

REGIONAL WATER AUTHORITY  
PERSONNEL RULES – POLICY 400.1 APPENDIX G

Policy Type: Employment  
Policy Title: Health Reimbursement  
Policy Number: 400.1 Appendix G  
Date Adopted: January 10, 2019  
Date Amended:

## **I. Employee Benefits**

The Regional Water Authority provides health, dental, and vision insurance benefits to employees.

(a) Health Benefits. Eligible employees receive health benefits sponsored by PERS' Health Benefits Services Division. The details of the Authority's PERS health plan are described in the health plan contract between the Authority and PERS and related documents and applicable PERS law. The Authority will pay health benefits premiums for each eligible employee and all of the employee's eligible family members up to the cost of the most expensive Health Maintenance Organization (HMO) plan offered by PERS. Under PERS policy, health benefits coverage begins the first day of the month following the date of hire. If the employee opts to enroll in a Preferred Provider Organization (PPO) or other more expensive health plan, the employee will pay the difference in cost between the most expensive HMO plan and the cost of the premiums for the chosen PPO or other health plan through a periodic payroll deduction for the cost difference.

b) Dental Insurance Benefits. The Authority provides dental benefits to employees through a Delta Dental Plan. The details of the Authority dental plan are set forth in the Delta Dental Plan. The Authority pays 100% of the cost for employees and all eligible family members.

c) Vision Insurance Benefits. The Authority provides vision benefits through a Vision Service Plan. The details of the Authority vision plan are set forth in the Vision Service Plan. The Authority pays 100% of the cost for employees and all eligible family members.

## **II. Retiree Health Benefits.**

a) Each eligible employee hired before September 1, 2007 who is covered by PERS health insurance and who has or will retire from the Authority, subject to any age and service limitations in the Authority's pension plan contract with PERS, is covered by the retiree health benefits insurance contract between the Authority and PERS approved in Resolution 1993-001. This retiree health benefit also covers the retired employee's qualified dependents. Health benefits coverage for retirees provided under this paragraph is paid by the Authority consistent with the premium formulas and

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available health plan options provided in the Authority’s PERS health plan contract approved in Resolution 1993-001, as it may be amended from time to time.

b) For employees who commence employment with the Authority on or after September 1, 2007, an employee must be eligible to retire in accordance with the Authority’s PERS pension plan rules and have at least five years of credited service with the Authority. Under the Authority’s contract with PERS for this retiree health benefit, PERS sets the annual amount of premiums the Authority is required to pay for each retiree and his or her eligible dependents in accordance with the formula set forth in Government Code section 22893, as it may be amended from time to time. The Authority’s annual required contribution toward the health benefits coverage premiums for each eligible retired employee and his or her qualified dependents will be calculated as a percentage of the total eligible cost of such coverage based on the retired employee’s total credited years of qualifying service under PERS’ service credit rules as determined by the following vesting schedule:

<u>Credited Years of PERS Service</u>	<u>Percentage of Authority Contribution</u>
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Employees with less than 10 years total PERS service and/or less than five years credited service with the Authority will not be eligible for retiree health care coverage under the Authority’s plan. Any additional health plan premiums not paid by the Authority’s contribution toward the cost of the retiree’s health benefits coverage must be paid by the retired employee. Please contact the Authority’s Finance and Administrative Services Officer for further information concerning post-retirement health benefits coverage.

c) Any employee of the Authority who was employed before September 1, 2007 and is covered by the health benefit described in subsection (i) of this subdivision (b) of section 7.5, will be entitled to elect coverage under the health benefit plan for new employees hired on or after September 1, 2007, which is described in subsection (ii) of this subdivision (b) of section 7.5. The Authority will provide one annual opportunity for qualified employees to make such an election at the time and in the manner as will be designated by the Authority’s Finance and Administrative Services Officer. The election

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of an employee to change his or her health benefits plan is irrevocable as provided in Government Code section 22893. If at any time all qualified employees have made the election provided in this subsection, the Authority will have no further obligation to offer such an election. (amended 7-12-07)