

# OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION

## PERSONNEL POLICIES

**Policy:** Insurance  
**Policy Number:** 306.0

**Effective Date:** November 17, 1988  
**Approved By:**

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### I. Policy

- A. Full-time permanent employees and permanent part-time employees regularly scheduled to work twenty hours or more per week shall be provided coverage under the Montana University System Group Health Insurance Program in accordance with the group policy. Employer contributions towards the cost of insurance will be made in accordance with state law (2-18-703, MCA).
- B. Temporary employees who are scheduled to work less than six months are not eligible to participate in the University System Group Health Insurance Program.
- C. Covered employees may obtain insurance coverage for eligible dependents in accordance with the group policy.
- D. Employees who do not desire health insurance may waive their insurance coverage but they may not receive the employer's contribution as wages in lieu of insurance coverage.
- E. Full-time permanent employees and permanent part-time employees scheduled to work twenty hours or more per week who are on an approved leave of absence without pay for an entire pay period or longer may continue their participation in the group insurance program for a maximum period of two years. Such employees shall not receive the employer's contribution towards group insurance, unless otherwise specifically agreed to in advance of the commencement of the leave by the employee's supervisor and the Director of Benefits. Generally speaking if the leave of absence is requested by the employee, the employer contribution to group insurance shall not be made; if the leave of absence is mandated by the employer, the employer contribution to health insurance may be made.
- F. Employees and their covered dependents may elect to continue participation in the group insurance program when coverage would ordinarily cease due to any of the following events:
  - 1. Termination of employment, except for gross misconduct.
  - 2. Reduction of scheduled work hours.
  - 3. Divorce or legal separation of insured person from his or her spouse.
  - 4. A dependent child ceases to be a dependent under the eligibility rules of the plan.
  - 5. Death of the insured person.
  - 6. The insured employee becomes eligible for medicare.

Coverage (not to include life insurance or long term disability insurance) may be continued for 18 months for employees who terminate or assume reduced work hours (See 1 and 2 above); qualified beneficiaries (see 3, 4, 5, and 6 above) are eligible to remain with the plan for 36

months. When coverage terminates at the end of these periods, the conversion option available through the insurance carrier may be exercised.

## **II. Procedures**

- A. A person insured under the Montana University System Group Insurance Plan must notify the fiscal department of any change in family status (divorce, separation, a child ceasing to be a dependent).
- B. Persons eligible for continued coverage under the medical insurance will have 60 days to elect coverage. The time is measured from the date the notice of the right to continue coverage is made or the date of termination, whichever is later.
- C. Payment of health insurance premiums by eligible employees in an unpaid status or other eligible persons electing to continue coverage are to be made on a monthly basis. Checks are to be made payable to the Commissioner of Higher Education and must be received no later than the last day of the month in which the premium is due. Checks to pay the premium for continued life insurance for eligible employees who opt to continue their coverage must be made payable to the insurance carrier. Late payment of premium will cause the coverage to be cancelled. A person eligible for continued coverage under F above may not rejoin the plan after he/she has had coverage cancelled due to nonpayment of premium.

## **References:**

2-18-701, et seq., MCA  
Certificate - Booklet