



Benefits Policy

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1. **Purpose**

The purpose of this policy is to provide Buncombe County employees with information regarding benefits.

2. **Applicability**

This policy applies to all Buncombe County departments and employees. Where there is conflict with any department-specific policy, this document will supersede. This policy does not apply to elected officials; however, they may elect to follow this policy by providing a written statement.

3. **Policy**

3.1. **Benefits Eligibility**

The County will conduct an annual open enrollment where employees may choose from available benefits or make changes to current benefit elections. Employee County benefits, based on eligibility, will begin on the following dates:

- 3.1.1. First day of employment: North Carolina Local Governmental Employees' Retirement System (LGERS), leave accrual, Employee & Family Health Clinic access, Employee Assistance Network, 401(K) County contribution for Sworn Law Enforcement Officers and 401(K) Employee Contributions.
- 3.1.2. First day of the month following hire: Health, Dental, Vision, Flexible Spending Accounts, Accident and Critical Illness.
- 3.1.3. Six month waiting period: 401(K) County contribution, 457 Plan, Basic Life and Accidental Death and Dismemberment, supplemental Life Insurance, and Short-Term Disability Insurance.
- 3.1.4. Upon termination of employment or loss of insurance benefit eligibility, elected benefits will end on the last day of the month of employment, with the exception of Flexible Spending Accounts (FSA). An FSA will terminate on the day of employment termination with a 90-day grace period to file claims incurred before that date.

3.2. **Insurance Benefits**

3.2.1. **General Eligibility**

Employees working positions classified as full time regular are eligible for Buncombe County insurance benefits. County benefits are subject to change at the County's discretion and annual budget appropriations. Regular Part-Time Employees are eligible

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for County benefits based on the scheduled weekly hours documented for the position. Benefit allocations are as follows:

- Employees working 30-39 hours per week: receive all County benefits
- Employees working 20-29 hours per week: receive all County benefits, with the exception of health insurance and flexible spending account benefits
- Employees working less than 20 hours per week: are not eligible for County benefits

Grant funded employees' benefits are outlined in the Grant Funded Position Policy. Buncombe County Commissioners are eligible for County benefits with the exception of the NC Local Governmental Employee's Retirement System, Short Term Disability, paid leave and Prudential 401(K). County Commissioners will be offered a 457 Retirement Savings Account and receive the same County Contribution rate as regular employees after 6 months of service.

3.2.2. **Cafeteria Plan**

The County has chosen to offer a pre-tax premium plan which allows employee payments for elected insurance benefits to be paid for with before tax dollars. This includes Health, Dental, Vision Hardware and Flexible Spending Accounts.

3.2.3. **Continuation of Insurance Benefits After Employment Termination (COBRA)**

Employees who leave employment with Buncombe County are eligible, pursuant to the Consolidated Omnibus Budget Reconciliation Act or COBRA to purchase County health insurance coverage that would otherwise end upon their separation.

3.2.3.1. Price for COBRA coverage

The COBRA cost for health insurance is the recommended Blue Cross Blue Shield rate plus a 2% administration fee. Prior to the employee separation they should consult with the Human Resources Benefit Administrator for details on plan cost and length of coverage details.

3.2.3.2. Eligibility

The employee, their spouse and dependents are eligible for benefit continuation if they had plan coverage at the time of separation. The employee is not able to change their plan elections upon enrollment in COBRA.

3.2.3.3. Processing of COBRA Paperwork

Within 15 business days of the approved Workday notification of separation, a COBRA eligibility notification will be mailed to the employee. The COBRA notification will be mailed through the US Postal Service to the current address listed in Workday. It is the employee's responsibility to ensure that their address is current in Workday. It is recommended that prior to separation, the employee contacts Human Resources to ensure their contact information and address are correct.

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3.2.3.4. **Payment**

The employee, spouse or dependent is responsible for ensuring timely payments for their insurance premiums. The first month's payment should be made by paper check if an active bank account is not already on file with Buncombe County payroll. All subsequent monthly payments must be made by electronic funds transfer initiated by Buncombe County on the 27th day of the month. If the 27th day of the month falls on a non-business day, the electronic fund transfer will occur on the first business day prior to the 27th. The County has the right to cancel COBRA coverage for lack of payment in accordance with COBRA regulations.

3.2.4. **Coverage during Leave**

While an employee is on leave, Buncombe County will continue the employee's insurance benefits during the leave period at the same level, and under the same conditions as if the employee had continued to work. If the employee chooses not to return to work for reasons other than a continued serious health condition of the employee or the employee's family member, Buncombe County will require the employee to reimburse Buncombe County the amount it paid for the employee's insurance premiums during the leave period.

While on paid leave, the employer will continue to make payroll deductions to collect the employee's share of the premium. If the employee is using unpaid leave, then the employee's portion of the benefit will be taken out of the employee's paycheck upon his/her return to work. Buncombe County will recover the costs incurred for paying the employee's share of any premiums, whether or not the employee returns to work.

3.2.5. **Dental Insurance and Vision Hardware Insurance**

All benefit eligible employees, scheduled to work at least 20 hours per week, may enroll in dental insurance and/or vision hardware insurance. The employee pays the entire cost of the premium.

3.2.6. **Group Health Insurance**

Buncombe County will offer group health insurance to eligible employees and their dependents as specified under the terms of the group insurance contract. Costs will be shared between the employee and the County at varying ratios depending upon the type of coverage selected. Certain insurance policies allow for the coverage of dependents.

Children may stay on your insurance until the end of the month in which they turn age 26, regardless of student status or marital status. Documentation must be provided to verify the eligibility of all dependents.

Eligible dependents include:

- 3.2.7.1 Your legal spouse regardless of age for an employee and under age 65 for a retiree. As of January 1, 2016, you may not add your spouse to your health insurance if your spouse is offered health insurance by his or her own employer. If a spouse has been added to an employee's health plan since Jan 1, 2016, the employee must confirm eligibility annually. A spouse would be eligible for our plan only if their employer does not offer health insurance.
- 3.2.7.1 Should you divorce your spouse, the employee will be required to provide notice to the Human Resources office within 30-days from when the divorce occurs. A copy of the divorce decree will be required to remove any spouse from the plan outside of open enrollment. If the divorce decree states the employee will continue coverage, this coverage will be offered only through COBRA coverage and in line with all COBRA regulations. The employee may not continue to provide the former spouse coverage on the County's insurance plan.
- 3.2.7.2 In the event the employee does not notify Human Resources within 30-days to cancel spousal coverage, the insurance carrier will deny all claims retroactively and the employee will be responsible for any charges the spouse incurs using the County's insurance.
- 3.2.7.3 Your children, to include:
- Natural children
 - Legally adopted children and children placed with you for adoption
 - Stepchildren
 - Children of whom you have legal custody
 - Legally disabled child over age 26 but under age 65
- 3.2.7.4 The County will comply with the Affordable Care Act (ACA) by providing health insurance for all employees expected to work 30 or more hours per week. The County uses the look back measurement method to determine ACA eligibility with a 10-month measurement period.
- 3.2.7.5 A premium discount incentive will be offered to employees and retirees who comply with the requirements of the annual Health Risk Assessment as outlined in the Insurance Benefits Procedures.

3.2.8 Life Insurance

All eligible employees in regular positions scheduled to work at least 20 hours per week are covered with Basic Life and Accidental Death and Dismemberment Insurance. The County pays 100% of the premium.

In addition to the Basic Life Insurance, each eligible regular employee has the opportunity to enroll in supplemental life insurance in optional amounts. The employee pays the entire cost of the premium. Employees may purchase coverage on eligible dependents.

3.2.9 Other Ancillary Insurance

Buncombe County may offer other ancillary group insurance plans and benefits, with premiums paid by the employee.

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The offerings are subject to change each benefit plan year and, therefore, it is not practical to list them in this policy. Current insurance plans and benefit listings and details can be found on the County's intranet website.

3.3 Other Benefits

3.3.1 NC Local Governmental Employee's Retirement System

All regular employees who work more than 1000 hours per calendar year are required to join the NC Local Governmental Employee's Retirement System. Employees scheduled to or work more than 1,000 hours in a twelve-month period will be required to join the NC Local Governmental Employee's Retirement System. If an employee should die while still in active service after one year as a contributing member to the NC Local Governmental Employee's Retirement System, their beneficiary will receive a single lump sum payment equal to the annual salary of the member but not less than \$25,000 and not more than \$50,000.

3.3.2 Credit Unions

The Local Government Federal Credit Union (LGFCU) serves its members through the facilities of the State Employee's Credit Union (SECU) and employees may use any of the SECU branches statewide. Premier Credit Union a member of Charlotte Metro Credit Union also offers membership to Buncombe County employees.

3.3.3 EBLN - Employee Assistance Fund

Buncombe County, in partnership with Eblen Charities, has established the Buncombe County / Eblen Charities Employee Assistance Fund Program (Eblen EAF) in order to provide Buncombe County employees monetary assistance when crisis occurs and when needs go beyond the County's benefits and employee's financial means. Contact Human Resources for details.

3.3.4 Flexible Spending Accounts

Employees may choose to have some of their income set aside in a reimbursement account on a pre-tax basis used to reimburse out-of-pocket medical expenses and/or dependent care expenses. Eligibility for this benefit:

- Employees who are in a regular position, scheduled to work at least thirty hours per week are eligible for this benefit.
- Grant Funded employees who are budgeted to work at least thirty hours per week for more than 365 days are eligible for this benefit.
- Temporary employees are not eligible for a Flexible Spending Account.

3.3.5 Lactation Support

Buncombe County supports breastfeeding parent's wish to express breast milk during their workday when separated from their newborn in accordance with Section 7(r) of the Fair Labor Standards Act.

3.3.6 Short Term Disability

Employees may elect to purchase a short-term disability benefit plan which would provide income protection when the employee is unable to work due to an accident, sickness or pregnancy. Benefits will begin on the first day of disability due to an accident and the

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eighth day of a disability due to a sickness or pregnancy. Benefits are payable up to 26 weeks, other than pregnancy that is approved for a 6-week benefit.

The employee pays the entire cost of the premium. The policy will be effective after 6-months of employment.

If an employee is out on paid disability, neither the worker nor the employer can require that the worker take paid leave.

3.3.7 Unemployment Compensation

Employees are covered for unemployment compensation benefits as provided under North Carolina State Law. The purpose is to provide temporary income to employees who, through no fault of their own, are unemployed. Applications for benefits are made through the State Division of Employment Security.

3.3.8 Wellness Benefits

Buncombe County values the best health and well-being of our employees. For this reason, a variety of wellness programs are available to eligible employees. Program offerings are subject to change at the County's discretion and annual budget appropriations.

3.3.9 Worker's Compensation

All County employees are covered by the North Carolina Workers' Compensation Act. Employees are required to notify their supervisor as soon as possible and no later than twenty-four hours of any on-the-job injury. The supervisor is required to report the injury/illness in detail on the Supervisor's First Report of Injury Form to the Risk Manager within 24 hours. Should the injury/illness occur on the weekend the report should be filed on Monday. Each item must be filled in completely to avoid delay in processing the claim.

Should the injured employee require medical services; they are to contact Employee Health Clinic at (828) 250-6150 and speak to a triage nurse. If the injury is more serious or is after the Employee Health Clinic is closed for the day, the employee is to the nearest Mercy Urgent Care facility. These facilities are located throughout Buncombe County. If the injury occurs outside the nearest urgent care facility's operating hours, the injured employee should be sent to Mission Hospital's emergency room.

3.4 Retirement Benefits

3.4.1 Disability Retirement

After five years of creditable service, if you become totally and permanently disabled and unable to perform the essential functions of your position, you may apply for Disability Retirement. Approval of Disability Benefits would be approved solely by the Retirement Systems Division's Medical Review Board. If the employee needs assistance with their application, they may reach out to Human Resources.

Disability Retirement benefits are calculated the same as regular retirement, However, creditable service is counted as though the member would have continued to work to the earliest date of qualification for an unreduced service retirement allowance.

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3.4.2 Social Security

Employment with Buncombe County is covered under the Federal Social Security System. Further information about Social Security benefits can be obtained from the local office of the Social Security Administration.

3.4.3 Retirement Savings Plans – Deferred Compensation

3.4.3.1 NC Local Governmental Employee’s Retirement System.

Every employee whose job position requires at least 1,000 hours per year becomes a member of the N.C. Local Governmental Employees’ Retirement System. Employees will be enrolled upon date of hire into the N.C. Local Governmental Employees’ Retirement System or the N.C. Local Governmental Employees’ Retirement System for Law Enforcement Officers. After five years of creditable service in the N.C. Local Governmental Employees’ Retirement System, employees are vested for purposes of retirement benefits in accordance with the eligibility requirements established by the State Department of the Treasurer, Retirement Systems Division. Retirement is based on age and or years of service, as established by LGERS.

3.4.3.2 Supplement Retirement Income Plan, 401(k)

As a supplement retirement plan all regular employees who are members of the N.C. Local Governmental Employees’ Retirement System may participate in the Supplemental Retirement Income Plan of North Carolina or as it is sometimes referred to, the 401(k) program. The plan is designed to supplement the regular employee’s retirement income. It allows the regular employee to contribute by payroll deduction to an investment program which will defer income taxes on both the employee’s investment and the income in the investment until a later date. Employees may select from a variety of investment plans. Buncombe County contributes an eight (8) percent amount of the regular employee’s salary to the plan.

Employees are not eligible for the County contribution until after the successful completion of the first six months of continuous employment. All sworn Law Enforcement Officers will receive the County contribution upon date of employment. In accordance with NC statute, Buncombe County Commissioners are not eligible to participate in the 401k. All amounts contributed are vested immediately.

3.4.3.3 457 Plan

Through payroll deduction, employees may defer a portion of their salary on a regular basis through the 457 Plan. The program provides a tax shelter and investment opportunity.

County Commissioners will be offered a 457 Retirement Savings Account and receive the same County Contribution rate as regular employees receive for their 401k after 6 months of service. Additional Commissioner Participation is voluntary.

3.4.4 Law Enforcement Officers Special Separation Allowance

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Every sworn law enforcement officer, as defined by N.C. Gen. Statute 128-21(11b) or N.C. Gen. Statute 143-166.50, will be eligible for a separation allowance, as provided by N.C. Gen. Statute 143-166.42, in the amount specified in N.C. Gen. Statute 143-166.41(a). This provides separation benefits to Law Enforcement Officers who complete thirty or more years of creditable service or be at least age fifty-five with five years of service and are not yet sixty-two.

3.4.5 NC Firemen's and Rescue Squad Worker's Pension Fund

Any eligible Emergency Medical Service employee may make application for membership in this pension fund. Membership in the program is on a voluntary basis and requires a monthly payment by the employee. Benefits are payable to retired members who have served twenty years as an eligible Emergency Medical Service Employee in the State of North Carolina, as provided in N.C. Gen. Stat. § 118-38 and N.C. Gen. Stat. § 118-39 and who are fifty-five years old.

3.4.6 Health Insurance Coverage after Retirement

Health insurance upon retirement per this policy is considered deferred compensation. Retirees eligible for health insurance coverage will only remain on the County's group medical plan until the month they turn sixty-five.

3.4.6.1 Eligibility for retirement coverage

- 3.4.6.1.1 As of July 1, 2022, all new retirees must have a personal email for correspondence as all benefit correspondence will be conducted through email.
- 3.4.6.1.2 Any regular employee hired before July 1, 2008, who upon retirement qualifies for a monthly retirement benefit from the N.C. Local Governmental Employees' Retirement System and has been covered by the County group medical plan for the three years immediately preceding retirement, will be eligible to remain in the County group medical plan.
- 3.4.6.1.3 Regular employees hired between July 1, 2008, and June 30, 2015 must have twenty years of service with Buncombe County, must qualify for a monthly retirement benefit from the N.C. Local Governmental Employees' Retirement System, and must be covered by the County group medical plan for the three years immediately preceding retirement to be eligible for health insurance coverage after retirement. Eligibility for health insurance coverage in retirement is eliminated for all employees hired after June 30, 2015.
- 3.4.6.1.4 Any individual having held the office of County Commissioner for at least three terms will be eligible for the same health insurance coverage as a retiring County regular employee.
- 3.4.6.1.5 Disabled retirees meeting the criteria above and eligible for benefits under Title XVIII (Medicare) of the Social Security Act may remain covered until they turn sixty-five. Benefits will be paid with Medicare as the primary coverage and the County group medical plan as secondary coverage.
- 3.4.6.1.6 Coverage for dependents may be continued until age sixty-five and/or Medicare coverage entitlement in the case of the spouse and until attainment of age twenty-six in the case of dependents.

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- 3.4.6.1.7 To the extent the provisions of this policy are inconsistent with the Patient Protection and Affordable Care Act, the Patient Protection and Affordable Care Act will control.
- 3.4.6.1.8 Upon the death of a retiree, insurance may be maintained by the decedent's dependents as long as the dependent premium is paid as established.
- 3.4.6.2 Costs of coverage
The cost of such group medical insurance will be paid entirely by the County for the retiree only and will be paid only until the retiree attains age sixty-five.
- 3.4.6.2.1 Employees retiring with twenty or more years of service with Buncombe County who are eligible to continue health insurance coverage in retirement are able to continue health insurance coverage for their dependents at the same premium that active employees pay for dependent coverage. Dependents still eligible for coverage when the retiree reaches age sixty-five may continue coverage at the same premium that active employees pay for a dependent coverage policy.
- 3.4.6.2.2 Employees retiring with less than twenty years of service with Buncombe County who are eligible to continue health insurance coverage in retirement are able to continue health insurance coverage for their dependents by paying the full difference between the total insurance cost and the cost of the individual retiree's coverage provided by the County. Qualifying retirees with dependents still entitled to coverage when the retiree reaches age sixty-five may continue dependent coverage at their own expense as long as they have eligible dependents.
- 3.4.6.3 Payment by Retiree for Dependent Coverage Premiums
Payment for elected coverage is required to be bank drafted on the 27th day of each month. The County has the right to cancel coverage for lack of payment. If premium payments are not paid within 45 days from the due date (27th day of each month) the policy will be cancelled.

3.4.7 25 Year Retirement Incentive

- 3.4.7.1 Eligibility
- 3.4.7.1.1 Any regular employee having completed a minimum of twenty-five years of service with Buncombe County and having contributed to the N.C. Local Governmental Employees' Retirement System for a minimum of twenty-five years.
- 3.4.7.1.2 Any employee who is appointed to their position by the Buncombe County Board of Commissioners and having contributed to the N.C. Local Governmental Employees' Retirement System for a minimum of fifteen years.
- 3.4.7.1.3 Any individual having held elected office for fifteen continuous years.
- 3.4.7.2 The qualifying retiree or elected official may choose from one of the following:
- 3.4.7.2.1 Medicare Supplement Purchase Plan:
- When the employee is sixty-five years old and eligibility for Medicare, the County of Buncombe will purchase a monthly Medicare Supplement Plan G coverage and monthly Medicare Part D Prescription Plan for the remainder of the participant's life.

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- As future Medicare revisions and reforms take effect, should the current benefits of the Medicare Supplement Plan G and/or Medicare Part D no longer be offered, the County of Buncombe will provide the Medicare Supplement Plan and prescription drug plan that most closely mirrors the benefits of the Medicare Supplement Plan F and Medicare Part D.
 - Purchase of all coverage will be from an authorized carrier of the County's choice.
- 3.4.7.2.2 Medicare Supplement Payment Plan:
- When the employee is sixty-five years old and eligibility for Medicare, the County of Buncombe will pay a monthly sum of \$268.00 for the purpose of purchasing a Medicare Supplement and assisting in prescription drug cost.
 - This amount will be paid to the participant for the remainder of the participant's life.
 - The amount of \$268.00 will not be decreased or increased as future Medicare reforms and revisions take effect.
 - Any and all payments will terminate upon the participant's death.
- 3.4.7.2.3 Lump Sum Payment Plan:
- Receive a lump sum payment equal to one-half the participant's annual salary.
- 3.4.7.3 Restrictions
- Any participant who accepts the benefits under this section or any other Buncombe County Retirement Incentive Agreement will only be eligible to return to work in temporary non-benefited positions. The benefits in this section will not be retroactive to employees who retired prior to September 1, 2006. Employees hired after June 30, 2014 are not eligible for the benefits in this section.

4. Policy Non-Compliance

Employees willfully violating the terms and conditions of this policy may be subject to appropriate disciplinary action, up to and including dismissal.

5. Audit

All policies for Buncombe County may be subject to audit or review as outlined in the Internal Auditor's Statement.

6. Definitions

- 6.1. Affordable Care Act (ACA) - is a comprehensive reform law, enacted in 2010, that increases health insurance coverage for the uninsured and implements reforms to the health insurance market. This includes many provisions that are consistent with AMA policy and holds the potential for a better health care system.
- 6.2. Affordable Care Act Lookback Measurement Method - Is when an employer looks back over a defined period of time (measurement period) to determine if the employee averaged at least 30 hours per week. This option is available only when it cannot be determined that the employee will be employed on average at least 30 hours per week; an employer may not use the look-back method for employees who are hired to work full time and who are reasonably expected to work full time (30 or more hours per week).

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- 6.3. Appointed Position - The following positions are designated as appointed positions: County Manager, the County Attorney, the Head of the Internal Audit Department, the Finance Director, the Clerk to the Board and the Director of the Board of Elections.
- 6.4. Elected Official - Commissioners, Sheriff and Register of Deeds
- 6.5. Open Enrollment - a period of time each year when employees can sign up for benefits or change their benefit plans for the upcoming year
- 6.6. Qualifying Life Event – The period of time outside open enrollment with employees are eligible to change benefit elections. Eligible qualifying life events include:
 - Marriage, divorce, legal separation, annulment, or death of your spouse
 - Birth, adoption, placement for adoption or death of dependent child
 - Qualified Medical Child Support Order
 - Open enrollment under spouse’s employer’s health plan
 - Termination or commencement of spouse’s employment
 - Dependent child’s gain or loss of plan eligibility due to age, marriage or student status
 - A change from part–time to full–time employment (or vice versa) by you or your spouse
 - A significant change in your spouse’s employer provided insurance coverage; or
 - Taking a leave of absence by you or your spouse.

7. Approval and Revision History

Policy Origination Date:	May 10, 2022
Requires Board Approval:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Board Approval Date:	May 19, 2022
Revision History:	Enter Dates and changes

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