

# SMYRNA SCHOOL DISTRICT

## District Policy

Article: 4000 Personnel

Title: Fringe Benefit Program

Policy #: 4146

### 1. BENEFITS - STATE DELAFLEX

In addition to the Smyrna School District Fringe Benefit Program, the District agrees to make available the State of Delaware Flexible Benefits Plan [Delaflex] to eligible employees as of January 1, 1995. All rules and regulations promulgated by the State of Delaware shall apply.

### 2. BENEFITS - SMYRNA SCHOOL DISTRICT

An amount as negotiated with the bargaining unit per fiscal year for all full-time employees and prorated for employees working less than one year, that may be used in accordance with the following:

#### a. Insurance Premiums Account

- 1) Health Insurance payroll deduction
- 2) State Life Insurance premium reimbursement for non-participating Delaflex, after January 1, 1995, for a maximum coverage not to exceed \$50,000

#### b. Health Care Spending Account

- 1) Medical expenses not covered by health insurance [licensed physician]
- 2) Dental Care [licensed dentist]
- 3) Optical care [examinations, prescription glasses, contact lenses]
- 4) Prescription drugs
- 5) Chiropractic services
- 6) An approved fitness or wellness program, prescribed by a licensed physician stating what is needed and the reason for the need.

#### a. Can be used for, but not limited to:

1. Nutrition program (weight control)
2. Stress management
3. Smoking cessation
4. Low back pain prevention
5. Fitness equipment
6. Exercise program
7. Substance abuse

#### c. General Provisions and Limitations

- 1) Annually, employees must identify specific amounts to be allocated to (A) the insurance premiums; (B) the health care spending account; and/or (C) cash payment, not to exceed the maximum. Said allocations cannot be changed nor co-mingled between

categories (A), (B), and (C) once the selection has been made. All changes must be made during the reopening period.

- 2) The entire amount allocated to insurance premiums and health care spending shall be available to the employee for the reimbursement of insurance premiums or medical expenses on the first day of the plan year. Amounts allocated to insurance premiums and health care spending will be forfeited by the employee if they are not used by the close of each plan year. The reimbursement of expenses will occur no less frequently than once a month during the plan year.
- 3) The employee must certify that he/she has not received reimbursement through another benefit plan, and that the reimbursement is excludable from the employee's gross income.
- 4) Expenses which are eligible for reimbursement are subject to the following additional limitations:
  - a. Expenses must be incurred by the employee, his/her spouse or eligible dependents.
  - b. Expenses must be incurred during the plan year.
  - c. Expenses must be incurred while the employee is a participant in the plan.
  - d. The employee cannot deduct reimbursed expenses from his/her income taxes.
- 5) Claims - Reimbursements must be requested on the form provided by the district. The original invoices or bills related to the expenditure must be submitted along with the form, unless the employee designates an employer-provided benefit for which a deduction from salary would normally be made.
- 6) Plan Year - The plan year for this program extends for a 12-month period from July 1 to June 30, for each year in which this program remains in existence.
- 7) Notification to Eligible Employees - Reasonable notification of the availability and terms of the program shall be provided to eligible employees.
- 8) Discrimination - The contributions and benefits provided under this program do not discriminate in favor of highly compensated employees their dependents.
- 9) A full-time employee is defined as a person who works a minimum of thirty (30) hours per week.
  - a. Fringe benefits for certain part-time employees [less than thirty (30) hours per week] shall be prorated.
  - b. Fringe benefits for employees working less than a year shall be prorated.
- 10) Employees granted an authorized, unpaid leave of absence are not eligible during the time of leave, unless approved for Family Leave.
- 11) Dependents [as defined by the Internal Revenue Service] include spouse, children, step-children, and legally adopted children. The eligibility ends on September 30 of the year in which the child attains the age of 21, unless otherwise provided by an insurance program.