

The following Coordinator manual is a comprehensive guide to GIC benefit procedures. For easy reference, please file this in a three-ring binder. If you have any additional questions about GIC benefits or procedures, visit our website at www.mass.gov/gic, or call our Operations Department 617-727-2310 ext. 2.

GIC forms are on our website. Visit www.mass.gov/gic/forms for the latest forms.

Please keep in mind that respecting the privacy rights of employees is imperative for all GIC Coordinators and that insurance coverage is protected information. Under no circumstances are you to give or solicit personal information about your employees, even with other agencies, including law enforcement personnel, without first checking with your agency's legal counsel. Doing so is a potential violation of state and federal law.

Please remember to give all new employees and all employees at Annual Enrollment a *GIC Benefit Decision Guide*.



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BENEFITS OVERVIEW

PREMIUM DEDUCTIONS

All GIC premium deductions are taken one month in advance of coverage.

ENROLLMENT ELIGIBILITY AND EFFECTIVE DATES

Basic Life & Health, Optional Life, Long Term Disability (LTD), GIC Dental/Vision, and FSA

According to Massachusetts Law Chapter 32A, the following employees are eligible for GIC benefits:

- ❖ Permanent employees as outlined in CMR 1.02.
- ❖ Employees must work at least 18.75 hours in a 37.5-hour workweek or 20 hours in a 40-hour workweek; employees who do not work the required number of hours are not eligible for GIC benefits.

New employees eligible for GIC benefits and who work full-time or part-time hours of at least 18.75 hours per 37.5-hour workweek or 20 hours per 40-hour workweek and participating in a public retirement system can enroll. For employees electing the GIC Dental/Vision plan, please see the Dental/Vision pages in this section for eligibility rules.

New employee coverage begins on the first day of the month following 60 calendar days from the first date of employment, or two calendar months, whichever comes first.

Date of employment is from	Coverage begins on
Jan. 2- Feb. 1	April 1
Feb. 2 – March 2	May 1
March 3 – April 2	June 1
April 3 – May 2	July 1
May 3 – June 2	August 1
June 3 – July 3	September 1
July 4 – August 2	October 1
Aug. 3 – Sept. 2	November 1
Sept. 3 – Oct. 2	December 1
Oct. 3 – Nov. 2	January 1
Nov. 3 – Dec. 3	February 1
Dec. 4 – Jan. 1	March 1

Employees who do not enroll in Basic Life, Basic Life and Health, Optional Life, LTD and GIC Dental/Vision when first eligible (see NEW HIRE section) are subject to late enrollment and Annual Enrollment rules. See the corresponding LATE ENROLLMENT and ANNUAL ENROLLMENT sections for details.

BENEFIT OPTIONS

HEALTH PLANS

Employees and their families can choose from an array of health plans. Each employee's needs are different. It is important that you, the GIC Coordinator, learn about the similarities and differences among the plans and where the plans are available. Recommend that the employee research his/her options and obtain the following information before making a selection.

QUESTION

Where you live determines which plan you are eligible for. Does the employee live in the service area?

Are the employee's doctors and hospitals in the plan?

What is the monthly premium cost?

RESOURCE

Benefit Decision Guide

Call the plan or visit its website

Benefit Decision Guide

See the *Benefit Decision Guide* for health plan options. These are distributed immediately before Annual Enrollment and are on the GIC's website (www.mass.gov/gic/bdgs).

OTHER GIC BENEFITS

In addition to health care benefits, the GIC offers the following benefit programs. You and the employee should familiarize yourselves with these programs. Details are in the *Benefit Decision Guide* and on our website:

- ❖ Long Term Disability
- ❖ Basic Life Insurance
- ❖ Optional Life Insurance
- ❖ Dependent Care Assistance Program (DCAP)
- ❖ Health Care Spending Account (HCSA)
- ❖ Dental/Vision Program (see DENTAL/VISION AND FSA ELIGIBILITY section)

GIC DENTAL/VISION AND FSA ELIGIBILITY

GIC DENTAL AND VISION ELIGIBILITY

Employees of authorities are not generally eligible for the GIC's Dental/Vision Plan. However, there are a small number of offline agencies that are eligible for this plan.

The GIC Dental/Vision Plan is for employees who are not covered by collective bargaining or do not have another Dental and/or Vision plan, primarily managers, the Legislature, its staff, and certain Executive Office staff. Employees of authorities, higher education, municipalities, and the Judicial Trial Court system are not eligible for GIC Dental/Vision coverage.

Employees Are Not Eligible If They Are:

- ❖ Subject to collective bargaining
- ❖ Employed by an Authority
- ❖ Employed by Higher Education
- ❖ Employed by a Municipality
- ❖ Employed by the Judicial Trial Court system

Employees Are Eligible If They:

- ❖ Work for the Commonwealth and are eligible for basic life or basic life & health insurance coverage provided by the GIC, and
- ❖ Are not otherwise eligible for dental and/or vision benefits pursuant to a separate appropriation; or
- ❖ Are not eligible for dental and/or vision benefits provided through the provisions of a contract; or
- ❖ Are not eligible for dental and/or vision benefits provided through the provisions of a collective bargaining agreement; or
- ❖ Are not eligible for dental and/or vision benefits provided in whole or in part through employer-provided funding.

FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP), AGENCY SET UP, ENROLLMENT GUIDELINES, ELIGIBILITY AND EFFECTIVE DATES

Setting up your agency for the Pre-tax Flexible Spending Accounts (FSAs)

In order to set up your agency for the first time, contact the FSA carrier for instructions. The FSA carrier has specific payroll file and funding requirements, and will provide instructions for setting up a secure portal for communications.

The Health Care Spending Account (HCSA) and Dependent Care Assistance Program (DCAP) enrollment is on an annual basis. Open enrollment will take place each year and employees must re-enroll each year. The HCSA, DCAP and program fee deductions are taken from the employee's pay on a pre-tax basis, reducing his/her federal and state income taxes. Employees can elect a pre-tax deduction of a minimum to a maximum amount noted on the HCSA/DCAP GIC Flexible Spending Account Plan Enrollment Form and on the GIC website (www.mass.gov/gic/forms). Employees are allowed to enroll in HCSA/DCAP during open enrollment, as a new hire or with a change in status. All updates, including forms, brochures, new policies and minimum/maximum contributions for each plan year are available on the GIC website.

HCSA: Active state employees who work half-time or more and are eligible for health benefits with the GIC are eligible for HCSA. Enrollment in a GIC benefit plan is not required. The coverage effective date is the same as for health benefits.

DCAP: Active state employees who work half-time or more and have employment-related expenses for a dependent child under the age of 13 and/or a disabled adult dependent are eligible for DCAP. Employees can enroll in DCAP effective as of the date of hire.

NEW HIRE

NEW HIRE ELECTIONS

New employees must make their benefit elections within ten (10) calendar days of the employee's first days of employment. You, as the GIC Coordinator, have 21 days to forward forms to the GIC. To select their benefits, employees must complete the following forms completely and legibly:

- ❖ Enrollment/Change Form (Form-1)
 - ◆ *For spousal coverage* – copy of marriage certificate. For former spouse – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
 - ◆ *For dependent coverage under age 19* – copy of birth certificate(s). The birth certificate must show the parent-child relationship to the insured or his/her spouse.
 - ◆ *For dependent coverage age 19 or over* – Dependent Age 19 to 26 Enrollment/Change Form and a copy of birth certificate. For handicapped dependent coverage – Handicapped Dependent Application and a copy of birth certificate. Birth certificates must show the parent-child relationship to the insured or his/her spouse.
- ❖ Life Insurance Beneficiary Form-319 (one to three beneficiaries) or Life Insurance Designation Form G-500 (four or more beneficiaries or special designations such as estate and trust).
- ❖ Employee Acknowledgement Form
- ❖ Marketplace Notice
- ❖ Premium Assistance Notice (CHIP)
- ❖ GIC Dental/Vision Enrollment/Change Form (Form-1DV) if eligible and elected. If family coverage is not elected for health insurance, but the employee wishes to have family dental/vision coverage, he/she must also submit a copy of a marriage certificate to cover a spouse and birth certificates to cover dependent children. See eligibility rules in the DENTAL/VISION ELIGIBILITY section.
- ❖ Flexible Spending Account Plan Enrollment Form

NOTE: Advise the new employee that if he/she does not elect Optional Life insurance coverage when first eligible or does not elect the maximum amount available, he/she may apply at any time thereafter, but will be required to provide Evidence of Insurability satisfactory to the life insurance carrier unless the employee has qualifying family status change event (see LATE ENROLLMENT section for details).

NOTE: Advise the new employee that if he/she does not elect Long Term Disability coverage when first eligible, he/she may apply at any time thereafter, but will be required to provide Evidence of Insurability satisfactory to the LTD carrier (see LATE ENROLLMENT section for details).

All new employees are automatically enrolled in pre-tax health insurance deductions unless they opt out of participating. This is known as a Section 125 Plan. If the employee elects to opt out, he/she must complete the Pre-Tax Basic Life and Health Insurance Plan Election Not to Participate Form.

After plan elections are made, complete the following:

- 1) Verify that the forms are completed accurately and completely. Ensure that the employee has checked the information entered on his/her forms, and has signed and dated all forms.
- 2) On the Enrollment/Change Form (Form-1), indicate the agency/division number, date entered state service and the employee's annual salary and effective date. Salary is defined as the salary earned in the employment of the agency but not including any overtime pay, travel reimbursement or travel expenses.
- 3) Update your payroll system with the new premium deductions.
- 4) Photocopy completed GIC forms and file the copies in the employee's personnel file.

- 5) Give the employee a copy of the Employee Acknowledgement form and file the **original** Employee Acknowledgement form, and Pre-Tax Basic Life and Health Insurance Plan Form (if applicable) in the employee's personnel file. Send the Flexible Spending Account Plan Enrollment form to the FSA Carrier. **NOTE:** Failure to send a form to the FSA carrier will result in an employee not receiving reimbursement for an eligible HCSA and/or DCAP expense. **Do not send any of these forms (Employee Acknowledgement, Pre-Tax or HCSA/DCAP) to the GIC.**
- 6) Send all other **original** signed forms to the GIC.

DECLINING COVERAGE

If declining health or all GIC benefits:

- 1) Employee completes and signs the Enrollment/Change Form (Form-1), checking the decline health only or decline all GIC coverage box. This form is necessary to document that the employee was offered GIC health coverage in accordance with health care reform requirements.
- 2) Retain completed Enrollment/Change Form (Form-1) and file in the employee's personnel file. **Do not send the form to the GIC.**

RETROACTIVE HEALTH INSURANCE EFFECTIVE DATE (B WAIVER)

If a new employee, or his/her covered dependent has no health coverage and **incurs unplanned and urgent medical expenses during his/her new hire waiting period**, he/she may apply to buy GIC health coverage at the full cost premium for that period of time (60 or more days, depending on the date of hire). The total claims expenditure must exceed the full cost premium for the hiatus period. New employees who begin employment on the 16th day of a month or later will not be charged the premium for that month; new employees who begin employment on or before the 15th day of a month shall be charged the full premium cost for the month. To apply for retroactive health insurance, the employee must write to the GIC's Director of Operations to request the coverage. **If approved**, coverage shall become effective as of the employee's first day of

active employment, subject to his or her timely payment of the full cost health insurance premium for the entire hiatus period.

- 1) Provide to the employee a copy of his/her new hire Enrollment/Change Form (Form-1).
- 2) Instruct the employee to include the following information in his/her request to the GIC:
 - ❖ Employee's name
 - ❖ Employee's Social Security Number
 - ❖ Photocopy of new hire Enrollment/Change Form (Form-1)
 - ❖ Dates of health care expenses
 - ❖ Photocopies of all incurred health care claims
 - ❖ Statement from the employee that he/she understands that he/she is responsible to pay the full cost premium for the entire new hire hiatus period
- 3) The GIC will notify the employee of the approval or denial of the application and, if approved, will bill the employee for the full cost premium owed.

QUALIFYING STATUS CHANGES

QUALIFYING STATUS CHANGE EVENT DOCUMENTATION

Please refer to the GIC's website – www.mass.gov/gic/statusdocumentation.

EVENTS SUBJECT TO QUALIFYING STATUS CHANGES AND DEADLINES

FAMILY TO INDIVIDUAL COVERAGE

An employee can change from family to individual coverage within 60 days of a qualifying status change event following the procedures below. The employee must complete and sign the following:

For Health Insurance:

- ❖ GIC Enrollment/Change Form (Form-1)

The employee must provide documentation of the qualifying status change event. For example, in the case of death of spouse or dependent, a copy of the death certificate is required.

For Dental/Vision:

- ❖ Dental/Vision Enrollment/Change Form (Form-1DV)

The employee must provide documentation of the qualifying status change event. For example, in the case of death of spouse or dependent, a copy of the death certificate is required.

For All Changes:

- 1) Verify that the forms above are completed accurately and completely. Ensure that both you and the employee have signed and dated all forms.
- 2) Update your payroll system with the new premium deductions.
- 3) Photocopy completed GIC form(s) and documentation of qualifying status change event and file them in the employee's personnel file.

- 4) Send **original** signed forms to the GIC along with the documentation of the qualifying status change event. Forms and documentation must be received at the GIC within 60 days of the event. Forms and documentation received after 60 days are returned and the employee may re-apply during Annual Enrollment.

NOTE: The GIC may not be able to remove a dependent if there is a court order on file at the GIC requiring the employee to cover the dependent.

INDIVIDUAL TO FAMILY COVERAGE OR TO ADD SPOUSE/DEPENDENT TO FAMILY COVERAGE

If the employee is changing from individual to family coverage, follow the procedures below. The employee must complete and sign the following:

For Health Insurance:

- ❖ GIC Enrollment/Change Form (Form-1).

Documentation of qualifying status change event required. To add a spouse or dependent also provide the following:

- ◆ *For spousal coverage* – copy of marriage certificate.
- ◆ *For former spouse* – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
- ◆ *For dependent coverage under age 19* – copy of birth certificate(s). The birth certificate must show the parent-child relationship to the insured or his/her spouse.
- ◆ *For dependent coverage age 19 to 26* – Dependent Age 19 to 26 Enrollment/Change Form and a copy of birth certificate. For handicapped dependent, a Handicapped Dependent Application. The birth certificate must show the parent-child relationship to the insured or his/her spouse.

For Dental/Vision:

Dental/Vision Enrollment/Change Form (Form-1DV) – See DENTAL/VISION ELIGIBILITY section for eligibility details. Documentation of qualifying status change event required. If family coverage is not elected for health insurance, but the employee wishes to have family dental/vision coverage, he/she must also submit a copy of a marriage certificate to cover a spouse and birth certificates to cover dependent children and a Dependent Age 19 to 26 Enrollment/Change Form for dependents age 19 to 26.

For All Changes:

- 1) Verify that the forms are completed accurately and completely. Ensure that both you and the employee have signed and dated all forms.
- 2) Update your payroll system with the new premium deductions.
- 3) Photocopy completed GIC forms and file them in the employee's personnel file.
- 4) Send **original** signed forms to the GIC. Forms and documentation must be received at the GIC within 60 days of the qualifying status change event. Forms and documents received after 60 days are returned and the employee may re-apply during Annual Enrollment.

REMOVING A SPOUSE OR DEPENDENT UNDER AGE 19 – RETAINING FAMILY COVERAGE

- 1) Employee completes the Enrollment/Change Form (Form-1) checking off the deletion box and listing spouse's/dependent's name, date of birth, relationship to insured, and Social Security Number and attaching documentation of qualifying status change event.
- 2) The employee must indicate the reason for the deletion and the effective date (this date cannot be retroactive).
- 3) Photocopy the form and documentation of qualifying status change event and file in the employee's personnel file.

- 4) Send the **original** form and documentation of qualifying status change event to the GIC within 60 days of the qualifying status change event. Forms received after 60 days are returned and the employee may re-apply during Annual Enrollment.

REMOVING A DEPENDENT AGE 19 TO 26 – RETAINING FAMILY COVERAGE

- 1) Employee completes the Enrollment/Change Form (Form-1) checking off the deletion box and listing the dependent's name, date of birth, relationship and Social Security Number and attaching documentation of qualifying status change event.
- 2) The employee must indicate the reason for the deletion and effective date (this date cannot be retroactive)
- 3) Photocopy the form and file in the employee's personnel file.
- 4) Send the **original** form and documentation of the qualifying status change event to the GIC within 60 days of the qualifying event. Forms received after 60 days are returned and the employee may re-apply during Annual Enrollment.

MOVING OUT OF A PLAN'S SERVICE AREA

If an employee moves out of or resides outside of a health plan's service area, he/she must change health plans. To process this change:

- 1) Have employee complete Enrollment/Change Form (Form-1) indicating his/her choice of new health plan.
- 2) Obtain from employee proof of address change, such as utility bill or Purchase and Sale Agreement.
- 3) Photocopy forms and proof of address change and file them in employee's personnel file.
- 4) Send proof of address change and **original** signed Enrollment/Change Form (Form-1) to the GIC.
- 5) The GIC will determine the coverage effective date for this change. This date cannot be retroactive.

If an employee's covered spouse, former spouse and/or dependent(s) moves out of or resides out of the employee's health plan's service area, the entire family must change health plans to a plan that will cover the employee and his/her dependents where they reside. (Only unmarried full-time students may reside outside of a health plan's service area.) Note that only UniCare/Basic is available throughout the country and outside of the U.S. To change the family's coverage to a new health plan:

- 1) Have employee complete the Enrollment/Change Form (Form-1) checking their new health plan choice.
- 2) Obtain from the employee proof of the spouse's, former spouse's or dependent's address. For dependent age 19 to 26, attach Dependent Age 19 to 26 Enrollment/Change Form indicating the dependent's address.
- 3) Photocopy forms and file in the employee's personnel file.
- 4) Send the **original** forms and proof of addresses to the GIC.
- 5) The GIC will determine the coverage effective date of this change. This date cannot be retroactive.

CANCEL HEALTH/DENTAL/VISION COVERAGE

For insureds who want to cancel their GIC health insurance and/or dental/vision coverage due to a qualifying status change event:

Documentation of qualifying status change event is required.

- 1) Employee completes and signs GIC Enrollment/Change Form (Form-1) with appropriate cancel coverage box(es) checked. For dental/vision, the employee completes the Dental/Vision (Form-1DV).
- 2) If employee is withdrawing from health insurance or Dental/Vision, the employee must provide documentation of the qualifying status change event.
- 3) Verify that the employee has completed the forms accurately and completely.
- 4) Review and sign Enrollment/Change Form (Form-1) and Dental/Vision (Form-1DV), if applicable.

- 5) Update your payroll system with the new premium deductions.
- 6) Photocopy Enrollment/Change Form (Form-1) and documentation of qualifying status change event and file in employee's personnel file.
- 7) Send **original** Enrollment/Change Form (Form-1) and Dental/Vision (Form-1DV), if applicable, along with documentation of qualifying status change event, to the GIC within 60 days of the qualifying status change event. Forms received after 60 days are returned and the employee may re-apply during Annual Enrollment.

PRE-TAX PREMIUM DEDUCTIONS

If an employee has a qualifying event, he/she may opt out of pre-tax basic life and health insurance premium deductions.

To process these changes:

- 1) The employee completes and signs the Pre-Tax Basic Life and Health Insurance Plan Election Not to Participate Form.
- 2) The form is forwarded to the agency's payroll department. The payroll person updates the payroll system to reflect the employee's pre-tax change election.
- 3) File the **original** form in the employee's personnel file. **Do not send the form to the GIC.**

EVENTS NOT SUBJECT TO QUALIFYING STATUS CHANGES AND DEADLINES

For Beneficiary Change:

- ❖ Life Insurance Beneficiary Form-319 (one to three beneficiaries) or Life Insurance Beneficiary Form G-500 (four or more beneficiaries or special designations such as estate and trusts)

NAME AND ADDRESS CHANGES

Required for all name and address changes, employee completes Enrollment/Change Form (Form-1), checking name and/or address change box(es). Be sure the employee signs the form and send the **original** to the GIC.

AGE CHANGE FOR OPTIONAL LIFE AND LTD RATES

The GIC sends each agency a report of all employees' age changes who have elected optional life insurance and/or Long Term Disability (LTD). The report is sent the month of their birthday(s) and includes the following information:

- ❖ Employee name
- ❖ GIC Identification Number
- ❖ Date of birth
- ❖ Age
- ❖ Old age band
- ❖ Old age band premium
- ❖ New age band
- ❖ New age band premium

Upon receipt of this report, update your payroll system to reflect the new amount of LTD and/or optional life insurance premium. The effective date of the new amount of optional life insurance and/or LTD coverage is the first day of the second month following the age change.

CANCEL LIFE/LONG TERM DISABILITY COVERAGE

For insureds who want to cancel their GIC Life and/or Long Term Disability coverage:

- 1) Employee completes and signs GIC Enrollment/Change Form (Form-1) with appropriate cancel coverage box(es) checked.
- 2) Verify that the employee has completed the forms accurately and completely.
- 3) Review and sign Enrollment/Change Form (Form-1) if applicable.
- 4) Update your payroll system with the new premium deductions.
- 5) Photocopy Enrollment/Change Form (Form-1) and file in employee's personnel file.
- 6) Send **original** Enrollment/Change Form (Form-1).

DIVORCE AND LEGAL SEPARATION

In accordance with Massachusetts General Law Chapter 32A Section 11a, the GIC must be informed of all legal separations and divorces if the insured is covering his/her spouse or former spouse. *Failure to notify the GIC will result in financial consequences to the employee and/or former spouse.* Collect from the employee the former spouse's address and copies of the following sections of the legal separation agreement or divorce decree:

- ❖ Page with absolute date
- ❖ Health insurance language
- ❖ Signature pages

Forward these documents to the Director of Operations at the GIC.

REMARRIAGE

If an insured is covering a former spouse on his/her health plan and/or GIC Dental Plan and the employee or the former spouse remarries, the GIC must be notified. Inform the employee that if either the employee or the former spouse remarries, in accordance with Massachusetts General Law 32A, Section 11a, GIC health coverage for the former spouse ends on the date of remarriage. *Failure to report a remarriage will result in financial consequences to the employee or former spouse.*

For Remarriage of an Employee or Former Spouse:

- 1) Instruct the employee to send the remarriage date in writing to the Director of Operations at the GIC or provide the information on the former spouse section of the Form-1 or Form-1DV
- 2) If adding a new spouse, see ADDING A SPOUSE OR DEPENDENT for procedure details.

HANDICAPPED DEPENDENT COVERAGE

Insureds who have an unmarried child who is physically disabled and incapable of earning his/her own living as of the age of 19 may apply for Handicapped Dependent Coverage for their child. Family coverage is required.

- 1) Give the employee the Handicapped Dependent Application.
- 2) The employee and dependent’s physician must complete the application and send it to the GIC.
- 3) The GIC will review the application for eligibility and will notify the insured of its decision.
- 4) The GIC sends periodic re-certification forms for continuation of handicapped dependent coverage to the employee.

If the child became disabled on or after the age of 19, coverage will end at age 26.

DEPENDENT TURNING AGE 19

Under the dependent age 19 to 26 expansion as the result of federal health care reform, an insured’s child, stepchild, adopted child and eligible foster child will automatically continue health and dental coverage up to the last month the dependent turns age 26 as long as the insured has family coverage. All members of the GIC family plan must reside in the health plan’s service area, unless the dependent is a full-time student. The GIC sends a questionnaire to insureds who have a covered dependent turning age 19. The insured only needs to complete and return the questionnaire if the dependent lives outside of the health plan’s service area or is a full-time student living outside of the health plan’s service area.

If the dependent is not the child, stepchild, adopted child or eligible foster child, he or she may be eligible for coverage under Massachusetts Health Reform up to age 26 or two years after the losing dependent status under IRS rules, whichever occurs first. The insured must contact the GIC’s Continued Coverage Unit at 617-727-2310, ext. 5 for a Massachusetts Health Care Reform Dependent Application in order to apply.

The child of a dependent age 19 to 26 is not covered under federal health care reform.

If the insured wishes to cover the child of a dependent who is age 19 to 26, the insured may only cover both the dependent age 19 and over and the dependent’s child under Massachusetts Health Care Reform. This will provide coverage for the child and dependent age 19 to 26 up to when the dependent turns age 26 or two years after loss of IRS dependent status, whichever occurs first. Instruct the insured to contact the GIC’s Continued Coverage Unit at 617-727-2310, ext. 5 for the Massachusetts Health Care Reform Dependent Application. Attach a completed Form-1 and the birth certificate for the child of the dependent and send with the Massachusetts Health Care Reform Dependent application to the GIC.

EMPLOYMENT CHANGES

HOURS REDUCED TO LESS THAN PART-TIME

If an employee falls below 18.75 hours in a 37.5-hour workweek or 20 hours in a 40-hour workweek, the employee is no longer eligible for most GIC benefits. GIC Health, Life, FSA, LTD and/or Dental/Vision coverage will end at the end of the following month as long as the premiums are paid.

For HCSA and DCAP, stop the HCSA/DCAP and pre-tax fee amount deductions in the payroll system.

The employee may elect to continue health coverage through the Massachusetts Health Connector, COBRA, or Non-Group Conversion.

Give the employee the Marketplace Notice and update your payroll system to stop all GIC life, health, LTD, dental/vision, and FSA premium deductions.

HOURS REINSTATED TO PART-TIME OR MORE

If an employee resumes at least part-time status (18.75 hours in a 37.5-hour workweek or 20 hours in a 40-hour workweek) after his/her GIC coverage has been terminated, the employee is considered a new hire. He/she is subject to the new hire waiting period beginning on the date he/she resumes half-time to full-time status. Follow the NEW HIRE section.

If an employee resumes at least part-time status before the coverage termination date, coverage will continue uninterrupted.

SALARY CHANGE

- ❖ If an employee's salary changes and he or she has elected LTD and/or optional life insurance with automatic increase ensure that the following procedures take place.

- 1) Complete and sign Enrollment/Change Form (Form-1) on behalf of the employee indicating the new salary and salary effective date.
- 2) Verify that the form is completed accurately and completely.
- 3) Photocopy Enrollment/Change Form (Form-1) and file in employee's personnel file.
- 4) Send **original** Enrollment/Change Form (Form-1) to the GIC.
- 5) Update your payroll system to reflect the new amount of LTD and/or optional life insurance premium. The effective date of the new amount of optional life insurance and/or LTD coverage is the first day of the second month following the salary change. In the case of a retroactive salary increase, you as the GIC Coordinator determines the effective date based on when you can start the new optional life and/or LTD premium deduction.
- 6) Review your monthly insurance billing report for those employees that have LTD and/or optional life insurance coverage to be sure the coverage amounts are in accordance with the employee's salary.

OPTIONAL LIFE INSURANCE REDUCTION

If an employee requests a reduction in Optional Life insurance:

- 1) Employee completes and signs Employment Status Change Form (Form-1A).
- 2) Review and sign Employment Status Change Form (Form-1A).
- 3) Update your payroll system with the new premium deductions. The effective date of the new amount of life insurance is the first day of the second month following the employee's reduction request.
- 4) Photocopy Employment Status Change Form (Form-1A) and file in the employee's personnel file.
- 5) Send **original** Employment Status Change Form (Form-1A) to the GIC.

AGENCY TRANSFER

When an employee transfers from one state agency to another:

- 1) Complete GIC Employment Status Change Form (Form-1A) on behalf of the employee:
 - ❖ If employee is transferring to another agency, indicate the name of the agency or GIC participating municipality the employee is transferring to and the last day of work.
 - ❖ If the employee is transferring from another state agency or GIC participating municipality, indicate the name of the agency the employee is transferring from and the hire date.
- 2) Update your payroll system to stop or begin the appropriate GIC premium deductions for the GIC coverage in force at the time of the transfer. **Note that employees are not allowed to change health plans at the time of transfer unless the employee is moving outside of a health plan's service area.**
- 3) Photocopy completed Employment Status Change Form (Form-1A) and file in the employee's personnel file.
- 4) Send **original** Employment Status Change Form (Form-1A) to the GIC.
- 5) The effective date of the transfer will be the first day of the second month following the transfer as long as the GIC has been notified with the Employment Status Change Form (Form-1A).

POSITION CHANGE GIC DENTAL/ VISION

See the GIC DENTAL/VISION ELIGIBILITY section before completing the following processes.

Personnel changes affect GIC Dental/Vision eligibility, effective dates, and terminations.

If a bargaining unit employee changes to a management position, complete the following within 60 days of the position change. If the GIC receives the enrollment form after the 60-day period, the employee may only enroll during Annual Enrollment:

- 1) Complete the Dental/Vision Enrollment/ Change Form (Form-1DV). If received within 60 days, the effective date will be the first day of the second month following the position change.
- 2) Enter the new dental/vision premium in your payroll system.
- 3) Photocopy and file the Dental/Vision (Form-1DV) in the employee's personnel file.
- 4) Send the **original** Dental/Vision (Form-1DV) to the GIC within 60 days of the position change.

If a management employee changes to a bargaining unit position, complete the following:

- 1) Complete the Dental/Vision Enrollment/ Change Form (Form-1DV) and check the Cancel Coverage box. The effective date will be the first day of the second month following the position change.
- 2) Stop the dental/vision premium deduction in your payroll system.
- 3) Photocopy and file the Dental/Vision (Form-1DV) in the employee's personnel file.
- 4) Send the **original** GIC Dental/Vision (Form-1DV) to the GIC.

LATE ENROLLMENT

BASIC LIFE AND HEALTH INSURANCE

An employee must provide you with documentation of a qualifying status change event to be eligible to enroll in GIC Basic Life and Health coverage during the year, other than during Annual Enrollment. An employee may not apply for late enrollment during his/her new hire waiting period. **Forms and required documentation must be received at the GIC within 60 days of the qualifying status change event. Otherwise the employee must wait until the next Annual Enrollment to enroll.**

Basic Life and Health late enrollment procedure:

- 1) Employee must complete the following forms completely and legibly:
 - ❖ Enrollment/Change Form (Form-1)
 - For spousal coverage* – copy of marriage certificate
 - For former spouse* – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address
 - For dependent coverage under age 19* – copy of birth certificate(s). The birth certificate must show the parent-child relationship to the insured or his/her spouse.
 - For dependent coverage age 19 or over* – Dependent Age 19 to 26 Enrollment/Change Form and a copy of birth certificate.
 - For handicapped dependent coverage* – Handicapped Dependent Application and a copy of birth certificate. Birth certificates must show the parent-child relationship to the insured or his/her spouse.
 - ❖ Beneficiary Form (Form-319 or G-500)
- 2) Verify that the forms are completed accurately and completely. Ensure that the employee has checked the information entered on his/her forms, and has signed and dated all forms.
- 3) On the Enrollment/Change Form (Form-1), be sure to indicate the agency/division number, date of hire and annual salary.

- 4) Photocopy completed GIC enrollment form and documentation of qualifying status change event and file them in the employee's personnel file.
- 5) Send the **original** signed forms and documentation to the GIC.

OPTIONAL LIFE

Employees enrolling in Optional Life Insurance after their **original** eligibility (within ten days of hire) or changing from fixed amount to automatic increase or increasing multiple factor when there is a non-qualifying family status change are subject to Evidence of Insurability (EOI) satisfactory to the life insurance carrier. To apply for coverage:

- 1) Instruct the employee to complete and sign Enrollment/Change Form (Form-1). If the employee wishes to change his/her beneficiary(ies) the employee must also complete Form-319 (one to three beneficiaries) or Form G-500 (four or more beneficiaries).
- 2) Review forms for completeness.
- 3) Photocopy forms and file in employee's personnel file.
- 4) Send **original** Enrollment/Change Form (Form-1) and Beneficiary Form to the GIC.
- 5) The GIC will notify the life insurance carrier, which will send the employee instructions on how to apply online or get an application. If the employee does not complete the EOI process by the due date indicated by the life insurance carrier, his/her file will be closed.
- 6) If approved, the GIC will advise you and the employee of the effective date.
- 7) If approved, update your payroll system with the new premium deduction.
- 8) If denied, the life insurance carrier will notify the employee directly with reason of denial.

OPTIONAL LIFE—FAMILY STATUS CHANGE

Employees enrolling in Optional Life Insurance after their **original** eligibility (within ten days of hire) have an opportunity to enroll without Evidence of Insurability when there is a qualifying family status change event. Active employees have the option of enrolling in or increasing coverage in Optional Life Insurance up to four times salary as **long as the GIC receives documentation within 31 days of the event:** marriage, birth/adoption, legal separation, divorce or death of spouse. **Forms and documentation received after the 31-day window will be denied.**

- 1) Instruct the employee to complete and sign Enrollment/Change Form (Form-1) and provide proof of qualified family status change: marriage certificate, birth certificate, adoption placement letter, legal separation/ divorce agreement, or death certificate of spouse. If the employee wishes to change his/her beneficiary(ies) the employee must also complete Form-319 (one to three beneficiaries) or Form G-500 (four or more beneficiaries).
- 2) Review forms for completeness.
- 3) Photocopy forms and proof of family status change and file in employee's personnel file.
- 4) Send **original** Enrollment/Change Form (Form-1), documentation of qualifying family status change event, and Beneficiary Form to the GIC within 31 days of the event.
- 5) If approved, the GIC will advise you and the employee of the effective date.
- 6) If approved, update your payroll system with the new premium deduction.

LONG TERM DISABILITY

Employees enrolling in Long Term Disability after their **original** eligibility (within 10 days of hire) are subject to Evidence of Insurability (EOI) satisfactory to the LTD carrier. To apply for coverage:

- 1) Employee must complete and sign the GIC's Enrollment/Change Form (Form-1).
- 2) Sign the Enrollment/Change Form (Form-1) and review for completeness.
- 3) Copy Enrollment/Change Form (Form-1) and file in the employee's personnel file.

- 4) Send **original** Enrollment/Change Form (Form-1) to the GIC.
- 5) The GIC will notify the LTD carrier of the pending application.
- 6) The LTD carrier will send the employee an Evidence of Insurability application to complete and return. If the employee does not return the Evidence of Insurability application by the due date indicated by the LTD carrier, his/her file will be closed.
- 7) If approved, the GIC will notify you and the employee of the effective date.
- 8) If approved, update your payroll system with the new premium deduction.
- 9) If denied, the LTD carrier will notify the employee directly with the reason of denial.

GIC DENTAL/VISION

A few of the GIC offline agencies are eligible for GIC Dental/Vision. See the DENTAL/VISION ELIGIBILITY section for details.

An employee must provide you with documentation of a qualifying status change event to be eligible to enroll in GIC Dental/Vision coverage at any time during the year, other than during Annual Enrollment. Forms *and* documentation must be received at the GIC within 60 days of the event. Otherwise, the employee must wait until the next Annual Enrollment to enroll.

An employee may not apply for late enrollment during the 60-day new hire waiting period.

To add GIC Dental/Vision coverage during the year with documentation of qualifying status change event:

- 1) Employees must complete the GIC Dental/Vision Enrollment/Change Form (Form-1DV).
- 2) For family coverage, employees must also submit a copy of a marriage certificate to cover a spouse and birth certificates to cover dependent children if these are not already on file for GIC health coverage. Birth certificates must show the parent-child relationship to the insured or his/her spouse.

- 3) Review for completeness and be sure to indicate the agency/division number and date of hire on the Dental/Vision Enrollment/Change Form (Form-1DV).
- 4) Photocopy the GIC Dental/Vision Enrollment/Change Form (Form-1DV) and file in the employee's personnel file.
- 5) Send the **original** GIC Dental/Vision Enrollment/Change Form (Form-1DV), the documentation of the qualifying status change event, and a copy of the marriage certificate/birth certificate (if applicable) to the GIC within 60 days of the qualifying status change event.
- 6) The GIC will determine eligibility and, if approved, advise you of the effective date.
- 7) If approved, update your payroll system with the new premium deduction.

FLEXIBLE SPENDING ACCOUNTS (FSA)

Employees may during the year enroll in HCSA/DCAP, change their contribution, or terminate their election if there is a change in status according to IRS guidelines listed below. Change of election due to a status change must be made within 30 days of the qualifying event. If you are unsure whether an event qualifies as an IRS-qualified event, contact the FSA carrier:

- ❖ Change in legal marital status.
- ❖ Change in number of dependents.
- ❖ Change in employee's or spouse's employment status (for example, employee hours increase making him or her eligible for the program, or spouse loses employment affecting enrollment in another FSA program).
- ❖ Change in work schedule which changes eligibility for the program.
- ❖ Dependent satisfies or ceases to satisfy eligibility requirements.
- ❖ Judgment, decree or order pertaining to child or spouse.

Please note that the qualifying event must correspond with the change in election (e.g., marriage constitutes an increase in election; divorce constitutes a decrease in election).

To add or change the contribution to HCSA and/or DCAP during the year due to a qualifying event:

- 1) Instruct the employee to complete, sign and date the HCSA/DCAP GIC Flexible Benefit Plan Change in Status Form. See the direct deposit instructions on the form.
- 2) Complete the Payroll Coordinator section of the form. Indicate your Agency/Division number (999/XXXX).
- 3) Obtain from the employee a document establishing a change in status. Acceptable proof includes a marriage or birth certificate or a letter from an employer stating that coverage has been terminated.
- 4) Enter the HCSA/DCAP and pre-tax fee amounts into your payroll system.
- 5) Fax a copy of the completed and signed form to the FSA carrier. **NOTE:** Failure to send a form to the FSA carrier will result in an employee not receiving reimbursement for an eligible HCSA and/or DCAP expense.
- 6) File a copy of the application in the employee's personnel file. **Do not send forms to the GIC.**

Complete the following payroll process:

Five days before each pay date, you must send a FSA Contribution and Change Report to the FSA Carrier. If a report is not sent for a particular pay date, all participant accounts for your agency will be placed on hold. This report will contain:

- ❖ Identifier (a unique number used to identify the participant)
- ❖ Participant Name
- ❖ Street
- ❖ Street Line 2
- ❖ City
- ❖ State
- ❖ Zip
- ❖ Per pay period HCSA deduction
- ❖ Per pay period DCAP deduction
- ❖ Annual HCSA Election Goal
- ❖ Annual DCAP Election Goal
- ❖ Pay cycle (Weekly (W), Biweekly (BW), Semi-monthly (SM), Monthly (M))
- ❖ Date of Birth
- ❖ Issue Date of Paycheck
- ❖ Insurance Plan Name 1

- ❖ Insurance Plan Name 2
- ❖ Insurance Plan Name 3
- ❖ Fee Amount

You will receive a Discrepancy Report via secure portal or fax within 2 business days listing each discrepancy between what the FSA Carrier expected, and what was sent in the FSA Contribution and Change Report. **You must resolve these discrepancies, otherwise no claims will be paid and HCSA debit cards will be suspended for affected participants.**

Please note that a GIC Flexible Plan Change in Status Form is required to be submitted for all qualifying events within 30 calendar days of the event date. It is not sufficient to only report them as a payroll change.

ANNUAL ENROLLMENT AND OPEN ENROLLMENT

ANNUAL ENROLLMENT FOR BASIC LIFE, LIFE AND HEALTH INSURANCE, BUY-OUT, PRE-TAX, AND DENTAL/VISION

All GIC-eligible employees must be given a Children's Health Insurance Program (CHIP) Notice each Annual Enrollment to let them know about how to access premium assistance if they or their children are eligible for Medicaid or CHIP.

If an employee is not currently enrolled in GIC coverage and wants to do so, complete the following and send to the GIC during the Annual Enrollment period.

BASIC LIFE ONLY ENROLLMENT

Employees who want to enroll in Basic Life insurance must do so within 10 days of hire. After the initial eligibility period, employees wishing to enroll may do so only during Annual Enrollment. To enroll during Annual Enrollment:

- 1) Instruct the employee to complete and sign Enrollment/Change Form (Form-1) and Life Insurance Beneficiary Form-319 (one to three beneficiaries) or Life Insurance Beneficiary Form G-500 (four or more beneficiaries or special designations e.g. estate and trust).
- 2) Review the Enrollment/Change Form (Form-1) for completeness and be sure that the date of hire and annual salary are completed before signing the form.
- 3) Enter the Basic Life coverage premium deduction into your payroll system.
- 4) Photocopy completed forms and file them in the employee's personnel file.
- 5) Send the **original** Enrollment/Change Form (Form-1) and Beneficiary Form to the GIC by the Annual Enrollment deadline.

LIFE AND HEALTH INSURANCE ENROLLMENT

If an employee is not currently enrolled in GIC Life and Health insurance coverage, complete the following to enroll during Annual Enrollment:

- 1) To select Basic Life and Health benefits, employees must complete the following forms completely and legibly:
 - ❖ Enrollment/Change Form (Form-1)
 - ◆ *For spousal coverage* – copy of marriage certificate.
 - ◆ *For former spouse* – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
 - ◆ *For dependent coverage under age 19* – copy of birth certificate(s). The birth certificate must show the parent-child relationship to the insured or his/her spouse.
 - ◆ *For dependent coverage age 19 or over* – Dependent Age 19 to 26 Enrollment/Change Form and a copy of birth certificate. For a handicapped dependent, a Handicapped Dependent Application. The birth certificate must show the parent-child relationship to the insured or his/her spouse.
 - ❖ Life Insurance Beneficiary Form-319 (one to three beneficiaries) or Life Insurance Beneficiary Form G-500 (four or more beneficiaries or special designations e.g. estate and trust).
- 2) Verify that the forms above are completed accurately and completely. Ensure that the employee has checked the information entered on his/her forms, and has signed and dated all forms.
- 3) On the Enrollment/Change Form (Form-1), indicate the employee's annual salary and effective date.

- 4) Enter Basic Life and Health insurance payroll deductions into your payroll system.
- 5) Photocopy completed GIC forms and file them in the employee's personnel file.
- 6) Send all **original** signed forms to the GIC by the Annual Enrollment deadline.

If electing Optional Life insurance, the GIC will notify the life insurance carrier, which will send the employee Evidence of Insurability (EOI) application instructions. If the employee does not complete the Evidence of Insurability by the due date indicated by the life insurance carrier, his/her file will be closed. If the EOI application is approved, the GIC will advise you and the employee. If approved, update your payroll with the new premium deduction. If the EOI application is denied, the life insurance carrier will notify the employee directly with the reason of denial.

HEALTH INSURANCE CHANGES

During Annual Enrollment employees may change health plans, change from individual to family, family to individual, or remove dependent(s) from family plan. The change will go into effect that July 1. For employees already in a GIC plan who wish to make any of these changes during Annual Enrollment:

- 1) Employee completes and signs Enrollment/Change Form (Form-1).
- 2) Verify that the form is completed accurately and completely. Ensure that you and the employee have signed and dated all forms.
- 3) Update your payroll system with the new premium deduction.
- 4) Photocopy completed GIC forms and file them in the employee's personnel file.
- 5) Send **original** signed forms to the GIC by Annual Enrollment deadline.

NOTE: The GIC may not be able to remove a dependent if there is a court order on file at the GIC requiring the employee to cover the dependent.

BUY-OUT

The Health Insurance Buy-Out option is available two times during the year: the spring Annual Enrollment and during a special fall enrollment period for coverage effective July 1 and January 1, respectively. Employees insured with the GIC for health coverage on January 1 (or July 1 for the fall enrollment) of the current year, and who are still insured for health coverage with the GIC, and have comparable non-state coverage elsewhere may elect to participate in the Buy-Out program.

Employees who cancel their health plan outside of their two enrollment periods are not eligible for the buy-out. The benefit is limited to twelve (12) taxable monthly payments. The payments equal 25% of the current full-cost premium for the health plan in which the employee is enrolled, based on the type of coverage (individual or family) the employee had on January 1 for the spring Annual Enrollment period (or July 1 for the fall enrollment) of the current year. The employee must continue to maintain Basic Life insurance coverage. Employees who buy out in the spring will receive their first buyout reimbursement in August. Employees who buy out in the fall will receive their first buyout reimbursement in February.

The Buy-out form is also available on the GIC's website (www.mass.gov/gic/forms) during the enrollment periods.

To apply for the Buy-out:

- 1) Employee completes and signs Buy-Out form. Do not have the employee complete the Form-1.
- 2) Review this form for completeness.
- 3) Photocopy completed form and file in the employee's personnel file.
- 4) Send **original** completed form to the GIC's Operations Department by the end of the enrollment period. Forms received after the deadline will not be accepted due to tax implications.
- 5) You and the employee will receive a confirmation letter of the buy-out approval.

PRE-TAX HEALTH INSURANCE PREMIUMS

During Annual Enrollment, or anytime during the year due to a qualifying status change, employees may elect to opt in or out of pre-tax premium deductions. Qualifying status changes include: marriage, legal separation, divorce, birth or adoption of a child, death of a spouse or dependent, spouse commences or is terminated from employment, employee or spouse takes unpaid leave of absence, or employee loses health insurance elsewhere through no fault of the employee.

Opt-in: Employees who elected not to participate in the pre-tax program may elect to participate. There are no GIC enrollment/change forms to be completed to enroll in the pre-tax program. The employee must see his/her payroll department and inform them of his/her decision to have deductions made on a pre-tax basis. The payroll person updates the payroll system to reflect the employee's pre-tax change election.

Opt-out: Employees who participate in the pre-tax program may elect not to participate:

- 1) The employee completes and signs the Pre-Tax Basic Life and Health Insurance Plan Election Not to Participate Form.
- 2) The form is forwarded to the agency's payroll department. The payroll person updates the payroll system to reflect the employee's pre-tax change election.
- 3) File the **original** form in the employee's personnel file. **Do not send the form to the GIC.**

OPTIONAL LIFE SMOKER STATUS

Insureds with Optional Life Insurance who have been tobacco-free for at least the past 12 months (have not smoked cigarettes, cigars, or a pipe, nor used snuff, chewing tobacco, or a nicotine delivery system) are eligible to apply for reduced Optional Life insurance rates during Annual Enrollment. The reduced Optional Life Insurance rate will be effective that July 1.

- 1) Instruct the employee to complete and sign Enrollment/Change Form (Form-1) before the end of Annual Enrollment, indicating he/she is a non-smoker and has been tobacco free for the past twelve months.
- 2) Photocopy Enrollment/Change Form (Form-1) and file it in the employee's personnel file.
- 3) Send the **original** signed Enrollment/Change Form (Form-1) to the GIC.
- 4) Update your payroll system with the new premium deduction.

OPTIONAL LIFE INSURANCE

See LATE ENROLLMENT section for details.

LONG TERM DISABILITY

See LATE ENROLLMENT section for details.

GIC DENTAL/VISION

During Annual Enrollment employees may enroll in the GIC Dental/Vision plan, change from the indemnity plan to the PPO plan or vice versa, change from individual to family, family to individual, or remove dependent(s) from family plan. The change(s) will go into effect that July 1.

See DENTAL/VISION ELIGIBILITY section for eligibility details.

To enroll in a Dental Plan or make any of these change(s):

- 1) Employees must complete GIC Dental/Vision Enrollment/Change Form (Form-1DV).
- 2) For family coverage, employees must also submit a copy of a marriage certificate to cover a spouse and birth certificates to cover dependent children if these are not already on file for GIC health coverage. Birth certificates must show the parent-child relationship to the insured or his/her spouse.
- 3) Review for completeness and be sure to indicate the date of hire and the agency/division number on the Dental/Vision Enrollment/Change Form (Form-1DV).
- 4) Update your payroll system with the new premium deduction.

- 5) Photocopy the GIC Dental/Vision Enrollment/Change Form (Form-1DV).
- 6) Send the **original** GIC Dental/Vision Enrollment/Change Form (Form-1DV) and a copy of the marriage certificate/birth certificate (if applicable) to the GIC by the Annual Enrollment deadline.
- 4) Fax a copy of the completed and signed form to the FSA carrier. **NOTE:** Failure to send a form to the FSA carrier will result in an employee not receiving reimbursement for an eligible HCSA and/or DCAP expense.
- 5) File a copy of the form in the employee's personnel file. **Do not send form to the GIC.**

Employees enrolled in the GIC's Dental/Vision Plan who voluntarily withdraw from the plan or terminate for non-payment of premium may re-enroll in the plan during the next Annual Enrollment following 24 months from the date coverage ended.

OPEN ENROLLMENT

FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

This program has an open enrollment meaning employees must re-enroll each year.

Existing Enrollees

- 1) During open enrollment, current enrollees should re-enroll online on the FSA carrier's website (see the Forms section of the GIC's website for links). The employee must print, sign and date the online confirmation page and give it to the payroll office.
- 2) Enter the HCSA/DCAP and pre-tax fee amount deductions into your payroll system.
- 3) File a copy of the online confirmation page in the employee's personnel file. **Do not send re-enrollment forms to the GIC or to the FSA carrier.**

New Enrollees

- 1) Instruct the employee to complete, sign and date the HCSA/DCAP GIC Flexible Benefit Plan Enrollment Form. See the Direct Deposit Instructions on form.
- 2) Complete the Payroll Coordinator section of the form. Indicate your Agency/Division number (999/XXXX).
- 3) Enter the HCSA/DCAP and pre-tax fee amount deductions into your payroll system.

LEAVE OF ABSENCE

LEAVE WITH PAY

If an employee is taking an approved Leave of Absence with pay (including sabbaticals and personal leaves), complete the following before the employee takes the leave:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee, checking the Leave of Absence block and indicating the type of leave. Fill in the start and end date for the leave.
- 2) Photocopy Employment Status Change Form (Form-1A) and file in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.

Employees may not be placed on payroll for one day during a month to collect GIC deductions. As long as the employee continues to receive a regular weekly salary while on leave with pay, the deduction for GIC coverage will continue. If the employee's type of leave changes (for example, FMLA with pay to personal illness without pay), you must notify the GIC of this change. See LEAVE WITHOUT PAY for instructions.

LEAVE WITHOUT PAY AT EMPLOYEE SHARE OF PREMIUM

Employees may not be placed on payroll for one day during a month to collect GIC deductions.

If an employee is taking an approved leave of absence without pay due to one of these three conditions an application is required. Follow the procedures below:

- ❖ Industrial Accident
- ❖ Maternity

- ❖ Personal Illness (employee's illness only).
NOTE: the employee is eligible to pay the employee's share of premium if he or she has exhausted his/her sick and vacation time and an Application to Continue Part-Cost Premium (Form-11) has been approved by the GIC.

To process these leaves:

- 1) Complete and Sign Employment Status Change Form (Form-1A) on behalf of the employee before the employee takes the leave without pay. Check off the appropriate Leave Type and indicate the start date and leave end date of the leave and the last date on payroll.
- 2) Photocopy Employment Status Change Form (Form-1A) and file in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.
- 4) You, the employee, the employee's physician and the Agency Head must complete Application to Continue Part Cost Premiums (Form-11). (In the case of a personal illness without pay, the employee must exhaust his/her vacation and sick time before Form-11 is submitted.)
- 5) You or the employee sends the completed Form-11 and the Agency Head's approval letter for the leave to the GIC.
- 6) The GIC will review the Form-11 and will notify the agency and the employee of the approval/denial.

Leave Without Pay – Approval of Form-11

The GIC's approval of a Form-11 will entitle the employee to pay the employee share of monthly premiums for his/her GIC coverage up to a maximum period of six months. The approval period is dependent on the employee's illness, the agency's approval period, and physician information. The GIC will direct bill the employee share of the premium.

- If the employee does not return to work before the expiration date on the Form-11 approval, the employee must download from the GIC's website (www.mass.gov/gic/forms) and complete another Form-11 for renewal consideration. For renewals:
- 1) The employee, his/her physician, and the Agency Head complete a new Form-11.
 - 2) You or the employee sends the completed Form-11 and a new Agency Head approval letter to the GIC.
 - 3) You also complete a new Employment Status Change Form (Form-1A) on behalf of the employee. Indicate whether the leave is with or without pay, the leave type, the **original** leave start date and the new leave end date.
 - 4) Photocopy the forms and file them in the employee's personnel file.
 - 5) Send the **original** forms to the GIC.

Leave Without Pay – Denials of Form-11

If the GIC disapproved the Form-11, the employee will be billed at the full cost premium. If the form is disapproved due to missing information, the employee has 21 days to resubmit the Form-11 with any missing items. If the employee does not return Form-11 with the missing items within the allotted time, the GIC will bill the employee at the full cost premium. Also, if the agency does not authorize or approve the leave, the GIC will bill the employee at the full cost premium.

LEAVE WITHOUT PAY AT FULL COST PREMIUM

If an employee takes an approved leave without pay for more than 30 days for the following reasons, the employee can continue GIC coverage by paying 100% of the premium. The GIC will direct bill the employee at his/her home:

- ❖ Educational leave
- ❖ Family leave to care for a dependent over age 3 (FMLA only allows part cost premiums for the first 12 weeks of the FMLA leave.)
- ❖ Sabbatical
- ❖ Personal reasons
- ❖ Employee suspension

To process These Leaves:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee. Check off the appropriate Leave Type and indicate the leave start and leave end date and the last date on payroll.
- 2) Photocopy the Employment Status Change Form (Form-1A) and file it in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.

FMLA LEAVE WITHOUT PAY

An employee who is on an approved leave of absence due to the Family Medical Leave Act (FMLA) may continue health and life coverage at his/her current employee contribution percentage for 12 weeks only. If FMLA is greater than 12 weeks, the employee is required to pay 100% of the monthly premium. If the employee is on an approved medical leave, he or she may file an Application to Continue Part-Cost Premiums (Form-11). See LEAVE WITHOUT PAY AT EMPLOYEE SHARE OF PREMIUM.

To process a FMLA leave:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee. Check off the appropriate Leave Type and indicate the leave start and leave end date and last date on payroll.
- 2) Photocopy the Employment Status Change Form (Form-1A) and file it in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.
- 4) The GIC will bill the employee for his/her share of the monthly premium.

FMLA MILITARY EXIGENCY LEAVE

An employee who is on an approved leave of absence due to Family Medical Leave Act (FMLA) Military Exigency Leave (e.g., employee's spouse, son, daughter or parent has been notified of call to active duty status with the military) may continue health and life coverage at his/her current employee contribution percentage for 12 weeks only.

To process an FMLA Military Exigency Leave:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee. Check off the appropriate Leave Type and indicate the leave start date and leave end date and last day on payroll.
- 2) Photocopy the Employment Status Change Form (Form-1A) and file it in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.
- 4) The GIC will bill the employee for his/her share of the monthly premium.

MILITARY CAREGIVER LEAVE

An employee who is on an approved leave of absence as a military caregiver may continue health and life coverage at his/her current employee contribution percentage for 26 weeks.

To process a Military Caregiver Leave:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee. Check off the appropriate Leave Type and indicate the leave start date and leave end date and last day on payroll.
- 2) Photocopy the Employment Status Change Form (Form-1A) and file it in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.
- 4) The GIC will bill the employee his/her share of the monthly premium.

MILITARY LEAVE

Military Members may want to compare their GIC benefits with those offered by the Federal Government to determine whether the Federal Government's coverage will be sufficient for their spouse and/or dependents. An employee with family coverage may want to continue coverage for the benefit of his/her family. Alternately, an employee who is on leave of absence due to active military service in the United States Armed Forces may drop his or her insurance coverage for the duration of his or her leave of absence. Upon return to active employment, the employee's insurance coverage shall be restored on the same terms as would be in effect if the leave of absence had not occurred.

Employees with GIC coverage taking an unpaid military leave of absence may do one of the following:

- ❖ Cancel all insurance coverage. Upon return, the employee may apply within 60 days to reinstate the same GIC coverage he or she carried immediately prior to the unpaid military leave of absence. The effective date will be the first of the month following receipt of completed forms and documentation.
- ❖ Cancel health coverage and retain life insurance only coverage. The monthly premiums for life insurance will be billed and sent to the employee's address on file at the GIC. As long as the monthly premiums are paid, GIC life benefits will continue.
- ❖ Retain GIC health and life benefits. The GIC will direct bill the employee for his or her share of premiums at his or her home address. As long as the monthly premiums are paid, GIC health and life benefits will continue.

To process a Military Leave:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee.
- 2) Photocopy the Employment Status Change Form (Form-1A) and file it in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.

RETURNING TO WORK AFTER A LEAVE OF ABSENCE

When an employee returns to work after a leave of absence, complete the following:

- 1) Complete Employment Status Change Form (Form-1A) on behalf of the employee. Indicate the return from leave date in the Leave of Absence section.
- 2) Photocopy the form and file it in the employee's personnel file.
- 3) Send the **original** Employment Status Change Form (Form-1A) to the GIC.
- 4) The GIC will change the employee's payment status from direct bill to payroll deduction.
- 5) Update your payroll system to resume premium deductions.

NOTE: If an employee is returning from a military leave of absence a copy of the Military Discharge Release is required. Send this to the GIC with Form-1A.

UNPAID LEAVE OF ABSENCE AND FLEXIBLE SPENDING ACCOUNT BENEFITS

When an employee goes on an unpaid leave of absence there are several options to discuss:

- ❖ The employee may have the deductions for the period of the unpaid leave taken on a pre-tax basis from the last paycheck prior to the leave provided there are sufficient funds. If the employee elects this option, he/she may continue to submit HCSA claims for reimbursement for eligible expenses incurred during the unpaid leave of absence.
- ❖ The employee may choose not to contribute for the pay periods while on unpaid leave of absence. In this case, the employee **will not be reimbursed** for any expenses incurred during the unpaid leave of absence.
- ❖ The employee may elect to continue to contribute to the HCSA account on a pay-as-you-go basis (after-tax). Prior to his/her unpaid leave, the employee must notify the payroll coordinator and the FSA carrier in order to set up direct payments. The employee will be able to submit eligible claims for reimbursement during the unpaid leave of absence. There is no tax benefit to this option.

- ❖ **Returning from an unpaid leave of absence is not a qualifying event to terminate the HCSA account.** If the employee returns to the payroll during the Plan Year there are several options:
 - a) The employee may continue with the **original** annual election with payroll deductions recalculated for the remainder of the year; or
 - b) The employee can also choose to lower the election to the amount contributed as long as he/she has not spent more than was contributed to the account. For example: If the employee elected \$2,000 as the HCSA goal amount and had payroll deductions of \$1,000 before the unpaid leave, if the employee did not exceed \$1,000 in expenses the employee can lower the goal amount to \$1,000 for the remainder of the year. However, if the employee used more than the \$1,000 contribution, for example \$1,500, then the employee can only lower the goal amount to \$1,500 for the remainder of the year.
- ❖ DCAP claims will only be reimbursed based on the funds in the account and cannot be used for dates of service while on an unpaid leave of absence. If the employee returns to the payroll during the Plan Year, he/she can adjust the election to the payrolls already posted to the account or continue with the goal amount **originally** elected recalculated over the remainder of the pay periods.
- ❖ If the leave of absence goes into the next plan year, the employee is not eligible to enroll in the new plan year until he/she returns to work.
- ❖ **Very Important:** If the employee does not elect to prepay the HCSA pre-tax deductions or make direct payments (pay-as-you-go), expenses incurred during the unpaid leave of absence will not be eligible for reimbursement from future deposits made to the account.

To process an unpaid leave of absence for an employee with Flexible Spending Account Benefits:

- 1) Have the employee complete the GIC Flexible Benefit Change in Status Form.
- 2) Fax the GIC Flexible Benefit Change in Status Form to the FSA carrier.
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

TERMINATION FROM STATE SERVICE

COVERAGE END DATES AND PROCEDURES

Advise any employee leaving state service of the following GIC coverage end dates:

Date employment ends	GIC coverage end date
January 1-31	February 28
February 1-29	March 31
March 1-31	April 30
April 1-30	May 31
May 1-31	June 30
June 1-30	July 31
July 1-31	August 31
August 1-31	September 30
September 1-30	October 31
October 1-31	November 30
November 1-30	December 31
December 1-31	January 31

To process a termination from state service:

All persons leaving state service must be given a copy of the COBRA notice at the time of their leaving state service.

All agencies must advise employees leaving state service of their right to continue group insurance coverage. When an employee advises you that he or she is leaving state service:

- 1) Advise the employee that his/her GIC coverage (health, Dental/Vision, life insurance, HCSA, and LongTerm Disability) ends at the end of the month following the month the employee leaves state service.
- 2) Complete Employment Status Change Form (Form-1A) on behalf of the employee. For the termination reason, enter “leaving state service” and indicate the last day of work (excluding vacation time).
- 3) Photocopy the completed Employment Status Change Form (Form-1A) and file it in the employee’s personnel file.
- 4) Send the **original** Employment Status Change Form (Form-1A) to the GIC.

The employee may continue life insurance coverage at the same group rate under the portability option, unless he or she is retiring. The GIC’s life insurance carrier will contact employees leaving state service directly with this information.

The employee’s health options depend on his or her age and length of state service. See the corresponding options and procedures below. Options are listed in order of recommended selection.

BENEFIT OPTIONS: NOT ELIGIBLE FOR RETIREMENT

Option 1: Health Connector coverage for Massachusetts residents

Benefit: A choice of health insurance options with different benefits and prices. Depending on which plan you choose, your monthly premium with the Health Connector could be lower than other coverage options. Unlike COBRA coverage, Health Connector coverage does not have a maximum coverage period; you can continue coverage as long as you pay your premiums on time.

Drawback: Benefits may not be the same as the coverage you had through the GIC. If the employee enrolls in Health Connector coverage, he/she is waiving his/her right to elect health insurance under the GIC’s COBRA or conversion options.

Procedure: Instruct the employee to contact the Health Connector for information and enrollment: MAhealthconnector.org; 1-877-623-6765

Option 2: Keep GIC Health coverage only under COBRA

Benefit: Allows the employee to stay in the same health plan.

Drawbacks: Employee pays 100% of the premium plus 2% for administration (no Commonwealth contribution). Maximum coverage length – 18 months.

Procedure: If the employee elects COBRA, check the COBRA block on Employment Status Change Form (Form-1A) before sending it to the GIC. Give the employee a COBRA application (available on the GIC's website, mass.gov/gic). Advise the employee that although he/she has 60 days to elect COBRA coverage, the coverage must be effective the first day of the month following the coverage end date (see chart above). The longer the employee waits to send in the application, the more he/she will owe in retroactive premiums. Instruct the employee to complete and send the COBRA application directly to the GIC.

Option 3: Convert to Non-Group Health with current plan(s)

Benefit: Can keep coverage beyond 18 months.

Drawback: Benefits almost always less comprehensive than GIC plan coverage.

Procedure: Check non-group conversion on Employment Status Change Form (Form-1A) before sending it to the GIC. Instruct the employee to contact his/her health plan for a non-group conversion application, benefits, procedures and costs.

Option 4: Continue Basic Life and/or Optional Life coverage under portability option

Procedure: Let the employee know that the GIC will advise its life insurance carrier that the employee has left state service and that the life insurance carrier will send portability information

and an application in the mail to the employee's home. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance Overview section of the website (www.mass.gov/gic/life) for details.

Option 5: Convert to Non-Group Life Insurance with current plan

Benefit: Ability to continue life insurance coverage.

Drawback: Rates and benefits almost always lower than GIC plan coverage.

Procedure: Let the employee know that the GIC will notify its life insurance carrier that the employee has left state service; the carrier will mail a life insurance conversion package to the employee's home. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance Overview section of the website (www.mass.gov/gic/life) for details.

BENEFIT OPTIONS: DEFERRED RETIREMENT

Instruct the employee to contact his/her retirement board to confirm retirement eligibility.

If the employee is vested but not yet eligible for, or chooses not to collect his/her monthly pension, we recommend that the employee elect Deferred Retirement. Under this option, the employee must keep his/her money in the retirement system until he/she retires. If the employee will not receive health coverage elsewhere, he or she can elect to keep Basic Life and Health coverage at the full cost premium until retirement.

When the employee applies for his/her pension (at retirement) he or she should notify the GIC.

Deferred Retirement Coverage:

Advise the employee that he/she has two health and life options under Deferred Retirement:

- 1) Keep Basic Life insurance, paying 100% of the premium as a deferred retiree. Get health coverage elsewhere until retirement.

Procedure: Instruct the employee to check the deferred retirement block on the Employment Status Change Form (Form-1A), checking Basic Life insurance and signing it before sending it to the GIC.

- 2) Keep Basic Life and Health insurance paying 100% of the premium until retirement.

Procedure: Instruct the employee to check the deferred retiree block on Employment Status Change Form (Form-1A), indicate his/her life and health selection and sign it before sending it to the GIC.

For the other alternatives, see the benefits, draw-backs, and procedures for NOT ELIGIBLE FOR RETIREMENT.

RETIREMENT

If the employee wishes to retire and collect a monthly pension, see the RETIREMENT section for procedures.

FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

If an employee leaves state service during the plan year whether he/she resigns, retires or involuntarily separates, participation in HCSA and DCAP will terminate as of midnight the day of termination. The employee will be able to submit claims for eligible health care expenses incurred on or before the last day of active employment. In order for the employee to use the HCSA account after terminating state service, the employee may elect to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

DCAP: The employee may file claims for eligible dependent care expenses against the account balance until the account is exhausted. They will not be reimbursed in excess of what they have contributed to the plan at that time. Claims can be filed with dates of service through the end of the plan year. The FSA carrier gives the employee 3 ½ months to file all completed claims after the end of the plan year.

To process a Termination of State Service for an employee with Flexible Spending Account Benefits:

- 1) Complete GIC Offline Coverage Termination Form.
- 2) Fax the GIC Coverage Termination Form to the FSA carrier.
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

To process a HCSA COBRA application:

- 1) HCSA COBRA: Give the employee the Health Care Spending Account Continuation Coverage Under COBRA General Notice and Election Form and the COBRA Acknowledgement Form for you and the employee to sign and date.
- 2) File the COBRA Acknowledgement Form in the employee's personnel file. **Do not send the form to the GIC or the FSA carrier.**
- 3) The employee must send the Election Form to the FSA carrier within 60 calendar days from the date of their COBRA Notice.
- 4) The FSA carrier will determine eligibility and notify the employee either by mail or email.
- 6) The FSA carrier will provide COBRA payment information. The amount to the employee will include a 2% administrative fee.

LAYOFF FROM STATE SERVICE

COVERAGE END DATES AND PROCEDURES

Advise any employee who is laid off of the following GIC coverage end dates:

Date employment ends	GIC coverage end date
January 1-31	February 28
February 1-29	March 31
March 1-31	April 30
April 1-30	May 31
May 1-31	June 30
June 1-30	July 31
July 1-31	August 31
August 1-31	September 30
September 1-30	October 31
October 1-31	November 30
November 1-30	December 31
December 1-31	January 31

To process a layoff:

When an employee is laid off, agencies must advise the employee of his/her right to continue group insurance coverage. All persons terminating state service must be given a copy of the COBRA notice at the time of their leaving state service.

When an employee is laid off:

- 1) Advise the employee that coverage (health, Dental/Vision, life insurance, HCSA, and Long Term Disability) ends at the end of the month following the month the employee ends state service.
- 2) Complete Employment Status Change Form (Form-1A) on behalf of the employee. For the termination reason, enter "layoff" and indicate the last day of work (excluding vacation time).
- 3) Photocopy the completed Employment Status Change Form (Form-1A) and file it in the employee's personnel file.
- 4) Send the **original** Employment Status Change Form (Form-1A) to the GIC.

The employee's health options depend on his or her age and length of state service. See the corresponding options and procedures below. Options are listed in order of recommended selection.

BENEFIT OPTIONS FOR LAYOFF: NOT ELIGIBLE FOR RETIREMENT

Option 1: Health Connector coverage for Massachusetts residents

Benefits: A choice of health insurance options with different benefits and prices. Depending on which plan you choose, your monthly premium with the Health Connector could be lower than other coverage options. Unlike COBRA coverage, Health Connector coverage does not have a maximum coverage period; you can continue coverage as long as you pay your premiums on time.

Drawback: Benefits may not be the same as the coverage you had through the GIC. If the employee enrolls in Health Connector coverage, he/she is waiving his/her right to elect health insurance under the GIC's COBRA or conversion options.

Procedure: Instruct the employee to contact the Health Connector for information and enrollment: MAhealthconnector.org; 1-877-623-6765

Option 2: Keep GIC Health and Life coverage for 39 weeks

Benefit: Allows the employee to stay in the same health and life plan.

Drawback: Employee pays 100% of the premium (no Commonwealth contribution). At the end of the 39 weeks, the former employee can switch to COBRA for the remaining 9 months of health coverage, for a total of 18 months coverage. The employee can elect non-group conversion for his/her life coverage.

Procedure: If the employee elects 39-week coverage, have the employee check the 39-week coverage block on Employment Status Change Form (Form-1A) and indicate his/her life and health selections and sign it before sending the form to the GIC.

Option 3: Keep GIC Health coverage only under COBRA

Benefit: Allows the employee to stay in the same health plan.

Drawbacks: Employee pays 100% of the full-cost premium plus 2% for administration (no Commonwealth contribution). Maximum coverage length – 18 months.

Procedure: If the employee elects COBRA, complete the following:

- 1) Check the COBRA block on Employment Status Change Form (Form-1A).
- 2) Photocopy the Employment Status Change Form (Form-1A) and file in the employee's personnel file.
- 3) Send **original** Employment Status Change Form (Form-1A) to the GIC.
- 4) Give the employee a COBRA application (available on the GIC's website, www.mass.gov/gic/forms). Let the employee know that he/she will also receive a COBRA application at home. Advise the employee that although he/she has 60 days to elect COBRA coverage, the coverage must be effective the first day of the month following the coverage end date (see chart above). The longer the employee waits to send in the application, the more he/she will owe in retroactive premiums. Instruct the employee to complete and send the COBRA application to the GIC.

Option 4: Convert to Non-Group health and/or life coverage with current plan(s)

Benefit: Can keep coverage beyond 18 months.

Drawback: Benefits almost always less comprehensive than GIC plan coverage.

Procedure:

- 1) Check non-group conversion on Employment Status Change Form (Form-1A) before sending it to the GIC.
- 2) Instruct the employee to contact his/her health plan for a non-group conversion application, benefits, procedures and costs.

The GIC will notify its life insurance carrier of the layoff; the carrier will send the employee a life insurance conversion package. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance Overview section of the website (www.mass.gov/gic/life) for details.

Option 5: Continue Basic Life and/or Optional Life coverage under portability option

Benefit: Continue life insurance at a competitive rate.

Drawback: Life insurance only coverage.

Procedure: Let the employee know that the GIC will notify its life insurance carrier that the employee has left state service; the life insurance carrier will send portability information and an application in the mail to the employee's home. Time limits apply. See the Life Insurance booklet on the Basic and Optional Life Insurance Overview section of the website (www.mass.gov/gic/life) for details.

BENEFIT OPTIONS FOR LAYOFF: DEFERRED RETIREMENT

Instruct the employee to contact his/her retirement board to confirm retirement eligibility. If the employee is vested but not yet eligible for, or chooses not to collect his/her monthly pension, we recommend that the employee elect Deferred Retirement coverage. Under this option, the employee must keep his/her money in the retirement system until he/she retires. If the employee will not receive health coverage elsewhere, he/she can elect to keep Basic Life and Health coverage at the full cost premium until retirement.

When the employee applies for his/her pension (at retirement) he/she should notify the GIC.

Deferred Retiree Coverage: Advise the employee that he/she has two health and life options under Deferred Retirement.

- 1) Keep life insurance paying 100% of the premium as a Deferred Retiree. Get health coverage elsewhere until retirement.

Procedure: Instruct the employee to check the Deferred Retiree block on the Employment Status Change Form (Form-1A), indicate his/her life selections and sign it before sending the form to the GIC.

- 2) Keep life and health insurance paying 100% of the premium until retirement.

Procedure: Instruct the employee to check the deferred retiree block on Employment Status Change Form (Form-1A), indicate his/her life and health selection and sign it before sending it to the GIC.

For the other alternatives, see the benefits, drawbacks, and procedures under NOT ELIGIBLE FOR RETIREMENT.

RETIREMENT

If the employee wishes to retire and collect a monthly pension, see the RETIREMENT section for procedures.

FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

If an employee leaves state service during the plan year whether he/she resigns, retires or involuntarily separates, participation in HCSA and DCAP will terminate as of midnight the day of termination. The employee will be able to submit claims for eligible health care expenses incurred on or before the last day of active employment. In order for the employee to use the HCSA account after terminating state service, the employee may elect to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

DCAP: The employee may file claims for eligible dependent care expenses against the account balance until the account is exhausted. They will not be reimbursed in excess of what they have contributed to the plan at that time. Claims can be filed with dates of service through the end of the plan year. The FSA carrier gives the employee 3½ months to file all completed claims after the end of the plan year.

To Process a Layoff for an Employee with Flexible Spending Account Benefits:

- 1) Complete GIC Offline Coverage Termination Form.
- 2) Fax the GIC Coverage Termination Form to the FSA carrier.
- 3) File a copy of the form in the employee's personnel file. Do not send the form to the GIC.

To process a HCSA COBRA application:

- 1) HCSA COBRA: Give the employee the Health Care Spending Account Continuation Coverage Under COBRA General Notice and Election Form and the COBRA Acknowledgement Form for you and the employee to sign and date.
- 2) File the COBRA Acknowledgement Form in the employee's personnel file. **Do not send the form to the GIC or the FSA carrier.**
- 3) The employee must send the Election Form to the FSA carrier within 60 calendar days from the date of their COBRA Notice.
- 4) The FSA carrier will determine eligibility and notify the employee either by mail or email.
- 5) The FSA carrier will provide COBRA payment information. The amount to the employee will include a 2% administrative fee.

ELIGIBILITY AND PROCEDURES

Ensure that the employee has confirmed his/her retirement eligibility with his/her retirement board and applies for retirement benefits. To continue GIC Life and Health or Retiree Dental benefits as a retiree, the retiree must be eligible for and receiving a monthly pension. If the retiree becomes no longer eligible to receive a retirement or pension allowance from a GIC participating retirement system, he/she will no longer be eligible for any GIC benefits.

To process a retirement:

- 1) Refer the employee to the GIC's website (www.mass.gov/gic/bdgs) for the *Retiree/Survivor Benefit Decision Guide* or have the employee contact the GIC to get a guide mailed to him/her. Also instruct the employee to read the frequently asked questions for retirement on our website: www.mass.gov/gic/faqs.
- 2) On the Employment Status Change Form (Form-1A), indicate the date of retirement and instruct the employee to review his or her health, life, and retiree dental options.
- 3) Review the form for completeness and sign it.
- 4) Photocopy Employment Status Change Form (Form-1A) and file in the employee's personnel file.
- 5) Send the **original** Employment Status Change Form (Form-1A) to the GIC.
- 6) If the employee and/or his/her spouse is age 65 or over, instruct the employee and/or his/her spouse to contact Social Security to find out about their Medicare eligibility. If eligible for Part A for free, the employee and/or spouse must enroll in Medicare Part A and Part B. Be sure the employee indicates their Medicare plan choice in the Retirement section of the Employment Status Change Form (Form-1A) with the date of retirement.

Advise the employee that the GIC will direct bill him/her for the premium until the GIC can arrange to have premiums deducted from his/her pension, usually in three or four months.

CHANGING HEALTH PLANS AT RETIREMENT

At retirement, an employee with GIC health coverage may change his/her health plans. The form electing to change health plans must be received at the GIC within 60 days of retirement. Otherwise, the employee must wait until the next Annual Enrollment to change plans.

- 1) Instruct the employee to indicate changes on Employment Status Change Form (Form-1A) and sign it.
- 2) Review the form for completeness and sign.
- 3) Photocopy the form and file it in the employee's personnel file.
- 4) Send the **original** form to the GIC
- 5) The GIC will determine the effective date of the change.

ENROLLING IN A HEALTH PLAN AT RETIREMENT

If an employee is retiring and does not have GIC coverage, he/she may enroll in GIC coverage. However, he/she cannot enroll until he/she is actually receiving a retirement allowance or pension. You, the Coordinator, can assist the employee with enrollment, or can direct him/her to the GIC. The form electing to enroll in a health plan must be received at the GIC within 60 days of retirement. Otherwise, the employee must wait until the next Annual Enrollment to enroll in a health plan. To process:

- 1) The employee completes and signs the following forms:
 - ❖ GIC Retiree/Survivor Enrollment/Change Form (Form-RS)
 - ❖ Employment Status Change Form (Form-1A)

For family coverage, must also provide:

- ◆ *For spousal coverage* – copy of marriage certificate.

- ◆ *For dependent coverage under age 19* – copy of birth certificate(s). The birth certificate must show the parent-child relationship to the insured or his/her spouse.
 - ◆ *For dependent coverage age 19 to 26* – Dependent Age 19 to 26 Enrollment/Change Form and a copy of birth certificate. The birth certificate must show the parent-child relationship to the insured or his/her spouse.
 - ◆ *For former spouse* – provide following sections of the legal separation or divorce decree: page with absolute date, health insurance language, signature pages, and former spouse's address.
 - ❖ Life Insurance Beneficiary Form-319 for Basic Life insurance (one to three beneficiaries) or G-500 (four or more beneficiaries or special designations such as estate or trust).
- 2) Verify that the forms above are completed accurately and completely. Ensure that both you and the employee have signed and dated all forms.
 - 3) Photocopy completed GIC forms and file them in the employee's personnel file.
 - 4) Send **original** signed forms to the GIC. The GIC will determine the effective date of coverage.

OPTIONAL LIFE INSURANCE

If the employee who is retiring has Optional Life insurance coverage, instruct him/her to review it and the rate chart (available on our website, www.mass.gov/gic/rates). The cost increases with age and at retirement. **If the employee makes no change to his/her optional life coverage, he or she will be responsible for the retiree optional life insurance premium, which can be substantial.** The retiree may decrease or cancel his/her optional life insurance coverage. To do so, he/she must complete Optional Life Insurance section of Employment Status Change Form (Form-1A) before submitting it to the GIC.

If the retiree decides to cancel or decrease his/her Optional Life insurance coverage at a later date, he/she must download the Employment Status Change Form (Form-1A) from our website (www.mass.gov/gic/forms), completing and sending it directly to the GIC. The effective date of the cancellation/decrease is the first of the second month following receipt of the retiree's request.

LONG TERM DISABILITY

Advise the employee that Long Term Disability coverage automatically ends at retirement. You do not need to do anything.

GIC DENTAL/VISION AND RETIREE DENTAL

If the employee had the GIC Dental/Vision coverage only, let the employee know the GIC recommends comparing COBRA Dental/Vision with Retiree Dental Plan benefits:

- ❖ Advise the employee that GIC Dental/Vision coverage automatically ends at retirement. Here are the employee's options:
 - ◆ Continuing Dental/Vision under COBRA, paying 102% of the premium. If electing COBRA Dental/Vision, instruct the employee to complete and send to the GIC the COBRA Dental/Vision form located on our website (www.mass.gov/gic/forms). Coverage is limited to eighteen months. At that time, the employee may elect to enroll in the GIC Retiree Dental Plan.
 - ◆ If electing GIC Retiree Dental, the employee completes the GIC Retiree Dental section on the Form-1A and sends to the GIC the GIC Retiree Dental Application, located on our website (www.mass.gov/gic/forms). Advise the employee that once enrolled, if he/she drops coverage, he/she may never re-enroll. If the employee does not enroll within 60 days of retirement, he/she may only enroll during the GIC's spring Annual Enrollment period or with documentation of a qualifying status change event.

FLEXIBLE SPENDING ACCOUNTS (HCSA AND DCAP)

If an employee leaves state service during the plan year whether he/she resigns, retires or involuntarily separates, participation in HCSA and DCAP will terminate as of midnight the day of termination. The employee will be able to submit claims for eligible health care expenses incurred on or before the last day of active employment. In order for the employee to use the HCSA account after terminating state service, the employee may elect to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

DCAP: The employee may file claims for eligible dependent care expenses against the account balance until the account is exhausted. They will not be reimbursed in excess of what they have contributed to the plan at that time. Claims can be filed with dates of service through the end of the Plan Year. The FSA carrier gives the employee 3 ½ months to file all completed claims after the end of the plan year.

To Process a Retirement for an Employee with Flexible Spending Account Benefits:

- 1) Complete GIC Offline Coverage Termination Form.
- 2) Fax the GIC Coverage Termination Form to the FSA carrier.
- 3) File a copy of the form in the employee's personnel file. **Do not send the form to the GIC.**

To process a HCSA COBRA application:

- 1) HCSA COBRA: Give the employee the Health Care Spending Account Continuation Coverage Under COBRA General Notice and Election Form and the COBRA Acknowledgement Form for you and the employee to sign and date.
- 2) File the COBRA Acknowledgement Form in the employee's personnel file. **Do not send the form to the GIC or the FSA carrier.**
- 3) The employee must send the Election Form to the FSA carrier within 60 calendar days from the date of their COBRA Notice.

- 4) The FSA carrier will determine eligibility and notify the employee either by mail or email.
- 5) The FSA carrier will provide COBRA payment information. The amount to the employee will include a 2% administrative fee.

AGENCY CONTACT INFORMATION AND REPORTS

GIC COORDINATOR, AGENCY HEAD, OR ADDRESS CHANGE

Please be sure to notify the GIC of GIC Coordinator and Agency Head name, e-mail, and/or address changes. This will ensure that the agency continues to receive GIC materials and updates. Send an email **with your agency/division number** and the requested change to coordinatorchanges@massmail.state.ma.us.

GIC REPORTS AND RECONCILIATION PROCESS

The GIC sends all GIC Coordinators the following reports on a monthly basis. Be sure to follow the procedures:

Monthly Insurance Billing Report (MIBR)

These reports are an alphabetical list of employees by agency, who are insured with the Group Insurance Commission for the Basic Life, Health, and Optional Life Insurance coverage.

You may receive up to three monthly insurance billing reports:

- ❖ Health and Life coverage for employees on deduction and/or direct bill
- ❖ Dental/Vision for employees on deduction and/or direct bill (or Retiree Dental Report for Retiree/Survivor Agencies)
- ❖ LTD for employees on deduction and/or direct bill

Each month, review and verify the following information shown on the report:

- ❖ Names for all insureds should agree with your agency's records.
- ❖ Coverage for each insured should agree with your agency's records.
- ❖ The premium due for each insured should agree with your agency's records.

If the agency has discrepancies with the GIC Report, complete the following:

- 1) If the Monthly Insurance Acknowledgement Report contains incorrect names, coverage, or premium due GIC, indicate these discrepancies on the Statement of Verification (discrepancy report) with the following information:
 - ❖ The agency/division number (as it appears on the report)
 - ❖ The premium due month
 - ❖ Check off box "Discrepancies are as listed"
 - ❖ GIC-ID number as it appears on the report
 - ❖ Employee's name (last, first, middle initial)
 - ❖ Premium Amount discrepancy, if applicable
 - ❖ Explanation of discrepancy:
 - ◆ Briefly describe the discrepancy.
 - ◆ Include the date and reason for all terminations of insurance coverage.
 - ◆ Include the retirement date for an employee who has retired.
 - ◆ For an employee who is on a leave of absence without pay, include the duration of leave (with start and end dates) and reason for leave.
 - ❖ **Important! REQUIRED** – Complete the Grand Total, Combined Total of Discrepancies, and New Total section of the Statement of Verification.
 - ❖ Signature of Authorized Official and Date
- 2) Photocopy the Statement of Verification for your agency file.
- 3) Send the **original** Statement of Verification with the Total Amount Due, along with the payment for your enrollees' share of premium to the Group Insurance Commission by the date requested.

If the agency does not have discrepancies with the GIC Report, complete the following:

- 1) If the Monthly Insurance Acknowledgement Report contains no discrepancies, send the Statement of Verification (discrepancy report) to the Group Insurance Commission with the following information:
 - ❖ The agency/division number
 - ❖ The premium due month
 - ❖ Check off box “Agency has no discrepancies”
 - ❖ **Important! REQUIRED** – Complete the Grand Total, Combined Total of Discrepancies, and New Total section of the Statement of Verification.
 - ❖ Signature of Authorized Official and Date
- 2) Photocopy the Statement of Verification for your agency file.
- 3) Send the **original** Statement of Verification with the Total Amount Due, along with the payment for your enrollees’ share of premium to the Group Insurance Commission by the date requested.



Return completed form to: Group Insurance Commission, P.O. Box 8747, Boston, Massachusetts 02114