

WEST VIRGINIA ADMINISTRATIVE REGULATIONS

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT

Chapter 5-16

Series I  
(1972)

FILED IN THE OFFICE OF  
SECRETARY OF STATE OF  
WEST VIRGINIA

THIS DATE 8/25/80

SUBJECT: Rules and Regulations of the Public Employees Insurance Board.

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SECTION 1. GENERAL

1.01. Scope - These regulations establish rules for the general administration of the West Virginia Public Employees Insurance Act.

1.02. Authority - These regulations are issued in conformity with Chapter 5, Article 16, of the West Virginia Code of 1931, as amended.

1.03. Effective Date - These regulations are promulgated on the 5th day of September, 1972.

1.04. Filing Date - These regulations were filed in the Office of the Secretary of State on the 6th day of September, 1972.

1.05. Certification - These regulations are certified authentic by the Secretary of State.

1.06. Definitions.- The terms "Board," "Employee," "Retired Employee," and "Employer," as used in the rules and regulations shall have the same definitions as these terms are given in West Virginia Code 5-16-2. The following words and phrases as used in these rules

and regulations, unless a different meaning is clearly indicated by the context, shall have the following meanings:

(a) "Full-time" (referring to employment) a position which normally requires twelve (12) months per year service and/or requires at least twenty (20) hours per week or 1,040 hours per year in that position and contribution to a State Retirement System.

(b) "Dependent" - a spouse and/or unmarried children (natural, adopted or step) not employed on a full-time basis, dependent on the employee for support. (Coverage of dependents may, however, be limited by the terms of the plan and by the terms of the insurance contracts entered into by the Board.)

(c) "Retired" - a former employee retired voluntarily or by mandate (before reaching the age of sixty-five years) after April 29, 1971, who receives a periodical benefit from a State Retirement System. Former employees of the West Virginia Board of Regents and a County Board of Education are eligible retirees after April 21, 1972.

(d) "Insured" - an employee, or retired employee, enrolled in the plan. Also, where required by the context, this term shall include the spouse, eligible children, and any named beneficiaries.

(e) "Carrier" - any agency, corporation, insurance company, state fund, or service organization engaged in the business of providing the insurance coverage contemplated by these Rules and Regulations.

1.07. Amendments - To Rules and Regulations. - Amendments to these Rules and Regulations may be made at any meeting of the Board, by vote of a majority of the quorum, provided that the requirements of West Virginia Code 29A-3-2 are met.

## SECTION 2. ADMINISTRATION

### 2.01. Meetings of the Board.

(a) The Board shall conduct meetings at least two times a year and as further required in order to implement and administer the plan. Such meetings shall be conducted at the Office of the Executive Secretary of the Board or at such other place as designated by the Chairman. All official meetings shall be called by the Chairman.

(b) The Board shall make the Executive Secretary of the Board responsible for recording the minutes of each meeting.

2.02. Records - The Board shall maintain written records of all proceedings at the Office of the Executive Secretary.

### 2.03. Election of Officers.

(a) The Board shall elect, from among its members, a Chairman and such other officers as it deems necessary and appropriate.

(b) Regular elections may be held each year provided that such a motion is made by any Board member and communicated to the Chairman prior to a Board meeting.

(c) In the event there is a vacancy in any office, elections may be held at any regular meeting, for the purpose of electing a successor, who shall serve for the unexpired term.

(d) Upon notice of a vacancy in the Office of the Chairman, the Executive Secretary shall immediately call a meeting for the purpose of electing a successor.

### SECTION 3. ESTABLISHMENT OF THE PLANS.

3.01. The Chairman or, at the direction of the Board, the Executive Secretary, may enter into preliminary negotiations with carriers for the purpose of obtaining information for the Board in establishing plans.

3.02. Determination of Participants. - All full-time employees, their spouses and eligible children, and retired employees, their spouses and eligible children are eligible to participate in the plans.

3.03. Benefits - The coverages provided for the various classes of participants shall be limited by the provisions of Article 16, Chapter 5, Code of West Virginia, as amended, by these Rules and Regulations, and by the terms of the insurance contracts entered into by the Board.

3.04. Premium Payment for Retired Employees - Premiums shall be withheld from retirement benefits and paid to the Board by the Board of Trustees of a State Retirement System.

### SECTION 4. IMPLEMENTATION OF PLANS.

4.01. Following development of the plan or plans, the Board shall, in writing, invite competent bids from all carriers who are determined by the State Department of Insurance to be properly qualified and licensed to provide the desired coverage. The invitations shall prescribe the time limit for filing of bids.

4.02. Award of Contracts. - Contracts will be awarded by the Board within a reasonable time after the time limit prescribed by the invitations for filing bids.

#### SECTION 5. PARTICIPATION IN THE PLANS.

##### 5.01. Enrollment.

(a) Eligible employees may enroll by completing a form prescribed by the Board and filing same with the payroll officer of the employing agency.

(b) Eligible retirees may enroll by completing a form prescribed by the Board and filing same with a State Retirement System.

(c) Eligible employees and retirees choosing not to enroll must complete a form prescribed by the Board for such purpose and filing same with the payroll officer, or in the case of retirees, by filing with a State Retirement System.

(d) All forms completed by employees and retirees in (a), (b), and (c) above and forms for subsequent changes shall be transmitted to the Executive Secretary for safe keeping.

5.02. Certification of Eligibility. - The official receiving the enrollment form shall certify the eligibility of the enrollee to the Executive Secretary and shall make the appropriate provision for deduction of premium payments.

5.03. Changes in Coverage. - Discontinuance, resumption, addition and reduction of coverage may be effected by filing a prescribed form with the appropriate official as set out in Section 5.01 above.

5.04. A participation agreement shall be executed between the participating non-state agency and the West Virginia Public Employees Insurance Board setting forth an explanation of the self-insured program and including a provision for 90-day notices from any non-state agency choosing to participate in the program or electing to withdraw.

5.05. All non-state agencies admitted to the program on or after July 18, 1980, will, upon their formal request to participate in the program or for re-admission to the program, have a one-time charge of \$12 per eligible employee.

5.06. When any participating non-state agency chooses to withdraw from or to terminate the Public Employees Insurance Board employee benefits plan, all covered charges incurred prior to the date of termination shall be the responsibility of the withdrawing or terminating agency or their carrier.

5.07. When any non-state agency joins or rejoins the Public Employees Insurance Board employee benefits plan all charges incurred prior to the date of coverage shall be payable by said non-state agencies or their carrier. All covered charges incurred on or after the date of coverage shall be the responsibility of the plan.

5.08. When any participating non-state agency chooses to withdraw from or to terminate the Public Employees Insurance Board employee benefit plan, all non-state agency retirees participating in the Public Employees Retirement System and covered by the Public Employees Insurance Board employee benefits plan prior to this date, shall remain so covered under the conditions of their present coverage. Future retirees under the Public Employees Retirement System for non-participating non-state agencies shall not be covered by the Public Employees Insurance Board employee benefit plan, but shall look to the non-participating non-state agency for coverage. Retirees not covered by the Public Employees Retirement System shall remain covered by the non-participating agency or its carrier solely.

#### SECTION 6. REVIEW

6.01. In the event there is a disagreement between carrier and any insured, the insured shall first apply to the carrier for a determination of the issue.

6.02. Disagreements between the carrier and the insured which cannot be reconciled by the procedure provided by Section 6.01 above, and issues arising under provisions of Article 16, Chapter 5, Code of West Virginia, as amended, or under these Rules and Regulations, shall be submitted in writing to the Executive Secretary for a decision.

6.03. Decisions under Section 6.02 shall be issued in writing by the Executive Secretary. The notice of the decision shall give the parties thirty days in which to apply, in writing, to the Board for review. Decisions of the Board shall be final.

#### SECTION 7. EXPENSE FUND.

7.01. Each participating division, agency, board, commission or department of the state, which operates out of special revenue funds or federal funds or both, shall pay to the Expense Fund the sum of \$5.00 per year per employee member, retiree, and member receiving disability benefits, said sum due at the time any individual becomes a member of the program and payable upon a statement from the West Virginia Public Employee's Insurance Board. Contributions shall not be prorated in the event a member terminates membership in the program or ceases to receive benefits before completion of a year of membership. General membership billings will occur on October 1, 1972, covering administrative costs of the insurance plan for the first year's operation, and July 1 thereafter of each year.