



# STATE OF ALASKA

## POLITICAL SUBDIVISION GROUP HEALTH AND LIFE PLAN PARTICIPATION INFORMATION

### Who Can Participate

Under Alaska Statutes, a governmental unit (a municipality, school district or other political subdivision of the State) may elect to participate in the State-sponsored Political Subdivision Group Health and Life Insurance plan.

### Who Is Covered

Coverage is mandatory for all eligible employees and optional for their dependents. The following employees are eligible for coverage:

- ❖ Permanent full-time employees that work at least 30 hours a week on a regular basis. Coverage becomes effective on the 31st consecutive calendar day following date of hire.
- ❖ Permanent part-time employees that work at least 15 hours a week, but less than 30 hours, on a regular basis may elect to participate. If elected, coverage becomes effective on the 31st consecutive calendar day following date of hire.
- ❖ Elected or appointed officials. Coverage becomes effective upon taking the oath of office.
- ❖ Employee's spouse and eligible dependent children who are under age 23, unmarried, living with the employee in a normal parent-child relationship and dependent upon the employee for support (see the booklet for more details)

### What Is Covered

There are three plans available. All plans cover the same services but have different deductibles and/or coinsurance (reimbursement) amounts. The Plan Summaries provide an overview of the coverage levels. The booklet provides complete details of the coverage provided.

### What It Costs

The premiums for the different plans are shown in the enclosed chart. Premiums are subject to change, generally in July of each year.

The governmental unit may either pay the entire cost of the insurance for its employees and their eligible dependents or share the cost with the employees. The employer is required to pay at least 75% of the cost of employee coverage for all permanent full-time employees and at least one-half of that amount for permanent part time employees.

## **The Employer's Responsibility**

Employers are required to enroll each eligible employee and, if desired, their dependents, collect any employee premiums, report the eligible members to the insurers monthly, remit premiums, and provide coverage continuation administration for terminated employees or dependents.

## **Life Insurance**

The plan also includes a mandatory Basic Life Insurance benefit for employees which pays \$2000 plus an additional \$5000 accidental death and dismemberment (AD&D) benefit.

Also available is the Optional Life and AD&D benefit which may be purchased by employees. This insurance is equal to the employee's annual salary rounded to the next highest \$1,000 (the maximum available is \$60,000). When this coverage is elected, the life insurance amounts and premiums must be periodically increased or decreased to take into account changes in employees' salaries.

## **The Insurers**

The current carrier for health insurance is Aetna Life Insurance Company. The current carrier for life insurance is Unum.

## **How To Apply**

To apply for coverage under this health program, a governmental unit must two copies of the enclosed Participation Agreement and a certified copy of a resolution by the governing body approving. Following receipt of the necessary documents, the administrator will review the to determine if participation may be approved.

The Participation Agreement contains the following provisions:

- Authorization for health plan participation for a minimum of 2 years.
- Authorization for payment for all required premiums.
- An agreement to pay premiums in accordance with the terms set by the plan administrator.
- An agreement to give at least 90 days advance notice before terminating health plan participation (the administrator has discretion to waive this provision).
- A provision for an effective date which must be the first day of a month.

## **More Information**

Contact .....