

# Standard Operating Procedure

## Employee Healthcare Benefits Program

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### 1. Purpose

This Standard Operating Procedure outlines the comprehensive healthcare benefits available to eligible employees and their families, including enrollment procedures, coverage options, and program details.

### 2. Eligibility

#### 2.1 Employee Eligibility

- All regular full-time employees working 30+ hours per week
- Benefits begin on the first day of the month following 30 days of employment
- Part-time employees working 20-29 hours per week eligible for limited benefits

#### 2.2 Dependent Eligibility

Eligible dependents include:

- Legal spouse or domestic partner
- Biological, adopted, or step-children up to age 26
- Children over 26 who are permanently disabled (requires documentation)
- Dependent verification required during enrollment

### 3. Medical Insurance Options

#### 3.1 Plan Overview

The company offers three medical plan options through BlueCross BlueShield, allowing employees to choose the coverage that best fits their needs.

#### 3.2 Platinum PPO Plan

Best for: Employees who want comprehensive coverage with minimal out-of-pocket costs

- Annual Deductible: \$500 individual / \$1,000 family
- Out-of-Pocket Maximum: \$3,000 individual / \$6,000 family
- Office Visit Copay: \$20 primary care / \$35 specialist
- Preventive Care: 100% covered, no copay
- Emergency Room: \$150 copay (waived if admitted)
- Prescription Drug Coverage:
  - Generic: \$10 copay
  - Preferred Brand: \$30 copay
  - Non-Preferred Brand: \$60 copay
  - Specialty Medications: 20% coinsurance up to \$200

### **Monthly Premium Contributions (Platinum PPO):**

- Employee Only: \$95
- Employee + Spouse: \$220
- Employee + Child(ren): \$180
- Family: \$310

### **3.3 Gold PPO Plan**

Best for: Employees who want balanced coverage and costs

- Annual Deductible: \$1,500 individual / \$3,000 family
- Out-of-Pocket Maximum: \$5,000 individual / \$10,000 family
- Office Visit Copay: \$30 primary care / \$50 specialist (after deductible)
- Preventive Care: 100% covered, no copay
- Emergency Room: \$250 copay (after deductible)
- Prescription Drug Coverage:
  - Generic: \$15 copay
  - Preferred Brand: \$45 copay
  - Non-Preferred Brand: \$80 copay
  - Specialty Medications: 25% coinsurance up to \$250

### **Monthly Premium Contributions (Gold PPO):**

- Employee Only: \$55
- Employee + Spouse: \$140
- Employee + Child(ren): \$115
- Family: \$210

### **3.4 High Deductible Health Plan (HDHP) with HSA**

Best for: Employees who want lower premiums and tax advantages through a Health Savings Account

- Annual Deductible: \$2,800 individual / \$5,600 family
- Out-of-Pocket Maximum: \$6,000 individual / \$12,000 family
- Office Visits: Subject to deductible, then 20% coinsurance
- Preventive Care: 100% covered, no copay
- Emergency Room: Subject to deductible, then 20% coinsurance
- Prescription Drugs: Subject to deductible, then:

- Generic: 20% coinsurance
- Brand: 30% coinsurance
- Specialty: 40% coinsurance up to \$300

### **Monthly Premium Contributions (HDHP):**

- Employee Only: \$25
- Employee + Spouse: \$75
- Employee + Child(ren): \$65
- Family: \$125

### **Health Savings Account (HSA) - Available with HDHP Only:**

- Tax-advantaged account for medical expenses
- Company contributes:
  - \$1,000 annually for individual coverage
  - \$2,000 annually for family coverage
  - Contribution deposited quarterly (\$250 or \$500 per quarter)
- Employee may contribute additional pre-tax dollars up to IRS limits
- 2026 IRS limits: \$4,300 individual / \$8,550 family
- Funds roll over year to year (no use-it-or-lose-it)
- Account remains with employee if they leave company

## **4. Dental Insurance**

Dental coverage provided through Delta Dental PPO network

### **Coverage Details:**

- Annual Maximum Benefit: \$2,000 per person
- Annual Deductible: \$50 individual / \$150 family
- Preventive Services (cleanings, exams, X-rays): 100% covered, no deductible
- Basic Services (fillings, extractions): 80% covered after deductible
- Major Services (crowns, bridges, dentures): 50% covered after deductible
- Orthodontia: 50% covered, \$1,500 lifetime maximum

### **Monthly Premium Contributions:**

- Employee Only: \$15
- Employee + Spouse: \$30
- Employee + Child(ren): \$35
- Family: \$50

## **5. Vision Insurance**

Vision coverage provided through VSP Vision Care

### **Coverage Details:**

- Eye Exam: Covered in full every 12 months, \$10 copay
- Lenses: Covered in full every 12 months, \$25 copay

- Frames: \$150 allowance every 24 months, 20% discount on amount over allowance
- Contact Lenses: \$150 allowance (in lieu of glasses) every 12 months
- Laser Vision Correction: Average 15% discount off regular price

### **Monthly Premium Contributions:**

- Employee Only: \$8
- Employee + Spouse: \$16
- Employee + Child(ren): \$18
- Family: \$25

## **6. Additional Health and Wellness Benefits**

### **6.1 Employee Assistance Program (EAP)**

- Confidential counseling services at no cost to employees
- Coverage includes:
  - Mental health counseling (up to 6 sessions per issue)
  - Financial and legal consultations
  - Work-life balance resources
  - Substance abuse support
  - 24/7 crisis hotline
- Available to all employees and household members

### **6.2 Wellness Program**

- Annual health screening at no cost (biometric screening, health assessment)
- Gym membership reimbursement: up to \$30 per month
- Weight management program
- Smoking cessation program with free nicotine replacement therapy
- Wellness challenges with prizes (step challenges, healthy eating, etc.)
- On-site flu shots provided annually
- Lunch and Learn sessions on health topics

### **6.3 Flexible Spending Accounts (FSA)**

Available to employees enrolled in Platinum or Gold PPO plans:

- Healthcare FSA:
  - Contribute up to \$3,200 annually (2026 IRS limit)
  - Use for eligible medical expenses not covered by insurance
  - \$640 may be carried over to following year
  - Pre-tax payroll deductions
- Dependent Care FSA:
  - Contribute up to \$5,000 annually
  - Use for childcare or elder care expenses
  - Must use funds within plan year (no rollover)
  - Pre-tax payroll deductions

## **7. Life and Disability Insurance**

## **7.1 Basic Life Insurance**

- Company-paid benefit for all eligible employees
- Coverage amount: 1x annual salary (up to \$150,000)
- Accidental Death and Dismemberment (AD&D) included at same amount
- No cost to employee

## **7.2 Supplemental Life Insurance**

- Optional coverage available for purchase
- Employee Supplemental:
  - Coverage up to 5x annual salary (maximum \$500,000)
  - Guaranteed issue up to \$150,000 (no medical questions)
  - Amounts over \$150,000 require medical underwriting
- Spouse/Partner Coverage:
  - Up to \$250,000 coverage available
  - Guaranteed issue up to \$30,000
- Child Coverage:
  - \$10,000 coverage per child
  - Covers all eligible children for one premium

## **7.3 Short-Term Disability (STD)**

- Company-paid benefit for all eligible employees
- Coverage: 60% of weekly earnings
- Maximum weekly benefit: \$1,500
- Waiting period: 7 days for illness, 0 days for accident
- Benefit duration: Up to 26 weeks

## **7.4 Long-Term Disability (LTD)**

- Company-paid benefit for all eligible employees
- Coverage: 60% of monthly earnings
- Maximum monthly benefit: \$10,000
- Waiting period: 90 days
- Benefit duration: To age 65 or Social Security Normal Retirement Age

## **8. Enrollment Procedures**

### **8.1 New Hire Enrollment**

- Benefits orientation conducted on first day of employment
- Enrollment must be completed within 30 days of hire date
- Coverage effective first of month following 30 days of employment
- Failure to enroll within 30 days requires waiting until next open enrollment
- Enrollment completed online through benefits portal

### **8.2 Annual Open Enrollment**

- Held each year in November for January 1 effective date
- All employees may add, drop, or change coverage
- Open enrollment period: 3 weeks

- If no changes made, current elections continue to next year
- Benefits team available for one-on-one consultations

### **8.3 Qualifying Life Events (QLE)**

Employees may change benefits outside open enrollment due to qualifying events:

- Marriage or divorce
- Birth or adoption of child
- Loss of other coverage
- Death of spouse or dependent
- Change in employment status (full-time to part-time or vice versa)
- Significant change in spouse's employment status
- Changes must be reported to HR within 30 days of event
- Documentation required for all qualifying events

## **9. COBRA Continuation Coverage**

- Available when employment ends or hours reduced below eligibility threshold
- Allows continuation of medical, dental, and vision coverage for limited time
- Duration:
  - 18 months for termination or reduction in hours
  - 36 months for certain other qualifying events
- Employee pays full premium plus 2% administrative fee
- COBRA notice provided within 14 days of qualifying event
- Employee has 60 days to elect COBRA coverage

## **10. Claims and Appeals**

- File claims directly with insurance carriers (contact information on ID cards)
- Explanation of Benefits (EOB) sent for each claim processed
- If claim denied, employee may file appeal with carrier within timeframe specified in denial
- HR available to assist with claim questions or appeals process
- Contact HR benefits coordinator for complex issues or assistance

## **11. Resources and Support**

- Benefits Help Desk: [benefitshelp@company.com](mailto:benefitshelp@company.com) or extension 2400
- Benefits portal: [www.company.com/benefits](http://www.company.com/benefits) (access with employee ID)
- Insurance carrier contact information available on benefits portal
- Provider directories available online through carrier websites
- Benefits coordinator available for appointments Monday-Friday, 9 AM - 4 PM
- Annual benefits fair held during open enrollment period

## **12. Important Notices**

- All benefits subject to terms and conditions of insurance policies and plan documents
- Company reserves right to modify, amend, or terminate benefits at any time

- This document is a summary only; official plan documents govern in case of discrepancy
- Employees should review Summary Plan Descriptions (SPDs) for complete details
- Premium contributions and coverage details subject to change annually