Life Events Impacting Benefits

~LEAVE WITHOUT PAY~

Insurance Benefits & Retaining Coverage
When your status is changed to leave without pay (LWOP), your benefit coverage will go through the last day of the month in which you were actively paid (provided that full premium payment was received). If you will remain in a LWOP status for a FULL calendar month (example entire month of January); your coverage will automatically be suspended and paperwork will need to be received by the Benefits Office in order to retain benefits.

If you wish to keep your benefits suspended while in a leave without pay status, no action is needed. Your coverage is automatically suspended and will be reinstated on the date you return to active status once the payroll paperwork is processed.

In order to retain benefits, you will need to complete and return the Premium Payment Election Form provided with the LWOP email you receive from your Benefits Rep. Once these forms are received by the Benefits Office, coverage will be reinstated with no break and premium payment billing will be established.

Premium Payments
While in a leave without pay (LWOP) status, you are not receiving a paycheck in which to deduct your regularly scheduled insurance premiums. In addition, if your leave without pay extends to cover one FULL calendar month (example entire month of January); you are not eligible to receive the employer contribution towards your premiums unless your leave is an FMLA approved leave (see below section for FMLA leave).

The Premium Election Form included with your LWOP packet will need to be completed and returned to the Benefits Office selecting one of the below payment options:

- If your leave is for MORE than 3 months, you may pay premiums in advance, elect to be billed monthly, or have your bank account drafted.
- If your leave is for LESS than 3 months, you may pay in advance or elect to be billed monthly. You will not have the option for bank draft.

You will automatically be billed monthly if you fail to make a selection on the Premium Election Form or until the bank draft is set up in the billing system. While on billing, your coverage will be subject to cancellation if premium payments are not made in a timely manner.

International Students & Foreign Nationals
International visa requirements stipulate that health insurance coverage be maintained by foreign nationals on certain visas (e.g. F-1 or J-1).

Graduate student employees who are placed on LWOP may elect to maintain coverage under the employer plan paying the full cost of the plan by following the steps outlined above or they may obtain student insurance through Academic Health Plans: https://tamus.myahpcare.com/. Questions related to insurance coverage requirements for international students should be directed to International Student Services (ISS) at 845-1824.

COBRA (Consolidated Omnibus Budget Reconciliation Act)
Moving to a leave without pay (LWOP) status is a COBRA qualifying event. Your health, dental and/or vision coverage will continue through the last day of the month in which your active employment ends (provided premiums are paid) and you are placed in a LWOP status.

If you do not return to active employment, your employment will be terminated as of the last day you were active on payroll. At that time, you will be mailed a COBRA continuation form. Your COBRA continuation allotment (typically 18 months) will be based on the last day of active employment. Therefore, your COBRA continuation period runs concurrently with your LWOP period if you do not return to active employment. COBRA cannot begin for an employee on FMLA until FMLA ends (see below FMLA section).

If you elected to retain benefits while on LWOP and you do not return from leave, all your insurance coverage will be canceled as of the last day of the month the Benefits Office receives notification your employment has ended. You may convert your Health/Dental/Vision plans to a COBRA policy for the remainder of the COBRA continuation allotment and you will be billed directly from the insurance carrier for premium payment.
Required Forms
Your coverages will be automatically cancelled as of the last day of the month in which you worked prior to being placed on leave without pay status. The Premium Payment Election form is required to reactivate your coverage and set-up premium billing. If you fail to return the premium election form within 60 days, all of your coverage will remain cancelled during your duration of leave. Upon your return, your coverage will be subject to all of the rules regarding reinstatement of coverage outlined in this document.

Flexible Spending Accounts
Your leave without pay (LWOP) will have an impact on your flexible spending account(s) according to the type of account. It is important that you understand these implications.

- **Dependent Day Care**
  While on LWOP, you may continue submitting claims during the remainder of the plan year. If you return to active status within the same benefit plan year in which the leave began; your deductions will automatically be reinstated.

- **Health Care**
  In order to claim eligible expenses incurred after the date of leave, you will be required to contribute to your account through direct billing by PayFlex. The amount payable is the monthly contribution plus a 2% COBRA administrative fee. You will need to contact PayFlex at 1-800-284-4885 to make the appropriate arrangements. If you return to active status during the same benefit plan year in which your leave without pay began and you continued your premium payments to PayFlex, your tax-free payroll deductions will automatically be resumed. If you do not make contributions to your health care account while on leave, only eligible expenses incurred prior to the beginning of your LWOP will be eligible for reimbursement and pre-tax health care account payroll deductions will not be resumed when you return to active status. In addition, you will not be eligible to participate in a health care spending account again until the following benefit plan year.

If you return from leave in a subsequent Benefit Plan Year, you may re-enroll within 60 days of the date of your return to active status from LWOP.

Changing Benefits Related to Leave Without Pay Status Change
Since starting on and returning from leave without pay are considered qualified status changes, you are allowed to make certain changes within 60 days of either date.

- **Cancelling coverage**
  Coverage will automatically be suspended while on leave without pay and then reinstated once returned to active status. If you do not want coverage reinstated, but instead want to have all or some of your coverage completely cancelled, you will need to complete the Benefit Change form and return it to your Benefits Office. Coverage will be cancelled the first of the month following receipt of the form and coverage cancelled through a Benefit Change form will not be automatically reinstated when returned to an active status. A new Benefit Change form would be needed to reinstate your coverage when returning from LWOP.

- **Transferring coverage to spouse who also works for TAMUS**
  You may transfer to your spouse’s group health coverage while on unpaid leave. To do so, both you and your spouse will need to complete and return a Benefit Change Form and/or a Dependent Enrollment Form indicating the desired changes within 60 days of the date of leave. These forms must be submitted to the Benefits Office prior to the desired effective date and will be processed for the first of the month following receipt. If you want to revert coverage back to how you had it prior to your LWOP, the forms will need to be completed in reverse and submitted to the appropriate Benefits Office.

Benefit forms may be obtained from the below website and you can contact the Benefits Office at 458-7693 or teeshr@tamu.edu to inquire if you are eligible to make a specific desired change in benefits related to the leave without pay status change. [http://www.tamus.edu/offices/benefits/publications/](http://www.tamus.edu/offices/benefits/publications/)

Notification of Changes
If circumstances change during your leave that will prevent you from returning to active status as originally planned, you should contact your Department Business Office or Supervisor immediately to discuss how any changes will impact your employment and leave status.

If you experience a change of address or a temporary address while on leave without pay, please make sure to update your mailing and e-mail address in HR Connect in order to receive communications timely. Both addresses can be updated under the Personal Data Tab in HRConnect available through [https://sso.tamus.edu/logon.aspx](https://sso.tamus.edu/logon.aspx). Please contact TEES Personnel Services at 979-458-7699 if you need additional assistance.
Benefits While Traveling
If you are traveling while on leave, you may obtain the Texas A&M University System – Guide to Using Your Benefits While Traveling brochure here: http://www.tamus.edu/assets/files/benefits/pdf/publications/travel.pdf. This brochure contains important information relating to insurance coverage while traveling including contact information for the insurance carriers.

Special Types of Leave

FMLA (Family Medical Leave Act)
If you have at least 12 months of State service and have worked for the State at least 1,250 hours in the past 12 months, you are entitled to up to 12 weeks of Family and Medical Leave during the fiscal year. If the leave you have requested (whether sick leave, vacation leave, or other paid/unpaid leave, except Parental Leave) is due to one of the following reasons, this leave will count toward your entitlement for Family and Medical Leave during the fiscal year:

• Birth of a child,
• Placement in your home of a child for adoption or State-certified foster care,
• Your serious health condition (illness, injury or pregnancy), or
• To care for your spouse, child or parent who has a serious health condition.

When you take unpaid leave for one of the reasons stated above, the State will continue to pay its contribution towards your benefit coverage. **You must continue to pay your share of the premiums.**

More information on FMLA is available on our website: http://tees.tamu.edu/personnel/timeoff/fmla/

Parental Leave
If you are taking leave due to the birth of a child or adoption of a child younger than 3 years and you do not qualify for leave through the Family and Medical Leave Act you would be eligible for Parental Leave. Under Parental leave there are no minimum service requirements and you are required to first use all eligible paid leave before taking unpaid leave. However, Parental Leave must begin on the day of birth/adoption and you will not receive the employer contribution for benefits while you are on unpaid Parental Leave.

Military Leave
If your leave without pay is related to being on military leave, it is recommended that you review the brochure, Benefits While on Military Leave, available here: http://www.tamus.edu/assets/files/benefits/pdf/publications/military.pdf

Newborns
Under State law, newborns are automatically provided with 30 days of group health coverage. To extend the medical coverage beyond the initial 30 days, the Benefits Office must receive a Dependent Enrollment Form/Certification adding the child within 60 days of the date of birth. Coverage is effective on the date of birth. Any additional premiums that may be required as a result of the change would be due on the first of the month following the date of birth. Coverage under Dependent Life, dependent AD&D and dependent A&M Dental plans must also be added within 60 days of the date of birth. http://tees.tamu.edu/personnel/benefits/benefit-changes/

Disability
If your leave is related to a personal disability, please review the brochure: About Disability available at http://www.tamus.edu/assets/files/benefits/pdf/publications/disability.pdf. If you were participating in Long Term Disability (LTD) and you are expected to be off of work more than 90 days due to your disability, please contact Engineering Human Resources to review options for filing a LTD claim.