

**Series:** HR- Practices

**COA:** 5.02, ETH 2,  
4, 5, TS 2.01  
**CFOP:** NA

**Procedure Name:** Insurance Protections

**Procedure Number:** HR-2611

**Revision #/Date:** (2) 2/09

**Effective Date:** 9/04

**Applicable to:** All CBCB Staff

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**SUBJECT:** Insurance Protections

**PURPOSE:** Community Based Care of Brevard ensures compliance with all federal, state, local and other regulatory entities governing laws impacting employees and ensures appropriate and legally required insurance policies are in place. Through the Agency's client services agreement with the Professional Employer Organization (PEO), some of these coverages are provided and managed. In addition, CBC of Brevard has insurance policies as well that cover other protections and in some cases carries some of the same coverages as the PEO.

**PROCEDURE:**

#### **References**

(to be added as applicable)

1. The PEO through the client services agreement and/or payroll processing activities provides the following insurance coverages:

- Workers compensation
- Payment of Unemployment Insurance
- Employment Liability Insurance
- Directors and Officer Insurance
- Benefit Plans (health, dental, vision)
- COBRA Administration
- Short and Long term disability insurance programs
- Life Insurance & Accident Insurance
- Voluntary Insurance programs (additional employee/dependent life Insurance and disability)

2. Through the client services agreement, CBC of Brevard pays for these insurances and administration on a bi-weekly payroll basis.

3. The PEO provides administration of many of these programs as it is the "insured" for these programs through the co-employer relationship.

**Workers Compensation**

1. All employees and new hires are assigned workers compensation code upon hire depending on their work classification based on the NCCI codes. These codes determine the cost of coverage for each individual. This cost is included in the total administrative fee charged by the PEO and which CBC of Brevard pays on a bi-weekly payroll processing basis.
2. In the event of a work related injury or illness, employees are required to notify their supervisor and the Chief Personnel & Administrative Officer immediately or as soon as possible in accordance with the Worker's Compensation Procedure HR 2612.

**Unemployment Insurance Payments**

1. Through the client services agreement with the PEO CBC of Brevard pays for Unemployment Insurance for all employees on a bi-weekly payroll processing basis. Payments for this coverage are made by the PEO to the carrier in accordance with its policy. CBC of Brevard receives a Certificate of Insurance of this coverage on the plan year basis.

**Employment Liability Insurance: (Also applicable to applicants and former employees)**

1. Employment liability insurance is maintained by both CBC of Brevard and the PEO. The coverage amounts differ as do the deductibles. The coverage through the PEO is outlined in the client services agreement. Coverage provided by CBC of Brevard is maintained by the Finance Division.

**Director & Officer Insurance**

1. CBC of Brevard maintains Director and Officer Insurance for its officers and Directors.

**Benefit Plans (Health, dental, vision)**

1. Through the client services agreement with the PEO, employees are provided access to health care insurance options. The PEO is the insured and CBC of Brevard does not negotiate these contracts, providers or plan designs. Currently these plans are "bundled" and employees are eligible to enroll effective the first day of full time employment. Employees who choose to decline coverage sign a waiver of coverage. The plans currently offer four (4) enrollment tiers and the employee and CBC of Brevard both contribute to the cost of the bundled health plan.

**COBRA Administration**

1. The PEO is the administrator of the health plans and the COBRA notification and election notices. Upon hire, employees receive the notification as well as the HIPAA privacy language in the new hire booklets prepared by the PEO. Upon an employee separation, the PEO is responsible for ensuring the Election Notice is provided to the former employee within the required timeframe. For those former employees who elect COBRA continuation coverage, they work directly with the PEO on enrollment and payment of premiums.

**Short and Long Term Disability Insurance**

1. Through the client services agreement with the PEO, employees who enroll in the health plan are automatically covered by both short and long term disability. The details of the coverages,

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effective dates and length of coverage are provided in the new hire booklets developed and provided by the PEO. These are given to each new employee at CBC of Brevard and reviewed during new employee orientation held by the Chief Personnel & Administrative Officer or designee.

2. In the event an employee has an illness, injury or accident that would qualify for the short term and/or long term disability program, CBC of Brevard ensures the required forms are completed, works with the employee to inform him or her on the process and forwards the required documents to the PEO. Further correspondence and applicable payments, if any, are handled between the PEO and the employee.

## Life & Accident Insurance

1. Basic Life and Accident Insurance (also provided through the PEO) is provided to all full time employees whether or not they enroll in the health plan. This benefit is paid 100% by CBC of Brevard through the client service agreement with the PEO.

2. The coverage provided is detailed in the new employee booklets which are given to each new employee during new employee orientation shortly after hire. If the employee waives the health coverage, he or she is still covered by the Basic Life and Accident Insurance and completes that section of the enrollment form with beneficiary information.

## Voluntary Insurance Programs

1. During new employee orientation the voluntary insurance programs are explained to new staff. These insurances are available for the employee and eligible dependents and provide for the employee purchase of additional life and accident insurance.

2. For an employee who waives the health plan, he or she may purchase the same short and long term disability plans as those who enroll in the health plan. In this event, the employee pays for this coverage.

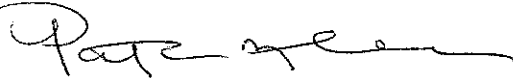
3. Detailed plan and rate information is provided to the new employee during new employee orientation meeting and an enrollment form is provided as well.

## Volunteer Insurance

1. CBC of Brevard maintains volunteer insurance for non-CBC of Brevard staff who volunteer at special events sponsored by the Agency.

2. Any volunteer who participates at an Agency event must be identified and included in the roster of volunteers per event.

BY DIRECTION OF THE CHIEF EXECUTIVE  
OFFICER:



DR. PATRICIA NELLIUS-GUTHRIE  
Chief Executive Officer  
CBC of Brevard, Inc.

APPROVAL DATE: 3/9/09