



CHESAPEAKE

MEDICAL STAFFING

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CMS Benefits Policy

This paper outlines the health-care benefits (Medical, Dental and Vision) available to Eligible Employees. If there is a conflict between this paper and the Summary Plan Description, the terms of the Summary Plan Description control.

IMPORTANT TERMS

Employee Classifications

Full-Time Employee: A Full-Time Employee is one who works, or is expected to work, 30 or more hours per week. Generally, an employee with a long-term staffing assignment with expected hours per week of 30 or more is a full-time employee. A long-term staffing assignment is one expected to last 4 weeks or more.

Part-Time Employee: A Part-Time Employee is one who does not have a confirmed long-term staffing assignment, or an employee who has a confirmed long-term staffing assignment, but the expected number of hours worked per week during that long-term staffing assignment is fewer than 30 hours per week.

Variable Hour Employee: A Variable-Hour Employee is one who at the time of hire, CMS cannot determine whether the employee is reasonably expected to work an average of at least 30-hours a week during an initial measurement period because the employee's hours are variable or uncertain.

Staffing Assignments

Full-Time Long-Term Staffing Assignment is an assignment expected to last 4 or more weeks with an assigned work schedule of 30 or more hours per week.

Part-Time Long-Term Staffing Assignment is an assignment expected to last 4 or more weeks with an assigned work schedule of less than 30 hours per week.

Eligible Employee

Generally, Full-Time CMS employees are eligible for health-care benefits with CMS and Part-time CMS employees are not eligible for health-care benefits with CMS.

If, during a 12 month measurement period, an employee works 30 hours or more per week (or 130 hours per month) on average, then that employee becomes eligible for health care coverage (i.e., is treated as an FTE) during a subsequent 12-month coverage period, called a "stability" period. At the end of the measurement period, CMS will calculate the hours during the

measurement period and notify employees of their status as an Eligible Employee and provide a 30-day opportunity to elect coverage.

The measurement periods vary for ongoing employees (standard periods) versus newly hired employees (initial periods).

Any employee covered by a collective bargaining agreement, is a leased employee, or is a non-resident alien who received no U.S. earned income is not eligible for health-care benefits.

Eligibility Date – is the date you become an Eligible Employee. Typically, this is your date of hire as a full-time employee or the date of status change from part-time to full-time or from variable hour to “full-time benefits eligible.”

Example: An individual is hired to begin work on January 15 at a long-term staffing assignment with the expected number of hours per week to be over 30. The employee is an Eligible Employee and the Eligibility Date is January 15.

An individual is hired on January 15, 2016 as a variable hour employee and works on average 30 or more hours per/week during the 12 month measurement period. The Eligibility Date is February 1, 2017.

When must an Eligible Employee Enroll in Benefits?

Enrollment in benefits is not automatic. An Eligible Employee must enroll for benefits by the Enrollment Due Date which is within 30 days of the Eligibility Date.

Once you have submitted your benefit elections, or after your enrollment deadline has passed, you are not able to change your election until the next Open Enrollment period, unless you experience a Qualified Change of Status that impacts benefits.

Qualified Change of Status- A Qualified Change of Status may be related to your marital status, number or status of dependents, employment status or work schedule, residence or work site, Medicare/Medicaid eligibility, or a domestic relations order. These events are defined by Section 125 of the Internal Revenue Code, based on individual circumstances and plan eligibility. These events may not apply to every benefit plan offered by CMS. Strict time limits apply if you want to change your benefits because of a Qualified Change of Status. The Summary Plan Description provides the details. You should notify the benefits department immediately if you experience a Qualified Change of Status.

When do Benefits Become Effective?

Effective Date – The Effective Date is the date benefits begin. If you complete the enrollment forms by the Enrollment Due Date, Benefits become effective the first day of the calendar month coincident with or next following 30 days after the Eligibility Date.

For example, if your Eligibility Date is January 5, 30 days later is February 4, and your benefits become effective on the first day of the next calendar month - March 1.

What is the Cost for Benefits?

Please review the enclosed benefits information packet to determine the cost of benefits.

How do Employees Enroll in Benefits?

Employees enroll in benefits via the KTBS web portal.

How do Employees pay for Benefits?

Employees must make payments in advance for insurance coverage. CMS will deduct the benefit cost from the employee's payroll each week to cover the next month's benefit's cost. Generally, the first payroll deduction will occur during the payroll cycle that includes the first of the calendar month before your Effective Date. For example, if your Eligibility Date is January 4, your Election Date is no later than February 5. You will pay for benefits during the month of February, and your benefits would be effective on March 1.

Note: If your Election Date is at the end of the month, and you do not have a pay date scheduled before your benefits become effective, the entire cost of benefits will be deducted from your first pay date. Similarly, if you only have one or two pay dates before your Effective Date, the cost of the entire first month's benefit will be divided between the limited number of pay dates to ensure benefits are fully paid before the effective date. Although not required, an early election of benefits permits you to "spread out" the cost of the first month's premium payment.

When do Employees with a Long-Term Staffing Assignment Change from Full Time to Part Time?

To remain in a Full-Time status, employees with a Full-Time Long-Term Staffing Assignment must confirm a new Full-Time Long-Term Staffing Assignment prior to the last day of the calendar month in which his or her current Full-Time Long-Term Staffing Assignment is scheduled to end.

Employees who do not confirm a new Full-Time Long-Term Staffing Assignment prior to the last day of the calendar month in which his or her current Full-Time Long-Term Staffing Assignment is scheduled to end will be changed to Part Time status. If the Employee's status is changed to Part Time, the Employee's health benefits will be terminated at the end of the calendar month in which his or her current Full-Time Long-Term Staffing Assignment is scheduled to end.

Part Time employees will be changed to Full Time employees when the employee begins a Full-Time Long-Term Staffing Assignment.

What happens if my employment is terminated or if my employment is terminated and I am rehired?

- If you terminate employment, your benefits will end at the end of the calendar month coincident with the Termination of Employment.
- If you terminate employment and are rehired within 30-days of Termination, your benefits will automatically be reinstated to those elected prior to termination.
- If you terminate employment and are rehired more than 30-days after termination, you must make new benefit elections.

When Do I Receive a Refund of Prepayment if My Benefits are Terminated?

If benefits are terminated and the employee has already made a payment, CMS will issue a refund to the employee. This refund will be issued within 15 business days following the last effective date of benefits.