



**NORTH CAROLINA SCHOOL OF
SCIENCE AND MATHEMATICS**

Title	EMPLOYEE INSURANCE COMMITTEE
Authority	Chancellor
History	Adopted 10/1/2007. Revised 1/25/2010
Legal Reference	GS 58-31-60
Additional References	
Responsible Offices	Chancellor; Human Resources; Business Office
Classification	6520

The North Carolina School of Science and Mathematics values the competitive selection of payroll deduction insurance products paid for by State employees. In adherence with G.S. 58-31-60, the Employee Insurance Committee determines the needs and desires of employees for supplemental insurance products and competitively selects the best insurance products to meet those needs and desires. Supplemental insurance products are available through payroll deduction to all permanent employees working at least half-time (0.50 FTE).

1. PURPOSE

The Chancellor shall appoint an Employee Insurance Committee for the following purposes:

- 1.1. To review insurance products currently offered through payroll deduction to NCSSM employees to determine if those products meet the needs and desires of employees.
- 1.2. To select the types of insurance products that reflect the needs and desires of employees.
- 1.3. To competitively select the best insurance products of the types determined by the Employee Insurance Committee to reflect the needs and desires of the employees.

2. APPOINTMENTS

- 2.1. The Chancellor shall appoint the members of the Employee Insurance Committee. The Committee shall consist of not less than five nor more than nine individuals, a majority of whom have been employed for at least one year.
- 2.2. The committee members shall serve three-year terms with approximately one-third of the terms expiring annually. Each term appointment will begin on September 1 and end on August 31 of the appropriate year. If a vacancy occurs, the Committee will fill the vacancy for the remaining portion of the term.
- 2.3. Committee membership make-up shall fairly represent the work force of the School and be selected without regard to any political or other affiliations.
- 2.4. An Employee Insurance Committee Chair must be elected by the Employee Insurance Committee representatives for each year to (a) schedule and conduct meetings; and (b) represent the Employee Insurance Committee to the Chancellor

3. MEETINGS

- 3.1. A committee meeting must be held at least one time per year to review offered and available insurance products. Other meetings will be scheduled as necessary.
- 3.2. A record must be kept of attendance and minutes taken for each meeting. Records of the committee shall be retained in accordance with the records retention and disposition schedule of the NCSSM Human Resources Department.
- 3.3. A knowledgeable member of the NCSSM Human Resources Department and a knowledgeable member of the NCSSM Business Office will attend all meetings to provide support and assistance. Such support staff from Human Resources and the Business Office are non-voting members of the committee.

4. PAYROLL DEDUCTION SLOTS

- 4.1. The Employee Insurance Committee may select up to four supplemental insurance products, each to be assigned to one "payroll deduction slot." [G.S. 58-31-60] The assignment by the Employee Insurance Committee of a payroll deduction slot shall be for a period of not less than two years unless the insurance company shall be in violation of the terms of the written agreement specified in subsection 4.2.
- 4.2. The insurance company selected by the Employee Insurance Committee shall be permitted to sell through payroll deduction only the products specifically approved by the Employee Insurance Committee. The insurance company awarded a payroll deduction slot shall, pursuant to a written agreement setting out the rights and duties of the insurance company, be afforded an adequate opportunity to solicit NCSSM employees by making NCSSM employees aware that a representative of the company will be available at a specified time and at a location convenient to the employees. The NCSSM Human Resources Department coordinates a benefits fair for this purpose at least once per year.
- 4.3. Notwithstanding any other provision of the General Statutes, once an employee has selected an insurance product for payroll deduction, that product may not be removed from payroll deduction for that employee without his or her specific written consent.
- 4.4. When an employee retires from NCSSM and payroll deduction under G.S. 58-31-60 is no longer available, the insurance company may not terminate life insurance products purchased under the payroll deduction plan without the retiree's specific written consent solely because the premium is no longer deducted from payroll.

5. PROCEDURE FOR SELECTION OF INSURANCE PRODUCT PROPOSALS

- 5.1. All insurance product proposals shall be sealed. The Committee shall open all proposals in public and record them in the minutes of the Committee, at which time the proposals become public records open to public inspection.
- 5.2. After the public opening, the Committee shall review the proposals, examining the cost and quality of the products, reputation and capabilities of the insurance companies submitting the proposals, and other appropriate criteria. The Committee shall determine which

proposal, if any, would meet the needs and desires of the employees at NCSSM and shall award a payroll deduction slot to the company submitting the proposal that meets those needs and desires. The Committee may reject any or all proposals.

5.3. A company may seek to modify or withdraw a proposal only after the public opening and only on the basis that the proposal contains an unintentional clerical error as opposed to an error in judgment. A company seeking to modify or withdraw a proposal shall submit to the Committee a written request, with facts and evidence in support of its position, prior to the award of the payroll deduction slot, but not later than two days after the public opening of the proposals. The Committee shall promptly review the request, examine the nature of the error, and determine whether to permit or deny the request.

6. AUTONOMY OF THE EMPLOYEE INSURANCE COMMITTEE

6.1. It is the duty of the Chancellor to assure that the Employee Insurance Committee is completely autonomous in its selection of insurance products and insurance companies and that no member of the Employee Insurance Committee has any conflict of interest in serving on the Committee. Any decision rendered by the Employee Insurance Committee where the autonomy of the Committee or a conflict of interest is questioned shall be subject to appeal pursuant to the Administrative Procedure Act.

6.2. It shall be a Class 3 misdemeanor for any State employee, who has supervisory authority over any member of the Employee Insurance Committee, to attempt to influence the autonomy of any Employee Insurance Committee either in the appointment of members to such Committee or in the operation of such Committee; or for anyone to open a sealed insurance product proposal or disclose or exhibit the contents of a sealed insurance product proposal, prior to the public opening of the proposal. The Commissioner of Insurance shall have the authority to investigate complaints alleging acts subject to the criminal penalty and shall report his findings to the Attorney General of North Carolina.