How Layoff Impacts Your Benefits
(if not eligible to retire)

Below is a summary of how your benefits are affected by **permanent layoff**. This summary applies to you only if your employment ends **due to layoff and** you are:

- Under 55 years old (50 years old if covered by the Protective WRS category); or
- Not vested* in the Wisconsin Retirement System (WRS)

*You are vested in the WRS if you:

- Have WRS creditable service prior to July 1, 2011; or
- Were first covered by the WRS on July 1, 2011 or later and have at least 5 years of WRS creditable service.

The information below does not apply to employees who have terminated because of a non-renewal of an academic staff contract.

UW-Shared Services, Service Operations will send you a continuation notice that outlines your continuation or conversion rights for the benefit plans you were enrolled in at the time of layoff. If you have questions, contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141.

Employee Assistance Program (EAP)	The EAP provides you and members of your household with confidential resources to address personal concerns and legal/financial situations. Services are provided at no cost to you and members of your household for 12 months following your layoff. Review the EAP web page for additional information.
State Group Health Insurance **Uniform Dental Insurance**	When your employment ends due to layoff, your health insurance ends at the end of the month following your termination date (if the premium is paid). You may then be eligible for up to three months of the employer contribution towards your health insurance. Employees on an unpaid leave of absence (which includes a consecutive day furlough) immediately preceding layoff who have not met the return to work requirements as outlined in Wis. Stat. § 40.02 (40)* are not eligible for an additional three months of employer contribution towards health insurance. Employees may receive up to a total of three months of employer contribution towards health insurance when on an unpaid leave, consecutive day furlough and layoff. *The return to work requirements in Wis. Stat. § 40.02 (40) state that in order for an unpaid leave of absence to be deemed ended, the employee must return to active performance for 30 consecutive days for at least 50 percent of the employee's normal work time. You are required to pay the employee portion of the health insurance premium for the three months (if eligible). You can pay through pre-tax payroll deduction from your final paychecks, by personal check or credit card, or with accumulated sick leave under the Sick Leave Credit Conversion Program. Complete a Health Insurance Premium Payment at Layoff (UWS 40) form **before your layoff** to indicate how you will pay for the three months of coverage. After the three months or if you are not eligible for the three months, you can use your sick leave credits to pay your health insurance premium for a limited time (see the Using Sick Leave Credits section below). If you do not use your sick leave credits to pay your health insurance premium for a limited time, your coverage will end, and you will be offered the option to continue coverage through COBRA. After all sick leave credits have been used, you may

	continue health insurance coverage for a length of time that depends on your years of service. • **If you have *less than* 20 years of WRS creditable service**, you may continue coverage **for 36 months** by paying the total premium. • **If you have *at least* 20 years of WRS creditable service**, you may continue coverage **indefinitely** by paying the total premium. If you are enrolled in a High Deductible Health Plan (HDHP), you are required to remain enrolled in the Health Savings Account (HSA). See the HSA section for more information. If your employment ends due to layoff and you are receiving the Health Insurance Opt-Out Incentive, your incentive payment ends at the end of the month in which your employment ends.
Preventive Dental Insurance **Supplemental Dental Insurance**	Coverage ends at the end of the month in which your employment terminates. You may continue coverage by submitting a continuation notice and application to the dental insurance carrier within 60 days of the coverage end date or the receipt of your continuation notice, whichever is later. • **If you have *less than* 20 years of WRS creditable service**, you may continue coverage for **up to 18 months** by paying the premium. • **If you have *at least* 20 years of WRS creditable service,** you may continue coverage **for life** if you do not take a separation benefit and you pay the premium.
Vision Insurance	Coverage ends at the end of the month in which your employment terminates. You may continue coverage through COBRA for 18 months by submitting a continuation notice and application to the vision insurance carrier within 60 days of the coverage end date or the receipt of continuation notice, whichever is later.
State Group Life Insurance	Coverage ends at the end of the month in which your employment terminates (if the premium is paid). **If you have *less than* 20 years of WRS creditable service**, you and any eligible dependents covered under Spouse & Dependent coverage (if applicable) may be eligible to convert coverage to an individual policy by submitting a conversion application and first month's premium directly to the insurance plan carrier within 31 days of your coverage end date. For a **conversion** application, contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141. **If you have *at least* 20 years of WRS creditable service:** • You may be eligible to continue coverage indefinitely by submitting a continuation application directly to the Department of Employee Trust Funds (ETF) within 31 days of your coverage end date. For a **continuation** application, contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141. • If you have Spouse & Dependent coverage, any covered dependents may be eligible to convert coverage to an individual policy by submitting a conversion

	application and first month's premium directly to the insurance plan carrier within 31 days of your coverage end date. For a **conversion** application, contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141.
Individual & Family Life Insurance	Coverage ends at the end of the month in which your employment terminates. You may convert your coverage to an individual policy by submitting a conversion application and first month's premium directly to the insurance plan carrier within 31 days of your coverage end date. For a conversion application, contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141.
UW Employees, Inc. Life Insurance	Coverage ends at the end of the month in which your employment terminates. You may convert your coverage to an individual policy by submitting a conversion application and first month's premium directly to the insurance plan carrier within 31 days of your coverage end date. For a conversion application, contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141. The UW Employees, Inc. Board has decided to terminate the UW Employees, Inc. Life Insurance effective January 1, 2025. Coverage must be converted by December 31, 2024, or within 31 days or your coverage end date, whichever occurs first.
University Insurance Association (UIA) Life Insurance *(Faculty, Academic Staff or Limited employees only)*	Coverage continues until December 31st following your termination date provided the premium is paid through that date. You may convert your coverage to an individual policy by submitting a conversion application and first month's premium directly to the plan carrier within 31 days of your coverage end date. Contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141 for a conversion application.
Accidental Death & Dismemberment (AD&D) Insurance	Coverage ends at the end of the month in which your employment terminates. You may convert your coverage to an individual policy by contacting the plan carrier (Zurich American Insurance Company) at (888) 634-6780 within 60 days of your coverage end date (select Option 2, leave your name, address, and reference Universities of Wisconsin Policy # GTU-8364005).
Accident Insurance	Coverage ends at the end of the month in which your employment terminates. You may continue coverage by submitting a portability form and first month's premium payment to the insurance plan carrier within 31 days of the date you were notified of your continuation rights or the date coverage ends, whichever is later. If you have attained age 70, were not actively at work due to sickness or injury on the date immediately preceding your portability date, you are not eligible to continue coverage. When you are laid off, you will receive a continuation notice and portability application from plan carrier that outlines your continuation rights. For additional information, contact the plan carrier (Securian) at (866) 295-8690 or madisonbranch@securian.com.

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Income Continuation Insurance (ICI)	Coverage ends on the date employment terminates.
Flexible Spending Account (Health Care FSA and Dependent Day Care)	**Health Care FSA:** If you do not contribute your full annual election amount, coverage ends at the end of the month in which your last FSA contribution was deducted. If you contribute your full annual election, you may incur expenses through December 31st. In addition, you will be eligible to carry over up to the allowed carryover limit to the following plan year. Any unused funds in the carryover year will be forfeited. You may continue coverage by: • Contributing the remainder of your election pre-tax from your **final paycheck**; or • Contributing after-tax by submitting funds to ETF directly (contact UW-Shared Services, Service Operations at serviceoperations@support.wisconsin.edu or (888) 298-0141 for a continuation application). If you only have carryover FSA funds from a prior plan year and did not participate in the current plan year, your coverage ends on your layoff date. Any expenses incurred after your layoff date will not be reimbursed. **Dependent Day Care:** Upon the end of your employment, you cannot continue dependent day care contributions. You can continue to request reimbursement for eligible expenses until you exhaust your account or until the end of the plan year, whichever comes first.
Health Savings Account (HSA) *(applicable only if enrolled in High Deductible Health Plan)*	You must remain enrolled in the HSA if you continue to be enrolled in the State Group Health Insurance High Deductible Health Plan (HDHP) after layoff. You may continue to contribute to your HSA; however, not through payroll deduction. You must work directly with the HSA administrator to coordinate your contributions, which will occur on a post-tax basis. You may not continue to contribute to your HSA if you do not remain enrolled in a HDHP or are enrolled in a non-HDHP (including Medicare). After your layoff, you will continue to receive the HSA employer contribution for three months if you continue your HDHP (if you are eligible for the three months of health insurance with the employer contribution). After the employer contribution ends, you will then be responsible for a monthly administration fee which will be automatically deducted from your account. If your account reaches a zero balance and there are no additional deposits, your HSA will automatically be closed after 13 months. Once you **turn 65**, you can continue to use your account tax-free for qualified medical, dental and vision expenses.

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Wisconsin Retirement System (WRS)	**If vested**, you may take a separation benefit at any time before you reach retirement age of 55 (50 for Protectives) or wait until you reach retirement age to take a retirement benefit. **If not vested**, you are only eligible to receive a separation benefit. You may apply for a separation benefit at any time after termination. See the ETF brochure, Separation Benefits (ET-3101), for additional information. *If you take a separation benefit, you will lose all employer contributions in your account and your years of WRS service.* Generally, it's in your best interest to leave your contributions in the WRS. If you take a separation benefit and later return to state employment, you must re-serve any waiting periods for benefits.
UW 403(b) Supplemental Retirement Program (SRP)	Contributions end automatically with your last paycheck. Contact your 403(b) SRP recordkeeper for information about your account and distribution options.
Wisconsin Deferred Compensation (WDC) 457 Program	Contributions end automatically with your last paycheck. Contact Wisconsin Deferred Compensation directly for information about your account and distribution options.
Accrued Leave Time (Vacation, Paid Leave Bank, Personal/Floating Holidays, Compensatory Time)	Refer to your layoff letter to see if you are eligible to receive payment at layoff for any unused accrued leave. In some layoff situations, you may be required to use any accrued paid leave before your termination date, or it will be lost. If eligible, you will receive a lump-sum payment for accrued vacation and other leave time on your final paycheck or a separate check after your termination. This payment is generally not WRS eligible pay.
Use Sick Leave Credits to Pay for Health Insurance Premiums During Layoff	Your sick leave hours will be converted to a dollar value by multiplying your current number of sick leave hours by your highest hourly rate of pay as a state employee. If you have 15 years of adjusted continuous state service at layoff, you are eligible for supplemental sick leave credits based on your years of service and employment category. Your health insurance premiums are paid from sick leave credits until the earliest of the following events: • The credits are exhausted; • The first of the month following the acceptance of other employment offering comparable health insurance coverage; • Five years have elapsed from the date of layoff (no time restriction if you have at least 20 years of WRS creditable service); or • Your death. Your insured surviving spouse and dependents can continue to use your remaining sick leave credits to pay for health insurance. If you have at least 20 years of WRS service, you may continue to use sick leave credits until they are exhausted. If you have comparable health insurance from another source, you may save your sick leave credits for use at a later date.

	If you do not convert your sick leave hours to credits or you become ineligible to use your remaining credits, your sick leave hours will be lost unless you return to a sick-leave eligible job at the Universities of Wisconsin or a State Agency within your reinstatement period (five years for University Staff, three years for Faculty, Academic Staff and Limited appointees). If you return within your reinstatement period, any remaining sick leave will be restored. For more information review the Sick Leave Credit Conversion Program Brochure (ET-4132).

If you need this material interpreted or in a different form, or have questions about your layoff, reach out to your benefits contact.

Every effort has been made to ensure that this information is correct and current. The terms and conditions of Universities of Wisconsin 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 have control over the information in this fact sheet to the extent there are any differences or conflicts.

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