



Policy Purpose

This policy outlines the benefits and retirement programs available to city employees and their families.

I. General

The city will establish cost effective benefit and retirement programs designed to attract and retain qualified individuals. These programs are designed to support the health and well-being of employees and their families.

II. Eligibility-Enrollment-Changes

- a. Benefit programs are available to all full-time employees and their eligible family members.
- b. Employees have 60 days from their date of hire to enroll in certain benefits; otherwise the next opportunity will be during the following open enrollment (in May of each year effective July of each year).
- c. Once an employee enrolls, benefits are retroactive and effective as of their date of hire. Employee premiums will be collected back to the employee's date of hire through payroll deduction.
- d. Employees who have a mid-year IRS qualifying event have 60 days from the date of the event to make changes to their benefit plans.
- e. Benefits end on the last day of employment. An employee and/or their covered family member may extend their medical, dental, and the employee assistance program (EAP) coverage by enrolling in COBRA within 60 days of loss of coverage.

III. Benefit Plans

- a. The city offers a qualified high deductible health plan (HDHP) including a health savings account (HSA) as stated in the Compensation Plan.
- b. The city provides an EAP to all full-time employees and their eligible family members.
- c. Each full-time employee is provided a [nationwide post-employment health plan](#) account in which the city contributes a bi-weekly amount as stated in the [AFSCME](#), [firefighters](#), and [police](#) union contracts or the [compensation plan](#). The contributions are fully vested and employees may self-direct investments in the account. After separation from employment, employees may request reimbursement from their account for eligible medical, dental, and vision expenses and/or premiums incurred after separation.
- d. The city provides a short-term disability plan for employees covered under plan B, personal leave plan.
- e. The city provides a voluntary long-term disability plan for Tier I and Tier II Public Employees and Tier I Firefighters.
- f. The city provides a long-term disability plan for sworn police officers and firefighters covered under the URS Tier I ,Tier II Public Safety Retirement Plan and Tier II Firefighters, respectively
- g. The city offers employees and their families a variety of other voluntary benefits.
- h. The city provides an employee health clinic for employees and their families at a reduced cost.

IV. Short-term and Long-term Disability Plans

- a. FMLA Leave
 - i. Employees may be eligible for FMLA leave during their disability period and should refer to [FMLA Policy 3.04.06](#).
- b. SDI - General
 - i. The city provides full-time employees covered under plan B (those hired on or after November 16, 1997 – or those hired before that date who elected plan B) have a personal leave plan and are covered under the [SDI plan](#).



- ii. The SDI plan is self-insured by the city and is administered through a third-party administrator (TPA).
 - iii. SDI payments are paid by the employee's department from the employee's budgeted annual salary.
 - c. SDI - Benefits
 - i. If approved, the plan may pay up to 100% of the employee's base monthly pre-disability salary for a maximum of 12 weeks, depending on the employee's years of service with the city.
 - ii. During the time an employee is on SDI their city benefits will continue and their premiums will be deducted from the SDI bi-weekly benefit payment.
 - iii. Employees will continue to earn leave time, seniority, and URS service credit while on paid SDI.
 - d. SDI - Return to work
 - i. An employee on SDI must provide their supervisor with full or partial release from their healthcare provider upon their return to work.
 - e. LTD – General
 - i. Per Utah Code 49-23-601, the city provides employees who are members of the Tier I and Tier II Public Safety Retirement and Tier II Firefighter Retirement systems an LTD plan at no cost to the employee. Refer to the Aetna LTD plan.
 - ii. The city offers employees who are members of the Tier I and Tier II Public Employees and Tier I Firefighters in the Utah Retirement System (URS) a voluntary LTD plan. Refer to the Aetna LTD plan
 - iii. Employees covered under the Tier I and Tier II Public Safety Retirement System are automatically enrolled in the Aetna LTD plan as of their hire date at no cost to the employee.
 - iv. The LTD plan is fully insured through Aetna. The city pays the premium.
 - f. Mandated PEHP LTD Plan
 - i. Employees covered under Tier II Firefighter URS are automatically enrolled in the [Public Employee's \(PEHP\) LTD plan](#) upon hire date.
 - ii. The cost of the plan is covered by the URS Firefighter Tier II retirement contributions.
 - g. Voluntary Aetna LTD Plan
 - i. Employees covered in the Tier I and Tier II Public Employees and Tier I Firefighter Retirement Systems may voluntarily enroll in the Aetna voluntary LTD plan within 60 days from hire date or during an open enrollment period (requires a health statement and approval by Aetna).
 - ii. The LTD plan is fully insured through Aetna and employees who enroll pay a bi-weekly post-tax premium.
 - h. Leave of Absence
 - i. If an employee requires more time to deal with their disability beyond what is covered through FMLA and SDI, they may file a claim for LTD and request a leave of absence for up to 3 months from their department director, refer to the [3.03.05 Leave Practices Policy](#).
 - i. LTD Benefits
 - i. If approved, the plan pays 66 2/3% of the employee's base monthly pre-disability salary for up to 24 months (if the employee is deemed disabled from their specific occupation). Refer to the [Aetna LTD plan](#).
 - ii. The monthly LTD benefit is not subject to federal and state taxes for employees who pay a bi-weekly LTD premium. The benefit may be taxable for those who do not pay an LTD premium.
- V. Benefits While on LTD
 - a. Medical



- i. Employees enrolled in medical coverage at the time of disability may continue their medical coverage for themselves and family members covered on their plan as of the disability date for up to 18 months by electing COBRA coverage within 60 days from the date of receiving the COBRA notice.
- ii. Employees who elect and enroll in the COBRA medical plan will be billed for 10% of the total active medical plan premium each month for the first 12 months from the date the FMLA ended with 90% of the premium being waived. Employees will be billed for 20% of the premium for the next 6 months, with 80% of the premium being waived. Coverage will terminate at the end of the 18 month period or when the LTD benefit is terminated, whichever is first.
- iii. COBRA coverage will be terminated for late payment (past 30 days) and will not be reinstated.
- b. Dental Benefits
 - i. Employees may continue their dental coverage for themselves and for family members covered on their plan as of the disability date for up to 18 months by electing COBRA coverage within 60 days from the date of receiving the COBRA notice.
- c. Other benefits
 - i. Basic \$50,000 term life insurance coverage will continue at no cost to the employee as long as the employee has an open active LTD claim.
 - ii. Employees with additional term life insurance will continue coverage, and their premium will be waived for 12 months from the date of disability as long as the employee has an active open LTD claim. After 12 months, the employee has the option of converting up to 50% of the total term life amount to another term life policy by contacting PEHP.
 - iii. Employees will not accrue any leave time or employer paid benefits while on an approved unpaid leave of absence while on LTD.
 - iv. For an employee who is a member of the URS public safety or firefighters retirement systems and who is killed in the line of duty, the city will continue medical coverage for a spouse to age 65 and dependents to age 26 who are covered on the employee's medical plan at the time of the employee's death, at no cost to the survivors.
- d. LTD – Return to Work
 - i. If the disability prohibits an employee from performing the essential functions of the job formerly held, refer to the [HR employment modifications & accommodations procedure](#).
 - ii. If the employee cannot return to their regular occupation at the end of their approved leave of absence, the supervisor and human resource consultant will start any applicable modified duty, transfer, or separation process.
 - iii. Employees approved for LTD and who do not return to work will not be paid any retirement/layoff account hours unless they meet the Utah Retirement Systems (URS) eligibility for retirement rules.

VI. Retirement Programs

- a. The city is a member of the [Utah Retirement System](#) (URS). The city is mandated by Utah Code [Title 49](#) to contribute into the Utah Retirement System (URS) for eligible employees based on the position they hold. Contribution rates are determined annually by the URS Board.
- b. The city is required to notify the URS if an employee is charged with a felony offense that is or may be an employment related offense.
- c. Employees are encouraged to provide 30 days advance written notice to their supervisor, their Department Personnel / Payroll Administrator and their human resource consultant of their decision to retire and the expected retirement date.



- d. Employees may be eligible to purchase service credit through the [Utah Retirement System](#). The city does not contribute to the purchase of URS service credit for any employee.
- e. The city does not offer retiree medical insurance coverage. Refer to the [information for employees retiring](#) packet for information regarding benefits options.
- f. The city offers deferred compensation plans including 401k, 457, as well as Traditional and Roth IRA options.

VII. Leave Payout

- a. Employees will be paid for 100% of accrued vacation hours and comp-time hours (if applicable) based on the hourly rate as of the last day of employment.
- b. Employees who have plan A (sick leave hours), plan B (personal leave hours) and retirement/layoff hours will be paid pursuant to the applicable [AFSCME](#), [firefighters](#), and [police](#) union contracts or [compensation plan](#).
- c. Supervisors will be allowed to double fill the position by transferring the current employee to a departing position control number subject to available department budget.
- d. Retirement/layoff hours are not paid upon an employee's death.

VIII. Benefits and Retirement Programs while on unpaid leave

- a. Refer to the [FMLA policy](#) for benefits while on unpaid FMLA leave.
- b. Employees on unpaid leave other than FMLA and LTD may continue their medical and dental coverage for the period of approved unpaid leave (up to 3 months after the end of FMLA if approved by the department head).
- c. Employees who choose to continue coverage are required to contact the benefits section of human resources and make arrangements to pay both their share and the city's share of the premium each bi-weekly period. If the employee's premium payment is more than 30 days late, coverage will cancel back to the day the last premium payment covered.

Current References:

[Nationwide Post-Employment Health Plan](#)

[FMLA Policy 3.04.06](#)

[SDI Plan](#)

[Aetna LTD Plan](#)

[Public Employee's \(PEHP\) LTD Plan](#)

[3.03.05 Leave Practices policy](#)

[HR Employment Modifications & Accommodations Procedure](#)

[Utah Retirement System](#)

[Information for Employees Retiring](#)

[AFSCME](#), [Firefighters](#), and [Police](#) Union Contracts or [Compensation Plan](#)