

**STATE OF MINNESOTA**

**LEGISLATIVE COORDINATING COMMISSION**

**LEGISLATIVE PLAN**

**FOR**

**EMPLOYEE BENEFITS**

**AND POLICIES**

**Calendar years 2000 and 2001**  
**as adopted by the LCC**  
**on December 21, 1999**

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## APPLICABILITY

The Legislative Plan for Employee Benefits (the Plan) applies to members and unclassified employees of the Legislature as provided in this section.

The provisions of the Plan relating to insurance apply to members of the Legislature and to unclassified employees of the Senate, the House of Representatives, and offices under the supervision of the Legislative Coordinating Commission, namely:

Legislative Commission on Minnesota Resources	Legislative Commission on the Economic Status of Women
Legislative Coordinating Commission	Legislative Commission on Health Care Access
Legislative Reference Library	Legislative Commission on Pensions and Retirement
Office of the Revisor of Statutes	Legislative Commission on Planning and Fiscal Policy
Legislative Audit Commission	

Provisions of the Plan relating to vacation leave, sick leave, and severance pay apply to unclassified employees of the Senate, the House of Representatives, and offices under the supervision of the Legislative Coordinating Commission.

The Senate Committee on Rules and Administration may apply the provisions of the Plan relating to deferred compensation to members of the Senate. The House Committee on Rules and Legislative Administration may apply the provisions of the Plan relating to deferred compensation to members of the House of Representatives.

The remaining provisions of the Plan apply to unclassified employees of the Senate, the House of Representatives, and offices under the supervision of the Legislative Coordinating Commission when adopted by their respective appointing authorities.

The Plan governs the employees of any legislative commission, task force, or board created after its adoption or contained in statutes.

All employees covered under **APPLICABILITY** serve at the pleasure of their employer in the state unclassified service. The term "Permanent Employee" refers to an employee hired without a limit on the duration of the employment and does not constitute a promise of permanent employment. Each employee covered by this Plan is an "at-will" employee and has a right to terminate the employee's employment at any time for any reason. Likewise, each respective appointing authority has a similar right to terminate the employment of any employee at any time.

This Plan is designed to provide covered employees with a summary of certain policies and benefits and is not intended to create, nor is it construed to constitute, a contract with any employee or employees.

### **APPOINTING AUTHORITY: DEFINITION**

For purposes of this Plan, appointing authority means the House Rules and Legislative Administration Committee for employees of the House of Representatives, the Senate Rules and Administration Committee for employees of the Senate, and the Legislative Coordinating Commission for the unclassified employees of joint commissions and offices. The appointing authority may delegate certain authorities and responsibilities of this Plan to appropriate staff.

*As a legislative employee, will I be required to file a statement of economic interest?*

*The Minnesota Public Disclosure Law affects certain legislative employees. The term "public official" in the law includes the following legislative staff positions: Chief Clerk of the House, Legislative Auditor, House Research researchers and attorneys, Revisor of Statutes, Secretary of the Senate, Senate Counsel and Research legislative analysts and attorneys. Further information on the Minnesota Public Disclosure Law may be obtained from the:*

**Minnesota Campaign Finance and Public Disclosure Board  
1st Floor South  
Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155**

## EFFECTIVE DATE AND DURATION

Once adopted, except as otherwise specifically provided by the appointing authority, this Plan is effective January 1, 2000. It remains in effect until amended or repealed by the Legislative Coordinating Commission or until superseded by law.

## LEGISLATIVE POLICIES

### Immigration Reform and Control Act

Under the Immigration Reform and Control Act enacted on November 6, 1986, employers are required to verify that all new employees are either United States citizens or aliens authorized to work in the United States. Consistent with this law, employment in the Minnesota Legislature will be contingent upon completion of an I-9 form and the ability to provide the necessary documents of citizenship and work authorization. Employees are required to complete the recertification section whenever their legal name changes. Employees should contact their Human Resources or Payroll representative for this form.

*Since I was born in this country, why would I have to sign an I-9 form under the Immigration and Control Act?*

*The federal law allows for no exemptions--all new employees hired after November 6, 1986 fill out an I-9 form. Employees should see their respective personnel officer.*

### Sexual Harassment

The Minnesota Legislature is committed to creating and maintaining a work environment in which all members and employees are treated with respect and are free from sexual harassment. To this end, sexual harassment by a member or employee of the Senate, the House of Representatives, or the Legislative Coordinating Commission is prohibited.

The goal of this policy is to ensure that all complaints of sexual harassment will be promptly, thoroughly, and respectfully handled.

- Reporting and investigating procedures are designed to encourage members and employees to report what they believe to be sexual harassment.

## LEGISLATIVE POLICIES (continued)

- Complaints, investigations, and resolutions will be handled as discreetly as possible, with information being shared only with those who have a need to know and as may be required by the Legislature's obligation to comply with the law.
- Retaliation will not be tolerated against any person who complains, reports, or testifies about sexual harassment, or participates in an investigation of a sexual harassment complaint.
- Appropriate disciplinary action will follow when appropriate.

All those involved in the legislative process have a responsibility to contribute to a respectful work environment. The Minnesota Legislature encourages, expects, and appreciates cooperation in implementing this policy.

*If I believe I have experienced sexual harassment or sexually offensive behavior, what should I do?*

*You should feel free to complain to the offending person about his/her behavior, to tell him/her what comment, joke or action disturbed you, and that you want the behavior to stop. If you do not feel comfortable in voicing your complaint directly, if you have complained to the offender and the offensive behavior has not stopped, or if you believe your complaint has resulted in retaliation towards you, report your complaint of sexual harassment or of retaliation as follows:*

- *If you are a SENATE employee or member, report to any Senate supervisor, the Senate Majority Leader, Minority Leader, or the Director of Human Resources.*
- *If you are a HOUSE employee or member, report to any House supervisor, the Speaker, Majority Leader, Minority Leader, or the Director of Human Resources.*
- *If you are an employee under the jurisdiction of the LCC, report to any LCC supervisor, the LCC Chair, or the LCC Director of Human Resources.*

*Copies of the complete sexual harassment policy may be obtained from the appropriate House, Senate, Revisor, or LCC administrative/personnel office.*

## **LEGISLATIVE POLICIES (continued)**

### **Statement of Zero Tolerance of Violence**

Consistent with Minn. Stat. § 15.86, the legislature endorses a policy of zero tolerance of violence.

### **Equal Employment Opportunity**

The Minnesota Legislature is an equal opportunity employer and is committed to conducting its personnel activities without regard to race, color, creed, religion, national origin, sex, age, disability, marital status, status with regard to public assistance, or sexual orientation. Further information regarding equal employment opportunities and specific procedures governing incidents of sexual harassment may be obtained from the appropriate House, Senate, Revisor, or LCC administrative personnel office.

### **Americans With Disabilities Act (ADA)**

The Minnesota Legislature is committed to complying with the provisions of the ADA and supports the goal that individuals with disabilities shall not be excluded from participating in or be denied the benefits of any program, service or activity offered by the Legislature.

Discrimination on the basis of disability is also prohibited by the Minnesota Human Rights Act. It is the responsibility of legislators and legislative employees to support the goals, objectives and concept of the ADA and the Minnesota Human Rights Act in their dealings with the public, prospective employees, and co-workers.

### **Employee Assistance Program**

The Employee Assistance Program (EAP) is a confidential counseling service designed to help state employees with problems, either in or out of the workplace. If you have a personal or work-related problem which you do not care to discuss with anyone associated with the legislature, contact EAP at (651) 296-0765.

### **Emergencies**

**NON-MEDICAL EMERGENCY:** Call Capitol Security at (651) 296-2100.

**MEDICAL EMERGENCY:** Call 911, or go to the nearest emergency facility. Report the injury to your supervisor as soon as possible.

**LEGISLATIVE POLICIES** (continued)

**INJURY IS NOT AN EMERGENCY:** Call the Workers' Compensation Certified Managed Care line at 651-296-6521 or 1-800-486-2913 to report the injury, receive first aid instructions, and get a referral to a doctor (network provider) who will see you promptly. Report the injury to your supervisor, who will work with your personnel office to complete a "First Report of Injury." The Nurseline number is available 24 hours a day, 365 days a year.

In certain situations, you are allowed to see a non-network provider. For further information on WorkerCare contact your payroll/personnel office.

*Is there any medical assistance located in the capitol area?*

*A nurse is located in G-25, Transportation building (296-2335).*

*If I am working late and feel uneasy about walking to my car, what should I do?*

*Call Capitol Security at 296-6741, and a security escort will walk you to your car.*

## WORKING HOURS AND COMPENSATION

### Working Hours

The working hours of employees shall be set by the appointing authority as necessary to accomplish all assigned work. Appointing authorities schedule employee's work days, establish shifts, and use other devices to complete work. All employees are paid a salary to accomplish all available work and not for a set number of working hours each day, week, month, or year. Working hours in excess of a 40-hour week are to be expected; however, each appointing authority may establish a reasonable compensatory time policy for its employees. As required by the federal Fair Labor Standards Act Amendments of 1985, certain employees of the Legislative Reference Library are allowed additional compensation or compensatory time off.

*I understand that I get paid 365 days per year. How does that work?*

*With the exception of certain employees of the Legislative Reference Library, all annualized salaries are divided to arrive at a daily rate. If you are required to work on a Saturday or Sunday, your salary has already been computed to cover that time.*

### Public Service Outside the Legislature

Employees who hold appointed or elected public positions outside the legislature are nevertheless expected to accomplish all assigned work and may not receive compensation from any political subdivision of the state or any administrative board, commission, council, committee or task force if their activities occur during normal working hours for which they are also compensated by the legislature.

### Prorated Compensation for Nine-Month Employees

Employees may be hired to work for nine months and have their compensation prorated and paid over 12 months, provided an employee hired in this status works nine months before the three-month period of leave.

### Service Award Program

The legislature shall formally recognize the service of its employees at five year intervals beginning with the tenth year of service. Employees shall be given credit for their previous legislative or state service under the same guidelines as for vacation accrual.

## HOLIDAYS

**Observed Holidays.** The following days are observed as holidays:

- New Year's
- Martin Luther King Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas

Any holiday falling on a Saturday will be observed on the prior Friday. Any holiday falling on a Sunday will be observed on the succeeding Monday.

The appointing authority may have a procedure for allowing additional periods of time as paid holiday time for the employees serving under its jurisdiction.

**Floating Holidays.** Permanent employees and temporary employees with at least six months of employment shall receive two floating holidays each calendar year. If an employee works any part of the six-month period beginning January 1, then that employee accrues one floating holiday. If an employee works any part of the six-month period beginning July 1, then that employee accrues one floating holiday. Floating holidays may be accumulated, but any floating holiday not used by December 31 of each year is lost. The appointing authority may limit the number of employees who may be absent on any given day because of operational needs.

**Holiday Pay.** Full-time employees will be paid for observed holidays if they are on a paid status the day before and the day after the holiday. Employees who are taking time off without pay in accordance with an approved salary savings plan are also eligible for holiday pay and will be paid in accordance with the provisions of the plan.

Employees who work less than full-time will be paid for observed holidays if they are on a paid status the scheduled day before and the scheduled day after the holiday. An employee who normally works less than full-time is paid for a holiday in accordance with the appointing authority's policy.

The number of hours paid for any observed holiday shall not exceed eight hours per day. If an employee is required to work on an observed holiday the employee shall receive time off equal to that worked, not to exceed eight hours per day. In the event that an employee dies or is mandatorily retired on a holiday or holiday weekend, the employee shall be entitled to be paid for the holiday(s).

## HOLIDAYS (continued)

**Religious Holidays.** When a religious holiday not observed as a holiday as provided above falls on an employee's regularly scheduled work day, the employee may take that day off to observe the religious holiday. An employee who chooses to observe a religious holiday must notify the employee's supervisor prior to the religious holiday.

Time off to observe religious holidays is without pay except where the employee has sufficient accumulated vacation leave, or an unused floating holiday. By mutual consent, the supervisor and the employee may agree to allow the employee up to three months to make up the time.

*Do I have to take my floating holiday in the six-month period in which it was earned?*

*The floating holiday earned in the first six months of the calendar year may be taken at any time during the year prior to December 31. The one earned in the second six-month period must be taken during that period. Floating holidays will not be paid in cash (like vacation) if an employee leaves legislative service.*

## VACATION LEAVE

**Eligibility and Allowances.** All permanent full-time employees shall accrue vacation time according to the rates set out below. Temporary full-time employees begin to accrue vacation leave after six months of continuous employment with no break in service. Temporary full-time employees who work six or more continuous months, leave a legislative payroll, and then return to temporary full-time status within 12 months of their separation, are eligible to accrue vacation leave.

<u>Length of Service</u>	<u>26 Pay Periods</u>	<u>24 Pay Periods</u>	<u>Monthly</u>
0 through 5 years	4 hours	4-1/3 hours	8-2/3 hours
After 5 through 8	5 hours	5.4 hours	10.8 hours
After 8 through 12	7 hours	7.6 hours	15.2 hours
After 12 through 18	7.5 hours	8.1 hours	16.2 hours
After 18 through 25	8 hours	8-2/3 hours	17-1/3 hours
After 25 through 30	8.5 hours	9.2 hours	18.4 hours
After 30 years	9 hours	9.75 hours	19.5 hours

Eligible permanent employees working on a percentage basis shall have their vacation accruals prorated consistent with the percentage of time worked. For purposes of determining changes in an employee's accrual rate, length of service does not include periods of suspension or unpaid non-medical leaves of absence; however, salary savings leaves are counted toward an employee's length of service. An employee working on a percentage basis who is on paid status at any time within a payroll period shall receive length of service credit for the full payroll period, except for the payroll period during which the employee's employment begins and the payroll period during which the employee's employment ends.

Temporary, session, or intermittent service prior to permanent status is counted in determining accrual rate.

Changes in accrual rates are effective at the beginning of the next payroll period following completion of the specified length of service requirement.

Vacation leave hours shall not be used during the payroll periods in which the hours are accrued.

**275-Hour Limit.** Vacation leave may be accumulated to any amount provided that once during each calendar year each employee's balance must be reduced to 275 hours or less. For this purpose, the employee's balance at the end of the payroll period is the vacation balance after the deduction of hours used that pay period and before the addition of vacation

## VACATION LEAVE (continued)

hours earned during the pay period. If this reduction to 275 hours or less is not accomplished by the employee before then, the employer will reduce the amount of vacation to 275 hours at the end of the last payroll period that ends during the calendar year. No employee may be paid for or transfer to another state agency more than 275 hours.

**Employees on Paid Military Leave.** Employees on a paid military leave accrue vacation leave as though actually employed without maximum accumulation. Vacation earned in excess of the maximum accumulation must be taken within two years of the date the employee returns from military leave.

**Using Vacation Leave Instead of Sick Leave.** Upon request, employees on sick leave may use vacation leave instead of sick leave provided they meet the criteria of sick leave use and would exceed the vacation leave maximum (see also page 15).

**Vacation Leave Record.** Each agency must keep a current record of each employee's vacation accruals which must be made available to the employee upon request.

**Transfers and Reappointments.** An employee's accumulated vacation leave and length of service, for purposes of determining vacation accrual, transfers to the new appointing authority if the employee transfers without a break in service: (1) to another appointing authority within the legislative branch; (2) to the legislative branch from another position in Minnesota state government, the University of Minnesota, or the Minnesota Historical Society; or (3) from the legislative branch to another position in Minnesota state government. In these cases, leave must not be liquidated by cash payment. However, if the new position does not provide for vacation leave, accumulated vacation leave must be liquidated by cash payment. The amount of vacation leave that may be transferred is subject to limits imposed by the receiving entity's collective bargaining agreement or compensation plan.

Current employees who: i) previously worked in Minnesota state government, the University of Minnesota, or the Minnesota Historical Society, who ii) transferred to the legislature within four years of separation from the institutions identified in clause i); and iii) who have not had their length of service credited, can be credited with their previous service, if they make application to their appointing authority by June 30, 2000. The credit towards additional accrual rates will be effective the pay period in which the employee applies.

An employee reappointed to legislative service or an employee from any other position in state service appointed to legislative service shall accrue vacation leave according to the length of service the employee had attained at the time of separation. However, the reappointment or appointment must be within four years from the date of separation in good standing.

## VACATION LEAVE (continued)

**Vacation Requests.** Every reasonable effort consistent with scheduling of the work unit must be made by the supervisor to schedule employee vacations at a time agreeable to the employee.

*Do I need to use my vacation time for attending a training course?*

*If the training has been approved as a job-related activity, you may count the time as part of your regular work time and do not need to charge it to vacation or leave without pay.*

Employees must submit requests for vacation to their supervisor in advance of the requested date of the start of the vacation. Conflicts involving vacation scheduling shall be resolved by the supervisor.

**Vacation Charges.** Employees who use vacation are charged only for the number of hours they would have been scheduled to work during the period of absence. However, vacation leave may not be granted in increments of less than one-quarter hour. Holidays occurring during vacation periods are paid as a holiday and not charged as a vacation day. Employee vacation accruals earned while on paid leave may be used by the employee with the approval of the supervisor without returning to work prior to the use of accrued leave. Employees may not use sick leave for vacation purposes.

Should an employee be entitled to use sick leave while on vacation, vacation leave is changed to sick leave, effective the date of the illness or disability, upon notice to the employee's supervisor. Upon the notice, employees may be requested by the supervisor to furnish a medical statement from a medical practitioner.

**Vacation Rights.** Any employee separated from state service is compensated in cash, at the employee's then current rate of pay, for all vacation leave accrued to the time of separation but not in excess of 275 hours.

Employees paid for less than a normal pay period shall have their vacation accruals prorated.

## SICK LEAVE

**Sick Leave Accrual.** All permanent full-time employees accrue sick leave at the rate of 8 2/3 hours per month (4 hours per 26 pay periods, 4-1/3 hours per 24 pay periods) during continuous employment beginning with their date of hire. Temporary full-time employees begin to accrue sick leave after six months of continuous employment with no break in service. Temporary full-time employees who work six or more continuous months, leave a legislative payroll, and then return to temporary full-time status within 12 months of their separation, are eligible to accrue sick leave.

**Emergency Sick Leave Upon Initial Employment.** Upon initial employment (within ten months of start date) and with approval of the appointing authority, an employee is eligible for use of up to 80 hours (ten days) for emergency sick leave. The negative balance shall be reduced proportionately as sick leave is accumulated. If additional sick leave is used before the sick leave balance has been restored to a positive balance sufficient to cover the time off needed, the time will be charged to vacation or the appointing authority may grant leave without pay. If an employee has a negative sick leave balance upon termination of service, the negative balance must be eliminated by charging the time first to vacation leave and then, to the extent necessary, to reduce pay.

**Accrual Rates for Employees on Percentage Basis.** Employees working on a percentage basis shall have the same percentage of their sick leave accrual rates or have sick leave accruals prorated.

**Employees on Military Leave.** Employees reinstated from military leave must be credited with sick leave as though actually employed, as provided under Minn Stat. § 192.261.

**Sick Leave Record.** Each agency shall keep a current record of each employee's sick leave accruals which must be made available to the employee upon request.

Employees may not use sick leave for vacation purposes.

**Sick Leave Use.** An employee must be granted sick leave with pay to the extent of the employee's accumulation for absences:

- 1) By necessity for the employee's illness or disability;
- 2) By necessity for medical, chiropractic, or dental care for the employee;
- 3) By exposure to contagious disease which endangers the health of other employees, clients, or the public;
- 4) By illness or disability of the employee's spouse, dependent or minor children, step-children, foster children (including wards, and children for whom the employee is the legal guardian), regular member of the immediate household, or parent, for a reasonable period as the employee's attendance is necessary.

## **SICK LEAVE** (continued)

- 5) By serious health condition of the employee's sibling, grandchild, or non dependent adult child, mother-in-law or father-in-law for a period of up to twelve weeks within a twelve month period commencing on the date leave is first taken. An employee must exhaust accumulated vacation and submit a completed Certification of Health Care Provider form prior to the leave. Please see your Human Resources or Payroll Representative for a form.
- 6) A pregnant employee must also be granted sick leave during the period of time that her medical practitioner advises that she is unable to work because of pregnancy. An employee who has given birth may use sick leave for a period of six weeks' convalescence or as advised by her medical practitioner.
- 7) Up to five days to arrange for necessary nursing or home care for members of the family;
- 8) Up to ten days for a parent upon placement for adoption of a child, or for a father or husband upon the birth of a dependent child. This leave is to be taken within twelve weeks after the child's birth, placement of adoption, or arrival in the home;
- 9) A reasonable period of sick leave must be granted because of death of the spouse or parents or grandparents of the spouse, or the parents, grandparents, guardian, children, grandchildren, brothers, sisters, wards, or stepchildren of the employee, or a regular member of the immediate household.
- 10) Such reasonable periods as an employee's attendance may be necessary to accompany spouse, minor or dependent children, stepchildren, foster children (including wards, and children for whom the employee is the legal guardian) to dental or medical appointments.

**Accrual Before Use.** Sick leave hours may not be used during the payroll period in which it accrues.

**Medical Practitioner Statement.** Upon the request of the supervisor, employees using sick leave may be required to furnish the human resources representative with a statement from a medical practitioner supporting the use of sick leave. The supervisor may require this statement to provide information on when the employee will be able to return to work. The supervisor may also request the employee to furnish the human resources representative with a statement from a medical practitioner if the supervisor has reason to believe the employee is not physically fit to return to work or has been exposed to a contagious disease which endangers the health of other employees, clients, or the public.

If the employee fails to furnish a statement requested under this provision within the timeframe specified in the request, the supervisor may require the employee to use vacation leave, compensatory time, or unpaid leave, at the appointing authority's discretion.

**Sick Leave Use While on Paid Leave.** Upon approval of the supervisor, employee sick leave accruals earned while on paid leave may be used by the employee without returning to work prior to the use of that accrued sick leave.

## **SICK LEAVE** (continued)

**Using Vacation Leave Instead of Sick Leave.** An employee on sick leave who uses all of his/her sick leave accumulation and who still meets the criteria for sick leave use shall have the right to use vacation leave to the extent of the employee's vacation accumulation (see also page 11).

**Sick Leave Requests.** Employees should submit requests for sick leave in advance of the period of absence. When advance notice is not possible, employees must notify their supervisor by telephone or other means at the earliest opportunity.

**Sick Leave Charges.** An employee using sick leave is charged only for the number of hours the employee was scheduled to work during the period of sick leave. However, sick leave may not be granted for periods of less than one-quarter hour except to permit use of lesser fractions that have been accrued. Holidays occurring during sick leave periods are paid as a holiday and not charged as a sick leave day.

Any employee incurring an on-the-job injury is paid the employee's regular rate of pay for the remainder of the day. Any necessary sick leave charges for employees so injured commence on the first scheduled work day following the injury (see Workers' Compensation section on page 44).

**Transfers and Reappointments.** An employee's accumulated sick leave transfers to the new appointing authority if the employee transfers without a break in service: (1) to another appointing authority within the legislative branch; (2) to the legislative branch from another position in Minnesota state government, the University of Minnesota, or the Minnesota Historical Society; or (3) from the legislative branch to another position in Minnesota state government. In these cases, accumulated sick leave must not be paid out as severance pay. However, if the new position does not provide for sick leave, accumulated sick leave must be paid out as severance pay. The amount of sick leave that may be transferred is subject to limits imposed by the receiving entity's collective bargaining agreement or compensation plan.

A negative sick leave balance may not be transferred. Any negative sick leave balance remaining on the date of transfer must be canceled by deducting the amount of pay for its negative hours from any pay due to the employee.

An eligible employee reappointed to legislative service within four years from the date of separation in good standing must have accumulated but unused sick leave balance and bank posted to the employee's credit.

**SICK LEAVE** (continued)

An employee who received severance pay for accumulated sick leave bank prior to January 1, 1998, but returns to legislative service after January 1, 1998, shall have his/her sick leave bank balance restored at the previous level less the number of hours paid as severance. The restored balance must then be doubled to reflect the new accrual rates for sick leave bank (see sick leave accrual section on page 13).

An employee who receives severance pay for accumulated sick leave and accumulated sick leave bank on or after January 1, 1998, but returns to legislative service after January 1, 1998, shall have his/her sick leave balance and bank restored at the previous level less the number of hours paid as severance.

**Work-Related Disability and Employment.** The appointing authority will attempt to place employees who have incurred a work-related disability in areas of work which would fit the employee's capabilities but will not create a job just to provide employment.

## SEVERANCE PAY

**Severance Pay as a Benefit.** Severance pay represents a benefit to employees for low usage of sick leave and to eliminate difficulties caused by a change of employer. It is not compensation. Severance pay does not include any accrued vacation time. Upon separation, compensation for accrued vacation time is covered under "Vacation Rights" (see page 12).

**Retirement, Death or Involuntary Termination.** The following employees, regardless of length of service, receive severance pay equal to 40 percent of the employee's first 900 hours of accumulated but unused sick leave balance and 12-1/2 percent of the employee's accumulated but unused sick leave balance in excess of 900 hours, times the employee's regular rate of pay at the time of separation:

Upon retirement on or after age 65;  
Employees who die while employed;  
Employees who are involuntarily terminated;  
Employees who retire before age 65 but who are immediately entitled at the time of retirement to receive an annuity under a state retirement program (notwithstanding an election to defer payment of the annuity).

**Upon Voluntary Termination.** Upon voluntary termination, regardless of length of service, employees receive prorated as severance pay two percent of accumulated but unused sick leave balance for each year of service to a maximum of 40 percent. An employee shall also receive 12-1/2 percent of the employee's accumulated but unused sick leave balance that exceeds 900 hours.

Severance pay is figured at the employee's regular rate of pay at the time of separation.

**Reappointment to State Service.** Should any employee who has received severance pay be subsequently reappointed to state service, eligibility for future severance pay is computed upon the difference between the amount of accumulated but unused sick leave restored to the employee's credit at the time the employee was reappointed and the amount of accumulated but unused sick leave at the time of the employee's subsequent eligibility for severance pay.

**Exclusion from Retirement Deductions/Benefits.** Severance pay and the liquidation of accrued vacation leave are excluded from retirement deductions and from any calculations in retirement benefits.

**Unpaid Leave Upon Separation.** Unpaid leave may not be used upon separation from legislative service to extend employer paid insurance coverage.

*I have a question on unemployment compensation. Whom should I contact?*

*For general information, call the Minnesota Department of Economic Security at (612) 296-3644.*

## LEAVES OF ABSENCE

**Application for Leave.** All requests for leaves of absence or extensions thereof will be approved or denied by the appointing authority. Requests for leaves or extensions shall be submitted to the employee's immediate supervisor as soon as the need for the leave or extension is known. The request must state the reason for requesting leave and the anticipated duration of the leave of absence. Failure to return at the end of an approved leave of absence, without contacting the appointing authority to request an extension prior to the end of the approved leave, shall be deemed to be a voluntary resignation.

**Authorization for Leave.** All requests for a leave of absence must be answered promptly. A leave of absence request may not be unreasonably denied. An employee may not be required to exhaust vacation leave accruals prior to a leave of absence. Authorization or denial of a leave of absence by the appointing authority must be furnished to the employee by the supervisor.

When an unpaid leave of absence has been approved for an employee, the appointing authority shall advise the employee in writing of the steps the employee must take to continue insurance coverages.

Upon separation, an unpaid leave may not be used to extend employer paid insurance coverage.

**Accrual Rates.** Accrual of vacation and sick leave benefits and length of service shall continue during a leave of absence with pay. If an employee is granted leave without pay, the employee will not be credited with vacation, sick or length of service accruals for the period of leave without pay unless otherwise indicated.

**Paid Leaves of Absence.** Paid leaves of absence granted under this Plan may not exceed the employee's work schedule. An appointing authority **must grant** an advance request for a paid leave of absence for the following reasons:

- A. **Court Appearance Leave:** Leave, including travel time, for appearance before a court or other judicial or quasi-judicial body for job-related purposes.
- B. **Educational Leave:** Leave for educational purposes, if the education is required by the appointing authority.
- C. **Jury Duty Leave:** Leave for service upon a jury. "Service upon a jury" includes time when the employee is impaneled for actual service or is required by the Court to be present for selection for service. During any other time, the employee must report to work.

## LEAVES OF ABSENCE (continued)

- D. **Military Leave:** In accordance with Minn. Stat. § 192.26, up to 15 working days leave per calendar year shall be granted to members of the National Guard or military or naval reserves of the United States or of the State of Minnesota who take military leave. The employee, upon receiving written notification of duty, must notify his/her immediate supervisor within three calendar days of receiving that written notification. Employees must also provide their Human Resources representative with a copy of their orders.
- E. **Voting Time Leave:** Leave for the time actually necessary to vote prior to noon of election day.
- F. **Election Judge Leave:** Leave for service as an election judge without penalty under procedures contained in Minn. Stat. § 204B.195.
- G. **Blood Donation Leave:** Leave to donate blood at an onsite program endorsed by the Appointing authority.
- H. **Athletic Leave:** Leave under the same terms as those granted to state employees in the executive branch under Minn. Stat. § 15.62 to prepare for and engage in world, Olympic, or Pan American games competition.

The appointing authority **may grant** paid leaves of absence for the following reasons:

- A. **Emergency Leave:** An appointing authority may excuse employees from duty with full pay in the event of a natural or man-made emergency, if continued presence would involve a threat to the employee's health or safety. A "natural emergency" includes severe weather conditions that, in the appointing authority's opinion, make traveling hazardous. Employees who must work despite the emergency must be allowed to take leave on another day agreed to by the employee and the appointing authority.
- B. **Transition Leave:** Leave of up to 80 hours, at the appointing authority's discretion, for a permanent employee on notice of termination. This leave is limited to the final four calendar weeks, ending at the date of termination.
- C. **Investigatory Leave:** An appointing authority may place an employee who is the subject of a disciplinary investigation on an investigatory leave with pay, provided a reasonable basis exists to warrant the leave.
- D. **Administrative Leave:** At the appointing authority's discretion, an employee may be placed on paid administrative leave for up to 30 calendar days when the employee or a member of the employee's immediate family or a regular member of

## LEAVES OF ABSENCE (continued)

the immediate household has been a victim of a violent crime. The appointing authority may request the employee to provide documentation demonstrating the appropriateness of the leave. The appointing authority's policy shall be to return the employee to work as soon as it is practical and prudent. For the purpose of this provision, "violent crime" includes murder, manslaughter, criminal vehicular homicide or injury, assault, robbery, kidnaping, criminal sexual conduct, witness tampering, arson, burglary, drive-by shooting, domestic abuse, as defined in Minn. Stat. § 518B.01, and harassment or stalking under Minn. Stat. § 609.749.

**Unpaid Leaves of Absence.** The appointing authority **may grant** an advance request for an unpaid leave of absence for the following reasons:

- A. **Unclassified Service Leave:** Leave to any legislative employee to accept another position in the unclassified service of the state.
- B. **Educational Leave:** Leave for educational purposes not covered by provisions of this Plan governing paid leaves of absence.
- C. **Personal Leave:** Leave for personal reasons.
- D. **Leave for Related Work:** Leave not to exceed one year to accept a position of fixed duration outside of legislative service that is related to the employee's current work.
- E. **Salary Savings Leave:** The appointing authority may allow each employee to take an unpaid leave of absence for up to 160 hours during the two calendar years covered by this plan. Each appointing authority approving the leave must allow the employee to continue accruing vacation and sick leave, be eligible for paid holidays and insurance benefits, accrue seniority, and accrue service credit in state retirement plans permitting service credits for authorized leaves of absence as if the employee had actually been employed during the time of the leave. If the leave of absence is for one full pay period or longer, any holiday pay must be included in the first payroll warrant after return from the leave of absence. The appointing authority must attempt to grant requests for unpaid leaves of absence consistent with the need to continue efficient operation of the agency. However, each appointing authority retains discretion to grant or refuse to grant requests for leaves of absence and to schedule and cancel leaves.
- F. **Elder care leave:** The appointing authority may grant elder care leave to arrange care for parents of the employee or the employee's spouse.

## LEAVES OF ABSENCE (continued)

The appointing authority **must grant** unpaid leaves of absence for the following reasons:

A. **Disability Leave:** Leave up to one year to any permanent employee who, as a result of an extended illness or injury, has exhausted the employee's accumulation of sick leave balance and bank. (Upon the request of the employee, the leave may be extended.) A supervisor may require an employee to furnish the human resources representative with a statement from a medical practitioner that supports the need for the leave. The supervisor may require this statement to provide information on when the employee will be able to return to work, including any restrictions on the employee's return to work. An employee who becomes disabled while on another type of leave of absence may apply for and receive disability leave status so the employee becomes eligible for disability pension.

B. **Parental Leave (Maternity/Paternity/Adoption/Foster Care):** Leave up to six months to a birth parent, adoptive parent, or foster parent who requests leave in conjunction with the birth, adoption, or placement of a child. Leave may be extended up to one year by mutual consent between the employee and the appointing authority. (Maternity leave may be requested by an employee rather than sick leave or vacation leave. Maternity leave may be requested after using some or all of an employee's accumulated sick or vacation leave.)

An eligible employee may take Caretaker and Medical Leave as parenting leave for up to 12 weeks.

C. **Caretaker and Medical Leave:** Leave up to 12 weeks with the employer contribution of health insurance paid for eligible employees for the birth of a child and to care for that child, the placement of a child for adoption or foster care and to care for that child, for a serious health condition that makes the employee unable to perform the employee's job or to care for those listed under sick leave use (4,5) on pages 13-14. Caretaker and Medical Leave may be taken intermittently or on a reduced schedule if medically necessary. A supervisor may require an employee to furnish the human resources representative with a statement from a medical practitioner that supports the need for the leave. The supervisor may require this statement to provide information on when the employee will be able to return to work, including any restrictions on the employee's return to work. Up to 12 weeks may be taken only once in each calendar year. See also "Parental Leave" listed above.

D. **Military Leave:** Leave to an employee who enters into active military service in the armed forces of the United States for a period of military service, not to exceed four years.

## LEAVES OF ABSENCE (continued)

- E. **VISTA or Peace Corps Leave:** Leave for VISTA or Peace Corps service for a period not to exceed four years.
- F. **Precinct Caucus Leave:** Leave for the purpose of attending a precinct caucus.
- G. **School Conference and Activities Leave:** Leave up to 16 hours during any school year to attend school conferences or activities related to the employee's child or to observe child care services or a pre-kindergarten program in accordance with Minn. Stat. § 181.9412.
- H. **Political Convention Leave:** Leave for the purpose of meeting and convention activities, as specified under Minn. Stat. § 202A.135. This does not sanction conduct that is otherwise prohibited or restricted by law or the appointing authority.
- I. **Civil Air Patrol Leave:** Leave, subject to Minn. Stat. § 181.946, to serve as a member of the civil air patrol.

**Reinstatement After Leave.** Subject to a contrary term under which a leave was granted, or subject to a reorganization by the appointing authority, an employee returning from an approved leave of absence shall be entitled to return to employment in the employee's former position or a position of comparable duties and pay.

Employees returning from leaves of absence in excess of one month must notify their appointing authority at least two weeks prior to their return from leave. Employees returning from an unpaid leave of absence return at the same rate of pay the employee had been receiving at the time of the leave of absence commenced plus any automatic adjustments that would have been made had the employee been continuously employed during the period of absence.

Employees may return to work prior to the agreed upon termination date with the approval of the appointing authority.

**Employee Interchange Program.** An employee may participate in the government employee interchange program under Minn. Stat. §§ 15.51 to 15.59 subject to the approval of the appointing authority.

## INSURANCE

**SECTION 1. STATE EMPLOYEE GROUP INSURANCE PROGRAM.** During the life of this Plan, the Employer agrees to offer a Group Insurance Program that includes health, dental, life, and disability coverages equivalent to existing coverages, subject to the provisions of this Plan.

All insurance eligible employees will be provided with a Summary Plan Description describing these coverages. Such Summary Plan Description shall be provided no less than biennially and prior to the beginning of the insurance year. New insurance eligible employees shall receive a Summary Plan Description within 30 days of their date of eligibility.

**SECTION 2. ELIGIBILITY FOR GROUP PARTICIPATION.** This section describes eligibility to participate in the Group Insurance Program.

**A. Employees - Basic Eligibility.** Employees may participate in the Group Insurance Program if they are scheduled to work at least 1044 hours in any 12 consecutive months.

**B. Employees - Special Eligibility.** The following employees are also eligible to participate in the Group Insurance Program:

**1. Employees with a Work-related Injury/Disability.** An employee who was off the legislative payroll due to a work-related injury or a work-related disability may continue to participate in the Group Insurance Program as long as such an employee receives workers' compensation payments or while the workers' compensation claim is pending.

**2. Totally Disabled Employees.** Consistent with Minn. Stat. § 62A.148, certain totally disabled employees may continue to participate in the Group Insurance Program.

**3. Retired Employees.** An employee who retires from legislative service, is not eligible for regular (non-disability) Medicare coverage, has five or more years of allowable pension service, and is entitled at the time of retirement to immediately receive an annuity under a State retirement program, may continue to participate in the health and dental coverages offered through the Group Insurance Program.

Consistent with Minn. Stat. § 43A.27, subd. 3, a retired employee of the State who receives an annuity under a State retirement program may continue to participate in the health and dental coverages offered through the Group Insurance Program. Retiree coverage must be coordinated with Medicare.

**4. Employees on Unpaid Leave of Absence.** Employees on an approved leave of absence may enroll in such coverages at their own expense for a period of one year.

## INSURANCE (continued)

**5. Temporary Employees.** Temporary employees who are appointed for a period of no less than four months and who are scheduled to work no less than 50 percent of the normal work week may enroll in the hospital and medical coverages provided by this Plan at their own expense.

**C. Eligible Dependents.** For the purpose of this Plan, eligible dependents are:

**1. Spouse.** The spouse of an eligible employee (if not legally separated). For the purposes of health insurance coverage, if that spouse works full-time for an organization employing more than 100 people and elects to receive either credits or cash (1) in place of health insurance or health coverage or (2) in addition to a health plan with a \$750 or greater deductible through his/her employing organization, he/she is not eligible to be a covered dependent for the purposes of this Plan. If both spouses work for the State or another organization participating in the State's Group Insurance Program, neither spouse may be covered as a dependent by the other, unless one spouse is not eligible for a full Employer Contribution as defined in Section 3A.

**2. Children and Grandchildren.** An eligible employee's unmarried dependent children and unmarried dependent grandchildren: (1) through age 18; or (2) through age 24 if the child or grandchild is a full-time student at an accredited educational institution; or (3) a child or grandchild, regardless of age or marital status who is incapable of self-sustaining employment by reason of mental retardation, mental illness or physical disability and is chiefly dependent on the employee for support. The handicapped dependent shall be eligible for coverage as long as s/he continues to be handicapped and dependent, unless coverage terminates under the contract.

"Dependent Child" includes an employee's: (1) biological child, (2) child legally adopted by or placed for adoption with the employee, (3) foster child, and (4) step-child. To be considered a dependent child, a foster child must be dependent on the employee for his/her principal support and maintenance and be placed by the court in the custody of the employee. To be considered a dependent child, a step child must maintain residence with the employee and be dependent upon the employee for his/her principal support and maintenance.

"Dependent Grandchild" includes an employee's: (1) grandchild placed in the legal custody of the employee, (2) grandchild legally adopted by the employee or placed for adoption with the employee, or (3) grandchild who is the dependent child of the employee's unmarried dependent child. Under (1) and (3) above, the grandchild must be dependent upon the employee for principal support and maintenance and live with the employee.

If both spouses work for the State or another organization participating in the State's Group

## INSURANCE (continued)

Insurance Program, either spouse, but not both, may cover their eligible dependent children or grandchildren. This restriction also applies to two divorced, legally separated, or unmarried employees who share legal responsibility for their eligible dependent children or grandchildren.

**D. Continuation Coverage.** Consistent with state and federal laws, certain employees, former employees, dependents, and former dependents may continue group health, dental, and/or life coverage at their own expense for a fixed length of time. As of the date of the adoption of this Plan, state and federal laws allow certain group coverages to be continued if they would otherwise terminate due to:

- a. termination of employment (except for gross misconduct);
- b. layoff;
- c. reduction of hours to an ineligible status;
- d. dependent child becoming ineligible due to change in age, student status, marital status, or financial support (in the case of a foster child or stepchild);
- e. death of employee; or
- f. divorce.

**SECTION 3. ELIGIBILITY FOR EMPLOYER CONTRIBUTION.** This section describes eligibility for an Employer Contribution toward the cost of coverage.

**A. Full Employer Contribution - Basic Eligibility.** The following employees covered by this Agreement receive the full Employer Contribution:

1. Employees who are scheduled to work at least 40 hours weekly for a period of nine months or more in any 12 consecutive months.
2. Employees who are scheduled to work at least 30 hours weekly for a 12 consecutive month period, but excluding part-time employees serving on less than a 75 percent basis

**B. Partial Employer Contribution - Basic Eligibility** Employees who are scheduled to work at least 50 percent of the time but less than 75 percent of the time in a calendar year receive the full Employer Contribution for basic life coverage, and at the employee's option, a partial Employer Contribution for health and dental coverages. The partial Employer Contribution for health and dental coverages is 75 percent of the full Employer Contribution for both employee only and dependent coverage.

**C. Special Eligibility.** The following employees also receive an Employer Contribution:

1. **Work-related Injury/Disability.** An employee who receives an Employer Contribution and who is off the legislative payroll due to a work-related injury or a work-

## INSURANCE (continued)

related disability remains eligible for an Employer Contribution as long as such an employee receives workers' compensation payments. If such employee ceases to receive workers' compensation payments for the injury or disability and is granted a disability leave, he/she shall be eligible for an Employer contribution during that leave.

**2. Employees not terminated for cause.** An employee who receives an Employer Contribution for health, dental and life insurance, who has three or more years of continuous state service, and who has been terminated for reasons other than for cause, remains eligible for an Employer Contribution and all other benefits provided under the Insurance Chapter for six months from the date of termination. An employee is eligible for this benefit if the employee is terminated because of abolition of the employee's position, shortage of work or funding, a management-imposed reduction in a full-time employee's normal work hours which continues longer than two consecutive weeks, or other reason outside the employee's control. Any employee who has voluntarily requested and received Appointing authority approval to reduce his/her work hours shall not be considered to have been terminated.

### D. Maintaining Eligibility for Employer Contribution.

**1. General.** An employee who receives a full or partial Employer Contribution maintains that eligibility as long as the employee meets the Employer Contribution eligibility requirements, and appears on a legislative payroll for at least one full working day during each payroll period. This requirement does not apply to employees who are eligible for workers' compensation payments as described in Section 3C1, or to employees not terminated for cause as described in 3C2.

**2. Unpaid Leave of Absence.** If an employee is on an unpaid leave of absence, then vacation leave, compensatory time, or sick leave cannot be used for the purpose of maintaining eligibility for an Employer Contribution by keeping the employee on a legislative payroll for one working day per pay period.

**3. Other Leaves.** An employee who is on an approved Caretaker or Medical Leave or on a Salary Savings Leave as provided elsewhere in this Plan maintains eligibility for an Employer Contribution.

**INSURANCE** (continued)

**SECTION 4. AMOUNT OF EMPLOYER CONTRIBUTION.** For employees eligible for an Employer Contribution as described in Section 3, the amount of the Employer Contribution will be determined as provided in this section.

**A. Contribution Formula - Health Coverage.**

**1. Employee Coverage.** For employee health coverage, the Employer contributes an amount equal to the lesser of 100 percent of the employee-only premium of the Low-Cost Health Plan or the actual employee-only premium of the health plan chosen by the employee.

**2. Dependent Coverage.** For dependent health coverage, the Employer contributes an amount equal to the lesser of 90 percent of the dependent premium of the Low-Cost Health Plan, or the actual dependent premium of the health plan chosen by the employee.

**3. Low-Cost Health Plan.** For the purposes of Section 4A, "Low-Cost Health Plan" means the health plan with: (a) the lowest family premium rate; and; (b) operating in the county of the employee's permanent work location or, in the case of a legislator, the county of permanent residence; county of residence for insurance year 2001; see Section 4A4 below.

"Family premium" is the total of the employee premium and the dependent premium.

The Low-Cost Health Plan for each county for the 2000 insurance year is listed in Appendix A. During the 2000 insurance year, the list may be changed only if the Low-Cost Health Plan no longer operates in a county.

**Low Cost Health Plan Determination 2001.** The list for the 2001 insurance year shall be established in accordance with procedures contained in state collective bargaining agreements.

**4. Location as the Basis for Employer Contribution.** The Employer Contribution for each employee is based on the employee's permanent work location and for legislators on their permanent home location on the effective date of the 2000 insurance year. For the 2001 insurance year, the Employer Contribution will be based on the employee's county of permanent residence (for Minnesota residents) or the employee's county of permanent work location (for Minnesota non-residents). If the health plan an employee is enrolled in is not available at the new permanent work location, then the Employer Contribution changes to the amount in effect at the new permanent work location. If a legislator moves to another county and the health plan the legislator is enrolled in is not available in the new location, then the Employer Contribution changes to the amount in effect at the new home location.

## INSURANCE (continued)

### B. Contribution Formula - Dental Coverage.

**1. Employee Coverage.** For employee dental coverage, the Employer contributes an amount equal to the lesser of 100 percent of the employee premium of the State Dental Plan, or the actual employee premium of the dental plan chosen by the employee.

**2. Dependent Coverage.** For dependent dental coverage, the Employer contributes an amount equal to the lesser of 50 percent of the dependent premium of the State Dental Plan, or the actual dependent premium of the dental plan chosen by the employee.

**C. Contribution Formula - Basic Life Coverage.** For employee basic life coverage and accidental death and dismemberment coverage, the Employer contributes 100 percent of the cost.

## SECTION 5. COVERAGE CHANGES AND EFFECTIVE DATES.

**A. When Coverage May Be Chosen.** All employees must make their choice of employee health and dental plans and choice of dependent coverage (if applicable) within 60 calendar days of the date of initial appointment to an insurance eligible position. When health and dental coverage are elected, the employee will automatically be enrolled in basic life coverage. Employees eligible for a partial Employer Contribution may elect health and dental coverage within 60 calendar days of initial employment or during an open enrollment period. Employees who become eligible for a full Employer Contribution must make their choice of employee health and dental plans and dependent coverage within 60 calendar days of becoming eligible or be enrolled in the low cost plan in the county of the employee's work location.

A legislator may change his/her health or dental plan if the legislator changes to a new permanent residence, and the legislator's current plan is not available at the new location. A legislator who changes residence between the end of an open enrollment period and the beginning of the next insurance year, may change his/her health or dental plan within 30 days of the date of the relocation under the same provisions accorded during the last open enrollment period.

An employee and a retired employee may also add dependent health or dental coverage following the birth of a child or dependent grandchild, or following the adoption of a child without regard to the 30 day enrollment period.

In addition, an employee and a retired employee may add dependent health or dental coverage within 30 days of the following events:

## INSURANCE (continued)

1. If an employee or a retiree becomes married, the employee or retiree may add his/her spouse and any dependent children/grandchildren.
2. If the employee's spouse loses group health or dental coverage, the employee may add his/her spouse and any dependent children/grandchildren.
3. When an employee acquires his/her first dependent child, grandchild or stepchild, the employee may add dependent coverage to cover both the child and the employee's spouse.
4. If the retiree's spouse involuntarily loses group health or dental coverage, the retiree may add his/her spouse and any dependent children/grandchildren. (Spouse's loss of coverage due to his/her retirement would be considered involuntary.)

### **B. When Coverage May Be Canceled.**

1. **Dependent Coverage.** An employee may cancel dependent health or dependent dental coverage outside of open enrollment only in the case of certain life events that are consistent with the request to cancel coverage. The request to cancel coverage must be made within 60 days of the event. Life events include, but are not limited to:

- loss of dependent status of a sole dependent;
- death of a sole dependent;
- divorce;
- change in employment condition of an employee or spouse; and
- a significant change of spousal insurance coverage (cost of coverage is not a significant change).

Dependent health or dependent dental coverage may also be canceled during the open enrollment period that applies to each type of plan for any reason.

2. **Employee Coverage.** A part-time employee may also cancel employee coverage within 60 days of when one of these same life events occurred.

**Effective Date of Benefit Termination.** Medical coverage termination will take effect on the first of the month following the end of the pay period coinciding with or next following the date of the application to cancel coverage, or the loss of eligible employee or dependent status. All other benefit coverage terminations will take effect on the first day of the pay period coinciding with or next following the date of the application to cancel coverage, or the loss of eligible employee or dependent status.

**C. Effective Date of Coverage.**

**1. Initial Effective Date.** The initial effective date of coverage under the Group Insurance Program is the first day of the first payroll period beginning on or after the 28th calendar day following the employee's first day of employment, re-employment, re-hire, or reinstatement with the Legislature. An employee must be actively at work on the initial effective date of coverage, except that an employee who is on paid leave on the date State-paid life insurance benefits increase is also entitled to the increased life insurance coverage. In no event shall an employee's dependent's coverage become effective before the employee's coverage.

If an employee is not actively at work due to employee or dependent health status or medical disability, medical and dental coverage will still take effect. (Life and disability coverage will be delayed until the employee returns to work.)

**2. Delay in Coverage Effective Date.**

**a. Basic Life.** If an employee is not actively at work on the initial effective date of coverage, coverage will be delayed until the first day of the pay period coinciding with or next following the employee's return to work. The effective date of a change in coverage is not delayed in the event that, on the date the coverage change would be effective, an employee is on an unpaid leave of absence or layoff.

**b. Medical and Dental.** If an employee is not actively at work on the initial effective date of coverage due to a reason other than hospitalization or medical disability of the employee or dependent, medical and dental coverage will be delayed until the first day of the pay period coinciding with or next following the employee's return to work.

The effective date of a change in coverage is not delayed in the event that, on the date the coverage change would be effective, an employee is on an unpaid leave of absence or layoff.

**c. Optional Life and Disability Coverages.** In order for coverage to become effective, the employee must be in active payroll status and not using sick leave on the first day of the pay period coinciding with or next following approval by the insurance company. If it is an open enrollment period, coverage may be applied for but will not become effective until the first day of the pay period coinciding with or next following the employee's return to work.

## INSURANCE (continued)

### D. Open Enrollment.

**1. Frequency and Duration.** There shall be an open enrollment period for health coverage in each year of this Plan, and for dental coverage in the first year of this Plan. Open enrollment periods shall last a minimum of 30 calendar days. Open enrollment changes become effective on January 1.

**2. Eligibility to Participate.** An employee eligible to participate in the State Employee Group Insurance Program, as described in Sections 2A and 2B, may participate in open enrollment. In addition, a person in the following categories may, as allowed in section 5D1 above, make certain changes: (1) a former employee or dependent on continuation coverage, as described in Section 2D, may change plans or add coverage for health and/or dental plans on the same basis as active employees; and (2) an early retiree, prior to becoming eligible for Medicare, may change health and/or dental plans as agreed to for active employees, but may not add dependent coverage.

**3. Materials for Employee Choice.** Each year prior to open enrollment, the Appointing authority will give eligible employees the information necessary to make open enrollment selections. Employees will be provided a statement of their current coverage each year of the contract.

**E. Coverage Selection Prior to Retirement.** An employee who retires and is entitled to receive an annuity under a State retirement program may change his/her health or dental plan during the 60 calendar day period immediately preceding the date of retirement. The employee may not add dependent coverage during this period. The change takes effect on the first day of the first pay period beginning after the date of retirement.

## SECTION 6. BASIC COVERAGES.

### A. Employee and Family Health Coverage.

**1. Coverage Options.** Eligible employees may select coverage under one of the health plans offered by the Employer, including the State Health Plan, or other health plans. Coverage offered through these plans is subject to change during the life of this Plan as a result of procedures contained in state collective bargaining agreements. Coverage offered through the State Health Plan is determined by Section 6A2.

**2. Coverage Under the State Health Plan.** The State Health Plan Point of Service and State Health Plan Select (hereinafter referred to as SHPPOS and SHPS, respectively) will cover allowable charges for the following eligible services subject to the copayments and coverage limits stated. Services provided through both plans are subject to their managed

## INSURANCE (continued)

care procedures and principles, including standards of medical necessity and appropriate practice. All other plans providing services to state employees will have the same coverages as the SHPS.

**a. Services received from, or authorized by, a primary care physician within the primary care clinic.** State Health Plan Point of Service (SHPPOS) and State Health Plan Select (SHPS).

The following health care services under SHPPOS and SHPS shall be received from, or authorized by a primary care physician within the primary care clinic. The primary care clinic shall be selected from approved clinics in accordance with SHPPOS and SHPS administrative procedures. Higher out-of-pocket costs as described in 6A2b apply to the following services if not received from, or authorized by, a primary care physician within the primary care clinic.

1. **Inpatient hospital services.** One hundred percent coverage.
2. **Outpatient surgery center services.** One hundred percent coverage.
3. **Home health services.** One hundred percent coverage up to a maximum of \$5,000 eligible expenses per person per year.
4. **X-rays and laboratory tests.** One hundred percent coverage.
5. **Preventive Care.** One hundred percent coverage.
6. **Physicians services.** One hundred percent coverage.
7. **Durable medical equipment.** Eighty percent coverage. All diabetic supplies, including test tapes and syringes, are covered under durable medical equipment.

**b. Services not authorized by a primary care physician within the primary care clinic.** Coverage under this section 6A2b is only available to individuals who elect SHPPOS coverage, and then only under the terms and conditions outlined in the Certificate of Coverage.

For services under 6A2a which are not authorized by a primary care physician within the primary care clinic in the 2000 and 2001 insurance years:

- there is a \$350 deductible per person with a maximum deductible per family per year of \$700.

## INSURANCE (continued)

After deductible is satisfied, 70 percent coverage up to a maximum annual copayment of:

- \$3,000 per person and \$6,000 per family.

These deductibles and copayments are separate from the deductibles and copayments for authorized services under Section 6A2a.

### c. Special Service networks (applies to SHPPOS and SHPS).

The following services must be received from Special Service network providers in order to be covered.

**1. Mental health services - inpatient and outpatient.** One hundred percent coverage (up to 365 days for inpatient services.) No coverage for services obtained from out-of-network providers under SHPS. Out-of-network services are available under SHPPOS according to the terms of the Certificate of Coverage. In-network services need not be authorized by a primary care physician within the primary care clinic under either plan.

**2. Chemical dependency services - inpatient and outpatient.** One hundred percent coverage (up to 365 days for inpatient services.) No coverage for services obtained from out-of-network providers under SHPS. Out-of-network services are available under SHPPOS according to the terms of the Certificate of Coverage. In-network services need not be authorized by a primary care physician within the primary care clinic under either plan.

**3. Chiropractic services.** One hundred percent coverage. No coverage for services obtained from out-of-network providers. Services need not be authorized by a primary care physician within the primary care clinic. Coverage shall be provided for a minimum of 20 services or 21 calendar days, whichever is greater, per incident.

**4. Transplant coverage.** The SHPPOS and SHPS shall provide transplant coverage, as specified in their respective Certificates of Coverage. No coverage for services obtained from out-of-network providers.

Referrals for eligible transplant services must be authorized by a primary care physician within the primary care clinic.

**5. Cardiac services.** No coverage for non-emergency cardiac services obtained from out-of-network providers. Referrals for services must be authorized by a primary care physician within the primary care clinic.

**INSURANCE** (continued)

**6. Home Infusion Therapy.** The SHPPOS and SHPS shall provide Home Infusion Therapy coverage as specified in their respective Certificates of Coverage. No coverage for services obtained from out-of-network providers. Referrals for eligible home infusion therapy services must be authorized by a primary care physician within the primary care clinic.

**7. Hospice Benefit.** One hundred percent coverage for services obtained from in-network providers. Seventy percent coverage for services obtained from out-of-network providers under SHPPOS. Referrals for eligible hospice services must be authorized by a primary care physician within the primary care clinic.

**d. Services not requiring authorization by a primary care physician within the primary care clinic.** The following services do not require authorization by a primary care physician within the primary care clinic in order to be covered.

**1. Prescription drugs.**

- Insulin will be treated as a prescription drug subject to a separate copay for each type prescribed.
- If the subscriber chooses a brand name drug when a bioequivalent generic drug is available, the subscriber is required to pay the standard copayment plus the difference between the cost of the brand name drug and the generic. Amounts above the copay that an individual elects to pay for a brand name instead of a generic drug will not be credited toward the out-of-pocket maximum.

**a. SHPS and SHPPOS. Prescription drugs.**

- ten dollar copayment per prescription or refill for a formulary drug dispensed in a 34 day supply.
- \$21 copayment per prescription or refill for a non-formulary drug dispensed in a 34 day supply.
- annual maximum eligible out-of-pocket expense for prescription drugs of \$200 per person or \$400 per family.

**b. Grandfathered Diabetic Group.** For insulin dependent diabetics who have been continuously enrolled in the State Health Plan since January 1, 1991 and who were identified as having used these supplies during the period January 1, 1991, through September 30, 1991 (herein the "Grandfathered Diabetic Group"), diabetic supplies are covered as follows:

## INSURANCE (continued)

- Test tapes and syringes are covered at 100 percent for the greater of a 34-day supply or 100 units when purchased with insulin.

**2. Eye exams.** SHPPOS and SHPS. One hundred percent coverage. (Limited to one routine examination per year.)

**3. Outpatient emergency and urgicenter services within the area.** SHPPOS and SHPS. \$30 copayment per visit for outpatient emergency visits and \$15 copayment per visit for urgicenter visits that do not result in hospital admission within 24 hours; 100 percent coverage thereafter.

**4. Emergency and urgently needed care outside the area (SHPPOS and SHPS).** Professional services of a physician, emergency room treatment, and inpatient hospital services covered at 80 percent of the first \$2,000 and 100 percent thereafter of the charges incurred per insurance year. The maximum eligible out-of-pocket expense per individual per year for this benefit is \$400. This benefit is not available when the member's condition permits him or her to receive care within the network of the plan in which the individual is enrolled.

**5. Ambulance.** SHPPOS and SHPS. Eighty percent coverage for eligible expenses. (Air ambulance paid to ground ambulance coverage limit only, unless ordered "first response" or if air ambulance is the only medically acceptable means of transport as certified by the attending physician.)

**e. Lifetime maximum.** SHPPOS and SHPS. Coverage under the State Health Plan is subject to a per-person lifetime maximum. The lifetime maximum is \$2,000,000 for services under 6A2a, 6A2c and 6A2d combined. The lifetime maximum for services under 6A2b is limited to \$500,000. The \$500,000 maximum which applies under 6A2b is part of, and not in addition to, the \$2,000,000 lifetime plan maximum.

**3. Coordination with Workers' Compensation.** When an employee has incurred an on-the-job injury or an on-the-job disability and has filed a claim for workers' compensation, medical costs connected with the injury or disability shall be paid by the employee's health plan, pursuant to Minn. Stat. § 176.191, subd. 3.

**4. Health Promotion and Health Education.** The Plan recognizes the value and importance of health education programs. Such programs can assist employees and their dependents to maintain and enhance their health, and to make appropriate use of the health care system. The employer may develop and implement health promotion and health education programs, subject to the availability of resources.

**B. Employee and Family Dental Coverage.**

**1. Coverage Options.** Eligible employees may select coverage under any one of the dental plans offered by the Employer, including health maintenance organization plans, the State Dental Plan, or other dental plans. Coverage offered through health maintenance organization plans is subject to change during the life of this Plan, as a result of procedures contained in state collective bargaining agreements. Coverage offered through the State Dental Plan is determined by Section 6B2.

**2. Coverage Under the State Dental Plan.** The State Dental Plan will provide the following coverage:

**a. Copayments.** The State Dental Plan will cover allowable charges for the following services subject to the copayments and coverage limits stated. Higher out-of-pocket costs apply to services obtained from dental care providers not in the State Dental Plan network. Services provided through the State Dental Plan are subject to the State Dental Plan's managed care procedures and principles, including standards of dental necessity and appropriate practice. The plan shall cover general cleaning two times per plan year and special cleanings (root or deep cleaning) as prescribed by the dentist.

Service	In-Network	Out-of-Network
Diagnostic/Preventive	100%	50%
Fillings	80%	50%
Endodontics	80%	50%
Periodontics	80%	50%
Oral Surgery	80%	50%
Crowns	80%	50%
Prosthetics	50%	None
Prosthetic Repairs	50%	None
Orthodontics*	80%	50%

\* Please refer to your certificate of coverage for information regarding age limitations for dependent orthodontic care.

**INSURANCE** (continued)

**b. Deductible.** An annual deductible of \$125 per person applies to State Dental Plan services received from out of network providers. The deductible must be satisfied before coverage begins.

**c. Annual maximums.** State Dental Plan coverage is subject to a \$1,000 annual maximum benefit payable (excluding orthodontia) per person. "Annual" means per insurance year.

**d. Orthodontia lifetime maximum.** Orthodontia benefits are available to eligible dependent children ages 8 through 18 subject to a \$2,800 lifetime maximum benefit.

**C. Employee Life Coverage.**

**1. Basic Life and Accidental Death and Dismemberment Coverage.** The Employer agrees to provide and pay for the following term life coverage and accidental death and dismemberment coverage for all employees eligible for an Employer Contribution, as described in this Plan. Any premium paid by the State in excess of \$50,000 coverage is subject to a tax liability in accord with Internal Revenue Service regulations. An employee may decline coverage in excess of \$50,000 by filing a waiver in accord with Appointing authority procedures. The basic life insurance policy will include an accelerated benefits agreement providing for payment of benefits prior to death if the insured has a terminal condition.

<b>Employee's Annual Base Salary</b>	<b>Group Life Insurance Coverage</b>	<b>Accidental Death and Dismemberment Principal Sum</b>
\$10,000 - \$15,000	\$15,000	\$15,000
\$15,001 - \$20,000	\$20,000	\$20,000
\$20,001 - \$25,000	\$25,000	\$25,000
\$25,001 - \$30,000	\$30,000	\$30,000
\$30,001 - \$35,000	\$35,000	\$35,000
\$35,001 - \$40,000	\$40,000	\$40,000
\$40,001 - \$45,000	\$45,000	\$45,000
\$45,001 - \$50,000	\$50,000	\$50,000
\$50,001 - \$55,000	\$55,000	\$55,000
\$55,001 - \$60,000	\$60,000	\$60,000
\$60,001 - \$65,000	\$65,000	\$65,000
\$65,001 - \$70,000	\$70,000	\$70,000
Over \$70,000	\$75,000	\$75,000

## INSURANCE (continued)

**2. Extended Benefits.** An employee who becomes totally disabled before age 70 shall be eligible for the extended benefit provisions of the life insurance policy until age 70.

Employees who were disabled prior to July 1, 1983, and who have continuously received benefits shall continue to receive such benefits under the terms of the policy in effect prior to July 1, 1983.

**3. Additional Death Benefit.** Employees who retire on or after July 1, 1985, shall be entitled to a \$500 death benefit payable to a beneficiary designated by the employee, if at the time of death the employee is entitled to an annuity under a State retirement program. A \$500 cash death benefit shall also be payable to the designated beneficiary of an employee who becomes totally and permanently disabled on or after July 1, 1985, and who at the time of death is receiving a State disability benefit and is eligible for a deferred annuity under a State retirement program.

## SECTION 7. OPTIONAL COVERAGES.

### A. Life Coverage.

**1. Employee.** An employee may purchase up to \$500,000 additional life insurance, in increments established by the Employer, subject to satisfactory evidence of insurability. A new employee may purchase up to two times annual salary or \$200,000, whichever is less, in optional employee life coverage within 60 calendar days of hire without evidence of insurability.

**2. Spouse.** An employee may purchase up to \$500,000 life insurance coverage for his/her spouse in increments established by the Employer, subject to satisfactory evidence of insurability. A new employee may purchase either \$5,000 or \$10,000 in optional spouse life coverage within 60 calendar days of hire without evidence of insurability.

**3. Children/Grandchildren.** An employee may purchase life insurance in the amount of \$10,000 as a package for all eligible children/grandchildren (as defined in Section 2C of this Plan). Child/grandchild coverage requires evidence of insurability if application is made after the first 60 calendar days of employment. Child/grandchild coverage commences 14 calendar days after birth.

**4. Accelerated Life.** The additional employee, spouse and child life insurance policies will include an accelerated benefits agreement providing for payment of benefits prior to death if the insured has a terminal condition.

**5. Waiver of Premium.** In the event an employee becomes totally disabled before age 70, there shall be a waiver of premium for all life insurance coverage that the employee had at the time of disability.

## INSURANCE (continued)

**6. Paid Up Life Policy.** At age 65 or the date of retirement, an employee who has carried optional employee life insurance for the five consecutive years immediately preceding the date of the employee's retirement or age 65, whichever is later, shall receive a post-retirement paid-up life insurance policy in an amount equal to 15 percent of the smallest amount of optional employee life insurance in force during that five year period. The employee's post-retirement death benefit shall be effective as of the date of the employee's retirement or the employee age 65, whichever is later. Employees who retire prior to age 65 must be immediately eligible to receive a state retirement annuity and must continue their optional employee life insurance to age 65 in order to remain eligible for the employee post-retirement death benefit.

An employee who has carried optional spouse life insurance for the five consecutive years immediately preceding the date of the employee's retirement or spouse age 65, whichever is later, shall receive a post-retirement paid-up life insurance policy in an amount equal to 15 percent of the smallest amount of optional spouse life insurance in force during that five year period. The spouse post-retirement death benefit shall be effective as of the date of the employee's retirement or spouse age 65, whichever is later. The employee must continue the full amount of optional spouse life insurance to the date of the employee's retirement or spouse age 65, whichever is later, in order to remain eligible for the spouse post-retirement death benefit.

Each policy remains separate and distinct, and amounts may not be combined for the purpose of increasing the amount of a single policy.

### **B. Disability Coverage.**

**1. Short-term Disability Coverage.** An employee may purchase short-term disability coverage that provides benefits of from \$300 to \$5,000 per month, up to two-thirds of an employee's salary, for up to 180 days during total disability due to a non-occupational accident or a non-occupational sickness. Benefits are paid from the first day of a disabling injury or from the eighth day of a disabling sickness. Coverage applied for within 60 days of hire or becoming insurance eligible does not require evidence of insurability.

**2. Long-term Disability Coverage.** New employees may enroll in long-term disability insurance within 60 days of employment or insurance eligibility. The terms are the same as for employees who wish to add/increase during the annual open enrollment. During open enrollment only, an employee may purchase long-term disability coverage that provides benefits of from \$200 to \$5,000 per month, based on the employee's salary, commencing on the 181st calendar day of total disability, and not subject to evidence of insurability but with a limited term pre-existing condition exclusion. Employees should be aware that other wage replacement benefits, as described in the certificate of coverage

## INSURANCE (continued)

(i.e., Social Security Disability, Minnesota State Retirement Disability, etc.), may result in a reduction of the monthly benefit levels. In any event, the minimum is the greater of \$300 or 15 percent of the amount purchased. The minimum benefit will not be reduced by any other wage replacement benefit. In the event that the employee becomes totally disabled before age 70, the premiums on this benefit shall be waived.

**C. Accidental Death and Dismemberment Coverage.** An employee may purchase accidental death and dismemberment coverage that provides principal sum benefits in amounts ranging from \$5,000 to \$100,000. Payment is made only for accidental bodily injury or death and may vary, depending upon the extent of dismemberment. An employee may also purchase from \$5,000 to \$25,000 in coverage for his/her spouse, but not in excess of the amount carried by the employee.

**D. Continuation of Optional Coverages During Unpaid Leave or Layoff.** An employee who takes an unpaid leave of absence or who is laid off may discontinue premium payments on optional policies during the period of leave or at termination. If the employee returns within one year, the employee shall be permitted to pick up all optionals held prior to the leave or termination. For purposes of reinstating such optional coverages, the following limitations shall be applicable.

For the first 24 months of short-term and/or long-term disability coverage after such a period of leave or termination during which short-term or long-term disability coverage was discontinued, any such disability coverage shall exclude coverage for pre-existing conditions. For disability purposes, a pre-existing condition is defined as any disability which is caused by, or results from, any injury, sickness or pregnancy which occurred, was diagnosed, or for which medical care was received during the period of leave or termination. In addition, any pre-existing condition limitations that would have been in effect under the policy but for the discontinuance of coverage shall continue to apply as provided in the policy.

The limitations set forth above do not apply to leaves that qualify under the Caretaker and Medical Leave provisions of this Plan.

## PRE-TAX EXPENSE ACCOUNTS AND DEFERRED COMPENSATION

### I. Pre-Tax Expense and Reimbursement Accounts

**A. Premium Expense Account.** Insurance eligible employees will pay for the employee portion of health and dental premiums on a pre-tax basis as permitted by law or regulation unless the employee signs a waiver.

**B. Health/Dental Expense Account.** Permanent employees will be allowed to participate on a pre-tax basis in a medical and dental expense reimbursement program to cover copayments, deductibles, and other medical and dental expenses or expenses for services not covered by health or dental insurance as permitted by law or regulation, up to a maximum expenditure of \$5,000 per calendar year.

**C. Dependent Care Expense Account.** Permanent employees have the option to participate in a dependent care reimbursement program for work-related dependent care expenses on a pre-tax basis as permitted by law or regulation.

**D. Mass Transit and Parking Expense and Reimbursement Account.** Permanent employees have the option to participate in a pre-tax mass transit expense reimbursement and parking expense account program as permitted by law or regulation.

**II. Deferred Compensation.** Employees may participate in the State of Minnesota Deferred Compensation Plan. The plan is voluntary and allows employees to place a portion of their earnings into a pre-tax deferred investment program. Taxes on money set aside and on earnings are deferred until the time of withdrawal. This allows employees to defer present income for long-term savings to supplement retirement and other benefits.

Once each calendar year, permanent employees may either elect to receive a state-paid contribution to the state deferred compensation program, or elect to convert vacation to deferred compensation.

#### A. State-Paid Contribution To Deferred Compensation

For employees electing the state-paid contribution benefit, payment is as follows:

The employer agrees to provide employees with a state-paid contribution to the deferred compensation program under Minn. Stat. § 352.96. The state-paid contribution shall be in an amount matching the employee's contribution on a dollar-for-dollar basis as permitted by Minn. Stat. § 356.24, not to exceed \$300 per employee each calendar year.

#### B. Conversion of Accumulated Vacation To Deferred Compensation

For employees electing the conversion of accumulated vacation to deferred compensation benefit, payment is as follows:

## PRE-TAX ACCOUNTS (continued)

The employee may convert a portion of the employee's accumulated vacation to a contribution to a deferred compensation plan for which a payroll deduction has been provided. Each employee may convert up to one hour of vacation for each three hours of vacation used in the 12-month period ending with the last full pay period within the previous calendar year. An employee may not convert more than 40 hours each calendar year.

The provision shall not be used in the pay period that contains the first of July. Contributions to deferred compensation plans made through the conversion of vacation hours are subject to all the rules and regulations of the respective plans.

*How can I find out if I am able to retire and what my pension benefits are?*

*Most legislative employees are part of the Minnesota State Retirement System (MSRS). The office is located at MN State Bank Building-Suite 300, 175 W. Lafayette Frontage Road, St. Paul, MN 55107-1425. You may call the office at 651-296-2761 or contact them via their web site at <http://www.mainserver.state.mn.us/msrs/index.htm>*

*I am interested in deferred compensation. Whom shall I contact?*

*Contact NBI/Ochs at 1-877-457-6466.*

## WORKERS' COMPENSATION

**Job-Related Injuries.** An employee incurring an on-the-job injury shall be paid his/her regular rate of pay for the remainder of the scheduled work day without deduction from vacation or sick leave accruals.

An employee who incurs a compensable illness or injury and receives workers' compensation benefits may elect to use accumulated vacation or sick leave, or both, during an absence resulting from an injury or illness for which a claim for workers' compensation is made or while an award of benefits is pending. Such leave may be used on the following basis:

- 1) The employee retains the workers' compensation benefit check and receives payments from sick leave and vacation leave accruals in an amount which will total his/her regular gross pay for the period of time involved provided that the total rate of compensation shall not exceed the regular compensation of the employee (Minn. Stat. § 176.021, subd. 5); or
- 2) The employee retains the workers' compensation benefit check and takes an unpaid workers' compensation leave during the time he/she is unable to work; or
- 3) An employee shall return from workers' compensation leave upon appropriate release from workers' compensation status provided the employee is able to perform the work satisfactorily and safely as determined by competent medical authority.

**Vacation and Sick Leave Accruals.** An employee receiving workers' compensation benefits supplemented by vacation and/or sick leave accruals shall accrue vacation and sick leave for the total number of hours compensated by workers' compensation, sick leave, vacation leave, and regular hours worked. An employee on unpaid workers' compensation leave does not accrue vacation or sick leave.

**Insurance.** For employees who are off the State payroll due to a work-related injury or disability, benefits provided under insurance sections of this Plan shall continue as long as the employee is receiving workers' compensation payments or is using disability leave.

**For all matters involving workers' compensation, the state rules, regulations, and interpretations of statute will apply.**

## ADA/WORKERS' COMPENSATION

Compliance with the Americans With Disabilities Act (ADA) is an obligation of the Legislature, its employees and members. The appointing authority shall consider accommodation requests from individuals who qualify under the ADA and employees returning from workers' compensation leave.

### EXPENSE ALLOWANCES

**General.** The appointing authority may authorize employee expenses for the effective conduct of the legislature's business. Authorization must be granted prior to the incurring of the actual expenses. Employees affected under this Plan are reimbursed for expenses authorized by the appointing authority in accord with the terms of this Plan.

#### **Non-Commercial Transportation Expense.**

**Automobile.** When an employee is required to use the employee's personal automobile to conduct authorized state business, the appointing authority must reimburse the employee at the same rate per mile as the standard mileage rate for business use of an automobile as permitted under the federal income tax at the time the reimbursement request is submitted. Mileage will be calculated on the most direct route according to Transportation Department records. Deviations from the most direct route, such as vicinity driving or departure from the employee's residence, must be shown separately on the employee's daily expense record and reimbursed under the foregoing rate. Toll charges and parking fees actually paid shall be reimbursed. An employee may not be required by the appointing authority to carry automobile insurance coverage beyond that required by law.

When an employee does not report to the office during the day or makes business calls before or after reporting to the office, the allowable mileage is: (1) the lesser of the mileage from the employee's residence to the first stop or from the office to the first stop, (2) all mileage between points visited on state business during the day, and (3) the lesser of the mileage from the last stop to the employee's residence or from the last stop to the office.

**Van or Van-type Vehicle.** Employees who use a specially-equipped personal van or van-type vehicle on official state business are reimbursed for mileage at a rate of 50 cents per mile on the most direct route. In order to qualify for this reimbursement rate, the vehicle must be equipped with a ramp, lift, or other level exchanging device designed to provide access for a wheelchair.

**Motorcycle.** Reimbursement for use of a motorcycle on official state business shall be at a rate of 15 cents per mile on the most direct route.

**EXPENSE ALLOWANCES** (continued)

**Personal Aircraft.** The appointing authority may authorize travel in personal aircraft when it is deemed in the best interest of the state. Mileage reimbursement is at the rate of 45 cents and is based on the shortest route based on direct air mileage between the point of departure and the destination.

**Commercial Transportation.** When an employee is required to use commercial transportation (air, taxi, rental car, etc.) in connection with authorized business of an appointing authority, the employee is reimbursed for the actual expenses of the mode and class of transportation so authorized. Reasonable gratuities may be included in commercial travel costs.

If an employee uses a personal automobile instead of commercial transportation, the employee is reimbursed either mileage, at the rates stated previously, or round trip air fare, whichever is less as determined by the appointing authority.

**Overnight Travel.** Employees in travel status who incur expenses for lodging are allowed actual reasonable costs of lodging and meals while away from their home station, up to the maximums stated below. Employees in travel status in excess of one week without returning home are allowed actual cost not to exceed \$16.00 per week for laundry and dry cleaning for each week after the first week. Employees in travel status may be reimbursed for documented personal telephone charges. The maximum reimbursement for personal telephone calls for each trip shall be the result of multiplying the number of nights away from home by three dollars.

**Meal Allowances.** If the employee is on assignment away from the employee's home station in a travel status, the employee is reimbursed for actual costs of meals (up to the maximum reimbursement) including gratuity. Employees are also reimbursed for meals which are an integral part of conferences and meetings which have been approved in advance by the appointing authority and are consistent with the appointing authority's policies or practices on the payment of Special Expenses.

Maximum reimbursements for meals, including tax and gratuity, are:

	Breakfast	Lunch	Dinner
Within the state:	\$7.00	\$9.00	\$15.00
Outside the state:	\$8.00	\$10.00	\$17.00

Employees who are in travel status for two or more meals are reimbursed for the actual costs of the meals up to the combined maximum amount per day for the reimbursable meals.

Breakfast reimbursements may be claimed only if the employee is on assignment away from

## **EXPENSE ALLOWANCES** (continued)

his/her home station in a travel status overnight or departs from home in an assigned travel status before 6:00 a.m. Dinner reimbursement may be claimed only if the employee is away from his/her home station in a travel status overnight or is required to remain in a travel status until after 7:00 p.m.

**Special Expenses.** When prior approval has been granted by an appointing authority, special expenses, including registration or conference fees, individual annual professional membership dues and professional fees, and tuition for educational classes may be paid.

**Registration or conference fees** may be paid or reimbursed only if the conference or meeting is relevant to the employee's current job and attendance is state business.

**Professional membership dues** and professional fees may be paid only if they are directly related to the employee's current position.

**Educational expenses**, including fees and tuition, may be paid or reimbursed only if:

- (1) the course is related to maintaining or improving performance in current or anticipated job responsibilities of the employee; or
- (2) the education is required by the appointing authority, or applicable professional or licensing group, as a condition for retention of employment.

Educational expenses may not be paid or reimbursed if the education is necessary for the employee:

- (1) to meet the minimum educational requirement for the employee's current position; or
- (2) to qualify for a new job.

**Career Development.** The appointing authority may develop an education program for career development.

**Payment of Expenses.** No expenses (transportation, lodging, meals or registration fees) may be paid to an employee in advance.

## JOB CANDIDATE INTERVIEW AND RELOCATION ALLOWANCES

**Authorization.** The appointing authority may authorize reimbursement to a job candidate for actual expenses incurred in traveling to appear for a job interview. Reimbursement is the same as for employees traveling on legislative business.

When it has been determined by the appointing authority that a position is to be filled by a job candidate who resides fifty miles or more from the state capitol, the cost of moving the job candidate may be paid by the appointing authority.

### **Covered Expenses.**

**Moving and Packing.** The appointing authority may pay the cost of moving and packing the employee's household goods. The employee must obtain no less than two bids for packing and/or moving household goods, and approval must be obtained from the appointing authority prior to any commitment to a mover to either pack or ship the employee's household goods.

**Storage.** The appointing authority may also pay for up to six months of storage of a prospective employee's goods, either at origin or destination, if necessitated by the employee's inability to coordinate the acquisition of a new residence with the departure from the old residence or for other good cause not amounting to a voluntary election to store the goods.

**House Trailer.** The appointing authority may pay for the moving of house trailers if the trailer is the employee's domicile. Reimbursement includes the cost of transporting support blocks, skirts, or other attached fixtures.

**No Coverage for Loss or Damage.** Neither the State of Minnesota nor any of its agencies are responsible for any loss or damage to any of the employee's household goods or personal effects as a result of transfer.

**APPENDIX A**

**LOW-COST HEALTH PLAN BY COUNTY—2000 INSURANCE YEAR**

<b>COUNTY</b>	<b>Low-Cost Health Plan</b>	<b>COUNTY</b>	<b>Low-Cost Health Plan</b>
Aitkin	State Health Plan	Marshall	State Health Plan
Anoka	SHP Select	Martin	State Health Plan
Becker	SHP Select	Meeker	SHP Select
Beltrami	SHP Select	Mille Lacs	PreferredOne
Benton	SHP Select	Morrison	HealthPartners Classic
Big Stone	PreferredOne	Mower	State Health Plan
Blue Earth	SHP Select	Murray	State Health Plan
Brown	PreferredOne	Nicollet	SHP Select
Carlton	First Plan Select	Nobles	State Health Plan
Carver	SHP Select	Norman	SHP Select
Cass	SHP Select	Olmsted	SHP Select
Chippewa	SHP Select	Ottertail	State Health Plan
Chisago	SHP Select	Pennington	SHP Select
Clay	SHP Select	Pine	SHP Select
Clearwater	SHP Select	Pipestone	PreferredOne
Cook	State Health Plan	Polk	SHP Select
Cottonwood	State Health Plan	Pope	SHP Select
Crow Wing	SHP Select	Ramsey	SHP Select
Dakota	SHP Select	Red Lake	SHP Select
Dodge	SHP Select	Redwood	SHP Select
Douglas	PreferredOne	Renville	SHP Select
Faribault	SHP Select	Rice	PreferredOne
Fillmore	SHP Select	Rock	State Health Plan
Freeborn	State Health Plan	Roseau	SHP Select
Goodhue	PreferredOne	St. Louis	SHP Select
Grant	PreferredOne	Scott	SHP Select
Hennepin	SHP Select	Sherburne	SHP Select
Houston	SHP Select	Sibley	PreferredOne
Hubbard	SHP Select	Stearns	SHP Select
Isanti	PreferredOne	Steele	SHP Select
Itasca	First Plan Select	Stevens	PreferredOne
Jackson	PreferredOne	Swift	SHP Select
Kanabec	SHP Select	Todd	SHP Select
Kandiyohi	SHP Select	Traverse	PreferredOne
Kittison	State Health Plan	Wabasha	HealthPartners
Koochiching	SHP Select	Wadena	State Health Plan
Lac Qui Parle	SHP Select	Waseca	SHP Select
Lake	First Plan Select	Washington	SHP Select
Lake of the Woods	SHP Select	Watsonwan	State Health Plan
Le Sueur	SHP Select	Wilkin	SHP Select
Lincoln	PreferredOne	Winona	SHP Select
Lyon	SHP Select	Wright	SHP Select
McLeod	PreferredOne	Yellow Medicine	SHP Select
Mahnomen	SHP Select		

## **APPENDIX B (COBRA)**

**Continuation coverage provides you and your family the opportunity for a temporary extension of existing health, dental and life insurance coverage (at your expense) under certain circumstances when coverage would otherwise end.**

If you lose your insurance coverage under certain circumstances, you and your dependents may have the right to continue:

- health insurance
- dental insurance
- life insurance
- Medical/Dental Expense Account (on an after-tax basis)

Under a federal law known as The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and under Minnesota law, you or your dependents may be entitled to continue these benefits if one of the following “qualifying events” causes you or your dependents to lose coverage under the State Employee Group Insurance Program. (Your dependents may not continue life insurance. Only you, as a state employee, may do so.)

### **Qualifying Events**

- termination of employment (for reasons other than gross misconduct)
- reduction in work hours causing ineligibility for benefits
- divorce or legal separation
- child is no longer eligible as a dependent
- death of an employee

Qualifying events may affect you, your spouse, and/or dependent children. If you or your dependents are affected by one of the previously listed qualifying events, the State of Minnesota (your employer) must allow you to continue coverage. The coverage must be the same as the coverage provided by the state to similarly situated employees or family members. This means that if coverage for similarly situated employees or family members is changed, your coverage will also be changed.

### **Continuing Your Insurance Coverage**

The procedures for continuing coverage depend on the type of qualifying event and who is affected. Except for life insurance, both you and your dependents have insurance continuation rights, so for the remainder of this section the word “you” refers to you (the employee) and your dependents.

In most cases, you have 60 days from the date of the qualifying event to select continuation coverage. If you choose to continue coverage, you must pay the full cost of coverage (plus a two percent administrative fee based on the cost of your premium) from the date coverage would have terminated.

Your Department Designated Insurance Representative (DDIR) is available to help you complete the forms to request continuation coverage. If you decide not to continue coverage, your participation in dental and optional coverages will stop at the end of the payroll period in which the qualifying event occurs; your health coverage will end at the end of the month which includes the termination date of your dental and optional coverages. If there is an appropriate qualifying event, members of your family also have the right to continue health and dental coverage.

Keep in mind the following important points:

- Health, dental, and life insurance must be continued at your own expense. You must pay the full insurance premium (both employee and employer costs) for continuation coverage, plus a two percent administrative fee.
- You need not provide evidence of good health to continue your coverage.
- After your continuation coverage period ends, you may enroll in individual conversion insurance plans for health and life insurance. Conversion coverage may cost more than continuation coverage and may not be identical to your current coverage. You need not provide evidence of good health to convert to an individual plan.
- Continuation coverage cannot be paid through payroll deduction.

### **Length of Continuation Coverage**

This varies depending on what your qualifying event is and who is affected. Although your insurance certificates of coverage are the best source of information, these two general rules apply.

1. For life insurance, the length of continuation coverage is 18 months. Only employees, not dependents, may continue life insurance.
2. For health and dental insurance, you may continue coverage:
  - for up to 18 months for termination of employment or loss of employee insurance eligibility due to a reduction in hours. If another qualifying event occurs during this 18 months (child becomes ineligible as a dependent or you are divorced), the person(s) affected by that event will then be eligible to continue coverage up to the maximum amount of time allotted to a second qualifying event.

- for up to 36 months if your child is no longer eligible as a dependent.
- for divorce, legal separation or death of an employee until a disqualifying event occurs (see next paragraph).

If either you or your dependents are or become disabled within 60 days of the date your employment ends, an extension of continuation benefits may be available.

### **Disqualifying Events**

Your continuation coverage may end sooner than the periods specified if any of the following disqualifying events occur:

- you fail to pay the premiums for your insurance coverage.
- you become covered under another group insurance plan that does not contain an exclusion or limitation for a pre-existing health condition which you or your dependent(s) may have.
- the State of Minnesota discontinues coverage for all of its employees.

If you have any questions about your rights to continue coverage, contact:

- your DDIR, or
- Department of Employee Relations Employee Insurance Division ( 651) 296-2457, (651) 297-7959 TTY

### **Notification**

In the event of your termination of employment or reduction in work hours, your DDIR will notify you of your rights to continue insurance coverage. This notice will include the premium cost required.

For all other events — death, divorce, legal separation, or over-age dependents — you (or your dependents in the event of your death) are responsible for notifying your department insurance representative within 60 days of the qualifying event. *If you do not properly notify your department insurance representative of these changes, you may jeopardize your dependents' rights to continue coverage.*

Your health, dental and life insurance certificates of coverage/summaries of benefits explain in detail your rights and responsibilities under state and federal law. They are your best source of information about continuing your coverage. For more information about continuing your Medical/Dental Expense Account, please ask for a pre-tax benefits packet from your DDIR.

## Caretaker and Medical Leave

Under the Caretaker and Medical Leave benefit, an employee may take up to 12 weeks of unpaid leave and receive the employer contribution for health insurance (see page 22). During this leave you are responsible for paying any part of the insurance premium that would regularly be deducted from your pay. For more information, contact your human resource office.

### Observed Holidays

### Religious Holiday

### INSURANCE

### Amount of Expense

### Contribution Based on Plan

### Contribution

### Contribution

### Medical Coverage

### Employee's Share

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