

# SHALER AREA SCHOOL DISTRICT

POLICY 813

SECTION: OPERATIONS  
 TITLE: OTHER INSURANCE  
 ADOPTED: August 19, 1998  
 REVISED:

## 813. OTHER INSURANCE

1. Purpose            Proper school district operation requires that adequate basic insurance programs be provided for the protection of the district and employees of the district.
2. Authority        The Board has the authority and responsibility to provide adequate insurance coverage to protect the district's interests. Such coverage shall be in accordance with the applicable collective bargaining agreement.

### COBRA

In the case of a qualifying event to the employee, as described below, the employer has thirty (30) days to notify the plan administrator of the termination, reduction in hours, or death of the employee. This terminates his/her insurance under the plan. The administrator, once notified, has fourteen (14) days to notify the employee of this right to continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). In the case of a qualifying event to a dependent, the employer has fourteen (14) days to notify the dependent of his/her rights to continue coverage after s/he is advised by the employee or dependent that the event has occurred.

### Duration of Continuance

<u>Coverage</u>	<u>Qualifying Event</u>	<u>of</u>
	(1) Termination of employment	Up to 18

months	(except for gross misconduct)	
months	(2) Reduction of the employee's hours which results in loss of coverage	Up to 18
months	(3) Death of an employee	Up to 36
months	(4) Divorce	Up to 36
months	(5) Loss of dependent coverage because employee becomes entitled to Medicare benefits	Up to 36
months	(6) Dependent child no longer meets definition of an eligible dependent	Up to 36

Terminated employees as outlined above are responsible for the gross rate of premiums charged with an additional two percent (2%) charged for the additional corporate administrative cost.