

BP 7381 HEALTH AND WELFARE BENEFITS

References:

Government Code Sections 53200 et seq.

❖ **From the current CLPCCD Policy 4030 titled Group Medical, Health, and Other Insurance Plans**

The Board of Trustees may ~~provide~~ contribute to eligible employees' health, dental, vision care, life, salary income protection and other authorized group insurance plans. For bargaining unit members, this is a negotiable item.

❖ **From the current CLPCCD Policy 4031 titled Fringe Benefits Upon Death of Employee**

Upon the death of an employee, the District will provide continuance of health, dental and vision coverage for eligible enrolled dependents to the end of the month following 120 ~~90~~ days from the date of death. After this period of time, the surviving spouse or domestic partner may continue the District's health, dental, and vision coverage with advance payments as determined by the District, and acceptance of the insurance carrier.

Information on health and welfare benefits for represented employees can be found in the respective employee collective bargaining agreement.

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**NOTE:** The language in **black ink** is current CLPCCD Policy 4030 titled Group Medical, Health, and Other Insurance Plans adopted on March 19, 1996 and current CLPCCD Policy 4031 titled Fringe Benefits Upon Death of Employee adopted on January 15, 2002. The language in green ink was added on September 24, 2013 by Kit, David, and Lydia and again on October 7, 2013. The language in blue ink was edited by David on December 5, 2014.

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**Date Adopted:**

(Replaces current CLPCCD Policies 4030 and 4031)

## Legal Citations for BP 7381

### GOVERNMENT CODE SECTIONS 53200-53210

**53200.** As used in this article:

(a) "Local agency" means a county, city, school district, district, municipal corporation, political subdivision, public corporation, or other public agency of the state.

(b) "Group life insurance" and "group policies of life insurance" includes "group annuities", and "group annuity contracts."

(c) "Legislative body" means the board of supervisors of a county or city, or the governing board, by whatever name called, of a school district, district, municipal corporation, political subdivision, public corporation, or other public agency of the state.

(d) "Health and welfare benefit" means any one or more of the following: hospital, medical, surgical, disability, legal expense or related benefits including, but not limited to, medical, dental, life, legal expense, and income protection insurance or benefits, whether provided on an insurance or a service basis, and includes group life insurance as defined in subdivision (b) of this section.

(e) "Employees" or "officers and employees" mean all employees and officers, including members of the legislative body, who are eligible under the terms of any plan of health and welfare benefits adopted by a local agency pursuant to this article.

**53200.1.** For the purposes of this article, employees employed by the county superintendent of schools and whose salaries are paid from the county school service fund are county employees. The employer's contribution for such employees is a proper charge against the county school service fund.

**53200.2.** For the purposes of this article, school district employees whose salaries are paid through the county school service fund, pursuant to the provisions of Section 13843 of the Education Code, are county employees. The employer's contribution for such employees shall be paid through the county school service fund in the same manner as the salaries of such employees.

**53200.3.** For the limited purpose of the application of this article, judges of the superior and municipal courts and the officers and attaches of said courts whose salaries are paid either in whole or in part from the salary fund of the county are county employees and shall be subject to the same or similar obligations and be granted the same or similar employee benefits as are now required or granted to employees of the county in which the court of said judge, officer, or attache is located.

**53200.4.** Employees of a district may be treated as county employees for purposes of this article subject to approval of the district's governing board and the county board of supervisors.

The board of supervisors may impose as a condition to that

approval a charge to cover the added costs to the county of administering the inclusion of the district's employees in the county program.

**53200.5.** Employees of an agency or entity created for the joint exercise of powers pursuant to the provisions of Chapter 5 (commencing with Section 6500) of Division 7 of Title 1, are county employees for purposes of this article when the county is a party to the joint exercise of powers agreement, subject to the approval of the board of supervisors and the governing body of the joint powers agency or entity.

53201. (a) The legislative body of a local agency, subject to conditions as may be established by it, may provide for any health and welfare benefits for the benefit of its officers, employees, retired employees, and retired members of the legislative body, as provided in subdivision (b), who elect to accept the benefits and who authorize the local agency to deduct the premiums, dues, or other charges from their compensation, to the extent that the charges are not covered by payments from funds under the jurisdiction of the local agency as permitted by Section 53205.

(b) The legislative body of a local agency may also provide for the continuation of any health and welfare benefits for the benefit of former elective members of the legislative body who (1) served in office after January 1, 1981, and whose total service at the time of termination is not less than 12 years, or (2) have completed one or more terms of office, but less than 12 years, and who agree to and do pay the full costs of the health and welfare benefits.

(c) (1) Notwithstanding any other provision of law, a legislative body of a local agency that provided benefits pursuant to subdivision (b) to former elective members of the legislative body January 1, 1995, shall not provide those benefits to any person first elected to a term of office that begins on or after January 1, 1995, unless the recipient participates on a self-pay basis, as provided in subdivision (b).

(2) A legislative body of a local agency that did not provide benefits pursuant to subdivision (b) to former elective members of the legislative body before January 1, 1994, shall not provide those benefits to former elective members of the legislative body after January 1, 1994, unless the recipients participate on a self-pay basis.

(3) A legislative body of a local agency that provided benefits pursuant to subdivision (b) to former elective members of the legislative body before January 1, 1994, may continue to provide those benefits to those members who received those benefits before January 1, 1994.

(d) The legislative body of a local agency that is a local hospital district may provide for any health and welfare benefits for the benefit of (1) members of its medical staff, employees of the medical staff members, and the dependents of both groups on a self-pay basis; and (2) employees of any entity owned, managed, controlled, or similarly affiliated with, the legislative body of the local hospital district, and their dependents, on a self-pay basis.

(e) The provisions of this section are severable. If any provision of this section or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

53202. In providing health and welfare benefits the local agency

may approve plans of their officers and employees or may contract with one or more admitted insurers, health service organizations, or legal service organizations for such plan or plans of health and welfare benefits as the local agency shall determine to be in the best interests of the local agency and the officers and employees electing to accept the benefits. Approval of or application for such benefits may be made by the local agency upon its own motion or with the consent of the legislative body after considering the preference of the employees of the agency, and two or more alternative plans of health and welfare benefits may be offered to the employees if the local agency determines that such action is desirable.

53202.1. In approving a plan or plans of health and welfare benefits, the local agency may approve policies of life, health, legal expense, and accident insurance, or any of them, from an admitted insurer or from a nonprofit membership corporation, as defined in Section 1157, wherein a bona fide association, as defined in Section 1157.1, is the policyholder or contract holder, for the benefit of the agency and the officers and employees authorizing the purchase.

53202.2. When a policy is approved or adopted and carried into effect the local agency may prescribe such rules, regulations and procedures as may properly implement the system, to provide for its administration and to advise its officers and employees of the terms and provisions of the system or systems as approved or adopted and carried into effect.

53202.25. When in the possession of the local agency, applications, claims and all individual records of persons entitled to benefits from any policies or plans established pursuant to this article shall be confidential and shall not be disclosed to anyone except to the extent expressly authorized in such application, claims, policies or plans or insofar as it may be necessary for the administration of this article, the policy or plan, or other policies or plans affecting a person covered under the policy or plan, or upon order of a court of competent jurisdiction.

53202.3. All plans, policies or other documents used to effectuate the purposes of this article shall provide benefits for large numbers of employees. No plan or policy may be approved pursuant to this article unless its issuance or the payment of benefits thereunder is otherwise lawful in this State. This article does not authorize the issuance of any group policy or the representation of any insurance benefits as group insurance unless the policy concerning which the representation is made is designated as a group policy by the applicable provisions of the Insurance **Code**.

53205. From funds under its jurisdiction, the legislative body may authorize payment of all, or such portion as it may elect, of the premiums, dues, or other charges for health and welfare benefits of officers, employees, retired employees, former elective members specified in subdivision (b) of Section 53201, and retired members of

the legislative body subject to its jurisdiction.

Those expenditures are charges against the funds. If the employer pays any portion of the premiums, dues, or other charges for the health and welfare benefits, any dividends paid or premiums refunded or other rebates or refunds under any of those health and welfare benefits up to the aggregate expenditures of the employer for the benefits are the employer's property. The excess, if any, shall be applied by the employer for the benefit of the employees or their dependents generally.

53205.1. (a) From funds under its jurisdiction, the legislative body may authorize payment of all or any portion as it may elect of the premiums, dues, or other charges for health and welfare benefits on the spouse and dependent children under the age of 21, dependent children under the age of 25 who are full-time students at a college or university, and dependent children regardless of age who are physically or mentally incapacitated, of those officers and employees, including retired officers and employees, subject to the jurisdiction and for whom those health and welfare benefits have been provided.

(b) Those expenditures are charges against the funds. If the employer pays any portion of the premiums for that insurance, any dividend paid or premiums refunded under any such insurance up to the aggregate expenditures of the employer for that insurance are the employer's property. The excess, if any, shall be applied by the employer for the benefit of insured employees or their dependents generally.

53205.16. It is the intention of the Legislature to allow legislative bodies to validate or approve any prior, existing, or future payments or claims resulting from insurance or health benefits or health and welfare given their officers and employees and their dependents.

The purpose of the amendments to Sections **53200** and 53205.1 enacted at the 1972 Regular Session and the 1973-74 Regular Session of the Legislature is to make it clear that the Legislature intended that legislative bodies be able to pay for insurance or health benefits or health and welfare benefits including, but not limited to, medical, dental, life, legal expense, and income protection insurance or benefits, for their officers and employees and their dependents under the provisions of Sections 53205 and 53205.1.

53205.2. In granting the approval specified in Sections 53202 and 53202.1 the local agency or governing board shall give preference to such health benefit plans as do not terminate upon retirement of the employees affected, and which provide the same benefits for retired personnel as for active personnel at no increase in costs to the retired person, provided that the local agency or governing board makes a contribution of at least five dollars (\$5) per month toward the cost of providing a health benefits plan for the employee or the employee and the dependent members of his family. In the case of retired personnel who receive retirement benefits under the State Employees' Retirement System, the health benefits coverage provided for annuitants by a health benefits plan under the Meyers-Geddes State Employees' Medical and Hospital Care Act shall satisfy the requirements of this section.

53205.3. School districts and community college districts may join with other school districts or community college districts, or any combination of those districts, in providing for the payment of health and welfare benefits by entering into a pooling arrangement under a joint exercise of powers agreement or on a self-insured or self-funded basis or partly by means of self-insurance or self-funding and partly by means of insurance or service agreements as herein described. Any such arrangement, otherwise valid under this section, as amended by the Statutes of 1982, which was entered into prior to, and is in effect on the effective date of such amendments to this section, is hereby validated and confirmed.

53205.5. Subject to any applicable limitations of Section 53205 the legislative body may authorize payments to the trustees of a fund established to procure insurance pursuant to Insurance **Code** Sections 10202.8 or 10270.5 (a) (4) and may deduct from the employees' compensation amounts for payment to such trustees; provided, that such payments and such deductions must be the same as payments made by other employers for their employees and payments made by the employees of such other employers, respectively to the trustees of said trust fund. Subject to the trust agreement, the local agency may receive from the trustees a return of payments up to the aggregate expenditures of the local agency. The excess, if any, shall remain in the fund for the benefit of all of the beneficiaries of the trust or their dependents generally.

53206. Any law prohibiting, restricting, or limiting the assignment of or order for wages or salary does not prohibit, restrict, or limit the powers conferred in this article nor the power of officers or employees to authorize and approve payment of charges for health and welfare benefits.

The local agency may pay amounts derived from pay roll deductions permitted by Section 53202 of the **Government Code** and amounts derived from employer contributions pursuant to Section 53205 of the **Government Code** directly to the contracting insurers or service organizations, or to the trustees of a fund established to procure health and welfare benefits, or to such other recipients as the contracting insurers, service organizations, and the local agency may designate.

53207. This article does not require an officer or employee of a local agency to accept or join in any plan of health and welfare benefits or to authorize deductions from their wages or salaries for any portion of the costs thereof.

53208. Notwithstanding any statutory limitation upon compensation or statutory restriction relating to interest in contracts entered into by any local agency, any member of a legislative body may participate in any plan of health and welfare benefits permitted by this article.

53208.5. (a) It is the intent of the Legislature in enacting this

section, to provide a uniform limit on the health and welfare benefits for the members of the legislative bodies of all political subdivisions of the state, including charter cities and charter counties. The Legislature finds and declares that uneven, conflicting, and inconsistent health and welfare benefits for legislative bodies distort the statewide system of intergovernmental finance. The Legislature further finds and declares that the inequities caused by these problems extend beyond the boundaries of individual public agencies.

Therefore, the Legislature finds and declares that these problems are not merely municipal affairs or matters of local interest and that they are truly matters of statewide concern that require the direct attention of the state **government**. In providing a uniform limit on the health and welfare benefits for the legislative bodies of all political subdivisions of the state, the Legislature has provided a solution to a statewide problem that is greater than local in its effect.

(b) Notwithstanding any other provision of law, the health and welfare benefits of any member of a legislative body of any city, including a charter city, county, including a charter county, city and county, special district, school district, or any other political subdivision of the state shall be no greater than that received by nonsafety employees of that public agency. In the case of agencies with different benefit structures, the benefits of members of the legislative body shall not be greater than the most generous schedule of benefits being received by any category of nonsafety employees.

(c) Notwithstanding any other provision of law, members of the legislative body of a city, including a charter city, county, including a charter county, city and county, special district, school district, or any other political subdivision of the state shall not be eligible to accrue multiple health and welfare benefits greater than the most generous schedule of benefits being received by any category of nonsafety employees from two or more public agencies for concurrent service except in the case of a member who serves as a regular full-time employee in a separate public agency.

(d) This section shall be applicable to any member of a legislative body whose first service commences on and after January 1, 1995.

53209. Amendments made in this article by the Legislature at the 1957 Regular Session, including, but not limited to, the repeal of **Government Code** Sections 53203 and 53204, are intended to enlarge the classification of service-type organizations eligible for pay roll deductions and employer contributions hereunder, to liberalize restrictions on the extent of employer contributions permitted, and to broaden the classes of employees eligible for benefits hereunder, and no change effected in this article by the Legislature at the 1957 Regular Session shall be construed to alter or affect the legal status or eligibility of any organization heretofore eligible for pay roll deductions or employer contributions hereunder.

53210. The legislative body of a county may authorize payment from funds under its jurisdiction of all or such portion as it may elect of the premiums or other charges for hospital, medical, surgical, disability, death benefits, or related benefits whether provided on

an insurance or a service basis for persons who on a voluntary basis and without compensation perform services on behalf of any county department or district of which the board of supervisors is the governing body.

Any dividends paid, premiums refunded or other rebates or refunds received under insurance or other benefits provided pursuant to this section shall be the property of the county.