

# Termination and Leave Without Pay (LWOP) Insurance Checklist



## I. Voluntary resignation

- Advise the employee that medical, dental, basic and optional life insurance, and optional long term disability (LTD) coverage ends at the end of the last calendar month in which the employee is in pay status. Basic LTD coverage ceases at midnight on the date the employee terminates employment.
- Advise the employee that the Health Care Authority (HCA) will mail a PEBB Election Notice packet to his or her home.
- Advise the employee that life insurance benefits are paid if the employee or a covered dependent dies within 31 days of the employee's termination date.
- If the employee's spouse or qualified domestic partner is also enrolled in PEBB as an employee, the employee may transfer a portion of his or her life insurance coverage to the spouse's or qualified domestic partner's life coverage.

## II. LWOP and reduction in force (RIF)

- Advise the employee that the HCA will mail a PEBB Election Notice packet to his or her home.
- Advise the employee to contact the HCA (in writing or via e-mail) when he or she returns to work or terminates during a leave.
- Advise the employee that any employee premium for medical coverage must be paid to the agency while on family leave.

## III. Retirement (nondisability)

- Advise the employee to contact the Department of Retirement Systems at 1-800-547-6657 or [www.drs.wa.gov](http://www.drs.wa.gov). Included in the retirement packet will be information regarding health insurance coverage. Additional information can be obtained by contacting PEBB Benefit Services at 1-800-200-1004 or [www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov).
- Advise the employee that life insurance benefits are paid if (s)he or a covered dependent dies within 60 days of the retirement date.
- If the employee's spouse or qualified domestic partner is also enrolled in PEBB as an employee, the employee may transfer a portion of his or her life insurance coverage to the spouse's or qualified domestic partner's life coverage.

## IV. Disability

- Retirement: Advise employee of his or her right to continuation of coverage while his or her application for retirement is being reviewed (may take a number of months).
- Advise employee that the HCA will mail a PEBB Election Notice packet to his or her home.
- All disabilities:
  - Advise employee of his/her right to file an LTD claim.
  - Advise employee of his/her right to file for Waiver of Premium on Life Insurance, if under age 60 on the date of disability.
  - If terminally ill, advise employee of accelerated life benefit.

## V. Dismissal or suspension without pay

- Advise employee that the HCA will mail a PEBB Election Notice packet to his or her home.

## VI. Family leave

- Advise employee of the option of taking up to 12 weeks of approved leave without pay and retaining employer-paid coverages during this period.
- Advise employee that any employee premium for medical coverage must be self-paid to the agency while on family leave.
- Advise employee of the option of using eight hours of accrued leave per month to retain employer-paid coverage and have employee premiums for medical, dental, optional life, and LTD payroll deducted, versus a one-time deduction to keep coverage during the family leave.
- Advise employee of the opportunity to drop optional coverages during this time period without providing evidence of insurability to reinstate coverages upon returning to work. If the employee chooses not to self-pay the optional coverages to the agency, these coverages will not be in effect until the first of the month following the employee's return to work, as long as the leave is not longer than 12 weeks. The employee will need to complete a *Life Insurance Change* form upon their return to reinstate optional coverages.

## VII. Basic Health

- Advise employee that Basic Health is an affordable, health-care coverage program available to all Washington State residents who are ineligible for Medicare and meet income guidelines. Monthly premiums vary according to an enrollee's income, number and ages of enrolled family members, and health plan chosen. Enrollment limits may apply. For more information, call 1-800-660-9840 or go online at [www.basichealth.hca.wa.gov](http://www.basichealth.hca.wa.gov). *Reminder:* Retirees eligible for PEBB retiree coverage cannot enroll in Basic Health and return to PEBB retiree coverage at a later date.

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Agency Personnel/Payroll Officer's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Date