

Chapter 4 : Benefits

Section 4-1: General

Benefits are a privilege of employment and can be changed or revoked at any time. Benefits are personal to the employee and cannot be assigned to other employees. Benefits are available to regular full-time employees and on a limited basis to regular part-time employees.

Section 4-2: Retirement

The County provides and funds through an agreement with the Virginia Retirement System, a program which provides retirement benefits in addition to Social Security. Participation is mandatory for all regular full-time employees. Employees are fully vested in the program after five (5) years of membership.

Section 4-3: Health Insurance

The County currently offers a health insurance program to its employees. The County shares the cost of selected coverage with the employees at a rate authorized by the Board of Supervisors. The County may at any time modify the cost sharing arrangement, change the available coverage, or eliminate coverage. Employees on leave without pay must pay the full amount (employer and employee share) of the health insurance policy for the months they are on such leave except in the case of approved Family Leave.

Under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events, eligible employees and their covered family members who lose their health benefits have the right to choose to continue group health benefits for limited periods

of time under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA). Qualified individuals are required to pay the entire premium for coverage up to 102 percent of the cost to the plan. Employees who lose coverage due to gross misconduct are not eligible for continuation of such coverage.

Retirees with 15 or more years of continuous service with Gloucester County and at least age 50 may, at the time of retirement from County service, elect to continue coverage under the County's plan until Medicare eligible. When the retiree is eligible for Medicare and enrolls in both Parts A and B, he/she may elect supplemental insurance (medi-gap) offered by the County. A retiree who does not elect within 30 days of their effective retirement date from County service to continue to participate in the County's group health insurance plan does not have a right to re-enter the plan at a later date. If a retiree interrupts his/her continuous participation in the County's group health plan, the retiree's right to coverage is forfeited. A retiree may change coverage level only during open enrollment or if a qualifying event occurs. Upon the death of a retiree, a covered spouse and/or dependent children may continue on the County's plan at their own expense as required by law. The County may share costs with retirees, modify the cost sharing arrangement, change the available coverage, or eliminate coverage.

Section 4-4: Life Insurance

Regular full-time employees are automatically enrolled in a group term life insurance program currently paid in full by the County. Coverage is mandatory and managed by the Virginia Retirement System life insurance agency. Benefits for natural death are equal to the employee's annual salary rounded up to the next

thousand and then doubled; benefits for accidental death are equal to four times the annual salary, rounded up to the next thousand.

The County also provides employee's with an option to purchase additional life and accidental death and dismemberment insurance to supplement the basic group insurance provided by VRS. All active employees currently covered by the VRS group life plan are eligible for this optional plan. Employees may purchase this additional insurance coverage for themselves and for their spouse and children.

Section 4-5: Worker's Compensation

All County employees regardless of their employment category as set forth in Section 2-1 are covered under the Workers' Compensation Act, to the extent required by law, in the event an employee sustains an occupational injury or disease as a result of, or in the course of, work performed for the County. Compensation is paid at the rate specified by the Act and begins when the employee is out of work for more than seven (7) consecutive calendar days.

Section 4-6: Deferred Compensation

The County offers a voluntary deferred compensation option. The County does not make or match contributions. Contributions are made with pre-tax dollars by payroll deduction, which lowers gross pay and thus reduces the annual amount of taxes owed to the IRS. Earnings on contributions grow tax-deferred until withdrawals begin.

Section 4-7: Pre-Tax Withholding

The County offers a plan, under the guidelines of the Internal Revenue Service, which permits employees to purchase qualifying fringe benefits with pre-tax

dollars instead of after tax dollars. The election by employees to voluntarily reduce their gross taxable income results in the employee paying fewer taxes in the area of Federal, State and FICA taxes. Election is made each year during open enrollment.

The County offers the following plans:

- Premium Conversion (Pre-Tax Premiums) allows employees to lower their taxable income by having qualified group insurance premiums deducted from their paycheck before taxes are calculated. The County automatically withholds all qualifying group insurance premiums on a pre-tax basis unless the employee signs a waiver.
- Reimbursement Accounts allow employees to set aside a portion of their pay each pay period on a pre-tax basis for one, or both of these accounts:
 - Medical Reimbursement Account to pay for the out-of-pocket medical, dental, and vision care expenses not covered by health benefits plan.
 - Dependent Care Reimbursement Account to pay expenses for the care of a child, disabled spouse, elderly parent, or other dependents who are physically and mentally incapable of self-care so that the employee (and their spouse) can work or actively seek work.
- Private Insurance Reimbursement Account allows employees to set aside the costs of premiums with a private insurance company on a pre-tax basis.

Section 4-8: Unemployment Benefits

The County provides unemployment benefits as required by Virginia law at no cost to the employee.

Section 4-9: Leave

Leaves of absence for a variety of purposes and reasons are detailed in Chapter 5 of this manual.

Section 4-10: Voluntary Deductions

From time to time the County may offer other optional programs to employees. Participation is voluntary and withholding will be by agreement between the employee and the County. Any such programs may be discontinued by the County at any time.

Section 4-11: Written Benefit Information

Within ten (10) days of being notified by an employee or employee's family member that the employee has a life-threatening health condition, the County will provide in writing, information about relevant benefit options and programs along with appropriate forms, in order for the employee to communicate to the County any election of benefit options the employee may be entitled to as a result of their health condition.