

## Postdoc Paid Insurance Premiums

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*This document outlines the options and processes for postdocs who bring outside funding and have an allowance available for covering the Institutional portion of the postdoc insurance premiums.*

**The Stanford postdoc compensation package includes the required minimum stipend or salary (which is to be adjusted as necessary each October) as well as the cost of health insurance premiums (regardless of level of coverage). Benefits costs can be found on the rate sheet on the Postdoc Benefits website. Departments and/or PIs are required to cover the cost of insurance premiums even if the postdoc is bringing his/her own outside funding.**

As per **RPH (Section 2. Terms of Appointment)**: “A postdoctoral appointment at Stanford brings with it certain defined benefits, including insurance and leave benefits. These defined levels of benefits may not be modified or diminished by individual agreement with the department or the faculty mentor(s)/PI.”

As per **RPH (Section 4B. Fellowship Support)**: “If no fellowship or training grant funds are available to pay the cost of a Scholar's benefits, then the cost must be borne by a departmental or other unrestricted account.”

Some outside funding agencies provide funds above and beyond the stipend specifically for health benefits charges. In these cases, those funds can be used to cover the Institutional portion of the health insurance premiums as outlined on the Postdoc Health Premiums Rate Sheet (please see: <https://postdocbenefits.stanford.edu/eligibility-enrollment/documentation-and-instructions>).

It is the department's responsibility to make a formal request to OPA in cases where the department is asking the postdoc to cover the cost of insurance premiums. Requests from postdocs will not be considered. Because this is an **exception to policy**, no arrangements will be recognized until this is reviewed and approved—*this includes email correspondence between the PI and the postdoc prior to appointment*. It is *required* that departments submit documentation for review prior to appointment submission. This would avoid bringing the postdoc on board and having to pay for the insurance from a department/PI guarantee account if the arrangement requested is not approved and the postdoc has already arrived. Note that, in general, if a faculty sponsor is unable to cover the costs of insurance for a postdoc, they are expected to consult with their Department Chairs.

In order to facilitate a request, the following should be emailed to Shannon Monahan at [smonahan@stanford.edu](mailto:smonahan@stanford.edu) prior to the submission of the Recommendation Form:

1. An official request with justification (can be made by the department administrator)
  - include noted minimum salary and previous years' experience
    - necessary October increases must also be taken into account
  - include the number and type of dependents the postdoc will be bringing
    - the institutional portion of benefits will change based on who will be covered
  - include the end date requested (cannot go beyond the funding letter end date)
2. An email confirmation from the postdoc with an understanding and agreement to the terms
3. A copy of the official funding letter which must note that:
  - the funding includes both compensation and Stanford-provided insurance premiums
  - the amount provided for the insurance covers the full Institutional portion of the insurance benefits (for the postdocs and all dependents)
4. A cc: to either Tammy Wilson ([tjwilson@stanford.edu](mailto:tjwilson@stanford.edu)) for University postdoc requests or Alistair Murray ([alistair@stanford.edu](mailto:alistair@stanford.edu)) for School of Medicine postdoc requests

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Reasonable cases will be reviewed with the Assistant Dean after documentation is provided.

After review:

- OPA will provide the approval or denial via email to the requester
- If/When approved
  - The department must upload the approval email from Shannon Monahan to the Recommendation Form
  - Postdoc Benefits will be notified to make the appropriate programming change in the Benelogic system
  - The postdoc will then be required to enter their bank account information for automatic bank deduction of the premiums after they have completed enrollment

Approvals will be effective no earlier than the *first day of the month in which the request was made*. All insurance charges incurred by the department prior to the month of the request will remain the responsibility of the department. Thus, timely requests are encouraged.

Any changes to the postdoc appointment or postdoc coverage (addition of spouse and/or children) will require additional review when/if those changes occur.

A helpful hint: A postdoc is considered “Pool-Eligible” if they are paid salary equivalent to at least 50% of their respective required minimum (and it is appropriately entered in GFS). In cases where a postdoc is bringing a fellowship that only partially covers the required minimum salary, the department may enter a **salary** pay line for \$25,000 a year (assuming the required minimum is \$50,000), and the postdoc’s benefits will be paid by the resulting fringe. This may result in the postdoc receiving greater than \$50,000 annually (if the postdoc fellowship is greater than \$25,000), but there are several advantages over requesting a Postdoc Pay All scenario:

- 1) more of the money goes to the postdoc and less to direct insurance charges,
- 2) the postdoc is rewarded for having received a prestigious individual fellowship resulting in a cost-savings to the faculty mentor, and
- 3) the faculty can use research grants to cover salary/fringe costs instead of unrestricted funds for direct insurance costs.