September, 2020

TO: Employees on Full Time Furlough

RE: **Your GIC premium payments**

This notice is intended to assist those of you who have received a furlough notice and who purchase insurance through the MA Group Insurance Commission (GIC).

While you are on furlough, you are eligible to maintain enrollment in your current GIC health insurance, basic life insurance, and (if you elected it before) optional life and long-term disability insurances. The University will continue to pay its portion of the premiums, and you will continue to pay premiums at the employee rate. If you intend to keep your insurance for the duration of the furlough, we need to determine how you will pay your portion of this premium.

There are two ways to cover your insurance premiums so that your GIC insurance coverages stay active during your furlough. Please read the following carefully.

1. **You can pay your insurance premium directly to GIC.**
	* While on full-time unpaid furlough the GIC will invoice you directly for the premiums that would have been payroll deducted (regular mail).
	* Check HR Direct to ensure that your mailing address is correct.
	* If you do not pay the invoices timely (check, money or using a debit or credit card) GIC will cancel your insurance.
	* If your insurance is cancelled, you may not be able to re-enroll until the open enrollment period following return from furlough as a benefited employee.

**—OR—**

1. **You can use your accrued time to pay your portion of the insurance premiums.**
	* The number of days of accrued time per pay period will vary depending on the amount needed to cover your deductions.
	* If you choose to use your accrued time, the University will pay two days of accrued time each pay period in this order: compensatory, personal, vacation, and sick with intent of covering:
		+ your portion of GIC premiums
		+ union dues
		+ GIC Flexible Spending Accounts**\***
		+ state and federal income tax withholdings**\***
		+ voluntary retirement plan contributions**\***
		+ other deductions appearing on your bi-weekly pay statement\*
		+ If you run out of accrued time, the 2 days of accrued time is insufficient to cover your premiums, or the GIC does not successfully payroll-deduct your premiums you will receive a bill in the mail from GIC and you will need to pay your premiums directly to GIC. If you do not pay the invoices timely (check, money or using a debit or credit card) GIC will cancel your insurance.
	* Check HR Direct to ensure that your mailing address is correct and see how much accrued time you have available.

**Department of Unemployment Assistance (DUA): If you are collecting or if you intend to collect unemployment compensation, you have to report the money you earn from the use of accrued time to pay your insurance premiums when you file for unemployment benefits.** Failure to do so can negatively affect your ability to collect unemployment compensation. You can find the amounts of your reportable earnings on your paystubs through HR Direct. Information on how to re-open an existing unemployment appears online ([www.mass.gov/managing-your-unemployment-benefits](http://www.mass.gov/managing-your-unemployment-benefits)); please contact DUA with questions: telephone 877-626-6800.

**Please email askhr@umass.edu to let us know how you intend to cover your insurance premiums by September 20, 2020 so that we may plan accordingly. If we do not hear from you by then, we will use your accrued time following the steps outlined in option 2 above. If you have insufficient accruals to cover your premiums, we will follow option 1 and the GIC will bill you for your portion of the health premium.**

**If you have any further questions regarding coverage and deductions, please contact Human Resources in your department.**

**\* Please refer to the “Impact of Fall 2020 Furlough on Benefits” document provided with notice of furlough for instructions on how to change these deductions. Also:**

**If you wish to cancel some, or all, of your GIC insurance coverage(s)**

Furlough is a qualifying event to cancel some, or all, GIC insurance coverages effective the first day of a future month. Return from furlough is **not** a qualifying event to re-enroll for coverage.

**Before the 30th calendar day of furlough** (for those whose furlough starts September 13, 2020 no later than October 9, 2020) you may:

* Complete and submit a [GIC Enrollment/Change Form (“Form 1a”)](https://www.umass.edu/humres/sites/default/files/GIC%20non-oe%20form%201a%202018-19.pdf) online via [MyGICLink](https://mygiclink.force.com/GenerateDocusignPage) or in person at the [Human Resources Employee Service Center](https://www.umass.edu/humres/employee-service-center) to cancel GIC health, optional life, long-term disability and/or basic life insurance coverage.
* Complete You may reduce or cancel enrollment in your Dependent Care Assistance Plan by completing a “Change in Status” form online with Benefits Strategies ([www.benstrat.com/gic-fsa/](http://www.benstrat.com/gic-fsa/))

Furlough is not a qualifying event to cancel or change enrollment in a Health Care Spending Account (HCSA). While on unpaid leave you cannot incur eligible expenses under the HCSA unless contributions are being taken via payroll-deduction or you are making direct payments to Benefits Strategies.

**If you cancel your GIC coverage(s):**

* Health and/or basic life insurances: your next opportunity to re-enroll as a benefited employee is:
	+ During open enrollment (typically the month of April for coverage effective the following July 1)
	+ Within 60 days (and proof) of a qualifying event, for instance involuntary loss of coverage under another health insurance plan, marriage, birth/adoption of child/ren.
* Optional Life and/or Long-Term Disability insurance: you may apply to re-enroll following return from leave. Application for coverage may be denied based on Evidence of Insurability requirements (medical review of insurability by the insurance carrier).