

Sick Leave Conversion Program

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GoToTraining Attendee View

1. Panel Slider

(View > Auto-Hide Control Panel to stop it from automatically disappearing)

2. Full Screen

3. Materials

4. Chat Box

1
2

The screenshot shows the GoToTraining Attendee View interface. A vertical panel on the left side contains four icons: a slider (1), a full-screen icon (2), a materials icon (3), and a chat icon (4). The main content area is divided into four sections: 'Audio' (Toll Free Number - 1-877-336-1829 Access Code - 1543027), 'Materials (2)' (Eligibility Webinar PPT.pdf 1.98 MB and Employer Tab - ETF Website), 'Chat' (message from Inthava Borihane), and a 'Send' button. The GoToTraining logo is at the bottom.

Asking Questions



Employer Communication Center

- Toll-Free: (877) 533-5020 opt 2
 - ETF Agent
-

What Are We Going To Learn Today?

Overview of the Sick Leave Program

Review Eligibility Requirements

Demonstrate Sick Leave Conversion Credit Calculation

Employer Responsibilities

Discuss Rehired Annuitants

Escrowing of Sick Leave

Sick Leave Re-enrollment process

In the event of the Death

Employer Resources

Overview of Sick Leave Program

What is Sick Leave?

Unused hours earned while an employee is actively employed by the State of Wisconsin.

If eligible, upon retirement, layoff, or death, employees unused sick leave hours will be converted into credits.

These credits can be used to pay post-termination state group health insurance premiums.

Sick Leave Credit Programs

2 Sick Leave Programs

ASLCC

The Accumulated Sick Leave Conversion Credit (ASLCC) Program began in the early 1970s.

SHICC

The Supplemental Health Insurance Conversion Credit (SHICC) Program became available for eligible state employees in 1995.

Quasi Government Agencies

Quasi Government Agencies are private entities which closely resemble governmental entities and may share some governmental benefits. Below is a list of Quasi Governmental Agencies.

- UW Hospital Authority (UWHC) – Participates and does not accept a transfer of sick leave hours*
- Beyond Vision – Participates and does not accept a transfer of sick leave hours
- Housing and Economic Development Authority - Participates and does not accept transfer of sick leave hours
- Wisconsin Economic Development Corporation – Does not participate or accept transfer of sick leave hours
- Health and Educational Facilities Authority – Pending Information
- Fox River Navigation System Authority – *Pending Information*

➤ ***If this information should change, employers will be notified.***

****With some exceptions.***

Quasi Government Agencies (cont)

Under MRA

If the member is under minimum retirement age (MRA) transfers from a State agency to a quasi State agency, their sick leave credits from the state agency will be preserved if they have 20 years or more of WRS service and lost if they do not.

- ❖ If the employee transfers to a Local or Quasi agency and they are under MRA, sick leave credits will be lost.
- ❖ Employee does have to participate in the State Group Health Insurance Program for sick leave preservation.

Sick Leave Conversion Credits– August 16, 2019

Over MRA

If the member is over minimum retirement age (MRA) transfers from a State agency to a quasi State agency, the member may escrow or use their sick leave if they have 20 years or more of WRS service and lost if they do not.

- ❖ If this member is covered by a spouse who is also insured through the State Group Health Insurance Plan, their sick leave will be put on hold.

UW Hospital Authority (UWHC)

- Beginning June 24, 2019 UWHC will no longer accept sick leave for new hires transferring from another Wisconsin State Agency.
- UWHC will continue to certify sick leave in AcSL for credits earned as a result of employment with them.
- Employees who transfer from UWHC to UW or STAR agencies, their sick leave is not transferable.
 - Loss of sick leave hours, ICI premium resets to category 1.
- Employees who have 20 years of service or more and under MRA will be able to preserve their sick leave from UW or STAR agencies even if they transfer to UWHC.
- Employees who do not have 20 years of service or more and transfer to UWHC from UW or STAR agencies will lose their sick leave.

Statuses Of Sick Leave

Sick leave is handled differently based on the eligibility of the employee/retiree.

Active

- Someone over minimum retirement age with an immediate annuity who is using their sick leave to pay for health insurance premiums.

Escrow

- If someone qualifies to actively use their sick leave and has comparable coverage they can apply to escrow their sick leave.

Statuses Of Sick Leave (*cont*)

On hold

- If someone is covered through a spouse's State health insurance contract and qualifies to actively use their sick leave, ETF will put their sick leave on hold as long as they remain covered under their spouse.

Preserve

- Available for someone under minimum retirement age with 20 years of service or certain elected appointed officials. Once they reach MRA they must apply for an annuity, escrow, or use their sick leave credits to pay health insurance premiums.

Sick Leave Credit Information

- Does not earn interest
- Balance cannot be divided by a Domestic Relations Order
- Balance only changes when insurance premiums are deducted
- Unused credits do not have a cash value
- Credits cannot be used to pay premiums directly to Social Security for Medicare
- Credits can only be used to pay for health insurance premiums through The State Group Health Insurance Program

Statement of Sick Leave Balance

- ETF mails annuitants and survivors an annual statement in the month of December giving the account status, subscriber's health plan information, premium for the next year, and the current balance of their accumulated sick leave account.



- Annuitants and survivors may also contact ETF directly requesting a balance of their sick leave.



Eligibility

To use sick leave to pay health insurance premiums

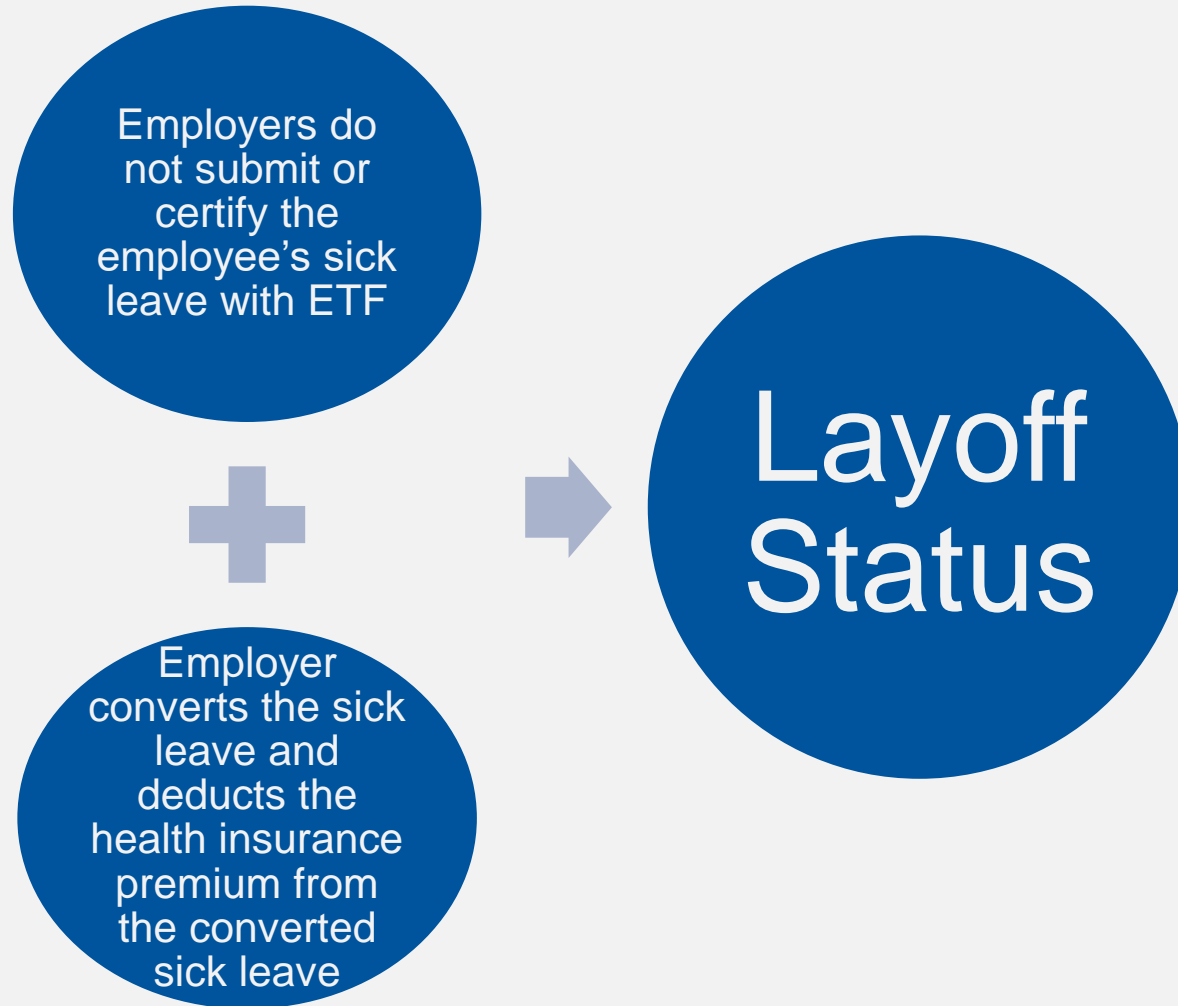
To be Eligible:

- ✓ Employee is covered under the State of Wisconsin Group Health Insurance Program when they terminate employment and retire with an immediate annuity.
- ✓ Employee qualifies for a disability retirement benefit and was covered under the State of Wisconsin Group Health Insurance Program on their last day in pay status.
- ✓ Employee has 20 years of WRS creditable service, is covered under the State Group Health Insurance Program at termination and is eligible for an immediate retirement benefit but chooses not to apply for their retirement or disability benefit.

To be Eligible (*cont.*):

- ✓ If they are a state employee who is laid off (either permanently or temporarily) and are covered under the State of Wisconsin Group Health Insurance Program on their last day in pay status, they can use their sick leave to pay their health insurance premiums for up to five years after their layoff begins.
- ✓ If the employee is a state constitutional officer, a member or an officer of the legislature, or the head of a state department or agency who was appointed by the governor with senate confirmation and is not eligible for an immediate annuity when they terminate, their sick leave credits will be preserved to pay premiums when they become a WRS annuitant.
- ✓ If the employee terminates with 20 years of service but is not eligible for an immediate annuity, their sick leave credits will be preserved to pay premiums when they later become a WRS annuitant.
- ***For more information regarding layoff status and sick leave, please see the [State Agency Health Insurance Standards, Guidelines and Employer Administration Manual Chapter 12 \(ET-1118\)](#)***

Use of Sick Leave Credits and Layoffs



Interim and COBRA

An employee may be able to use their sick leave to pay health insurance premiums for COBRA coverage or preserve their sick leave and elect interim coverage after terminating employment.

Under MRA

State Employee has 20 years of WRS service, and terminates employment, sick leave credits are preserved. The employee is directly billed for health insurance premiums.

Coverage last as long as the Qualified Beneficiary pays for it

Over MRA

State Employee has 20 years of WRS service, is eligible to apply for an immediate annuity but is not applying at this time. Sick leave may be used to pay health insurance premiums.

Coverage last indefinitely

Supplemental Health Insurance Conversion Credit (SHICC)

Employer is responsible for determining eligibility and calculating the amount of SHICC.

Employee has to have at least 15 years of continuous state service which includes adjusted continuous service with the state when terminating state employment

Years of adjusted continuous service must be full years (not half or decimal equivalent)

Please see the following slide for the difference between Creditable Service and Adjusted Continuous Service

SHICC benefits are additional hours of sick leave that increase your sick leave balance

Does not accrue interest

Craftworkers represented by the Trades Negotiation Committee are not eligible

Creditable Service Vs. Adjusted Continuous Service

Creditable Service

- The actual amount of WRS service an active employee earns from the date they become WRS eligible until retirement. This creditable service is used to calculate their retirement benefit.

Adjusted Continuous Service

- The adjusted continuous service date (ACSD) is the date on which an employee's current period of continuous service is considered to have begun. This date is adjusted for any eligible *breaks* in service.
- For more information please see [Chapter 758](#) of the Wisconsin Employer handbook or contact DPM

Accumulated Sick Leave Conversion Credits

Calculating ASLCC

Calculating Employee ASLCC

- Employee's unused sick leave hours are multiplied by the employee's highest base rate of pay.

Example:

- Employee has 1,800 hours of unused sick leave
- Employee's highest base hourly rate is \$26.54 per hour
- $1,800 \times \$26.54 = \$47,772$ certified credits of sick leave to be available to pay health insurance premiums (if not eligible for SHICC)

Simultaneous Employment

If employee is simultaneously employed with two or more separate employers,

Each employer must report the employee's hours of unused sick leave to ETF

The hours from all positions are converted based on the employee's single highest rate of pay

Supplemental Health Insurance Conversion Credits

Calculating the SHICC

Calculating Employee SHICC

Supplemental Health Insurance Conversion Credits allow employees who have at least 15 years of continuous state service to earn sick leave credits in addition to those provided by ASLCC.

**Up to 24
Years**

- For the first 24 full years of adjusted and continuous service, employee can receive matching hours up to a maximum of (52 non-protective category/ **78 protective category**) hours per year, multiplied by their full years of adjusted continuous service.

**Over 24
Years**

- For the employee's full years of adjusted and continuous service over 24 years, the employee can receive matching hours of sick leave up to a maximum of 104 hours per year, multiplied by their full years of adjusted continuous service over 24 years.

Calculating Employee SHICC (Cont)

Supplemental credits are converted at the employee's highest hourly rate of pay while employed by the state.

* Number of SHICC credits may not exceed the actual number of unused sick leave hours (ASLCC) remaining at the time of retirement, layoff or death.

Employer is responsible for determining employee eligibility and certifying SHICC.

*** Only exception of SHICC credits exceeding the actual number of unused sick leave hours is the 500 hours of restorative sick leave (if applicable).**

SHICC Calculation Example (*Non-Protective*)

- State Employee has 25 years of continuous state service and retires with 1,800 hours of unused sick leave (ASLCC). Hourly wage of \$26.54
- In addition to the 1,800 ASLCC hours, this person would also be eligible for 1,352 maximum hours of SHICC.
- 24 years X **52**= 1,248 hours
- 1 year X 104= 104 hours
- 1,248 + 104= 1,352 maximum possible hours of SHICC
- 1,352 + 1,800= 3,152 total hours converted to sick leave credits
- 3,152 X \$26.54= \$83,654 available to pay health insurance premiums

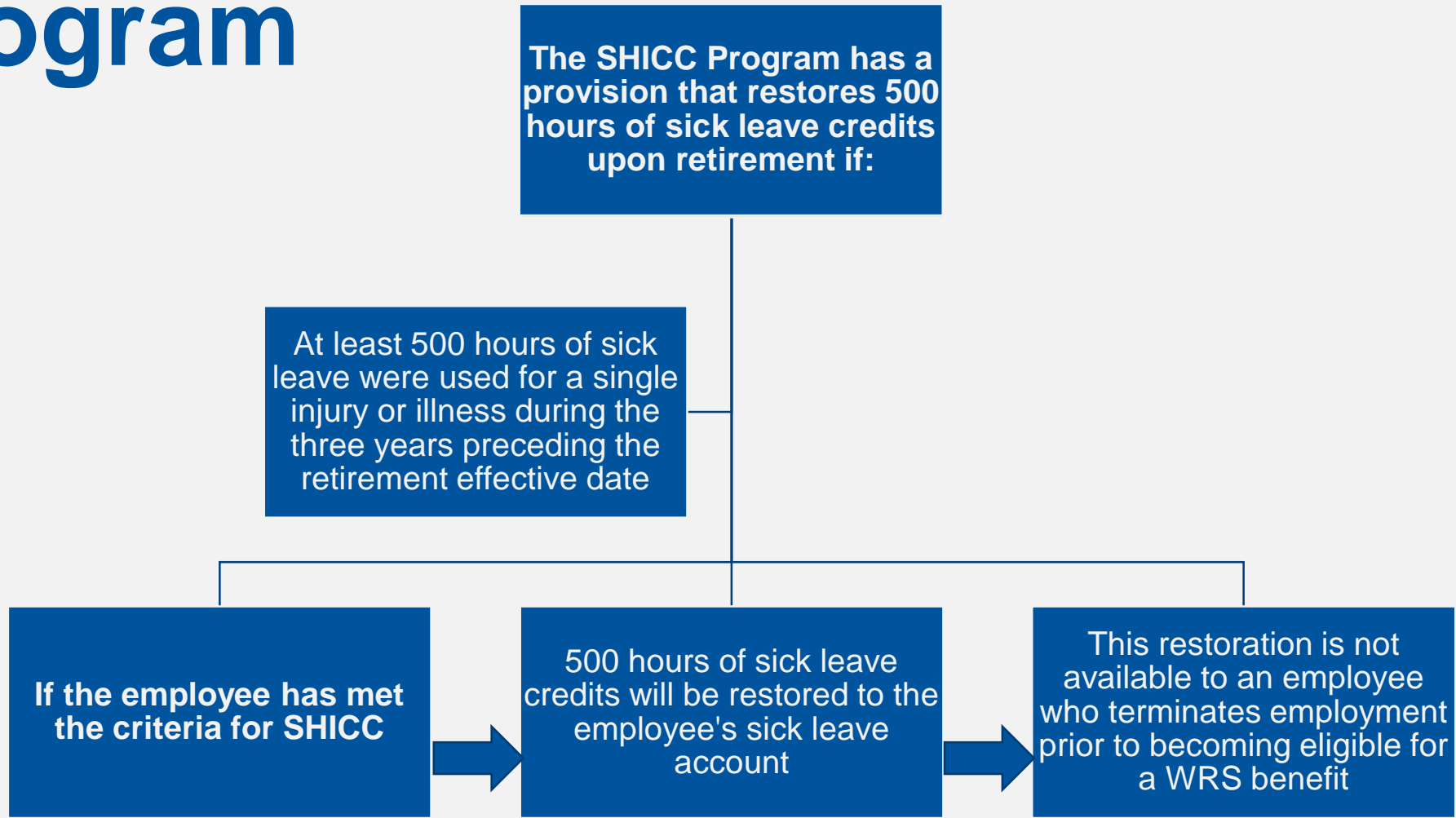
SHICC Calculation Example (*Protective*)

- Protective Occupation Employee has 25 years of continuous state service and retires with 1,800 hours of unused sick leave (ASLCC). Hourly wage of \$26.54
- In addition to the 1,800 ASLCC hours, this person would also be eligible for 1,800 maximum hours of SHICC.
- 24 years X **78**= 1,872 hours
- 1 year X 104= 104 hours
- 1,872 + 104= 1,976 maximum possible hours of SHICC
- ❖ ***Remember SHICC hours match the actual number of unused sick leave up to the maximum number, the SHICC hours cannot exceed the employee's actual hours of unused sick leave.***
- 1,800 + 1,800= 3,600 total hours converted to sick leave credits
- 3,600 X \$26.54= \$95,544 available to pay health insurance premiums

SHICC- Multiple Employment categories

- Remember, If a member is employed in both non-protective and protective categories, the SHICC calculation is separated for the years of service up to 24 years for non protective, years of service up to 24 years for protective, any years of service over 24 years non-protective, any years of service over 24 years protective, and all time is added together and multiplied by the highest base rate of pay.
- Please see the [Wisconsin Human Resources Handbook Chapter 758](#) for more information.

Restorative Provision of the SHICC Program



Information on Restorative Hours

For more information regarding SHICC and the restorative hours of sick leave, please:

- ***See The Wisconsin Human Resources Handbook Chapter 758***
- ***Contact the Department of Personnel Management at (608) 266-1731***
- ***View the Sick Leave Fact Sheet ET-8929 (link found in the resources section of this presentation)***



Employer Responsibilities

Employer Responsibilities

- Determine employee eligibility for ASLCC
- Determine employee eligibility for SHICC
- Determine if special **Restorative** SHICC sick leave provision is applicable
- Access AcSL to report employee ASLCC and SHICC (if applicable) to ETF
- Respond to employee inquires concerning sick-leave
- Supply employees with an estimate of sick leave that will be certified if requested

Please see the employer check list for [Terminating](#) and [Retiring](#) employees. Both lists can be accessed in the [Employer Forms](#) section of ETF's website.

Employer Prompts

- Terminating
- Retiring
- Date of termination
- Date of retirement
- Minimum Retirement Age (MRA)
- Not Minimum Retirement age (MRA)
- Has 20 years of service or does not
- Has any previous service as a protective category employee

Employer Prompts (*cont*)

- Currently participates in the SGHP
- If not, enrolling prior to term?
- Plans to continue to participate in the SGHP
- If not, does the employee have comparable other coverage?
- If terminating not retiring, COBRA enrollment?
- If employee has comparable coverage and sick leave, fill out ET-4305 to Escrow Application (do not need to fill out ET-2301 if escrowing).

When to Certify and Submit Sick Leave Certification

Certifying Sick Leave

Employer must certify ASLCC and SHICC **within 30 days** after the employee terminates State employment. Not certifying an employee's sick leave timely can result in:

- The inability for the retiree to escrow their sick leave
- The inability for the retiree to use their sick leave to pay for health insurance premiums
- The retiree paying the premiums for health insurance out of pocket
- The backdating and possible refunding of premiums paid in error

Certifying Sick Leave (*cont*)

Employer must certify credits for each employee terminating from state service who:

- Is age 55 or older (50 if protective occupation)
- Is applying for a disability benefit
- Has died
- Is a public official covered under 1991 Wisconsin Act 39
- Is terminating after 20 years of service, is under MRA and not eligible for an immediate annuity

Accumulated Sick Leave System (AcSL)

Sick Leave credits must be certified online through AcSL.

Employers can access AcSL through the myETF Benefits (mEBS) menu.

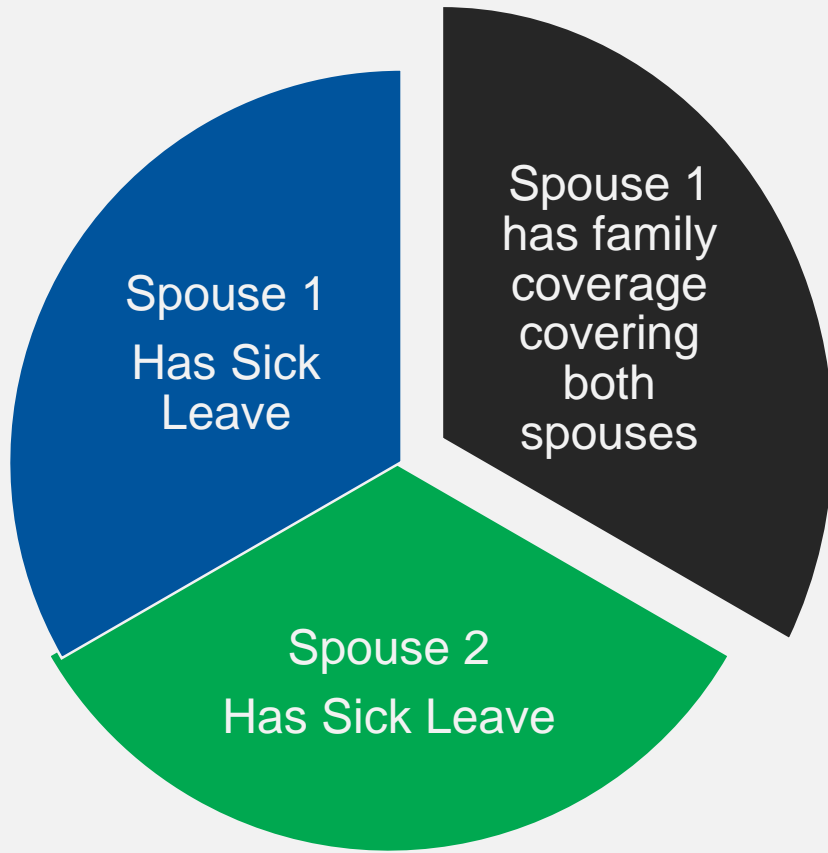
It is very important to certify your employee's sick leave credits within 30 days of their termination of employment.

If an employee chooses and is eligible to escrow their sick leave, their sick leave will be escrowed either when their active employment status ends or at end of the month following receipt of their signed and valid Escrow Application (ET-4305).

❖ Please see chapter [1207 Accumulated Sick Leave and Chapter 40 Terminations](#) of the *State Agency Health Insurance Standards, Guidelines, and Administration Employer Manual (ET-1118)* for more information regarding certifying sick leave credits through AcSL

Employee Responsibilities

Married to Another State Employee With Family Coverage



As long as family coverage remains in force, there is no need for an escrow application to be submitted. Sick leave credits are placed on hold for future use to pay health insurance premiums.

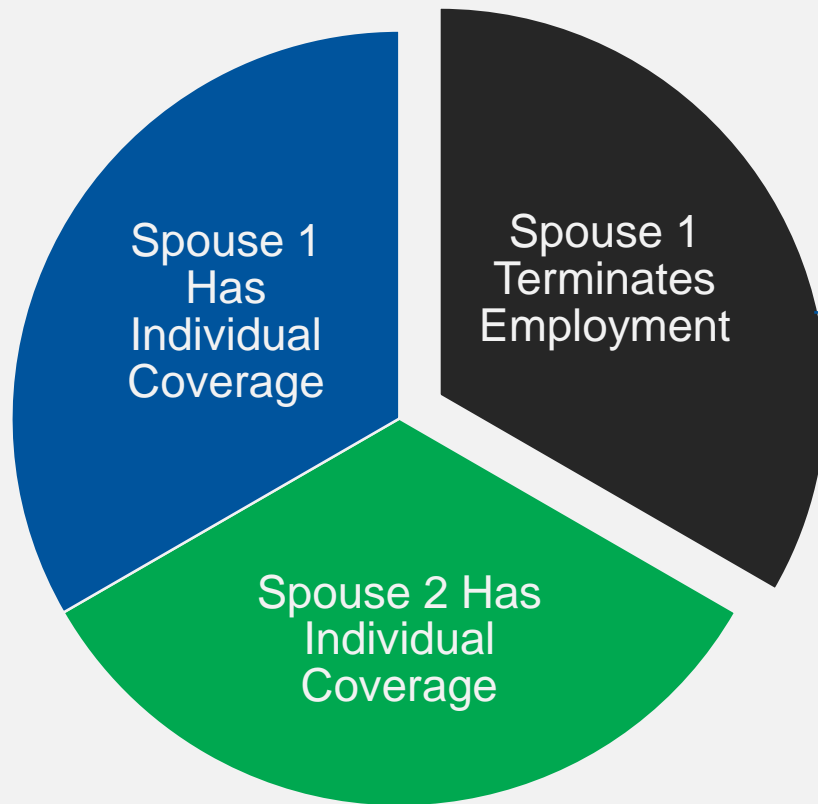
Typically the spouses will have the coverage switched or maintained by the spouse who is still actively employed (not the employee who is terminating employment).

Sick Leave Escrow application would only need to be submitted to ETF if the employee or spouse cancels their state group coverage obtains comparable coverage

Married to Another State Employee With Family Coverage (*cont*)

- If the spouse who is retiring carries the family coverage and both spouses wish to have coverage under the **actively employed spouse**, the employer needs to:
 - Indicate for the spouse who is terminating employment that they will be terminating health insurance coverage in the employer's online system or MEBS.
 - Because the actively employed spouse would be losing coverage (involuntary loss of coverage) due to the retiring spouse terminating coverage, the actively employed spouse will need to file a [Health Insurance Application/Change \(ET-2301\)](#) selecting spouse to spouse transfer as the reason and electing family coverage.

Married to Another State Employee With Single Coverage(s)



The terminating spouse:

- Can stay enrolled as a single retiree
- Can escrow but, must file an escrow application and,
- If escrowing, must provide proof of comparable coverage if they are not going to be covered by the actively employed spouse.

Married to Another State Employee With Single Coverage(s) (*cont*)

Using Sick Leave

- If one spouse dies with **unused sick leave credits** while single coverage is in force, the deceased spouse's sick leave credits are lost. The surviving spouse and/or dependents can only access the deceased spouse's sick leave credits if family coverage was in force as of the date of death.

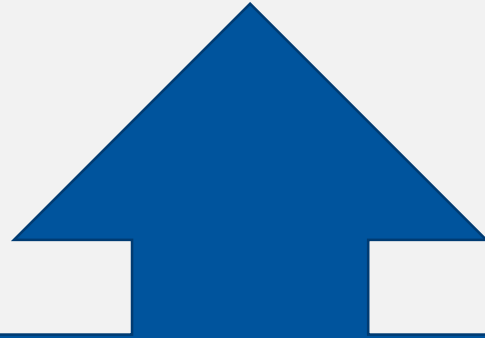
Preserved Sick Leave

- If an employee's **sick leave credits are preserved**, it does not matter if they had single or family coverage at the time of death and they do not have to be covered under the State Group Health Insurance Program and the spouse has access to the preserved sick leave credits.
- If sick leave credits are in **Escrow** status, they are protected for later use to pay health insurance premiums.



Rehired Annuitants

What is a Rehired Annuitant?



A rehired annuitant is an individual who has taken a WRS retirement benefit, and becomes re-employed by a WRS covered employer.

Annuity / Not Suspended

If the employee returns to work in a non-WRS covered position:

The employee's health insurance coverage as an annuitant will continue as normal.

Sick leave credits cannot accumulate unless the employee is participating in the WRS

Annuity / Suspended

Rehired annuitants may be able to earn additional sick leave credits:

- If the employee **suspends** their annuity and becomes covered under the WRS again.
- The remaining sick leave balance will be placed on hold until the employee “re-retires”.
- Additional SHICC hours would be calculated based only on the number of unused hours of sick leave that have been accrued after returning to state employment.
- The new hours of unused sick leave are multiplied by the highest base rate of pay with the State added to the ASLCC and SHICC balances that were placed on hold with ETF as a result of the annuity being suspended.
- **Rehired annuitants can only accrue sick leave as an active WRS participating employee. When an employee re-retires, the sick leave hours earned while actively contributing to the WRS will be converted and added to the existing sick leave balance to pay premiums. Sick leave earned while not participating in the WRS will not be converted.**

Termination Prior to July 2, 2013

If the rehired annuitant:

- **Does not** elect to actively participate in the WRS
- Or they are not expected to work the required number of hours and last at least one year,
- Their health insurance coverage will continue as is.

If the rehired annuitant:

- **Elects** to actively participate in the WRS,
- Their annuity will be suspended,
- Contributions to their second WRS account will begin,
- They will be eligible to participate in the State Group Health Insurance Program as an active employee.
- When they re-retire, they will be eligible for the sick leave conversion calculation
- Please submit new sick leave certification and do not submit an amended sick leave certification

Termination on or after July 2, 2013

If the employee terminates employment on or after July 2, 2013, is re-hired to a WRS covered position and is expected to work at least 2/3 of what is considered to be full-time:

- Their annuity will be suspended.
- Their sick leave balances would be automatically placed on hold as of the date they became WRS covered.
- When they re-retire their certified sick leave would be calculated based on the number of accrued hours earned after returning to WRS participation.
 - Please submit a new sick leave certification and do not submit an amended certification.
 - ETF will generate a new sick leave statement that reflects the member's on-hold sick leave balance and the newly accrued hours earned after returning to WRS participation.

Sick Leave Escrow

Escrowing your Sick Leave

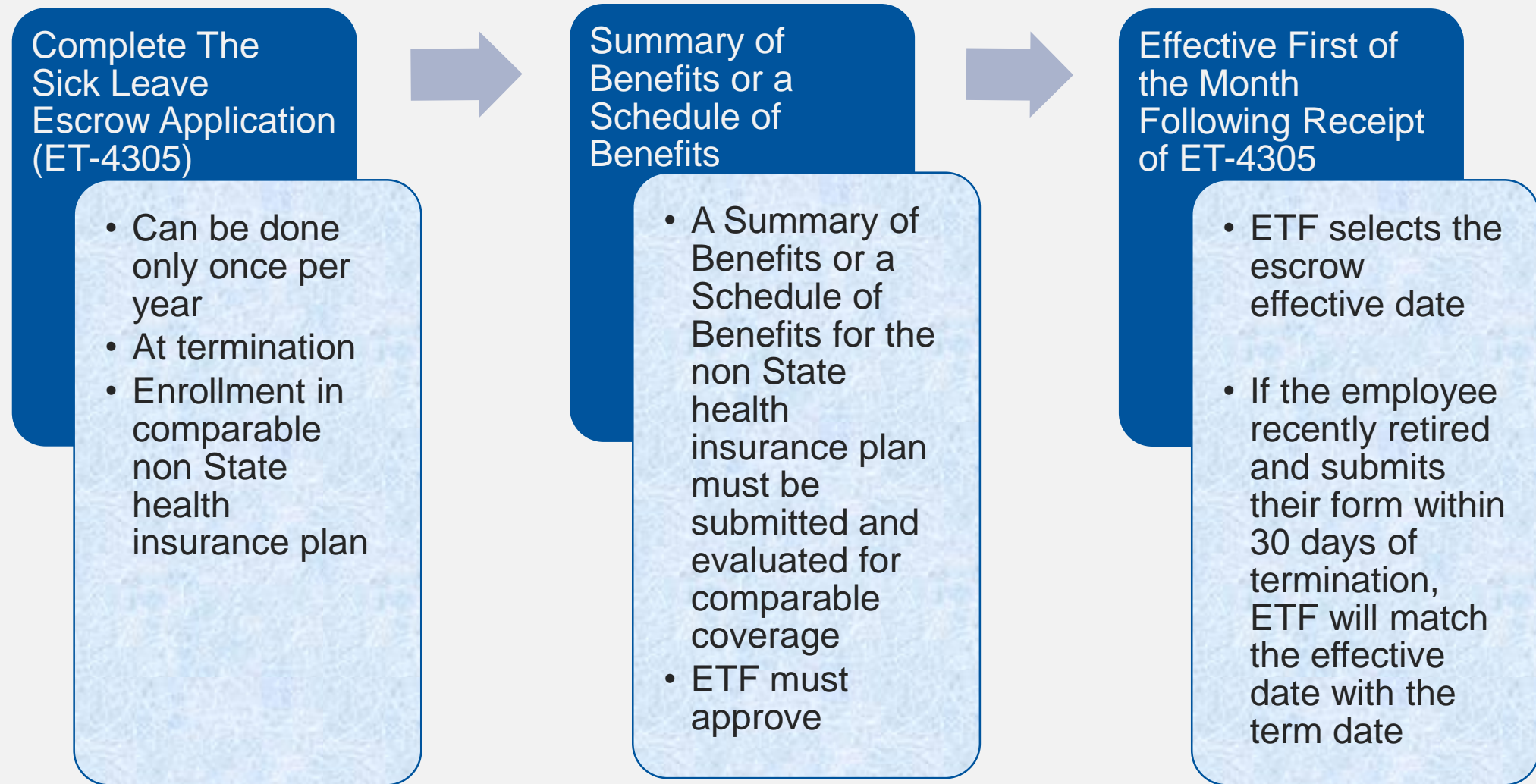
Eligible state employees or their surviving dependents insured under the State Group Health Insurance Program at the time of termination may elect to escrow (bank) their accumulated sick leave credits

The employee can elect to escrow the sick leave for an indefinite period but must be continuously covered by comparable non-state health insurance coverage.

Comparable non-state health insurance coverage means a plan with hospital, medical benefits and pharmacy benefits substantially equivalent to the State's It's Your Choice (IYC) Access Plan or the IYC Medicare Plus Plan.

❖ ***Sick leave can be escrowed multiple times, though no more than once per year.***

How to Escrow Sick Leave



Please see the Sick Leave Conversion Credit Program Brochure (ET-4132) for more information or the Sick Leave Escrow Application (ET-4305) for more information.

Sick Leave Re-Enrollment

When can Retirees Re-Enroll

It's Your Choice Open Enrollment Period (Retirees can elect for coverage to begin the first of any month the following year). If no date is indicated on the application, the effective date will default to the first of the year.

Involuntary Loss of Comparable Coverage

Retirees who have sick leave credits in escrow can re-enroll in the State Group Health Insurance Program no later than 30 days after the date in which comparable coverage ends

Members who have sick leave credits preserved can re-enroll or escrow only when they take their retirement benefit (monthly or lump sum annuity payment).

Documentation requirements- ETF will require documentation showing the involuntary loss of coverage and a Summary of Benefits for the coverage that is/was in place at the time the retiree is requesting to re-enroll.

How to Re-Enroll

Retirees must fill out the
Sick Leave Credit Re-
Enrollment Application

ET-4317



Retirees must also fill out
the Group Health
Insurance Application for
Annuitants/Continuants
(ET-2331)



Both applications
must be returned to
ETF

Employee Death

Spouse/Dependents Use of Sick Leave

If an employee/subscriber dies the surviving spouse/dependents may be eligible to use the employee's/subscriber's sick leave credits to pay health insurance premiums if:

The employee/subscriber is covered by the SGHP under a family policy and is an active employee or annuitant on the date of death

The employee/subscriber dies while their sick leave credits are in **escrow, surviving** spouse or dependents may be eligible to use those sick leave credits if everyone had comparable coverage in force during the entire time credits were in escrow until death

❖ ***There will be no employer contribution towards the monthly premium.***

Spouse/Dependents Use of Sick Leave (cont)

- If the surviving spouse/dependents do not wish to enroll in the SGHP upon death of employee, they too can escrow these sick leave credits.
- Once the surviving spouse/dependents become covered under the SGHP after the employee's death and are using sick leave to pay premiums, they cannot add any new dependents (e.g. a new spouse)
 - *A new child can be added only they were previously covered, or the new child is born within 9 months of the death of the member.*
 - *In cases of adoption, a child can be named if documentation is provided of the named child showing that the adoption was in progress before the death of the subscriber.*

Spouse/Dependents Use of Sick Leave (cont)

If the employee/subscriber had sick leave credits preserved and died before becoming an annuitant, their surviving spouse/dependent can:

- Use their sick leave credits regardless if the employee participated in the State Group Health Insurance Program.
- Does not matter if single or family coverage was in force at the time of death.

Surviving Spouse is also a State Employee

If the employee who carried the family coverage dies and the surviving spouse also is an eligible state employee, the surviving spouse has two options:

Enroll as an active employee

- Due to loss of coverage

Enroll as the surviving spouse

- Retain coverage indefinitely and have the premiums either deducted from sick leave credits (if applicable), WRS annuity if annuity is large enough, or directly billed by health plan if the annuity is not large enough.

Surviving Spouse is also a State Employee *(cont)*

If the surviving spouse already had State Group Health Insurance coverage and the decedent had sick leave credits available upon death, the sick credits will automatically be banked. The surviving spouse may use the banked sick leave credits when:

An involuntary loss of coverage occurs
(terminating employment)

OR

A retirement, if the surviving spouse
meets the eligibility requirements upon
retirement.

Reporting the Death to ETF

If the member dies, please contact ETF immediately to report the death via the Contact Management Section at (877) 533-5020

Employers are responsible for terminating WRS and Insurance coverage

ETF sends surviving spouse and dependents information regarding rights of continuation and sick leave

- If there is no sick leave, or no annuity benefit, or the annuity benefit is too small for health insurance premiums, the survivor will be directly billed by the health plan.
- Survivors can also escrow sick leave credits if they themselves have comparable coverage.

Resources

Resources

- [State Agency Health Insurance Standards, Guidelines and Employer Administration Manual Chapter 12 \(ET-1118\)](#)
- [Sick Leave Conversion Credit Brochure \(ET-4132\)](#)
- [Sick Leave Escrow Application \(ET-4305\)](#)
- [Sick Leave Credit Re-enrollment Application \(ET-4317\)](#)

Resources (cont)

- [Wisconsin Human Resources Handbook Chapter 732](#)
- [Wisconsin Human Resources Handbook Chapter 758](#)
- [Sick Leave Fact Sheet \(ET-8929\)](#)
- [Employer Checklist for Retiring State Employees ET-2500](#)
- [Employer Checklist for Terminating State Employees ET-2500s](#)

eLearning Offering and FAQ

- [What you need to know about the Sick Leave Program](#)
- [Frequently Asked Questions](#)

Scenarios and Questions

Scenario #1

Suzy:

- Is over Minimum Retirement Age (MRA)
- Has 20 years of service
- Is terminating employment
- Is participating in the State Group Health Insurance Program

As an employer, how should we ensure Suzy's sick leave is handled appropriately?

Scenario #1 Responses

- Schedule a meeting with Suzy to discuss her benefits
- Go over the Employer Checklist (ET-2500)
- Ask Suzy if she is terminating employment or retiring for purposes of using her sick leave.
 - Will she be escrowing or using her sick leave to pay premiums?
- When will she be retiring?
 - Ensure the timeliness of escrow application.
 - Submit the certificate of comparable coverage if escrowing.
 - Member can also defer retirement and sign up for COBRA (not common)
- What form(s) should she be filling out?
 - If escrowing, Sick Leave Escrow Application (ET-4305)
 - If retiring, request from ETF Retirement Estimate Application (ET-4301)

Scenario #2

Mike:

- Is over Minimum Retirement Age
- Has 20 years of service
- Is terminating employment
- Is not participating in the State Group Health Insurance Program

As an employer, how should we ensure Mike's sick leave is handled appropriately?

Scenario #2 Responses

- Schedule a meeting with Mike to discuss his benefits
- Go over the Employer Checklist (ET-2500)
- Ask Mike if he is terminating employment or retiring for purposes of sick leave
 - Advise on the need of participation in the SGHP in order to escrow or use sick leave credits to pay health insurance premiums.
- If retiring, when?
 - Ensure the timeliness of enrolling in the SGHP
 - Ensure the timeliness of Sick Leave Escrow Application if escrowing
- What form(s) should Mike be filling out?
 - Health Insurance Application (ET-2301) (to participate in the SGHP in order to use or escrow)
 - If escrowing, Sick Leave Escrow Application (ET4305)
 - If retiring, request from ETF Retirement Estimate and Application (ET-4301)

Scenario #3

Mary:

- Is under Minimum Retirement Age (MRA)
- Does not have 20 years of service
- Is terminating employment
- Is participating in the State Group Health Insurance Program

As an employer, how should we ensure Mary' s sick leave is handled appropriately?

Scenario #3 Responses

- Schedule a meeting with Mary to discuss her benefits
- Go over the Employer Checklist (ET-2500s)
- Is Mary simply terminating employment?
 - Explain what happens to her sick leave.
- Is Mary transferring to another State agency?
 - Explain how will transferring affect her sick leave.
- Is Mary transferring to a Local Employer who participates in the WRS?
 - Explain how will transferring affect her sick leave
- What form(s) need to be filled out?

Scenario #4

Gary:

- Is married to an active State Employee
- Is above Minimum Retirement Age (MRA)
- Is terminating employment
- Is participating in the State Group Health Insurance Program

As an employer, how should we ensure Gary's sick leave is handled appropriately?

Scenario #4 Responses

- Schedule a meeting with Gary to discuss benefits
- Go over the Employer Checklist (ET-2500)
- Is Gary terminating employment or retiring?
 - If retiring and escrowing, explain escrow process
- If retiring, when?
- What's the difference if he selects individual or family coverage?
 - Explain impact on sick leave if he has individual or family coverage.
- What forms need to be filled out?
 - If escrowing, fill out the Sick Leave Escrow Application (ET-4305)
 - If retiring, request from ETF Retirement Benefit Estimate and Application (ET-4301)

Scenario #5

Lisa:

- Is above Minimum Retirement Age (MRA)
- Does not have 20 years of service
- Does participate in the State Group Health Insurance Program
- Is terminating employment but not retiring (collecting a monthly annuity)

As an employer, how should we ensure Lisa's sick leave is handled appropriately?

Scenario #5 Responses

- Schedule a meeting with Lisa
- Go over the Employer Checklist ET-2500
- Are you going to work for another State Employer?
 - If so, verify its not a quasi state agency
- If not, let's explain what will happen to her sick leave if you do this.
 - Because Lisa does not have 20 years of service and is over MRA, sick leave will be lost if terminating and not transferring to another state agency.
- Inactive vs. Active WRS Death Benefit

Scenario #6

Ryan:

- Is approaching Minimum Retirement Age (MRA) within the next 12 months
- Does have 20 years of service
- Does participate in the State Group Health Insurance Program
- Will be retiring and collecting a monthly annuity
- Has sabbatical time saved up

As an employer, how should we ensure Ryan's sick leave is handled appropriately?

Scenario #6 Responses

- Schedule a meeting with Ryan
- Go over the Employer Checklist ET-2500
- When is the exact date you will be retiring?
- How long will sabbatical extend his termination date?
- What paperwork should we be having Ryan fill request and fill out?
 - If escrowing, fill out Sick Leave Escrow Application (ET-4305)
 - If retiring, request from ETF Retirement Estimate and Application (ET-4301)
- What timelines if any should we be alerting Ryan about?
 - Request Retirement Estimate and Application immediately.
 - If escrowing, return ET-4305 within 30 days after terminating employment.
 - Return retirement application 90 days prior to termination date

Q & A From In-Person Training

- Should employers be using 2080 hours or 2088 hours to calculate fulltime employment for the sick leave calculation?
 - Please refer to DPM for more information and instruction on the calculating of FTE hours and sick leave calculations.
- Do employees need to submit a Sick Leave Escrow Application (ET-4305) when both spouses are State employees and one of them is terming and staying under the actively employed spouse's health insurance contract?
 - No, in this case the spouse who is terminating employment's sick leave would automatically be placed on hold. However, ETF does not have an issue with the terming spouse submitting an ET-4305. This alerts ETF that the terming spouse will have coverage under the actively employed spouse's health insurance contract.

Q & A From In-Person Training (*cont*)

- Can employers report the death of an employee to ETF?
 - Yes, employers may contact the Contact Management Section at ETF to report the death of an employee.
- Regarding Income Continuation Insurance (ICI), if an employee is under Minimum Retirement Age (MRA), has less than 20 years of service, and transfers to an agency that does not accept a transfer of sick leave will the employee's sick leave premium category begin at category 1 again for ICI?
 - Yes, if the employee is unable to have their sick leave preserved, they would lose their sick leave when transferring to an agency that does not accept the transfer of their sick and the employee would be starting over at premium category 1 if they apply for ICI at the new agency.

Thank you



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