

FAQ: Voluntary Separation Incentive Program (VSIP)

General Questions

When can I apply?

The enrollment period is Monday, October 17, 2016 through Monday, November 14, 2016.

Will there be an ERIP or furloughs offered to employees?

No, there will not be an ERIP or furloughs offered.

Will there be involuntary layoffs?

After the program is complete, we will assess whether we need to achieve additional payroll savings through a non-voluntary layoff

Questions Specific to Eligibility

Are managers eligible?

Yes, managers are eligible for both the Voluntary Layoff Incentive Program and the Voluntary Retirement Incentive Plan.

Will I be eligible if I am paid out of non-operating budget accounts?

Yes. Approximately 42,000 Executive Branch employees (except DCF) will be eligible, including those paid through operating, capital, federal, trust, and assessed accounts. (Retirement-eligible: ~12,000; Other: ~30,000)

Are contractors eligible?

No.

If I am a 120-day employee can I take advantage of this incentive?

No.

If I am on leave, am I eligible to apply?

Yes.

Are part-time employees eligible to apply?

Yes, employees who are less than full-time but at least half-time, and are approved, will receive a prorated cash incentive.

If I've already submitted resignation or retirement paperwork, can I be considered for this incentive?

No. Only separations requested during the October 17th through November 14th period will be considered.

Will the incentive be subject to taxes?

Yes.

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Who decides if I am approved?

Your agency head/designee will make all decisions as to who will be approved.

If I am approved for the incentive, do I get to select my departure date?

Because this is a statewide initiative, all employees who are participating in the voluntary program must depart state service by January 2, 2017. In those situations when the employee's requested date of separation cannot be approved due to operational needs, every attempt will be made to identify a mutually satisfactory date.

If I am approved for the incentive, can I work as a 120-day or intermittent (less than half-time) employee?

No.

If I am approved for an Incentive Program, what happens to my Dependent Care Assistance Program (DCAP) and/or my Health Care Spending Account (HCSA)?

If you leave state service during the Plan Year whether you resign, retire or involuntarily separate, your participation in HCSA and DCAP will terminate as of midnight the day of termination and your Health Care FSA debit cards will be inactivated. You will only be able to submit claims for eligible health care expenses that were incurred on or before your last day of active employment. For the fiscal year plan July 1, 2016 through June 30, 2017, you have until October 15, 2017 to submit all claims. In order to use your HCSA account **after** you terminate state service:

You may elect to continue to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis. Your eligibility for HCSA COBRA will be determined by ASIFlex. ASIFlex will send the COBRA Qualifying Event Election Notice if you qualify for HCSA COBRA coverage. If you elect to continue HCSA coverage under COBRA, the amount billed to you would include a 2% administrative fee.

DCAP: You may file claims for eligible dependent care expenses against your account balance for expenses you incur until your DCAP account is exhausted. Claims can be filed with dates of service through the end of the Plan Year. Claims must be filed by October 15, 2017.

If I am approved for an Incentive Program, what happens to my deferred compensation (SMART Plan) account?

To discuss your options, please contact Great West at 1-877-457-1900.

Questions Specific to the Voluntary Layoffs

Is there a minimum length of service in order to be eligible for the Voluntary Layoff Incentive Program?

No.

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If I am approved for the voluntary layoff incentive program, when will my GIC benefits end?

Your GIC benefits will continue through the last day of the month following your departure date as long as your premiums are paid. For example, if your departure date is in November, your insurance coverage will end on December 31st.

If I am approved for the voluntary layoff incentive program, and am not eligible for a state pension, what are my options for health, life and dental/vision insurance coverage?

- Contact the [Commonwealth Health Connector](#) for health coverage options and enrollment: (1.877.623.6765).
- You can continue your GIC health and life and dental/vision (if eligible) insurance for 39 weeks (you pay the full cost of the premium for the coverage). At the end of 39 weeks, you may enroll in COBRA continuation coverage for COBRA health and GIC Dental/Vision (if eligible) coverage within 60 days for nine additional months for the combined total of 18 months permitted by COBRA.
- You may elect COBRA to temporarily continue your GIC health and Dental/Vision (if eligible) coverage, each at full cost plus an administration charge of 2%. You have 60 days to elect COBRA coverage, but coverage begins the first day of the month after your coverage as an active employee ends. To avoid owing retroactive premiums, send in your application promptly.
- If you have dental and/or vision benefits through your union, contact your union for COBRA details.
- You may convert to a non-group health insurance policy with your current health plan carrier. You may also convert your life insurance coverage with The Hartford.
- You may continue your basic life and /or optional life coverage under the portability option. The Hartford will mail the application to your home.

For more information about GIC options, visit [the Layoff from State Service FAQ](#) or call the GIC at 617.727.2310 ext. 1. . For all GIC options, complete and return to your GIC Coordinator the [Employment Status Change Form \(Form-1A\)](#).

If I am recalled and accept a position within twelve (12) months do I have to pay back the \$5,000?

Yes.

If I am approved for the voluntary layoff incentive program and then refuse a recall within the next twelve (12) months, will I still be on the recall list?

Yes, however, refusal to accept a recall offer after the first twelve (12) months will result in your removal from the recall list.

Questions Specific to the Retirement with Incentive Program

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If I am retirement eligible and plan to leave by departure deadline, do I still need approval to receive the incentive?

Yes, you need to apply and be approved to receive this incentive.

If I am approved for the Retirement Incentive Program, will I receive a cash-out on my vacation and sick time?

Employees who request and are approved to receive a retirement incentive payment will receive full cash-out for all unused vacation and compensatory time credits, furlough time, as well as a cash-out of 20% of their unused sick leave credits. Employees will not receive a cash-out for unused personal leave.

How can I find out how much my pension would be if I retire?

Please contact the State Retirement Board at 1-800-392-6014.

Will I be eligible to continue my GIC health and life insurance benefits when I retire from state service?

Yes, provided you receive a pension from a state retirement system.

I am retiring from state employment and am eligible for a retirement pension. What are my GIC benefit choices?

As a retiree you may continue, change, or enroll in health coverage with the GIC, and may enroll in the [GIC Retiree Dental](#) Plan. Enrollment and changes must be received within 60 days of retirement. If you are Medicare eligible, you must enroll in a GIC Medicare Plan. State employees who are retiring may want to consider reducing or dropping their optional life insurance. You may do this at any time completing and returning to the GIC an Employment Status Change Form (Form 1A) or by writing to the GIC. However, you may not increase the amount of your optional life insurances at retirement.

I do not have GIC life or health insurance benefits as a state employee. May I elect the benefits upon my retirement?

If you were eligible for GIC benefits at retirement, you can enroll in GIC health insurance as a state or retiree as long as you have been approved and continue to receive a retirement or pension allowance from the State Board of Retirement and the GIC receives the forms within 60 days of the retirement. The GIC will determine your effective date. Otherwise, you must wait until the next Annual Enrollment to enroll.

May I still provide health coverage for my family when I retire?

Yes, you may continue coverage for your spouse and other eligible dependents.

How will I pay the premiums for my GIC health and/or life insurance coverage after I retire?

Premiums will be deducted from your monthly pension. As it frequently takes several months to receive your first pension check, the GIC will bill you directly for premiums due

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until your GIC deductions begin. It's important to pay this monthly bill by the due date to avoid termination of coverage.

What coverage will I lose when I retire?

Long Term Disability, the Health Care Spending Account (HCSA), and the Dependent Care Assistance Program (DCAP) are for active state employees only. Your coverage in those plans ends when you retire from state service. You may elect to continue to contribute to HCSA through COBRA by making direct payments on an after-tax basis. Eligibility for this option is determined by the plan administrator, ASIFlex.

For more information about GIC benefits at retirement, visit the [GIC's Retirement FAQ](#) or contact them at (617) 727-2310 ext. 1 or 6. For all GIC options, complete and return to your GIC Coordinator the [Employment Status Change Form \(Form-1A\)](#).

Incentive Programs and Unemployment

If I am approved for an Incentive Program, will I still be eligible for unemployment?

You may be eligible for unemployment compensation, subject to determination through the normal claims process.

If I am determined to be eligible for unemployment, how will the incentive payment affect my eligibility?

Participants will be required to sign a waiver whereby they waive their rights to appeal selection for the layoff and bumping rights. The incentive payment will have no effect on your eligibility because it is contingent on the signing of the waiver and is therefore non-disqualifying.

If I am receiving a retirement benefit from my former employer, will this affect my eligibility?

When an individual is receiving a retirement benefit jointly financed with contributions from the employer and employee, the Unemployment Insurance Law requires a reduction in the weekly unemployment benefit amount equivalent to 50% of the weekly amount of the retirement benefit (monthly amount / 4.3 = weekly amount).