



PUBLIC EMPLOYEES INSURANCE AGENCY NEW ACCOUNT INSTRUCTION MANUAL

Thank you for considering participation in the WV Public Employees Insurance Agency's Non-State Agency Plan. This manual will help guide you through the process of enrolling your agency and employees.

Step 1: Agency Approval

Your agency must provide the following information and documents to PEIA to verify your eligibility for participation:

- Number of regular full-time employees in your agency;
- Copies of your most recent financial statement and/or independent auditor's report;
- Funding statement which reflects that your agency receives a majority of its funding from one or more local government entities; or a photocopy of either the West Virginia Code section which provides for the establishment of your agency or documentation including Articles of Incorporation and By Laws, if applicable, which reflect that your agency was established by a local government entity.

PEIA may review the financial viability of your organization prior to approving your application.

Prior to enrollment, your agency should review information regarding PEIA's benefits and premiums:

- The Shopper's Guide provides a quick look at plan benefits and monthly premium costs. Please refer to the "Non-state Agency Rates" for details of premiums. You'll find premiums for the PEIA PPB Plans as well as the Health Plan HMO. The percentage paid by your agency and your employees respectively is decided by your agency's policies;
- The Summary Plan Descriptions provide more detailed information on eligibility and coverage provided through PEIA's PPB Plans;
- Minnesota Life Insurance book and rates sheet;
- Instructions to register and complete enrollment for benefits online;
- Enrollment forms and instructions;
- Sample Agency Memorandum;
- Sample Agency Agreement;
- OPEB explanation regarding GASB Statements 74 and 75; *and*
- RHBT Opt-Out/ Hold Harmless Agreement

Step 2: Benefit Coordinator/Web Contributions Coordinator Designation and Training

Once your agency has been approved for participation with PEIA, your account will be created, and your agency will designate a Benefit Coordinator and a Web Contributions Coordinator. Your Benefit Coordinator will handle enrollment and eligibility approvals for your employees. Your Web Contributions Coordinator will handle premium payments. These roles may be filled by the same individual, but require separate designation forms and separate training.

Please note that all agencies are required to register and log in to the Manage My Benefits system from PEIA's public website www.wvpeia.com to access employee transactions and premium account information,

including monthly billing information. PEIA does not generate paper invoices or transmit them through the U.S. Mail or by any other means. Invoices are accessed on the Web Contributions Site through Manage My Benefits (part of the Benefits Administration System, or BAS).

Because online communication is the primary mode of completing your account tasks, and the only mode for making payments to PEIA, it is imperative that your agency assign a Benefit Coordinator (to assist employees in benefit enrollments and changes) and a Web Contributions Coordinator (to handle bill processing). These two coordinator roles can be assigned to one or more employees of your agency. Before an employee can be designated as a PEIA coordinator, they will be required to complete training on the basic policies, procedures, and responsibilities related to their position.

An employee designated as a PEIA coordinator should follow the enclosed instructions to register online using Manage My Benefits. He or she may register as a policyholder (as applicable), Benefit Coordinator and/or Web Contributions Coordinator. A valid e-mail address is required. Once the Benefit Coordinator and/or Web Contributions Coordinator registration has been validated through e-mail, the coordinator can print out the appropriate Designation Forms. These forms need to be signed by the employee as well as the agency director and returned to PEIA before the coordinator role can be activated.

Training is required for new coordinators and can be completed online. Please contact Jill Beaty, PEIA Benefit Coordinator Liaison, at (888) 680-7342, Extension 52633, if you have questions about the enrollment or training process.

Step 3: Employee Enrollment

Once your Benefit Coordinator has been designated, your employees will need to enroll for benefits. Online enrollment is the fastest, easiest and most secure way to choose benefits. Online enrollment may be completed by the employee or by your Benefit Coordinator, using the BC Data Entry module in the Manage My Benefits system.

Supporting documentation is required for all transactions when a policyholder or Benefit Coordinator adds a dependent or dependents. Supporting documents must be legal, written in or translated into English, and legible.

Dependent	Documentation Required
Biological Child	Copy of Legal Birth Certificate
Adoptive Child	Copy of Adoption Decree
Child who resides with policyholder	Copy of Court ordered guardianship papers
Spouse	Copy of valid marriage license or certificate

REGISTERING AND ENROLLING THROUGH PEIA's "Manage My Benefits" System

Using PEIA's Manage My Benefits system, you can enroll for Basic, Optional, and Dependent Life insurance in addition to your health coverage. Your Benefit Coordinator should have provided you with:

- A copy of the PEIA Summary Plan Description;
- A Shopper's Guide that shows the premiums for all available plans;
- Instructions for acquiring the Summary of Benefits & Coverage; *and*
- The Life Insurance booklet.

If you did not receive a hard copy, the three books listed above are available on the PEIA website at www.wvpeia.com under Forms and Downloads.

Before you get started using the Manage My Benefits system, you'll need:

1. A working e-mail address- You may use an employer-provided e-mail, a personal e-mail account, or may set up a free e-mail account using a service like Gmail or Yahoo. Please remember the e-mail address you use to register as you may need it for future access changes;
2. Names, addresses and Social Security Numbers for individuals you intend to carry as dependents on your coverage(s) and/or name as beneficiaries of your life insurance policies (to receive the proceeds when you pass);
3. A username and password you can remember- they cannot be your e-mail address; *and*
4. Documentation substantiating any dependents you intend to enroll in the plan. For a list of the documentation that is accepted, see the Summary Plan Description.

Once you have gathered these items, please visit www.wvpeia.com and click the green Manage My Benefits button at the top right corner of the page. Complete navigation instructions are included in this packet.

- You must SAVE and FINALIZE each type of coverage separately as you complete each screen. You will be able to print out a summary of your choices using the "View My Pending Changes" button on the main menu once you have completed enrolling for your benefits.
- Once you've completed your online enrollment, the Manage My Benefits system will send an e-mail to your Benefit Coordinator notifying him/her. You MUST upload the documentation of your dependents' eligibility to the system NOW. Your Benefit Coordinator cannot approve your enrollment until he or she has received documentation. **If you do not get your documentation uploaded promptly, it could delay the start of your benefits.**
- Once your Benefit Coordinator has approved your enrollment, you will receive an e-mail confirmation. If, for some reason, your Benefit Coordinator disapproves your enrollment, the system will send you an e-mail with the reason for the disapproval. You'll need to log into Manage My Benefits or contact your Benefit Coordinator to correct any issues with your enrollment.

If for some reason you log out of the system in the middle of your enrollment, you can log back into the system later to complete your work. Just remember that you have the month you're hired (or the month your agency joins the PEIA plan) and the following two months to make your selections. Coverage begins on the first day of the month following the date you complete your enrollment; if you wait too long, you could delay the

effective date of your new coverage. If you do not enroll for coverage during the month you're hired or the following two months, you will have to wait until you have a qualifying event or until the next Open Enrollment.

PEIA requires transactions and enrollments be completed online in the Manage My Benefits System, unless your employees are unable to access the online enrollment system. Enrollment forms and instructions are included in this packet.

PAPER ENROLLMENT

Once your agency has been approved for participation with PEIA, your employees should each complete:

Basic Life Enrollment Form

Health Benefits Enrollment Form

Optional/ Dependent Life Form (if they choose)

With these forms, you will need to send copies of required documents to PEIA for processing.

To cover your spouse, submit a copy of the marriage certificate.

To cover a dependent, submit a copy of the birth certificate, adoption papers, or court order for guardianship.

Adoptive, biological and stepchildren may be covered to age 26.

If you have guardianship, they may be covered until age 18.

Mail all enrollment forms and documents to:

PEIA Eligibility

601 57th Street, S.E., Suite 2

Charleston, WV 25304

If you have any questions, please contact PEIA at 888-680-7342.

OPEB EXPLANATION REGARDING GASB STATEMENTS 74 AND 75

GASB Statements 74 and 75 — Other Postemployment Benefits (OPEB)

The Public Employees Insurance Agency (PEIA), on behalf of the West Virginia Retiree Health Benefits Trust Fund (Trust), would like to offer this fact sheet to help provide affected employers a better understanding of the reporting requirement known as "Other Postemployment Benefits" (OPEB).

Governmental Accounting Standards Board

The Governmental Accounting Standards Board (GASB) is the highest authority over the financial reporting of governmental entities. It is a private, non-partisan, non-profit organization that works to create and improve the rules U.S. governmental entities follow when accounting for their finances and reporting them to the public. When the GASB officially issues a Statement, any governmental entity that wants to follow Generally Accepted Accounting Principles (GAAP) must adopt it. GASB accounting rules must be followed in order to achieve a fair and proper presentation of the government's financial condition and the results of its operations.

The GASB has issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," and Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

The Background of OPEB

OPEB, as the name implies, is any benefit after employment that the employer provides its employees that is not a pension plan benefit. Historically, governmental entities, West Virginia entities included, have accounted for their cost of retiree health care on a "pay as you go" basis and have recognized the cost only when it is paid. With the release of GASB Statements 43 and 45, the "pay as you go" basis was no longer acceptable. Employers were required to recognize the costs when the employees render their services and the benefit is earned. To further improve the accounting and financial reporting by state and local governments for OPEB, GASB recently replaced the requirements of Statements 43 and 45 with Statements 74 and 75. These Statements further improve information provided by state and local governmental employers about financial reporting for OPEB. These Statements resulted from a comprehensive review of the effectiveness of the existing standards of accounting and financial reporting for OPEB and established new standards for recognizing and measuring OPEB liabilities and related expenses to provide decision-useful information.

The West Virginia OPEB Plan

Currently, PEIA retirees are charged premiums that only cover approximately 30% of their health care costs. The remaining 70% is paid through premiums charged for active PEIA policies. This 70% is commonly referred to as the "retiree subsidy". This subsidy is also known as "pay as you go", as mentioned above.

The West Virginia OPEB Plan offers its health insurance benefits through the following West Virginia employers:

- State government and its agencies;
- State-related colleges and universities;
- County boards of education;
- County and municipal governments; and
- Other employers as specified in WV Code §5-16-2.

A retired employee, as defined by WV Code §5-16-2, may elect to enroll in health coverage through PEIA if all eligibility requirements are met. PEIA specifies the health care benefit to be provided at retirement and, therefore, the retiree's coverage is considered a defined benefit OPEB plan.

The West Virginia OPEB (WV OPEB) plan has been defined as a cost-sharing multiple employer plan, which is defined in Paragraph 14 of GASB 75 as follows:

Cost-Sharing Multiple-Employer Plan: The OPEB obligations to the employees of more than one employer are pooled and OPEB plan assets can be used to pay the benefits of the employees of any employer that provides OPEB through the OPEB plan.

Expense/ Liability Recognition Requirements of Cost-Sharing Plans

Paragraph 59 of GASB 75 requires employers that participate in cost-sharing plans to recognize the employer's proportionate share of the net OPEB liability, measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year, consistently applied from period to period. The employer's proportionate share of the net OPEB liability should be measured by:

- a. Determining the employer's proportion—The basis for the employer's proportion should be consistent with the manner in which contributions to the OPEB plan are determined.
- b. Multiplying the net OPEB liability by the employer's proportion calculated in (a).

Paragraph 63 of GASB 75 requires employers that participate in cost-sharing plans to recognize the employer's proportionate share of the OPEB expense, as well as deferred outflows of resources and deferred inflows of resources related to OPEB. The employer's proportionate share should be determined using the same employer's proportion of the net OPEB liability.

OPEB expense will now be based on the net OPEB liability change between reporting dates, with some sources of change recognized immediately and others spread over years. The portion of the changes not included in OPEB expense should be included in deferred outflows of resources or deferred inflows of resources related to OPEB.

The Trust

In order to conform to the GASB pronouncements as a cost-sharing plan, the WV OPEB plan has to be administered in a formal, pension-like trust fund. Due to this requirement, the West Virginia Legislature passed House Bill 4654, creating the Trust, in Chapter 5, Article 16D, of the WV Code.

This Article also assigned PEIA with the administration of the WV OPEB plan.

Questions?

Please contact any of the following individuals for questions and they will be happy to assist you:

Jason A. Haught, CPA

PEIA/WV Retiree Health Benefits Trust Fund - Chief Financial Officer (304)

558-7850, Ext. 52642

April Taylor
PEIA Controller (304) 558-7850, Ext. 52676

Jennifer Priddy, CPA
WV Retiree Health Benefits Trust Fund Controller
(304) 558-7850, Ext/ 52681

Retired Employees

Active employees who retire are eligible for PEIA health and life benefits provided they meet the minimum eligibility requirements of the applicable State retirement system and if their last employer immediately prior to retirement is a participating employer under the Consolidated Public Retirement Board (CPRB) and, as of July 1, 2008 forward, is a participating employer with the Public Employees Insurance Agency (PEIA). Active employees who, as of July 1, 2008, have ten years or more of credited service in the CPRB and whose employer at the time of their retirement does participate with CPRB- but do not participate with PEIA will be eligible for PEIA retiree coverage provided they otherwise meet all criteria and their employer agrees in writing, upon a form prescribed by PEIA that the employer will pay to PEIA the non-participating retiree premium on behalf of the retiree or retirees or that the retiree agrees to pay the entire unsubsidized premium themselves.

Active employees who are members of the Teachers Defined Contribution Retirement plan must be fifty-five years of age and have twelve or more years of credited service or at least sixty years of age with five years of service, and their last employer immediately prior to retirement must be a participating employer under that the Teachers Defined Contribution Retirement plan or the CPRB system to qualify to continue PEIA insurance upon retirement. Employees who participate in non-State retirement systems but are CPRB system affiliated, contracted or approved (such as TIAA-CREF and similar plans), or are approved in writing by the PEIA Director must, in the case of education employees, meet the minimum eligibility requirements of the State Teachers Retirement System and in all other cases meet the minimum eligibility requirements of the Public Employees Retirement System to be eligible for PEIA as a retiree.

West Virginia Retiree Health Trust Participation (Retiree Trust)

The Trust is intended to address the Other Postemployment Benefits (OPEB) liability of employers with current or future retirees participating in the PEIA health plans. State law mandates that all employers with employees who are eligible or who will become eligible to participate in PEIA as retirees are MANDATORY participants in the Retiree Trust. (WV Code § 5-16d-1 et seq.)

Participant of the OPEB Plan?

The determining factor of whether your agency is a participating employer in the WV OPEB plan is related to your retirement plan. If your agency is a member of, and contributes to, the West Virginia Consolidated Public Retirement Board (CPRB), or your agency participates in a State approved or a State contracted retirement system, then you are an OPEB Plan participating employer because your active employees will be eligible for PEIA benefits upon retirement if you join PEIA. You are a participant in the WV OPEB plan if you have any employees who are, or who will become eligible for PEIA coverage as retired employees.

If you do not meet the requirements of a participant in the WV OPEB plan, then you may join the PEIA plan for active membership only. Your employees will not be eligible to enroll for PEIA benefits at retirement. If your agency is not a member of the West Virginia Consolidated Public Retirement Board, or a State approved or a State contracted retirement system, you may request to opt out of the WV OPEB plan by completing the attached hold harmless agreement. PEIA will then review this request and advise of its position.

If your agency wishes to participate in the WV OPEB plan, but is not a member of CPRB, you may submit your agency's retirement plan for review by PEIA. If approved, your agency will be permitted to join the WV OPEB plan.

Please note, employees of agencies added after July 1, 2010 will not have access to subsidized retiree premiums upon retirement. Eligible retirees will pay the unsubsidized premium rates shown in the most recent Shoppers Guide.

WV OPEB Participation Pros and Cons

To assist your agency in deciding whether you wish to participate in the WV OPEB plan, RHBT has provided the 'Pros and Cons below'. You should consult with your financial and legal advisors to determine the impact on your agency of the items listed below.

Pros:

Your agency employees will have access to 'un-subsidized' retiree healthcare and life insurance coverage. This would be an option for your retirees to compare against the market rate of other private insurance offerings.

Your agency premium payment to PEIA/RHBT is the same whether you are a participant in the WV OPEB plan or not.

The OPEB liability is an accounting accrual only and is not required to be paid.

Cons:

Your agency will be considered a participating agency in the WV OPEB Plan and will have to accrue an OPEB liability as required by GASB 75. The amount of your liability accrual is based on your contributions to RHBT. The more

employees you have, the higher your contributions and relative liability will be. The current Net OPEB Liability (NOL) that is allocated to participating agencies is \$2.5 billion.

Below is a link to the GASB 75 NOL allocation report. To estimate your NOL share you should perform the following calculation:

Number of active health policies x 'paygo premium' x 12/total plan employer contributions x NOL

Example calculation for FY '19:

$43 * \$183 * 12 / \$205,000,000 * \$2,600,000,000 = \$1,197,623$

https://peia.wv.gov/financial_reports/Documents/RHBT%20GASB%2075%20OPEB%206.30.17.pdf

Employer Withdrawal from PEIA

If a CPRB participating employer withdraws their active employees from PEIA, the employer may still be required to pay the non-participating employer premiums for their retirees remaining in PEIA and will be considered WV OPEB Plan participants receiving their share of the Net OPEB Liability.

Post July 1, 2010 PEIA Participation Agencies

Any employee affiliated with an agency which joins the PEIA Plan after July 1, 2010 is deemed "hired" after July 1, 2010. Eligible retirees will have access to the retiree health coverage at the unsubsidized premium rates in the most recent Shoppers Guide.

Non State OPEB opt out

Non-State employers may opt out of the Retiree Trust ONLY upon a Certification, under oath to PEIA, that the employer has no employees who are eligible or who will become eligible to participate in the PEIA health plan as retirees. The employer must also agree to defend and hold PEIA harmless from any and all claims by employees of the employer requesting PEIA coverage. PEIA will provide forms for Non-State employers wishing to opt out of the Retiree Trust and will use the following policies to assist in determining the acceptance of an employer's opt out request.

OPEB Plan Participation Scenario and Policy Document

Table One is a list of various scenarios concerning participation in the OPEB Plan. All scenarios assume the employer's participation with PEIA as well as the retiree definition as of July 1, 2008. Table Two is a list of policies corresponding to the various scenarios in Table One.

Table One			
	CPRB/CPRB Affiliated/PEIA Approved Retirement Participating Employer	Retirees in PEIA Currently	Retirees in PEIA In Past
<i>Employer Wishes to opt-out of WV OPEB Plan</i>			
Scenario 1	Yes	Yes	Yes
Scenario 2	No	Yes	Yes
Scenario 3	No	No	Yes
Scenario 4	No	No	No
Scenario 5	Yes	No	No
<i>Employer Wishes to join the WV OPEB Plan</i>			
Scenario 6	Yes	N/A	N/A
Scenario 7	No	N/A	N/A
Table Two			
<i>Employer Wishes to Opt-Out of WV OPEB Plan</i>			
Scenario 1	Reject opt out request. Employer participates in both PEIA and CPRB, or a CPRB affiliated retirement system.		
Scenario 2	Reject opt out request based on current PEIA retirees. Employer may be able to re-apply for opt out upon 5 years of no retiree participation in PEIA.		
Scenario 3	Approve opt out request if employer signs hold harmless agreement and the past retiree participation is now beyond 5 years from last retiree's termination from PEIA; or Reject opt out request based on past retirees, Employer may be able to re-apply for opt out upon 5 years of no retiree participation in PEIA.		
Scenario 4	Approve opt out request if employer signs hold harmless agreement.		

Scenario 5	Reject opt out request. Employer participates in both PEIA and CPRB, or a CPRB affiliated retirement system.
Scenario 6	Employer is eligible to join the WV OPEB plan for unsubsidized retiree premiums.
Scenario 7	Employer is not eligible to join the WV OPEB plan for unsubsidized retiree premiums.

West Virginia Retiree Health Benefit Trust Fund Opt-Out/Hold Harmless Agreement And Sworn Affidavit

WHEREAS, West Virginia Law has made participation in the West Virginia Public Employees Insurance Agency available to certain non-State employers and to certain eligible employees and retired employees of those non-State employers; and

WHEREAS, certain non-State employers have, therefore had or will have retired employees participating in the Public Employees Insurance Agency; and

WHEREAS, the national Governmental Accounting Standards Board (GASB) has issued a certain pronouncement (GASB 75) which requires that and dictates how employers account for the present and future cost of providing Other Post-Employment Benefits (OPEB) to their retired employees; and

WHEREAS, the West Virginia Legislator has created in WV Code §5-16d-1 et seq. The West Virginia Retiree Health Benefit Trust Fund to address the collective Net OPEB Liability of employers with present or future retired employees participating in the West Virginia Public Employees Insurance Agency; and

WHEREAS, the West Virginia Public Employees Insurance Agency has been charged by the Legislature with administering the West Virginia Retiree Health Benefit Trust Fund on behalf of West Virginia Public Employees Insurance Agency Finance Board; and

WHEREAS WV Code §5-16-2 permits certain non-State employers to opt out of participation in the OPEB plan of the West Virginia Retiree Health Benefit Trust Fund, upon a written certification under oath that the employer has no present or future retired employee; who are or will become eligible for coverage by the Public Employees Insurance Agency.

NOW THEREFORE in consideration of the ability to opt out of the OPEB plan and consistent with the provisions of WV Code §5-16-2 and intending to be forever legally bound the below-signed fully authorized representative of the below-designated non-State employer does upon their sworn oath agree that:

1. They are duly authorized to enter this agreement on behalf of the below-designated non-State employer and that the governing body of the non-State employer elects to opt out of the aforesaid OPEB plan;
2. The below-designated non-State employer does not now have any present or former employees that are eligible to participate in the West Virginia Public Employees Insurance Agency as “Retired Employees” as defined WV Code §5-16-2;
3. The below designated non-State employer does not have any former, present or future employees who will become eligible to participate in the West Virginia Public Employees Insurance Agency as Retired Employees as that term is defined at WV Code §5-16-2;
4. As mandated in WV Code § 5-16-2- the below-designated non-State employer will forever and completely hold harmless and defend the West Virginia Public Employees Insurance Agency, the West Virginia Retiree Health Benefit Trust Fund, the West Virginia Public Employees Insurance Agency Finance Board. and the State of West Virginia (Collectively: the “State Entities”) from any and all claims of former, present, or future employee of said non-State employer or any of its affiliated entites sub-divisions, or assigns which in any way relate to the assertion by the employee or employees that the State Entities must provide health, drug, or life coverage to the employee or employees as Retired Employees, of the non-State employer as that term is defined in WV Code §5-16-2;
5. The below-signed fully authorized representative upon their sworn oath understands and agrees to all terms and statements contained in this document and understands that they are legally binding the below-designated non-State employer to those terms and statements;
6. That the below-signed non-State employer does and is permitted to opt out of the OPEB plan of the WV Public Employees Insurance Agency as Retired Employees as that term is defined at WV Code §5-16-2;

7. That the below-designated non-State employer does and is permitted to opt out of the OPEB plan of the WV Retiree Health Benefit Trust Fund effective either the first day of a newly effective contract with PEIA, or July 1 of the next fiscal year for an existing employer.

AGREED to taken subscribed and sworn to on this _____, day of

_____, 20__

DULY AUTHORIZED SIGNATURE REPRESENTATIVE

Printed Name:

Signature:

Title:

Non-State Employer Name:

I _____, a Notary Public of _____ County- do
certify that the names to the writing above bearing date on the _____ day of

_____, 20__, have this day acknowledged the same before me-

Given under my hand this _____ day of _____, 20__.

My commission expires: _____

AGREED TO: WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY

Printed Name:

Signature:

Title:

Date:

Sample Enrollment Guidelines Memorandum

Memo

To: (Agency Name)

From: Nicole Spears

Date: (Date)

Re: Enrollment Guidelines for Local Government (Non-State) Agencies

Thank you for your interest in the Public Employees Insurance Agency. Enclosed you will find information regarding PEIA's benefits and premiums.

PEIA is required to establish your eligibility for participation in the plan. The following information and documentation is required to make that determination:

1. Number of regular full-time employees in your agency;
2. Funding statement which reflects that your agency receives a majority of its funding from one or more local governmental entities;
3. Copies of your most recent financial statement and/or independent auditor's report; and
4. A photocopy of either the West Virginia Code section which provides the establishment of your agency or documentation including, Articles of Incorporation, if applicable, which reflects that your agency was established by a local governmental entity.

PEIA reserves the right to request that the first month's premium and combined employee administrative and enrollment fee of \$62.00 per employee be paid prior to approving your agency's participation. In addition, PEIA may review the financial viability of your organization prior to approving your application.

If you have any questions, you may contact Nicole Spears at (304) 558-7850, Ext. 52682.

Sample Agency Agreement and Memorandum

AGREEMENT

This Agreement, entered into this day ___ of _____, by and between the West Virginia Public Employees Insurance Agency, an agency of the State of West Virginia, hereinafter referred to as "PEIA" and _____, hereinafter referred to as "Agency".

Whereas, the PEIA is authorized by WV Code §5-16-1 et seq., to offer a health benefit plan (hereinafter referred to as "PEIA Plan") to employees and retirees of the State of West Virginia and their eligible dependents and to employees and retirees of certain non-State governmental agencies and their eligible dependents (hereinafter referred to as "members"); and

Whereas, the Agency has requested that it be permitted to participate in the PEIA Plan; and

Whereas, the Agency has submitted certain documentation to the PEIA in order that the PEIA may evaluate the Agency's request to participate in the PEIA Plan; and

Now, therefore, for good and valuable consideration and the mutual covenants contained herein, the PEIA and the Agency do agree as follows:

1. The Agency agrees to remain in the PEIA Plan for a minimum of three years from the execution of this Agreement. The Agency further agrees that failure to comply with this provision forfeits any ability the Agency may have in the future to re-enroll in the PEIA Plan.
2. The Agency agrees that PEIA will be the exclusive major medical health plan offered to its employees during the entire term of this Agreement.
3. The Agency shall pay to the PEIA a fee of \$12.00 per enrolled employee as a fee for joining or being readmitted to participate in the PEIA Plan.
4. The Agency shall pay to the PEIA a non-refundable fee of \$50.00, per year, per enrolled employee to cover administrative expenses.
5. Said fee shall apply at the time the employee is enrolled with the PEIA and shall be payable at such time as the charge appears on the Agency's monthly billing. The annual billing for administrative expenses will occur on July 1 of each year that the Agency participates in the PEIA Plan.
6. The Agency agrees that all outstanding premium balances or fees that exist as a result of previous membership in the PEIA shall be made current and fully resolved prior to the effective date of this Agreement.
7. The Agency agrees to make monthly premium payments no later than the 5th of the following month in the amounts set forth in **Addendum A** of this Agreement, or in such amended amounts as are approved by the PEIA Finance Board. Addendum A is the current PEIA Shoppers Guide. If Agency is not opting out of the WV OPEB plan, these premium amounts include "Paygo" amounts and must be paid in full by the Agency.
8. Failure of the Agency to make full and timely payments of any fees or premium payments provided for herein may result in a lapse of coverage for the Agency's PEIA members or unilateral termination of this Agreement by the PEIA with no advance notice by PEIA.
9. The Agency agrees that it shall conduct business with PEIA only through online electronic transactions on the PEIA Benefits Administration System (BAS) or other replacement system implemented by PEIA. Such transactions include, but are not limited to, billing, payment and eligibility data.
10. The PEIA agrees to provide to the Agency's PEIA members those benefits as are set forth in the PEIA Plan.
11. The Agency hereby agrees to give the PEIA prior written notice of its intent to withdraw from the Plan. Termination of this Agreement shall be effective on the last day of the next month following receipt of the notice (e.g., a notice received on June 15 will terminate the Agreement July 31).
12. The PEIA reserves the right to change or amend any fee or premium payment set forth herein as is approved by the PEIA Finance Board or any provision in its Plan in accordance with the applicable laws and regulations of this State. The PEIA shall provide the Agency with at least thirty (30) days' notice of any such amendments or changes before they are implemented.

13. The Agency acknowledges that, by State Statute, the Agency is, through its participation in PEIA, also a participant in the WV Retiree Health Benefit Trust (RHBT) if the Agency has any present or future employees who are or will become eligible to receive PEIA Plan Benefits in their status as retirees of the Agency. The Agency may opt out of the RHBT only if it has no present or future retirees eligible for the PEIA Plan.
14. The Agency recognizes that WV Code §5-16-22 requires that it pay to the PEIA for its retirees who participate in the PEIA Plan the same contributions as is paid by State agencies for their retirees, whether or not the Agency elects to remain with the PEIA for its active employees. Agencies actively participating in the PEIA Plan and having not opted out of the WV OPEB Plan, must pay the "Paygo" with respect to each and every active employee in the PEIA Plan with health coverage. Agencies actively participating in the PEIA Plan and having opted out of the WV OPEB Plan, must pay the premiums set forth in Addendum A with respect to each and every active employee in the PEIA Plan with health coverage. Agencies not actively participating in the PEIA Plan must pay the non-participating premium rate as to each retiree in the PEIA Plan.
15. The Agency acknowledges that if the basis for its participation in PEIA is its creation, ownership or control by West Virginia City or County Governments, should the Agency ever become partially or wholly controlled or owned by individuals or entities which are not WV City or County Governments, the Agency shall no longer be eligible to participate in PEIA and may be terminated by PEIA forthwith.
16. All notices provided for herein shall be sent by first class mail, postage pre-paid and addressed as follows:

WV Public Employees Insurance
 Agency
 601 57th Street, SE.
 Suite 2
 Charleston, West Virginia 25304-2345

Agency Name

Agency Address

The Agreement represents the full and complete understanding of the PEIA and Agency and shall be binding on the parties hereto and their successors.

This Agreement is governed by the laws of the State of West Virginia.

West Virginia Public Employees Insurance

Agency _____

By: _____
 Ted Cheatham, PEIA Director

By: _____
 (Name and Title)

MEMORANDUM

TO: (Agency Name)

FROM: Nicole Spears

DATE: (Date)

Participation in PEIA Benefits Program

The West Virginia Public Employees Insurance Agency has received your resolution adopting the PEIA Benefits Programs.

Enclosed are two Participation Agreements, along with Summary Plan Description booklets, enrollment materials (i.e., basic and optional life enrollment forms and rate tables, etc.) necessary for enrollment of your employees. Please read this information carefully.

Both Participation Agreements must be signed by the Chairman or appointed authority of your governing body. Both signed agreements must be returned to this office prior to the effective date assigned to your agency. Upon receipt, the PEIA Director will sign and return a copy of the completed agreement to your agency for your records.

No agency will be enrolled without a complete Participation Agreement on file in this office. Failure to return said agreements before your designated effective date will result in a delay of insurance coverage.

The _____ effective date of coverage for all employees electing enrollment in the PEIA Benefit Program is contingent upon the timely submission of the health and life enrollment forms.

Employee's enrollment forms received after the above referenced enrollment period will not become effective until the first of the month following the date PEIA received the enrollment form.

If it occurs that your agency has not submitted any insurance enrollment forms by the end of the designated enrollment date, coverage for your agency will not become effective until the following month or possibly later depending upon the receipt of the forms.

It is of the utmost importance PEIA receives these forms. As a forewarning, failure to comply may result in lapse in your employee's benefits.

The enrollment period of eligible employees will begin _____, and end on _____. All employees who enroll during this period will be effective _____. You are assigned the account number of _____ for identification and accounting purposes.

To determine the enrollment and effective date of coverage for employees who enroll after the above date, please refer to your PEIA Summary Plan Description booklet or contact me in-state toll free at (877) 676-5573, Ext. 52682