



Management of Benefit Premiums for State Employees

Family Medical Leave, Leave Without Pay, Workers Compensation, Disability, Active Military Duty

Special Announcement

Family Medical Leave Act

FMLA: Under the provisions of Family Medical Leave Act an employee is allowed up to 480 hours of leave per year for the employees or immediate family member serious illness or for the birth, or adoption of a child provided they have a sufficient number of hours worked.

- Eligibility
 - Has worked for the State of New Mexico for a minimum of 12 months
 - Has at least 1,250 hours of service with the State of New Mexico during the 12 month period preceding leave.
 - May take up to 480 hours or 12 work weeks of leave in a 12 month period for one or more of the following reasons
 - Birth of a son or daughter
 - Placement of an adopted son or daughter OR Foster care child
 - Care for a Spouse, Son, Daughter, or Parent who has a serious health condition
 - Serious health condition that does not allow employee to perform essential job duties
 - Depending on your agency's policy, under some circumstance's employees may take FMLA on an intermittent or reduced schedule basis. An employee may take accrued leave to reduce the time he/she works each day or week for a qualifying reason. Employees may choose to utilize accrued paid leave to cover payment of benefits premiums.

Approved Leave Without Pay

Leave Without Pay: Allows the employee to keep an active non-pay status and remain eligible for certain benefits in which they are currently enrolled in. In most cases LWOP is granted when the employee exhausts all leave. Extended periods of leave without pay may affect health and retirement benefits.

- Eligibility
 - Employee exhausts FML total leave hours
 - Exhausts accrued Leave
 - Has zero leave time to cover benefit premiums.

Family Medical Leave Without Pay

- **FMLA Without Pay:** The Family and Medical Leave Act allows eligible employees to take unpaid job protected leave for specified family and medical reasons.
- **Eligibility**
 - Has worked for the State of New Mexico for a minimum of 12 months
 - Has at least 1,250 hours of service with the State of New Mexico during the 12 month period preceding leave.
 - May take up to 480 hours or 12 work weeks of leave in a 12 month period for one or more of the following reasons
 - Birth of a son or daughter
 - Placement of an adopted son or daughter OR Foster care child
 - Care for a Spouse, Son, Daughter, or parent who has a serious health condition
 - Serious health condition that does not allow employee to perform essential job duties
 - Usually with most state agencies their policy allows employees to take FML on an intermittent or reduced schedule basis and for an employee to take leave of time to reduce the time he/she works each day or week for a qualifying reason. If approved per the agencies policy an employee may choose to utilize accrued paid leave to cover some or all the FMLA leave period and/or payment of benefits premiums.
- **In conclusion, if the employee exhausted all leave but still under the FML protection they would fall in this category. However, without pay.**

Leave-Workers Compensation

FML

- The Worker's Compensation benefit is computed at 66 2/3% of the employees gross weekly base salary up to a specified cap for most individuals, this figure is equal to the pay received in 5.3 hours of the normal 8 hour work day and is recorded as Workers Compensation LWOP. The remaining 2.7 hours will be utilized by sick and/or Annual Leave OR LWOP

LWOP

- If an employee exhausts accrued leave while on Workers Compensation-Leave Without Pay they must pay both state and employee portion of premiums.

Disability

- When an employee is on Disability they must continue to pay premium contribution's while on Short-Term Disability.
- Claimants should work with their HR representative to determine how many hours of accrued leave, if any, need to be submitted each pay period while on Disability in order to ensure benefit premiums are covered. Otherwise, if claimant is not on Family Medical Leave (FML), then they will be responsible for paying 100% of their benefits out-of-pocket while on Disability. Failure to pay premiums will result in loss of eligibility of all benefits.
- Disability is considered a qualifying event (i.e., Family Medical Leave, Leave Without Pay, change in job status, etc.), which allows the claimant to make changes to their health plan coverage. The effective date would be the first day the employee is out of work. Note: Disability coverage cannot be dropped while receiving disability benefit payments from the program.
- **When on Short Term Disability, claimant must continue to pay Disability premiums regularly and on time in order to avoid losing access to the program. Only when Short Term Disability converts to Long Term Disability can the claimant stop paying their Disability premiums.**

Leave For Active Military Duty

- When an employee is called to Active Military Duty, all benefits are provided by the federal government including the employees dependents. Upon submission of military Activation Orders to Human Resources, HR Representatives are required to notify ERISA Administrative Services.
- Upon return from Active Military Leave all benefits may be re-instated with no waiting period.
- An employee has the option to continue benefits while on military duty However, must make arrangements for self pay.

Managing Employee Leave

It is important that HR's remain in close contact with the Employee Benefits Bureau in order to ensure proper management of benefits premiums.

- When time entry is changed for a prior pay period
- Pending settlements or suspensions.
- Military Leave.

Note: Holiday Pay- In the event an employee is out on leave during a pay period which includes a holiday, the minimum of 8 hours should cover premiums owed.

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Communication: Obtaining Premium Payments



Update: Memorandums in Administrative Guide have been updated and are accessible through the mybenefitsnm website. These documents are also available at the Forms, Guidelines, and Policies tab.

Important Steps:

- Send **Initial** notification when the HR administrator has been notified that the employee is out on leave
 - IF payment is not received by due date send a **Second** notification
 - IF payment is still not received by due date send **Final** notification via certified mail advising the employee of payment for premiums due and benefits will be scheduled for cancelation. The last day of benefit coverage(s) will be the last day of the pay period in which the last premium payment was made. Any claims incurred after that time will be the employees full responsibility.
 - ▶ IF benefits are to be canceled whether at the employees request (this has to be done within 31 days of authorization of leave) or due to non-payment of premiums send the Erisa Notification to terminate employee elected benefits for non-payment form to sonm@easitpa.com

Procedure for Payment of Benefit Premiums

1. Confirm what type of leave employee is on based on entry in SHARE
2. Calculate premiums based on category of leave utilizing premium rate sheet for specified pay period.
 - ▶ Reminder: Premium rate sheets are scheduled by fiscal year and categorized by pay band A, B, and C
 - ▶ Supplemental Life Insurance is now being deducted from employees pay checks. Remember to include the premium for level of additional supplemental life insurance coverage elected. There has been an option added on the Transmittal Form for this benefit premium.
 - ▶ FSA premiums are required.
 - ▶ **Basic Life** insurance is paid for the employee by the State of New Mexico. Please do not submit payment for **Basic Life** insurance.
3. Enter premium amounts on Transmittal Form
4. Confirm payment is for correct and exact amount
5. Confirm payment is submitted via cashier check or money order and made payable to “Risk Management Division”
6. Record
7. Mail to Risk Management Division Employee Benefits Bureau:

PO Box 6850
Santa Fe, NM 87502

References

Premium Rate Sheet

JULY 1, 2019 - JUNE 30, 2020
 STATE OF NEW MEXICO
 BI-WEEKLY CONTRIBUTION SCHEDULE

	<u>EMPLOYEE ONLY COVERAGE</u>						
	GROSS RATE	Salary Less than \$50k		Salary \$50k to \$59,999k		Salary \$60k and Over	
		Employee	State	Employee	State	Employee	State
	20%	80%	30%	70%	40%	60%	
Presbyterian - HMO	247.98	\$ 49.60	\$ 198.38	\$ 74.39	\$ 173.59	\$ 99.19	\$ 148.79
BCBS - HMO	247.98	\$ 49.60	\$ 198.38	\$ 74.39	\$ 173.59	\$ 99.19	\$ 148.79
BCBS - PPO	288.39	\$ 57.68	\$ 230.71	\$ 86.52	\$ 201.87	\$ 115.36	\$ 173.03
Delta Dental	14.92	\$ 2.98	\$ 11.94	\$ 4.48	\$ 10.44	\$ 5.97	\$ 8.95
Davis Vision	2.77	\$ 0.55	\$ 2.22	\$ 0.83	\$ 1.94	\$ 1.11	\$ 1.66

-Query: `NMS_PY_DEDUCTIONS_BY_EMPLID`

-Committee: Due to this being a team effort Employee Benefits Bureau would like make this process seamless for all involved while adhering to government guidelines.

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Transmittal Form



EMPLOYEE BENEFITS BUREAU: LEAVE WITHOUT PAY (LWOP) BENEFIT PREMIUM TRANSMITTAL FORM

Please submit form with payment to your HR Department by: _____

State Agency Name: _____ Date: _____

HR Rep: _____ Contact Phone #: _____

Employee Name: _____ Employee ID #: _____

Pay Period Ending(s): _____

HR Comments: _____

Type of leave employee is currently on:	Employee Portion Due	State Portion Due
SELECT ONE		
Medical SELECT ONE Tier SELECT ONE		
Delta Dental Tier SELECT ONE		
Davis Vision Tier SELECT ONE		

Special Announcement: House Bill 43

EBB is currently working on a procedure for employees whom fall under House Bill 43 Category; for the full description of house bill 43 please visit the following link.

<https://www.nmlegis.gov/Sessions/16%20Regular/firs/HB0043.PDF>

If your agency is currently participating in House Bill 43, please contact

Crystal Lawrence

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Phone:505-827-0448

- G. An employer shall pay one hundred percent of the employee group insurance contributions due and payable on or after July 1, 2016 for an employee who is injured while performing a public safety function or duty and, as a result of the injury, is placed on approved workers' compensation leave.

Questions



REMINDER: Open
Enrollment is still in
effect 8 days left.

THANK YOU FOR ATTENDING AND HAVE A GREAT DAY