

## **RESOLUTION #2004-06 ADMINISTRATION OF BENEFIT PROTECTION CONTRACTS**

June 10, 2004

**WHEREAS**, Benefit Protection Contracts are authorized under Utah Code Annotated §49-11-404; and

**WHEREAS**, a Benefit Protection Contract allows a member who is on long term disability leave with an insurance carrier other than PEHP to accrue service credit during the period of disability; and

**WHEREAS**, the Board desires to clarify the implementation and administration of Benefit Protection Contracts.

**NOW, THEREFORE, BE IT RESOLVED** that a Benefit Protection Contract may be backdated to the beginning of the current reporting year of the participating employer if the long term disability policy meets the requirements for a Benefit Protection Contract. If there are deficiencies in the long term disability policy that are not cured by the end of the current reporting year, that Benefit Protection Contract may not be backdated.

**BE IT FURTHER RESOLVED** that in order to enter into a Benefit Protection Contract with the Retirement Office, a participating employer must cover all of its employees eligible for that disability coverage. If the participating employer fails to cover all eligible employees for that disability coverage, no Benefit Protection Contract will be allowed.