

	TOWN OF PARADISE VALLEY Administrative Policy	
	Title: INSURANCE BENEFITS	Policy No. AP-09.1
Policy Owner: Gina Monger, Human Resources Director		
Approved By: Andrew Ching, Town Manager		Effective Date: 07/01/2024
Authorized By: <i>Chapter 9: Insurance Benefits, Town Employee Handbook</i>	Revision History: None	

1. PURPOSE

This policy will provide further guidance for the administration of the provisions as authorized by *Chapter 9: Insurance Benefits* of the *Town of Paradise Valley* (hereinafter referred to as the "Town") *Employee Handbook*.

2. HEALTHCARE AND LIFE INSURANCES

- 2.1. The Town provides group insurance for medical (which also includes vision and prescription benefits), dental, term-life, accidental death and dismemberment (AD&D), and short- and long-term disability insurances.
- 2.2. Provisions for each insurance plan are determined by the prevailing plan document and the group insurance contracts. The Town may elect to join a benefits consortium and employ a third party to administer the benefits.

2.2.1. High-Deductible Healthcare Plan Incentives

- 2.2.1.1. In addition to a preferred provider plan (PPO), the Town offers a high-deductible healthcare plan (HDHP) as part of its overall comprehensive benefits package.
- 2.2.1.2. Employees who elect to enroll in the HDHP will receive deferred compensation (457) contributions from the Town, as incentive pay, for each pay period of active HDHP enrollment. Town 457 contributions are based upon the employee's HDHP plan enrollment, as follows:
 - 2.2.1.2.1. Employee only: \$40.39 per pay period/\$1,050 annually
 - 2.2.1.2.2. Employee plus dependents (spouse and/or children): \$54.62 per pay period/\$1,420 annually

2.2.2. Life Insurance and Accidental Death and Dismemberment Insurance

The Town will provide one times an employee's annual salary each for term life and AD&D coverage for the employee only. The employee may elect supplemental coverage for the employee, spouse, and/or child(ren) at 100% of the cost paid by the employee.

3. ELIGIBILITY

- 3.1. Unless specified otherwise in this policy, employees are eligible for benefits based on their employment status and scheduled hours of work per week.
- 3.2. Employees scheduled to work 30 or more hours per week, or an alternate schedule that equals 60 hours or more in each pay period, are eligible for the group insurance benefits outlined in this policy.
- 3.3. Temporary employees are not eligible for benefits provided in this policy except as required by statute.

3.4. Benefits, except disability, begin on the first of the month following the eligible employee's date of hire or effective date off their appointment into a qualifying position/status change.

4. PREMIUMS

4.1. Premiums for medical, dental, and vision insurance plans are established and included as *Appendix A*.

4.2. Medical and Dental Insurance

4.2.1. For each plan, the Town will contribute to the premiums for medical and dental insurances as follows:

4.2.1.1. 100% of the employee only coverage.

4.2.1.2. 90% of the premiums for the employee and spouse coverage.

4.2.1.3. 90% of the premiums for the employee and child(ren) coverage.

4.2.1.4. 85% of the premiums for the employee and family [spouse and child(ren)] coverage.

4.2.2. Employees are responsible for any remaining premium contributions due.

4.3. Vision

Vision is optional coverage that is 100% paid by the employee.

5. OPEN ENROLLMENT

5.1. Human Resources will designate a period of open enrollment prior to the beginning of the upcoming fiscal year to allow employees to make changes to their healthcare and life insurance benefits.

5.2. All changes made during open enrollment will be effective on July 1st of the upcoming fiscal year.

6. DISABILITY INSURANCE

6.1. Short-Term Disability Insurance

Subject to *Section 3. Eligibility*, employees under the Arizona State Retirement System (ASRS) are eligible for short-term disability insurance benefits on the first day of the calendar month after completing 90 consecutive calendar days of employment.

6.2. Long-Term Disability Insurance

6.2.1. The ASRS provides long-term disability benefits. The waiting period is six months from the start of the disability, or as otherwise established by law.

6.2.2. Subject to *Section 3. Eligibility*, sworn employees covered by Public Safety Retirement System (PSPRS) are eligible for long-term disability insurance on the first day of the calendar month after completing 90 consecutive calendar days of employment.

7. REFERENCE

Appendix A: FY2025 Healthcare Premiums



TOWN OF PARADISE VALLEY
Administrative Policy

Title:
INSURANCE BENEFITS

Policy No.
AP-06.1

Appendix A: FY2025 Healthcare Premiums

Revision History:
None

Effective Date:
07/01/2024

EXCLUSIVE PROVIDER ORGANIZATION (EPO)	Total Monthly	Town Contribution	Employee Contribution	Town Monthly	Employee Monthly	Employee 24 Pay Periods
Employee Only	\$659.84	100%	0%	\$659.84	\$0.00	\$0.00
Employee + Child(ren)	\$1,215.64	90%	10%	\$1,094.08	\$121.56	\$60.78
Employee + Spouse	\$1,321.37	90%	10%	\$1,189.23	\$132.14	\$66.07
Employee + Family	\$1,797.13	85%	15%	\$1,527.56	\$269.57	\$134.78

HIGH-DEDUCTIBLE HEALTH PLAN (HDHP)	Total Monthly	Town Contribution	Employee Contribution	Town Monthly	Employee Monthly	Employee 24 Pay Periods
Employee Only	\$577.24	100%	0%	\$577.24	\$0.00	\$0.00
Employee + Child(ren)	\$1,044.68	90%	10%	\$940.21	\$104.47	\$52.23
Employee + Spouse	\$1,135.46	90%	10%	\$993.83	\$141.63	\$70.82
Employee + Family	\$1,543.86	85%	15%	\$1,299.98	\$243.88	\$121.94

HDHP - HEALTH SAVINGS ACCOUNT (HSA)	IRS 2024 HSA Annual Max	Annual Town HSA Contribution	Town Contributes (26 pay periods)	Employee Eligible to Contribute Annually	Employee Eligible to Contribute (26 pay periods)
Employee Only	\$ 4,150.00	\$ 1,450.00	\$ 55.77	\$ 2,700.00	\$ 103.85
Employee + Dependent(s)	\$ 8,300.00	\$ 2,900.00	\$ 111.54	\$ 5,400.00	\$ 207.69

HDHP - 457 CONTRIBUTIONS	Annual Town 457 Contribution	Town Contributes (26 pay periods)
Employee Only	\$ 1,050.00	\$ 40.38
Employee + Dependent(s)	\$ 1,420.00	\$ 54.62

PREFERRED PROVIDER ORGANIZATION (PPO)	Total Monthly	Town Contribution	Employee Contribution	Town Monthly	Employee Monthly	Employee 24 Pay Periods
Employee Only	\$629.91	100%	0%	\$629.91	\$0.00	\$0.00
Employee + Child(ren)	\$1,158.40	90%	10%	\$1,042.56	\$115.84	\$57.92
Employee + Spouse	\$1,258.15	90%	10%	\$1,132.34	\$125.82	\$62.91
Employee + Family	\$1,706.81	85%	15%	\$1,450.79	\$256.02	\$128.01

PREFERRED PROVIDER ORGANIZATION BUY-UP (PPOB)	Total Monthly	Town Contribution	Employee Contribution	Town Monthly	Employee Monthly	Employee 24 Pay Periods
Employee Only	\$644.04	100%	0%	\$644.04	\$0.00	\$0.00
Employee + Child(ren)	\$1,185.40	90%	10%	\$1,066.86	\$118.54	\$59.27
Employee + Spouse	\$1,285.37	90%	10%	\$1,156.83	\$128.54	\$64.27
Employee + Family	\$1,749.44	85%	15%	\$1,487.02	\$262.42	\$131.21

DENTAL BASIC (DB)	Total Monthly	Town Contribution	Employee Contribution	Town Monthly	Employee Monthly	Employee 24 Pay Periods
Employee Only	\$40.96	100%	0%	\$40.96	\$0.00	\$0.00
Employee + Child(ren)	\$88.27	90%	10%	\$79.44	\$8.83	\$4.41
Employee + Spouse	\$78.86	90%	10%	\$70.97	\$7.89	\$3.94
Employee + Family	\$130.16	85%	15%	\$110.64	\$19.52	\$9.76

DENTAL BUY-UP (DBU)	Total Monthly	Town Contribution	Employee Contribution	Town Monthly	Employee Monthly	Employee 24 Pay Periods
Employee Only	\$42.41	100%	0%	\$42.41	\$0.00	\$0.00
Employee + Child(ren)	\$96.07	90%	10%	\$86.46	\$9.61	\$4.80
Employee + Spouse	\$81.80	90%	10%	\$73.62	\$8.18	\$4.09
Employee + Family	\$141.80	85%	15%	\$120.53	\$21.27	\$10.64

VISION BASIC (VB) Employee pays 100% and is deducted from first payroll of each month.	Total Monthly	Employee Monthly
Employee Only	\$7.37	\$7.37
Employee + Child(ren)	\$14.23	\$14.23
Employee + Spouse	\$16.12	\$16.12
Employee + Family	\$22.87	\$22.87

VISION BUY-UP (VBU) Employee pays 100% and is deducted from first payroll of each month.	Total Monthly	Employee Monthly
Employee Only	\$10.58	\$10.58
Employee + Child(ren)	\$21.86	\$21.86
Employee + Spouse	\$23.58	\$23.58
Employee + Family	\$35.46	\$35.46