

**BENEFIT IMPACTS – LESS THAN FULL-TIME EMPLOYMENT
CLASSIFIED EMPLOYEES**

The chart below illustrates the effects on your benefits if you reduce your hours from full-time to part-time or accept a lower-paid position in lieu of, or after, termination of employment. The information in this fact sheet is based on laws and insurance contracts in effect as of January 2011. It is general and does not cover all details that you may need to know. For complete and current information on how a reduction in hours or salary would affect your specific benefits, consult your benefits office as soon as possible.

	Voluntary One Month (160 hours) Leave Without Pay	Reduce to 90% time (36 hrs/week)	Reduce to 75% time (30 hrs/week)	Reduce to 50% time (20 hrs/week)	Reduce to 45% time (18 hrs/week)	10% Pay Reduction (no change in hours)
130 hour Annual Sick Leave Accrual Reduced By:	10 hours	13 hours	32.5 hours	65 hours	71.5 hours	No impact
Annual Vacation Accrual Reduced By: <i>(based on position & years of service)</i>	8%	10%	25%	50%	55%	No impact
36 hour (4.5 day) Annual Floating Holiday Allocation Reduced in Next Year By:	No impact	3.6 hours	9 hours	18 hours	19.8 hours	No impact
Health Insurance	No impact. Employer contribution continues for up to 3 months during LOA.	No impact. Employee is eligible for full employer contribution to health insurance premium if appointment is 50% or greater.			Employee required to pay less-than-half time rates (half of total health insurance premium).	No impact
Annual WRS Service Credit Reduced To:	No impact	.98 year	.82 year	.55 year	.49 year	No impact
WRS Contributions & Benefits	Contributions to your WRS account are based on your earnings. The percentage of earnings both you and the UW pay to the WRS on an annual basis will stay the same but the total amount paid to fund your WRS account will decrease if your earnings decrease. Any lost pay will reduce your WRS contributions and lower the value of a separation and money purchase retirement benefit. If your calendar year earnings and/or annual WRS service decreases, your formula retirement benefit (based on 3 highest years of earnings and total service) may be lower.					
State Group Life Insurance	No impact if employment is continuous. Coverage is based on highest prior year of WRS earnings. However, if you terminate employment and later return to UW or state employment, coverage will be based on earnings in new position.					
Income Continuation Insurance (ICI)	Premium rates and benefit levels remain the same until a full calendar year of WRS earnings is available (update made during annual update period).	If there is a change to appointment percentage, premiums and benefits are based on the new projected annual earnings until a full calendar year of WRS earnings is available (update made during annual update period) so both ICI premiums and benefit levels will be reduced at FTE change.				If there is a permanent change in pay but no change to appointment percentage, benefits are based on projected salary or previous calendar year earnings, whichever is higher.
Long-Term Disability Insurance (LTDI)	May lower benefit amount. Benefits are based on your Final Average Salary (FAS) – average of your three highest calendar year earnings. Any reduction in pay will reduce earnings and will affect your three highest years of earnings.					

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Family & Medical Leave Act (FMLA) Entitlement	No Impact	If you work less than 60% time for a full year, you could lose eligibility for federal FMLA. If you work less than 48% time for a full year, you could lose eligibility for Wisconsin FMLA.				No impact
	Federal FMLA: To qualify you must be employed by the employer for at least 12 months (does not need to be consecutive) and employed at least 1,250 hours during the previous 12 months; Wisconsin FMLA: To qualify you must be employed by the employer at least 52 consecutive weeks and employed at least 1,000 hours during the previous 52 weeks.					

Eligibility, premiums and coverage levels for the following benefits are not affected by a leave of absence or a reduction in pay or appointment:

- EPIC Benefits+
- VSP Vision Insurance
- Dental Wisconsin
- Individual & Family Life Insurance
- AD&D Insurance
- UW Employees Inc Life Insurance

Every effort has been made to ensure that this information is correct and current. However, the terms and conditions of UW benefits programs are established by state and federal laws and regulations, the relevant contracts, and the policies of the Board of Regents. These sources of authority control over the information in this fact sheet to the extent there are any differences or conflicts.

If you need this material interpreted or in a different form, or if you need assistance using this service, please contact us.



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