THE UNIVERSITY OF MICHIGAN

STANDARD PRACTICE GUIDE

SECTION:	Benefits Office	**Number:**	203.2
		Revised:	9/1/05
SUBJECT:	Health and Welfare Benefits	**Issued:**	
		Review Date:	9/1/10
APPLIES TO:	Eligible Faculty and Staff	**Attachment(s)**	0
ISSUED BY:	Human Resources and Affirmative Action		

I. Policy

The University offers a selection of health and welfare plans to faculty, staff and their dependents when benefit eligibility and enrollment requirements are met.

Medical plans (including prescription drug, dental, and vision coverage), employee life insurance, and flexible spending accounts are offered to employees on a pre-tax basis. Other welfare benefits including dependent life and long term disability are available post tax.

II. Regulations

A. ELIGIBILITY AND ENROLLMENT:

Information regarding benefit eligibility and enrollment for faculty, staff, and their dependents is available by consulting through the Benefits Office, or at the Benefits Office web site http://www.umich.edu/~benefits

- Medical insurance will be effective the first date of benefit eligibility for newly eligible faculty and staff, when elections are made within the qualifying enrollment period.
- Flexible Spending Accounts are effective the first day of the month following receipt of the application for newly eligible faculty and staff, when elections are made within the qualifying enrollment period.
- Enrollment in the Medical plans, FSA and Optional and Dependent Life Insurance Plans is not automatic. Participation in these plans is dependent on an election being made.
- All active faculty and staff members traveling while on official University of Michigan business (excluding vacations and everyday travel to and from work) are enrolled in and provided coverage for accidental death or dismemberment.
- Changes to current benefit elections will be allowed only during the annual open enrollment season, or due to a qualifying event. See http://www.umich.edu/~benefits/events/index.htm for details about qualifying events.
- Failure to enroll or elect changes within specified deadlines will result in loss of benefit eligibility for the plan year.

B. COVERAGE AFTER RETIREMENT:

Under present policy, which is subject to change, the University contributes toward the cost of medical insurance for qualified retirees and their eligible dependents. Information regarding benefit eligibility and coverage during retirement is available by consulting through the Benefits Office, or at the Benefits Office web site http://www.umich.edu/~benefits/events/retire/retirebenefits.htm

C. CONTINUATION OF COVERAGE DURING LEAVES OF ABSENCE AND REDUCTION IN FORCE (LAYOFF):

Information regarding continuation of coverage during periods of ineligibility including reduction in appointment, layoff, paid leaves, and unpaid leaves is available by consulting through the Benefits Office, or at the Benefits Office web site http://www.umich.edu/~benefits/events/leaves.htm

D. CONTINUATION OF COVERAGE UPON TERMINATION:

University coverage continues only through the end of the month in which the faculty or staff member terminates.

- Health plan coverage and participation in a health care flexible spending account for employees and their eligible dependents may be extended as provided under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

- Life insurance coverage will cease 31 days from the end of the month in which the staff member terminates. Conversion privileges are available if the faculty or staff member had been insured for a minimum of five years. Information regarding conversion privileges is available by consulting through the Benefits Office, or at the Benefits Office web site http://www.umich.edu/~benefits/plans/life/index.htm

E. BARGAINED-FOR STAFF MEMBERS:

Staff members subject to the terms and conditions of collective bargaining agreements should consult the specific provisions in their current agreements dealing with health and welfare benefits. In the event there is an inconsistency between this SPG and an applicable collective bargaining agreement, the provision of the collective bargaining agreement will govern.

F. LIMITATIONS:

The University in its sole discretion may modify, amend or terminate the benefits provided in this guide with respect to any individual receiving benefits, including active employees, retirees, and their spouses, partners, and dependents. Although the University has elected to provide these benefits, no individual has a vested right to any of the benefits provided. Nothing in this SPG gives any individual the right to continued benefits beyond the time the University modifies, amends, or terminates the benefit. Anyone seeking or accepting any of the benefits provided will be deemed to have accepted the terms of the benefits programs and the University's right to modify, amend or

terminate them. In the event there is an inconsistency between this SPG and applicable collective bargaining agreement, the provision of the collective bargaining agreement will govern.

This policy complies with requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The University of Michigan Notice of Privacy Practices can be found at: http://www.med.umich.edu/hipaa/npp_official.htm