage. (See Sick Leave Policy.)

Leave of Absence

For an explanation of insurance coverage while on leave of absence, see Policy #405.

Termination

Terminated employees have the option of continuing their hospital, surgical, and major medical coverage, in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA"). Individuals departing ALA will receive a formal letter of invitation with COBRA rates and information on the Health Portability and Accountability Act of 1996. Departing employees will receive HIPAA certification letter for self/dependents if all were participants in the health plan.