

**Impact of Furlough on Benefits
for GIC-Eligible Staff**

This document provides an overview of the impact on benefits resulting from a full-time or part-time furlough. This document presumes that you remain in a benefited (50+% time) position.

Sick and Vacation Accruals & Paid Personal Time: your paid sick and vacation accruals, and paid personal time allotment, are not impacted by this furlough.

Holidays: you will be paid for holidays unless you are scheduled to be on furlough on the date the holiday is recognized.

GIC Health, Life & Long-term Disability Insurances: you remain eligible for and enrolled in your current Group Insurance Commission (GIC) health, basic life and (if elected) optional life & long-term disability insurances. If you are:

- On half-time furlough the GIC will continue deduct insurance premiums from your earnings each payperiod. You remain responsible for monitoring your bi-weekly paystatements to ensure desired deductions are taken. If the GIC invoices you at home for insurance premiums you are responsible for paying those premiums timely in order to retain coverage.
- On unpaid furlough and have GIC insurance(s) you will be defaulted to using one day of accrued time each week with the intent of allowing GIC premiums to be payroll deducted. You may opt out of using accrued time, instead allowing the GIC to invoice you directly for premiums that would have been payroll deducted. Your department will provide instructions on how to elect out of using accrued time. Accruals will be used in the following order:
 - AFSCME: compensatory, vacation, personal then sick leave.
 - USA, PSU and Non-Unit: compensatory, personal, vacation then sick leave.

If your GIC premiums are greater than two days' pay please you may contact your departmental Human Resources office to discuss alternatives. Note if you have elected to have an additional tax withholding that will be deducted before insurance premiums; additional tax withholdings can be adjusted online in HR Direct.

You remain responsible for monitoring your bi-weekly paystatements to ensure desired deductions are taken. If the GIC invoices you at home for insurance premiums you are responsible for paying those premiums timely in order to retain coverage.

- On unpaid furlough not using accrued time the GIC will invoice you at home for insurance premiums at your current contribution rate. You are responsible for paying those premiums timely in order to retain coverage.

Please note, the GIC will cancel your insurances in the absence of timely premium payment. If this occurs you may be ineligible to re-enroll for health insurance until your next GIC open enrollment as a benefited employee (the next open enrollment is spring 2021 for coverage effective July 2021) and may become permanently ineligible for long-term disability and optional life insurances.

Within 30 days of furlough you may elect to cancel some, or all, of your GIC insurance coverages by completing a GIC Status Change Form (“Form 1a”) online via MyGICLink (<https://mygiclink.force.com/GenerateDocuSignPage>) or in person at the Human Resources Employee Service Center (please note location, hours of operation and building access information: www.umass.edu/humres/employee-service-center).

If you elect to cancel GIC insurance coverages, please note return from furlough is not an opportunity to re-establish GIC insurance coverages.

- Health and/or basic life insurances - you may re-enroll for these coverages during annual open enrollment for coverage effective the following July 1 or within (and with proof of) involuntary loss of coverage under another plan
- Optional life and/or long-term disability insurances – you may apply for these coverages. The GIC’s insurance vendor will initiate a medical evidence of insurability review and approve or deny benefits based on their review.

The GIC is agency of record for all GIC benefits (tel: 617.727.2310).

GIC Flexible Spending Accounts (please reference Benefits Strategies Participant Handbook / www.umass.edu/humres/gic-hscadcap-participant-handbook). All requests to change enrollment must be made online with Benefits Strategies (bentstrat.com/gic-fsa) **within 60 calendar days of the start of furlough.**

- Dependent Care Assistance Program (DCAP): unpaid furlough is an opportunity to pro-actively change your annual DCAP election online with Benefits Strategies (www.benstrat.com/gic-fsa/). You must initiate this change within 30 days of furlough.

- Health Care Spending Account (HCSA), if you are on a:

- On a partial furlough or are using accrued time to cover GIC deductions:

1. If scheduled to work half-time or less the GIC has interpreted this as a “change in employment status” allowing you to apply to change HCSA election amount or terminate enrollment in the plan.
2. If scheduled to work more than half time the GIC interprets this not to be a qualifying circumstance to change HCSA election amount or to cancel enrollment in the plan.

‘If...on a paid leave that converts into unpaid leave (e.g. you may have exhausted accrued time) the process and options of Prepay or Direct Billing, below, must be elected before payroll deductions are stopped.’ Benefits Strategies handbook further reads “[i]f the change occurs without Prepay or Direct Billing being selected, your account will go into a status of no coverage and [the HCSA debit] card will be suspended.”

- Fully unpaid leave: (from the Benefits Strategies participant handbook)

1. No HCSA coverage, adjust your election amount – you may choose to stop coverage and restart it upon returning to work with an adjusted, lower election amount. Your election will be reduced by the amount of the missed deductions or another lower amount (no lower than the amount already contributed). Payroll-deductions moving forward are recalculated based on your newly adjusted election and the number of payperiods remaining in the plan year (through June 30). The HCSA debit card is inactive during leave and no eligible expenses may be incurred while on leave. When you return to work you must contact UMass HR to resume and/or adjust your

deductions. Returning from an unpaid leave is not a qualifying event to terminate an HCSA enrollment.

2. If you wish to incur eligible expenses while on an unpaid leave you must continue coverage by choosing one of several options:
 - Prepaying your contributions: you may elect to have a lump-sum, pre-tax deduction taken from your last check before unpaid leave starts. This will cover the period of time that no payroll deductions are taken. If you prepay, your debit card will remain active and you may continue using funds and submitting claims through the prepaid time period.
 - Direct bill payment: You may complete an Enrollment/Status Change e-form online with Benefits Strategies (www.benstrat.com/gic-fsa/) before your leave begins and request that Benefits Strategies invoice you every two weeks. You must then pay the premium and contribution post-tax in order for the HCSA debit card to remain active and for eligible expenses to be covered by the HCSA. Benefits Strategies writes “There is no grace period for a missed direct payment. If a payment is not paid by the due date, then coverage is discontinued until the employee’s return to active status.”
 - Payment upon return: When you return to employment any missed deductions will be payroll-deducted on a pre-tax basis over the balance of the plan year (ie, through June 30). Note **this may significantly increase your bi-weekly HCSA deduction** and you cannot change your election amount at that time. The HCSA debit card will be inactive during unpaid leave. Once payroll-deductions are re-initiated the debit card is reactivated and coverage will be backdated to the beginning of the leave, allowing you to claim HCSA expenses incurred while on leave.

Dental: dental insurance (dental/vision insurances for PSU and AFSCME employees) coverage is not impacted by this full- or part-time furlough. Non-Unit employees for whom dental insurance premium is not payroll-deducted must directly pay the employee contribution toward premium in order to retain coverage.

Massachusetts Mandatory Retirement Plans – GIC eligible employees are members of either the Massachusetts State Employees’ Retirement System (MSERS / pension plan) or the Optional Retirement Program (ORP, investing with TIAA or Fidelity). MSERS or ORP contributions will be withheld consistent with the salary or accruals you are paid. If you are a member of the:

- MA State Employees’ Retirement System (MSERS / pension system / defined benefit plan):
The MA State Retirement Board is agency of record for MSERS benefits (tel: 617.367.7770).
 - Time paid while on furlough (representing time worked or use of accrued time to cover GIC premiums) counts as creditable service toward MSERS retirement.
 - Unpaid time while on furlough - the MA State Retirement Board can grant up to 30 days of unpaid furlough as creditable service toward retirement. These days do not need to be consecutive. Hours on unpaid furlough are not eligible for purchase as MSERS creditable service.
- Optional Retirement Program (ORP) – currently the employer matching contributions continue proportionate to employee payroll-deducted contributions. While employed in an ORP-covered position, each month during which an employee contributes to the ORP yields a month of service toward GIC

retiree insurance eligibility. ORP members who are at least 59 ½ years of age may be eligible for an in-service withdrawal (through December 31, 2020) – please reference the ORP website for detailed information (www.mass.edu/forfacstaff/orp/whatsnew.asp).

Voluntary Retirement: if you contribute to a University 403(b) or Massachusetts 457b/SMART plan these payroll deductions will continue to the extent allowed by your University earnings. You can adjust your contributions to the 403b plan online biweekly in the Fidelity NetBenefits system (<https://nb.fidelity.com/public/nb/umass/transition-home>). Changes to 457b/SMART plan contributions take effect the next calendar month and can be modified online in Empower Retirement's system (<https://www.empower-retirement.com/>).

Note if you are on unpaid furlough and do not adjust your 403(b) and/or 457/SMART Plan deductions your existing elections will be payroll-deducted upon return to University payroll.

Corestream deductions: post-tax Corestream payroll deductions generally represent a MetLegal and/or home/auto insurance premium (MetLife, Liberty Mutual or Travelers). You may elect to discontinue a MetLegal enrollment during open enrollment. Please discuss desired home/auto insurance policy changes directly with your insurance company.

- On unpaid furlough not using accrued time you must make premium payment arrangements with your insurance provider in order to retain coverage.
- On half-time furlough or are using accrued time while on full-time furlough Corestream premium deductions will be taken to the extent allowed by your University earnings. You remain responsible for monitoring your bi-weekly paystatements to ensure premiums are deducted and for paying insurance providers for any premiums not payroll deducted.

Massachusetts and US federal income tax withholdings adjust commensurately with changes in income. Note if you have elected to have a flat dollar amount (or additional flat dollar amount) of income tax withheld you may wish to reevaluate that additional withholding and can change your withholding election online in the HR Direct system.

UMass Amherst Faculty Staff Assistance Program (FSAP) and Commonwealth Mass4You employee assistance programs are available to provide support to staff and faculty. Information about services that support mental health:

- UMass FSAP: telephone 413.545.0350 / www.umass.edu/humres/faculty-and-staff-assistance-program
- Commonwealth Mass4You: 844.263.1982 / liveandworkwell.com. Substance Use Treatment Helpline: 855.780.5955

Unemployment benefits: the MA Department of Unemployment Assistance (DUA) may determine you are eligible for unemployment benefits based on a full- or part-time furlough (typically part-time unemployment benefits are paid if you experience a reduction in your income of at least 33%). Note in either case if you must file a claim through DUA's system if you wish to apply for benefits.

After your furlough has begun you may file a claim or reopen an existing claim (instructions on how to reopen a claim appear online here: www.mass.gov/managing-your-unemployment-benefits). Thereafter on the Sunday following the week of furlough you can log into DUA's system and request benefits for the prior week. If you have received any income for the week you are requesting benefits (eg you will receive payment for 1 day of accrued time for that week) you must report that gross income even if you have not yet received the payment.

DUA is the agency of record for unemployment benefits telephone (877-626-6800), online (www.mass.gov/orgs/departments-of-unemployment-assistance). Information on how to apply for unemployment is attached, this same information is available online many languages (<https://www.mass.gov/dua-multilingual-services>).

Families First Coronavirus Response Act (FFCRA) & Family Medical Leave Act (FMLA) leaves: FFCRA offers income and job/benefits protected leave an eligible employee is on approved leave due to COVID quarantine and/or requires leave because childcare or in-person schooling is unavailable due to coronavirus. FFCRA leave and income (and FMLA leave) do not apply to days on furlough.

Flexible Working Arrangement Requests do not apply to dates of furlough.

UMass Amherst On-Campus Parking Fees are discontinued for employees on indefinite furlough (including for those being paid one day of accrued time weekly). Parking fees (and if previously elected, payroll deduction of parking fees) resume at the end of the furlough period.

Please always review your paystatement carefully - this document is intended to provide a general overview of benefits and the impact of an unpaid furlough on those benefits. You may have other benefits deducted from your paycheck (eg, you may be enrolled in a union-based short- or long-term disability insurance plan which the University does not administrate). You may wish to look at and consider deductions not mentioned in this document.