

# Quick Reference Guide -Identify Employees Out On Unpaid Unprotected Leave That Is Not Worker’s Comp or FMLA

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## PURPOSE

Provide guidance for HR Partners when employees are out on an unpaid leave that is not Worker’s Comp or FMLA.

## UNPAID LEAVE OF ABSENCE OTHER THAN WORKERS COMPENSATION OR FMLA

The following is from page 40 of the Employee Wellness & Benefits - Insurance Manual.

### **8.04 Unpaid Leave Of Absence: Other than Workers Compensation & FMLA**

Agencies may grant employees an unpaid leave of absence, not to exceed one year. If the employee returns in the same month in which they left, benefits do not cease. See Personnel Rules for details.

**NOTE:** Effective September 1, 2014, benefits coverages are only affected when an Unpaid Leave of Absence extends longer than 14 consecutive calendar days. This replaces the 10 working day period.

<b>UNPAID LEAVE OF ABSENCE</b>			
<b>Health Plan</b>	<b>Dental &amp; Vision</b>	<b>Life &amp; LTD</b>	<b>FSA</b>
<p>If 14 calendar days or less, coverage continues.</p> <p>If &gt;14 calendar days, coverage ends on the last day of the month following 14 days of continuous leave.</p>	<p>If 14 calendar days or less, coverage continues.</p> <p>If &gt;14 calendar days, coverage ends on the last day of the month following 14 days of continuous leave</p>	<p><b>Life</b> – If medical leave, coverage continues up to 12 months if premiums paid by employee.</p> <p>If non-medical, coverage ends on the last day of the month following the date when leave began.</p> <p><b>LTD</b> – If medical leave, coverage continues throughout elimination period if employee pays premium.</p> <p>If non-medical, coverage ends on last day of active at work (or vacation pay).</p>	<p>If 14 calendar days or less, coverage continues.</p> <p>If &gt;14 calendar days, coverage ends on the last day of the month following 14 days of continuous leave.</p> <p>RTW (1) keep per pay and reduce annual election or (2) keep annual election and increase per pay to make up contributions.</p>

The following processes will be followed for employees on an unpaid leave of absence for reasons other than Workers Compensation or Family & Medical Leave (FMLA).

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## When Benefits End

### Health, Dental, Vision, and FSA

#### If leave is 14 continuous calendar days or less

- a. Benefits continue.

#### If leave is 14 continuous calendar days or more

- a. Coverage ends on the last day of month following 14 days of continuous leave.
  - Employees will need to make payments either on their last paycheck or by personal check prior to last day of active work.
  - HR partners will end all benefits in the Employee Work Center.
- b. If enrolled in Flexible Spending Account, notify Employee Wellness & Benefits of the dates the employee is on unpaid leave of absence so dates can be forwarded to the third party administrator.

### Life Insurance

- a. If medical leave, coverage continues 12 months as long as premiums are paid.
- b. If non-medical leave, coverage continues only until the end of the month after the month in which the unpaid leave of absence begins, as long as premiums are paid.

**Example:** Unpaid leave begins June 15, then coverage through July 31.

Per page 40 of the Employee Wellness & Benefits Insurance Manual (see previous page), if an employee is in an unpaid leave of absence that is not Workers Comp or FMLA, and the leave is greater than 14 consecutive calendar days, coverage ends on the last day of the month following 14 days of continuous leave.

**If an employee goes into an unpaid, unprotected leave, sick and vacation cannot be used incrementally to delay the start of counting the 14 consecutive calendar days in an unpaid leave of absence status.**

Even though an employee may be earning sick or vacation, and it is applied to a payroll, it cannot be counted as being in a paid status, delaying the start of counting the 14 days. The employee must be working at least 20 hours a week to remain in a benefit eligible status.

## EXAMPLE

If an employee's first day in an unpaid unprotected Leave of Absence (LOA) was 12/4, then their 15th day in an unpaid LOA status would be December 18, and their plans would end December 31. They would be offered COBRA coverage effective January 1.

The HR Partner would need to enter a Benefit Change-LWOP Ending all Benefits event in Workday. December 18 would be the effective date of the event.

If the employee came back to work in December, then their plans would not end December 31.

Full information on how Benefits are affected when employees are out on leave can be found in the Employee Wellness & Benefits Program HR Administration Guide for Benefits, Revised September 2015.

Two links are provided below where HR Partners can find information to determine if their employees are out on an unpaid unprotected leave of absence.

- **Lesson 3: Payroll** – [Processing Payroll - Pre-Payroll](#) – see this section, **Review Pre-Payroll Messages Online Lesson**
- **Lesson 7: Running Reports** – [Time and Payroll History Detail](#)

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### REPORTING

When running the Time and Payroll History Detail report (shown above), you can run the report for the following DBAs.

- DBA 260 = LVE W/O PAY
- DBA 470 = SUSP-WO PAY
- DBA 525 = MLTRY NO \$

Review the report to identify employees who are out in an Unpaid Leave of Absence status. The report can be filtered by employee if viewed in CSV/Excel. If they have been out in an Unpaid unprotected leave for more than 14 consecutive calendar days, their benefits will be affected as stated above, and in the Employee Wellness & Benefits Program HR Administration Guide for Benefits, Revised September 2015.

### BENEFITS CONTACT INFORMATION

Benefits-related questions

Email [as.employeebenefits@nebraska.gov](mailto:as.employeebenefits@nebraska.gov), or call 402-471-4443 (Lincoln) 877-721-2228 (Outside Lincoln).

### LINK HELP DESK CONTACT INFORMATION

The LINK Help Desk assists with the following programs:

1. Workday (Employee Work Center)
2. Employee Development Center

Email: [as.linkhelp@nebraska.gov](mailto:as.linkhelp@nebraska.gov)

Phone: 402.471.6234