



Approved:

**City of Commerce, California
Human Resources Policy and Procedure Manual**

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Director of Human Resources
[Signature]
City Administrator

Number: V-5 Effective Date: 10/19/10

SUBJECT: PART-TIME MEDICAL REIMBURSEMENT

PURPOSE:

To define, the City of Commerce's Part-time Medical Reimbursement Program for uniformity of interpretation and application.

POLICY:

Part-time employees who work an average (based upon ten week average) of twelve (12) or more hours per week shall be reimbursed 25% of their Health Premium ("Employee Only") cost not to exceed \$100.00 reimbursement per month.

Determination of whether or not a part-time employee is eligible for Part-time Medical Reimbursement shall be based upon the average number of all hours actually paid per week utilizing the employees' record of hours paid for each position maintained by the employee during the ten (10) weeks immediately preceding the last day of the billing month the medical benefit plan was covered, effective and paid by the employee. For example an employee's eligibility for a March 1, 2010 billing will be determined based upon the ten weeks immediately preceding March 31, 2010.

The reimbursement program excludes dental, vision, life, AD&D, short and long-term disability insurance for part-time employee and dependents.

- This health premium reimbursement benefit is reserved for City of Commerce part-time employees who do not have access to employer medical insurance. This benefit is intended to reimburse part-time employees who are the direct insured and are not subjected to premiums as a result of being a dependant on their spouse's or parent's health plan.

A. Premiums

The City, under negotiated terms, reimburses 25% of the employee paid medical premium not to exceed \$100.00 per month.

Medical benefits shall be limited to:

1. Medical coverage only
2. Coverage for Employee only.

B. Request for Reimbursement

Employees wishing to take advantage of the medical reimbursement benefit shall be required to do the following:

1. Shop the open market for the medical plan that best meets the employee's needs;
2. Subscribe to a medical plan (as an individual)
3. Pay the required premiums directly to the medical plan provider;
4. Submit proof of actual payment of the premium to the City on a medical expense reimbursement form **no later than twelve (12) months after premium payment**. Any request submitted after the twelve month deadline will not be honored for payment.
5. Acceptable examples of proof of payment are:
 - a. A cash receipt from the health care provider.
 - b. A cancelled check made out to the health care provider.
 - c. A billing statement from the health provider showing no past due balances.
 - d. Any other proof of payment that has been reviewed, in advance, and approved, in writing by the City's Finance Director.
6. All employees understand and agree that submitting a fraudulent request for medical plan premium reimbursement to the City is an act of dishonesty subject to discipline, up to and including termination.

PROCEDURE:

Responsibility	Action
Employee	1. Subject to the policy, submits proof of actual payment of the medical premium to the City on a Medical Expense Reimbursement form no later than twelve (12) months after premium payment.

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2. Verifies whether or not employee is eligible for Part-time Medical Reimbursement based upon direct insured status (not dependent) and twelve (12) hours average number of all hours actually paid per week utilizing the employees' record of hours paid for each position maintained by the employee during the ten (10) weeks immediately preceding the last day of the billing month the medical benefit plan was covered, effective and paid by the employee.
3. Approves or denies request based upon the established criteria and eligibility as provided above.
4. Submits approved claim form to Finance Department.

Finance Department

5. Processes reimbursement check and sends to employee.