



Missouri Highways and Transportation Commission Policies

Category: EMPLOYEES
Subcategory: Compensation, Insurance, and Retirement

MEDICAL AND LIFE INSURANCE

Related Statutes: Section 103.079 RSMo - Health care programs sponsored by other state agencies may become part of consolidated plan, procedure.
Section 104.270 RSMo – Highways and Transportation Commission may provide medical and death benefits.
Section 104.1072.3 RSMo – Commission may provide medical benefits and life insurance.
Section 104.110.10 RSMo – Commission contribution to medical premiums for those receiving work-related disability benefits.
Section 104.515.4 RSMo — Special consultants, duties, compensation, benefits.

The Commission considered contributing to a medical insurance plan as early as May 10, 1927, and the next year (March 13, 1928) the Commission authorized the employees to form groups or associations among themselves to secure insurance at group rates with no financial participation by the Commission. It would be 50 years later before the Commission participated financially in this benefit. On October 15, 1975, the Commission authorized a study of hospital and life insurance programs in an effort to develop a program offering optimum benefits at minimum cost. In 1977, legislation was enacted which authorized the Commission to subsidize the life and health insurance programs of each employee who was a member of the Department's retirement system. The Commission established a Board of Trustees on November 9, 1977, and provided guidelines for its use in administering the new Medical and Life self-insurance plan. The new plan became effective February 1, 1978. Legislation enacted in 1982 allowed state participation in the cost of medical insurance for retirees by deeming them special consultants. Subsequent Commission action and/or legislation extended the subsidy to dependents (August 3, 1990), surviving spouses and dependents of employees who lost their lives as a result of a traumatic injury incurred on the job (September 8, 1993), work-related disability recipients (legislation—1995), long-term disability recipients (September 5, 1997), survivors of employees/retirees (September 7, 2001), and spouses of members who have Medicare as their primary coverage (September 7, 2001).

As allowed by Missouri statutes passed in 1985, the Commission elected to provide its employees with \$15,000 life insurance at no cost to the employee and to establish an optional life insurance program offering life insurance to the employee at the employee's expense. Effective January 1,

2001, the statutes allowed an increase in coverage from \$15,000 to one times the employee's annual base pay at no cost to the employee. The optional life insurance program allows an employee to purchase the following coverage: (1) up to six times the amount of the employee's annual salary (maximum of \$800,000); (2) from \$15,000 to \$100,000 for the employee's spouse (but not to exceed the employee's coverage amount); and (3) \$15,000 for the employee's dependents. Closed plan retirees may retain up to \$60,000 in optional life insurance coverage for the retiree and his/her spouse at the expense of the retiree. The Year 2000 plan retirees may, at their expense, continue the amount of insurance carried prior to retirement until age 62, when coverage is reduced to a maximum of \$60,000. Those who retired after September 28, 1985, other than those entitled to a deferred normal annuity (terminated vested members), receive a \$5,000 death benefit at no cost to the retiree.

As allowed under Sections 104.270 and 104.1072 RSMo, a Medical and Life Insurance Plan has been established for employees, retirees, and deferred annuitants of the MoDOT and Patrol Employees' Retirement System (MPERS) and their dependents. A Commission-appointed Board of Trustees administers the Medical and Life Insurance Plan in keeping with the Board guidelines approved by the Commission.

- The Commission currently subsidizes the cost for the employees, retirees, disability recipients, survivors of employees and retirees, and spouses and/or dependents of employees and retirees.
- The Commission approves the employer contribution to the Medical and Life Insurance Plan. The contributions are subject to the financial resources deemed by the Commission to be appropriate for this employee benefit and the Commission's financial situation. Effective January 1, 2018, and extending until such time as the Commission determines it to be prudent to increase or decrease its share of the total medical insurance plan premium, the following percentages of employer participation will apply:
 - **Active employees and Work Related Disability Recipients** - (all rate categories): 82 percent.
 - **Retirees who retire on or after January 1, 2015:** Two percent per full year of creditable service in the retirement system capped at 50 percent. The percentage will be applied to the premium applicable to the rate category in which the retiree is enrolled.
 - **Retirees who retired prior to January 1, 2015:** Employer percentage of total premium will be the same percentage in effect for calendar year 2014, as shown below.

Non-Medicare	
Subscriber Only	57%
Subscriber/Family	44%
Subscriber/Spouse	40%
Subscriber/Child	44%
Subscriber/2 Children	40%
Subscriber/Medicare Child	46%
Subscriber/Medicare Spouse	45%

Medicare

Subscriber Only	57%
Subscriber/Non-Medicare Spouse	40%
Subscriber/Medicare Spouse	45%
Subscriber/Non Medicare Family	44%
Subscriber/Medicare Family	49%
Subscriber/Child	44%
Subscriber/Medicare Child	46%
Subscriber/2 Children	40%

- Each rate group (Active, Non-Medicare Retiree, Medicare Retiree) shall be self-sustaining.
- Permanent part-time employees (those whose work is anticipated to exceed 1040 hours annually) of the Department, Patrol, or MPERS who are members of MPERS may participate in the Plan.
- Any employee terminating employment with the Department, Patrol, or MPERS who is a vested member of MPERS and who is a participant in the Medical Insurance Plan immediately prior to termination may retain continuous medical insurance coverage in keeping with the provisions of the Plan by paying the entire cost thereof. Commission subsidies will not be provided. Employees terminating employment who are not participants in the Medical Insurance Plan at the time their employment ends or who, after their employment ends, allow their coverage to lapse will not be permitted to reacquire coverage through the Medical Insurance Plan. Former employees who regain employment are entitled to coverage in the Medical Insurance Plan.
- Benefit provisions are in keeping with the most current Medical and Life Insurance Plan Document.
- An open enrollment period will be offered to employees every two years.
- Employee questions regarding the Medical Insurance Plan are to be directed to employees whose job specifications include advising employees regarding employee benefits.

Effective Date: February 6, 2019

Supersedes Policy Dated: February 11, 2014

Last Reaffirmed:

Date of Origin: December 14, 1977

Related Commission Minutes: History, Policies, Plan Changes, and Contributions - May 10, 1927; March 13, 1928; October 15, 1975; June 8, 1977; July 13, 1977; October 12, 1977; November 9, 1977; December 14, 1977; January 11, 1978; August 11, 1978; January 12, 1979; February 2, 1979; July 6, 1979; October 3, 1980; April 3, 1981; September 11, 1981; January 8, 1982; May 6-7, 1982; July 9, 1982; October 1, 1982; July 15, 1983; October 7, 1983; February 17, 1984; June 1, 1984; February 8, 1985; April 4, 1985; September 6, 1985; October 3, 1986; October 7, 1988; December 9, 1988; August 3, 1990; September 6, 1990; October 5, 1990; September 8, 1993; December 3, 1993; June 1, 1994; July 7, 1995; March 4, 1996; July 3, 1996; September 5, 1997; October 2, 1998; September 3, 1999; September 16, 1999; September 1, 2000; September 7, 2001; August 8, 2002; October 4, 2002; August 8, 2003; August 14, 2004; August 12, 2005; September 9, 2005; December 2, 2005; August 9, 2006; August 8, 2007; August 6, 2008; August 5, 2009; August 4, 2010; September 14, 2011; April 3, 2012; May 2, 2012; August 8, 2012; September 12, 2012; November 7, 2013 – Comprehensive Policy Review; December 27, 2013; January 8, 2014; February 11, 2014; March 5, 2014; September 10, 2014; August 5, 2015; August 4, 2017; August 1, 2018-

when the Commission absorbed premium increases the percentages changed; February 6, 2019-comprehensive policy review