

MIDDLETOWN AREA SCHOOL DISTRICT

SECTION: OPERATIONS
 TITLE: OTHER INSURANCE
 ADOPTED: October 14, 1991
 REVISED:

813. OTHER INSURANCE	
1. Purpose	Proper school district operations requires that adequate basic insurance programs be provided for the protection of the district and employees of the district.
2. Authority	<p>The Board has the authority and responsibility to provide adequate insurance coverage to protect the district's interests.</p> <p>In placing insurance the Board shall be guided by the service of an insurance agent and carrier, scope of coverage provided by the policy, price of desired coverage, and assurance of coverage.</p>
3. Guidelines	<p>Such coverage shall be in accordance with the following guidelines:</p> <p><u>Liability Insurance</u></p> <p>Liability Insurance for the district shall include coverage for liability as a result of general liability, acts of employees, corporal punishment, disputes with contractors, landlord and tenant difficulties, incidental malpractice, and errors and omission.</p> <p><u>Travel Accident Insurance</u></p> <p>Travel Accident Insurance shall include coverage for Board members and administrators while in the performance of their duties.</p> <p><u>Health Care Insurance</u></p> <p>Health Care Insurance shall include coverage for hospital care, medical-surgical treatment, major medical expenses, dental care, vision care, and mail order drug program for regularly employed persons.</p> <p><u>Group Life Insurance</u></p> <p>Group Life Insurance shall include coverage for regularly employed persons but shall be only ordinary group life.</p>

In the event of a qualifying event to the employee, as described below, the employer has thirty (30) days to notify the plan administrator of the termination, reduction in hours, or death of the employee. This terminates his/her insurance under the plan. The administrator, once notified, has fourteen (14) days to notify the employee of this right to continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). In the event of a qualifying event to a dependent, the employer has fourteen (14) days to notify the dependent of his/her rights to continue coverage after s/he is advised by the employee or dependent that the event has occurred.

<u>Qualifying Event</u>	<u>Duration of Continuance of Coverage</u>
Termination of employment (except for gross misconduct)	Up to 18 months
Reduction of the employee's hours which results in loss of coverage	Up to 18 months
Death of an employee	Up to 36 months
Divorce	Up to 36 months
Loss of dependent coverage because employee becomes entitled to Medicare benefits	Up to 36 months
Dependent child no longer meets definition of an eligible dependent	Up to 36 months

Terminated employees as outlined above are responsible for the gross rate of premiums charged with an additional two percent (2%) charged for the additional corporate administrative cost.