

Beartooth Electric Cooperative, Inc.

ADMINISTRATIVE POLICY NO. 620

1. SUBJECT: INSURANCE – MEDICAL, DENTAL, VISION, WORKERS’ COMPENSATION, SHORT TERM DISABILITY, LONG TERM DISABILITY
2. OBJECTIVE:
  - 2.1. To provide insurance to Beartooth Electric Cooperative, Inc. (BEC) employees. See the Benefits Administrator for a complete listing of BEC benefits.
3. POLICY:
  - 3.1. Medical, Dental and Vision
    - 3.1.1. Medical, Dental and Vision insurance plans for employees, employee's spouse and dependent children under age 26 shall be provided by BEC to those who meet the eligibility requirements of the plan. There is a 90 day waiting period for participation. BEC will pay the premium to the last day of the termination month after the employee leaves employment with BEC. Details of the available coverages will be listed in the policy document of the carrier providing coverage.
    - 3.1.2. The employee is responsible to pay for a percentage of the monthly premium as determined by the Board. Employees who do not wish to participate in the medical insurance plan must notify the Accounting Manager in writing.
    - 3.1.3. Employees are responsible to report changes in family status such as marriages, divorce or dependents turning 26. The Accounting Manager will advise employees and dependents of their rights and obligation under the COBRA laws if they are applicable.
    - 3.1.4. BEC will fund into an Employee’s Health Savings Account an amount as determined by the Board for a qualified (per the IRS) High Deductible Health plan.
  - 3.2. Unemployment Insurance
    - 3.2.1. Unemployment Insurance is fully paid by BEC and covers all employees.
  - 3.3. Worker’s Compensation Insurance
    - 3.3.1. Workers’ Compensation Insurance is fully paid by BEC and covers all employees. If you are injured on the job you must report it to your supervisor immediately. Failure to do so may result in reduction or loss of benefits.

### 3.4. Short Term and Long Term Disability

- 3.4.1. Any employee who will work at least 1,000 hours from the date of hire and meets any required waiting period for participation in the available benefit programs, is eligible for disability benefits under the policy.
- 3.4.2. No employee may receive more than 100% of his/her regular pay from any combination of benefits and insurance policies whenever BEC pays the benefit and/or the policy premium in full or in part or compensates the employee for such premium. Such benefits would include; but are not limited to: NRECA, LINECO, Workers' Compensation, Social Security and any other insurance. If an employee purchases his/her own policy outside of the workplace, the income from that policy will not be considered for this purpose.
- 3.4.3. Should an exempt employee be injured on the job resulting in disability extending beyond his/her sick leave benefits, his/her status shall be reviewed by the Board of Trustees of BEC whose decision in the matter shall be final.

#### 3.4.3.1. Short Term Disability

- 3.4.3.1.1. BEC makes Short Term Disability (STD) insurance available to employees, however it is optional. Should the employee elect to participate in a STD insurance plan, they are responsible for paying the associated premium.
- 3.4.3.1.2. BEC provides Workers' Compensation for employees who are injured while performing duties for BEC. Accidents or injuries that occur during work hours must be reported immediately to a supervisor. A First Report of Injury must be completed as soon as possible, as required by the State Workers' Compensation laws.
- 3.4.3.1.3. If an employee is unable to perform the duties of his/her occupation because of a non-occupational injury or illness and is under the regular care of a doctor, the employee must use sick leave for the first seven consecutive days of disability. STD commences on the eighth day. The employee will be required to provide evidence of being under a doctor's care and will be required to have a written release from a doctor before returning to work.
- 3.4.3.1.4. An employee on disability or Workers' Compensation may use his/her sick leave or vacation hours to supplement the STD payments or Workers' Compensation payments subject to 3.3. and 3.4.2. above.

- 3.4.3.1.5. Successive disabilities separated by less than two weeks of full-time work will be considered one disability, unless the subsequent disability is due to a different cause and begins after the employee returns to full-time work.
- 3.4.3.1.6. STD benefits will be paid for normal working days. Holiday pay will be paid for holidays while an employee is on short term disability.
- 3.4.3.1.7. Time spent on STD shall be considered time worked for determining sick leave and vacation accruals, length of service and employer contributions to benefit plans.
- 3.4.3.2. Long Term Disability
  - 3.4.3.2.1. BEC makes Long Term Disability (LTD) insurance available for periods of disability of more than thirteen weeks through NRECA.
  - 3.4.3.2.2. When an employee goes on LTD, he/she will no longer receive any benefits from BEC except as follows:
- 3.4.3.3. Group Medical, Prescription Drug and Dental Insurance
  - 3.4.3.3.1. BEC will continue payment of the Group Medical Insurance premium for any employee on long term disability as follows:
    - 3.4.3.3.1.1. An employee with less than 5 years of service with BEC will have to pay his/her own medical insurance from the first day of LTD.
    - 3.4.3.3.1.2. An employee with 5 to 9 years of service with BEC will have his/her premium paid for a maximum of one year
    - 3.4.3.3.1.3. An employee with 10 or more years of service with BEC will have his/her premium paid for a maximum of two years.
    - 3.4.3.3.1.4. BEC will pay BEC's portion of the medical insurance premium for a period of up to 1 year for an exempt employee who becomes entitled to retirement benefits due to total disability. He/she is covered under BEC's LTD policy for 66 2/3 of his/her salary to the end of the exempt employee's LTD eligibility period.

3.4.3.4. Employee Basic Group Term Life and Retirement

3.4.3.4.1. BEC will continue to pay the employee only premium on the NRECA Group Term Life Plan and continue contributions to the NRECA Retirement plan until such time as the premiums for both plans are waived under the provisions of NRECA's Long Term Disability or for a maximum of six months.

3.4.3.5. An employee on LTD or Workers' Compensation may use his/her sick leave or vacation hours to supplement their LTD payment or Workers' Compensation payments subject to 3.4.2. above.

3.5. Reinstatement

3.5.1. An employee must return to work the next working day after which the attending physician certifies the end of disability. If the employee chooses not to return upon medical release or does not obtain a continuance of the doctor's certification of disability, his/her position may be filled and employment terminated after three working days.

3.5.2. BEC will hold a position vacant for a period of one (1) year, except when an individual is determined by medical examination to be permanently disabled and unable to return to work. If disability extends beyond one (1) year, BEC reserves the right to fill the vacant position, if necessary, for continued efficient operation. After one (1) year, the employee may be reinstated upon receiving a medical release, if a position is available and the employee is qualified to fill that position.

4. RESPONSIBILITY:

4.1. The carrier for this insurance coverage is to be selected by the Board with administration of the program under the direction of the Accounting Manager.

4.2. The General Manager shall ensure that the provisions of this policy are followed.

Adopted: 02/22/2013  
Revised: 06/30/2015  
Reference: LV Policy 612, BEC VI-A-33, 37, 43  
BEC VI-D-1, 2  
Review Date: June 2017

Attest:           /s/ Richard Nolan            
Secretary/Treasurer  
Attest:           /s/ Roxie Melton            
Board President