

## Chapter 12

### While Appealing a Dismissal/Compromise Settlements

Employees may continue their coverage after being involuntarily discharged from employment if:

1. A right of appeal of the removal or discharge is exercised within thirty (30) days after it occurs; and
2. The employee continues to pay premiums to the employer during the appeal process. The first premium payment must be made within thirty-one (31) days of the date of the removal or discharge, and must include both the employee's and employer's share of the premium for a three (3) month period. The employee must continue to pay both parts of the premium in quarterly payments, which are due within thirty-one (31) days of the last date for which premiums have been paid.

**There are three (3) insurance coverage scenarios that can occur:**

**1. Employee is reinstated into participating employment but let coverage lapse while the appeal was in process.**

- An employee whose group life insurance coverage lapsed while the appeal is in process may enroll only for the insurance plans and coverage that were in effect on the date of the discharge or termination of employment, and for any plan or coverage for which the employee is otherwise eligible and that the employer first offered while the appeal was in process.
- The effective date of the insurance enrollment is determined as if the employee were rehired on the date of the reinstatement. Insurance coverage becomes effective the first of the month following thirty (30) days following the date of reinstatement. Applications must be returned to the employer within thirty (30) days of reinstatement (return to work).

**2. Employee is reinstated into participating employment and had continued coverage while the appeal was in process.**

- Coverage can be continued during the appeal process with premium payments submitted through the employer. The employee pays both the employee and employer share of the premium until the employee is reinstated.
- When the employee is reinstated, the employer will reimburse the employer's share of the premiums to the employee.
- No application is required since coverage never lapsed.

**3. Employee is not reinstated and had continued coverage while the appeal was in process.**

- Insurance is terminated the last day of the month in which the appeal decision and compromise settlement, if any, becomes final.

Retroactive reinstatement of coverage is not provided. Participants who are not reinstated to participating employment cannot obtain coverage resulting from the compromise settlement.