

CalPERS DIRECT PAY PLAN GUIDE
FOR
QUALIFIED EMPLOYEES (PTF, LTD, AND FMLA) WITH NON-PAY ASSIGNMENT, BUT
ELIGIBLE FOR DISTRICT PAID BENEFITS

Effective July 1, 2012, the District entered a joint agreement with the Joint Labor-Management Benefits Committee (JLMBC) to discontinue its self-funded status and contracted with CalPERS for our healthcare program. Consequently, the District is no longer considered as the Plan Administrator. Effectively, CalPERS determines eligibility, not FHDA. CalPERS opined that members must be in active paid status with the employer in order for them to bill the District under the Active Group. In other words, employees who are on non-pay status, but eligible for District-paid benefits must be removed from the *ACTIVE* group and transition into the *Direct Pay Plan* - this is the same medical plan that you are currently enrolled for benefits sponsored by FHDA.

In an effort to safeguard your benefits and apply a work around alternative, we offer you the opportunity to remain insured with CalPERS via the Direct Pay Program. Once enrolled under the Direct Pay Plan, CalPERS will notify the Insurance Carrier, and the Carrier will in turn sending you the monthly premium invoice for payment. You are required to *prepay* for the FULL premium based on the current plan of selection and coverage level. Thereafter, you may seek the monthly premium variance reimbursement from the District in arrears. For example, if the full monthly premium is \$742.72, the monthly reimbursement amount is the employer shared of cost or *FULL premium less the Monthly Employee Contribution* based on 12 months of coverage or \$346/mo (40% of employee share of cost) or **(\$396.72/mo. = \$742.72 - <\$346.00>).**

PLEASE READ CAREFULLY FOR ACTIONS REQUIRED BELOW TO MAINTAIN YOUR COVERAGE WITH FHDA:

OPTION #1) Enrollment under the Direct Pay Plan

To continue health benefits while under the Non-Active Paid Status, you must download, and complete the following form:

<http://fhdafiles.fhda.edu/downloads/benefits/pershbd21.pdf>, then return it to the Benefits Unit no later than **NOON of the Last Working Day of the Month**, so we may meet CalPERS deadline for updating your account status.

For the 2014 CalPERS published premium rates for all health plans, and Plan Codes, please access: <http://fhdafiles.fhda.edu/downloads/benefits/2014CalPERSBayAreaRates.pdf>

For the 2014 Monthly Employee Contribution Rates for the PTF group, please access:

<http://fhdafiles.fhda.edu/downloads/hrfhda/2014PTFContributionRates.pdf>

Please be advised that the entire Direct Pay process takes up to 4-8 weeks to initiate the first invoice from the carrier. Additionally, the initial invoice includes prior billings for the previous unpaid premiums plus the current month. Thereafter, only single monthly premium will be continued to bill to you. Rest assured that there is no gap of coverage.

A. How to Request for the Monthly Premium Variance Reimbursement While Insured Under the Direct Pay Plan

To seek reimbursement, you are required to submit the following documentation to the Benefits Unit:

- Copy of the Billing invoice issued by the insurance carrier
- Proof of payment (copy of cancelled check, or credit card statement) - no exceptions

Timeline for Reimbursement: Please expect 5-7 business days for A/P to process reimbursement checks once we received the required documentation and validate payments.

To expedite this matter, you may fax the proofs of payment to the Benefits Unit at **650-949-6299** or pdf/email to MyBenefits@fhda.edu.

OPTION #2) How to Cancel Coverage

Please download and complete the attached form: <http://fhdafiles.fhda.edu/downloads/benefits/CalPERSDeclarationofHealthCo.pdf>, then return it to the Benefits Unit, so we may close the account appropriately.

Questions: Contact the Benefits Unit

Phone: 650-949-6224

Fax: 650-949-6299 Email: MyBenefits@fhda.edu