



## Human Resources Benefits and You

### Layoff or Resignation

While in layoff status, you are placed in layoff status and retain ties with OSU for up to one year. Certain insurance benefits will continue during the layoff *unless you cancel them*. You will be billed through the Office of the Bursar for benefits you choose to keep, as well as premiums paid by OSU. Premiums cannot be prorated for a partial month's coverage. The various insurance plans govern cancellation rules. You should review the insurance certificates and other benefits literature for full details. Below is a brief description of your benefit options.

#### Layoff

**Health, Dental, and Vision Coverage:** Coverage will continue at your expense and bill through the Office of the Bursar unless you provide a written request to cancel. You have 30 days from the date of layoff to request cancellation or you cannot cancel unless you have another qualifying event under IRS Section 125 rules or you cancel during the option enrollment period each fall (effective first of year). A list of qualifying events is available on our website at <http://hr.okstate.edu/benefits/bform> (*IRS Section 125 Qualifying Event Checklist*).

If your spouse is covered as an OSU employee, or an employee of another institution with BlueCross BlueShield coverage, you may transfer coverage to his/her policy, which would enable the premium to be tax sheltered. To transfer coverage, your spouse should complete an Insurance Enrollment/Change Form (<http://hr.okstate.edu/benefits/bform>) within 30 days of layoff. If you do not return to work and are separated from OSU at the end of your layoff, then you will have an opportunity to continue coverage through COBRA.

If health coverage is cancelled and later you return to work, you will have a twelve month preexisting condition exclusion on the health plan. The preexisting exclusion may be waived if you had group coverage during layoff.

**Life:** Basic OSU-paid coverage, if applicable, will continue at your expense and bill through the Office of the Bursar unless you provide a written request to cancel. Cancellation will become effective the end of the month that your request is received by OSU Benefits. If you cancel, you must reapply and prove insurability within 30 days of your return to work. If you are unable to meet underwriting requirements, coverage may be denied. If you wish to continue supplemental life, you may request the form to apply for porting from OSU Benefits.

**Long-Term Disability:** Your coverage is cancelled during layoff status. If you return to work and reapply for coverage within 90 days, it may be activated on the same basis as it would for a new employee.

**Flexible Benefits:** Since you do not receive pay while in layoff status, contributions into flexible benefits reimbursement accounts cease at the end of the month of your last day worked. Contributions would resume if you resume pay status. You must file all claims within the 15- month plan year for expenses incurred during that plan year. Reimbursements can only be provided for services rendered while you were contributing to the flexible benefits reimbursement accounts.

**Retirement Program(s):** Since you do not receive pay while in layoff status, contributions cease. You are not eligible to withdraw money from the ARP or DCP or OTRS retirement plans while in layoff status. OSU-paid retirement contributions resume with active pay status in a benefits eligible position at .75 FTE or greater. If you elected the Alternate Retirement Plan, time during layoff will count toward your two-year vesting. However, if you have less than one year of service at the beginning of layoff, you will lose OSU retirement contributions unless you take another position on campus within the layoff period. Voluntary 403(b) and 457(b) retirement plans have different withdrawal rules.

**Unemployment Compensation:** You may apply for unemployment compensation through the Workforce Oklahoma (Oklahoma Employment Security Commission) office nearest you. They determine whether or not you are eligible to receive benefits based upon the rules set forth by the State of Oklahoma. You must be physically able to work in order to receive unemployment compensation benefits.

**Voluntary Cancer Plan:** Please contact the vendor directly. Information is available at [www.afadvantage.com](http://www.afadvantage.com).

## Resignation

Some employees choose to resign at the onset of layoff, or sometime during the layoff leave of absence. Resignation severs the employee/employer relationship and changes the options on benefit programs. The following information explains the options if separated.

**Health Care, Dental, and Vision:** Coverage continues until the end of the month of separation. You may continue the coverage through COBRA for a limited time. You pay the premiums at a slightly higher rate. Contact OSU Benefits for COBRA information at (405) 744-5449.

**Life:** OSU-paid coverage continues until the end of the month of separation. You may convert to a personal policy within 30 days of separation by paying the actuarial value of the premium. If you have elected voluntary supplemental coverage on you or your family, you can continue coverage by paying premiums directly to ING, if elected within 60 days. Call ING at (800) 955-6965.

**Long-Term Disability:** Coverage continues until the end of the month of separation.

**Flexible Benefits:** You have 90 days after the plan year ends to submit medical reimbursement of claims for expenses incurred prior to separation. You will forfeit any funds that cannot be claimed for medical expenses incurred during employment. You have the opportunity to participate with after-tax dollars through COBRA and may want to do so if you had made contribution in excess of incurred expenses at the time of separation.

**Retirement Program(s):** Under certain circumstances and within certain time constraints, you may withdraw retirement contributions upon separation of employment. See separate handouts for details on the web at <http://hr.okstate.edu> (*Oklahoma Teachers' Retirement System Termination of Membership and Withdrawal of Funds* and *TIAA-CREF Funds Upon Termination of Employment*.)

**Unemployment Compensation:** Same as for layoff.

**Voluntary Cancer Plan:** Please contact the vendor directly. Information is available at [www.afadvantage.com](http://www.afadvantage.com).

## Frequently Asked Questions

**If I accept a temporary appointment at OSU while in layoff status, what will happen to my benefits?**

OSU will deduct your insurance benefits from your pay, including any flexible benefit reimbursement account contributions. If your pay is not sufficient to cover the cost, you will be billed through the Office of the Bursar account.

**If I cancel my benefits while in layoff and later accept a position at OSU, what will happen regarding my benefits?** You may reapply if you secure a continuous, regular appointment of at least .75 FTE. However, remember certain restrictions may apply.

OSU Human Resources developed this information for the convenience of OSU employees. It is a brief interpretation of more detailed and complex materials. If further clarification is needed, the actual law, policy, and contract should be consulted as the authoritative source. OSU continually monitors benefits, policy, and procedures and reserves the right to change, modify, amend, or terminate benefit programs at any time.