

Layoff

3/9/2012

General Information and Requirements

Applicable to:

- Employees and their covered dependents when the employee is laid off due to an employer's lack of funds or an organizational change.

Relevant Rule:

- When an employee is no longer eligible for the employer contribution towards benefits due to layoff, insurance coverage may be continued by self-paying the full premium set by the Health Care Authority (HCA), with no contribution from the employer. (see [WAC 182-12-133](#))
- The employer contribution towards Public Employees Benefits Board (PEBB) medical, dental, and basic life insurance will end at midnight, the last day of the month in which the employee is eligible for the employer contribution. (see [WAC 182-12-131](#))
 - Supplemental life insurance ends the earlier of (1) the last day of the month in which status of the employee is terminated, or (2) the last day of the month in which the employee is eligible for the employer contribution or employee premiums were withheld, whichever is later. (see [Life Insurance Plan booklet](#))
 - Basic long-term disability (LTD) insurance ends at midnight the date employment ends.
 - Optional LTD coverage ends at midnight on the last day of the month in which employment ends or the last day in which the employee paid the premium. (see [Long-Term Disability Plan booklet](#))
- Employees who are laid off and are eligible to retire may choose to elect PEBB retiree coverage. (see [WAC 182-12-171](#))
- Employees who return to another state agency position within 24 months may be eligible for the employer contribution toward benefits with eight or more hours of pay status per month. (see [WAC 182-12-129](#) & [WAC 182-12-131](#)) The employee, upon hire, must notify the employing agency that he or she may be potentially eligible under WAC 182-12-129.

The PEBB Program will mail the *Continuation of Coverage Election Notice* packet to the employee after the employer terminates the coverage. (This can take up to 14 days after insurance coverage is terminated.)

Employees applying for self-pay must...	...no later than...	...or this will happen
Complete the <i>Leave Without Pay (LWOP) Continuation Coverage Election</i> form	60 days after the postmark date of the continuation of coverage packet	PEBB insurance coverage will end on the last day of the month in which the employee lost eligibility for the employer contribution
Mail or hand-deliver the <i>Leave Without Pay (LWOP) Continuation Coverage Election</i> form to the PEBB Program (address provided in packet)	60 days after the postmark date of the continuation of coverage packet	Employee will lose right to continue coverage

Choose to continue any optional life coverage that was in force as an active employee and pay the premium	60 days after the postmark date of the continuation of coverage packet	Coverage that was reduced or not self-paid will require evidence of insurability when re-applying upon return to work
Make the first full premium payment to HCA	45 days after the date coverage is elected	Employee will lose right to continue coverage

Additional Information

Employees who have...	...may...	...no later than
A spouse or state registered/qualified domestic partner eligible for employer-paid PEBB benefits as the primary subscriber	Enroll under the spouse or state registered/qualified domestic partner's medical and/or dental coverage as a dependent	60 days after the date the employee lost eligibility for the employer contribution
A Flexible Spending Account* (FSA) through ASIFlex	Apply for continuation of coverage through ASIFlex to extend the period of coverage, so that you may claim expenses incurred after employment ends	60 days after the date the employee lost eligibility for the employer contribution
Employees who have...	...the spouse/domestic partner may.....	...no later than
A spouse or state registered/qualified Section 152 domestic partner also covered by PEBB benefits	Enroll in or change their election through ASIFlex for a Flexible Spending Account*	60 days after the date the employee lost eligibility for the employer contribution

*FSA enrollment is available only to employees of state agencies and higher education institutions.

Employees applying for PEBB retiree coverage must...	...no later than...	...or this will happen
Complete the Retiree Coverage Election Form to enroll in or defer coverage	60 days after employer-paid or COBRA coverage ends	PEBB coverage will end on the last day of the month in which employment ends.
Mail, hand-deliver or fax the election form to the PEBB Program (<i>address and fax number provided on the form</i>)	60 days employer-paid or COBRA coverage ends	Employee will lose future right to enroll in PEBB retiree coverage
Make the first full premium payment (if not electing pension deduction from Department of Retirement Systems)	45 days after electing coverage	Employee will lose future right to enroll in PEBB retiree coverage

Guidance Resources

- Employees retiring under plans administered by the Department of Retirement Systems (DRS) must contact DRS about retirement eligibility. Information can be found at www.drs.wa.gov, or by calling them toll-free at 1-800-547-6657.
- The employee may call HCA at 1-800-200-1004 to request a retiree insurance packet.
- [Continuation of Coverage Election Notice](#)

Forms

- [Leave Without Pay Continuation Coverage Election](#)
- [Employee Enrollment/Change](#) form (if enrolling on spouse or domestic partner's coverage)
- [Retiree Coverage Election Form](#)
- [Declaration of Tax Status](#) form (includes worksheet for determining dependent tax status)
- [Life Insurance Enrollment/Change Form](#) (for life insurance transfer only)

Rates

- [Leave Without Pay](#) (applicable if self-paying to HCA)
- [Retiree Health Rates](#) (applicable if set up by HCA as a Retiree)
- [Life Insurance – Retiree Rates](#)
- [Employee Health Rates](#) (if enrolling as a dependent under spouse or state registered/qualified domestic partner's coverage)
- [Life Insurance – Employee Rates](#) (rate applicable after transferring coverage)

WAC References and their general subject matter

- [182-08-180](#) - Premium payments and refunds.
- [182-08-190](#) - The employer contribution for all eligible employees
- [182-08-198](#) - When may a subscriber change health plans?
- [182-08-200](#) - Employer contribution when changing agency employment
- [182-12-113](#) - Obligations of state agency in employee eligibility
- [182-12-129](#) - What happens when an employee changes positions but loses eligibility due to layoff?
- [182-12-131](#) - How eligible employees maintain the employer contribution toward insurance coverage
- [182-12-133](#) - Options for continuing coverage eligible when on certain types of leave or Layoff
- [182-12-141](#) - Revert from an eligible position to an another position
- [182-12-171](#) - Retiree eligibility

Audio Visual Aids

- [Retiree Questions and Answers Video](#)