



COMMONWEALTH OF VIRGINIA DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

Benefits Administrator Memo #19-04

To: Benefits Administrators
From: State and Local Health Benefits Programs
CC: All OHB
Date: August 20, 2019
Re: Health Benefits Premium Holiday

As announced in Governor Northam's letter to state employees dated May 3, 2019, there will be a premium holiday for the month of October for those enrolled in the State Health Benefits Program (not including TRICARE Supplement enrollees*). The premium holiday will also apply to retiree group participants (retirees, survivors, LTD participants) and Extended Coverage/COBRA participants. This means that there will be no employee/retiree or employer contribution due for one month, regardless of membership level. An additional communication will be sent to all employees by email, as well as to retiree group and COBRA participants by letter.

Following are additional details:

- Specific premium holiday dates are:

Table with 2 columns: Participants, Premium Holiday Date(s). Rows include Central Payroll, Direct Bill Participants, VRS Retirement Benefit Deduction, and Decentralized Payrolls.

- In the event of a retroactive enrollment that includes the premium holiday period, the designated premium holiday month should be credited.
- The Department of Accounts will develop a premium holiday Payroll Bulletin for centralized agencies, which will be available at the end of August.
- Decentralized agencies will need to work within their own systems to facilitate the premium holiday. They should note that DHRM will not make any changes to BES records or the reconciliation file for October. The Payroll Bulletin for centralized agencies may provide some ideas for accomplishing this in the decentralized systems.
- A broadcast message will be posted on Payline by mid-September.
- *Per § 2.2-2818.1 of the Code of Virginia which requires TRICARE Supplement participants to pay the full cost of coverage, the premium holiday will not apply to those enrollees.
- Since there is \$0 premium required from employees enrolled in COVA HDHP without Expanded Dental, only the employer contribution will be waived.
- Since no premium will be due, premium rewards will not apply to the premium holiday period.
- The Virginia Retirement System will manage any impact on the health insurance credit for retirees and long-term disability (LTD) participants. The health insurance credit serves as a reimbursement for health premiums. If no premium is being paid, the credit will be suspended for this one month for eligible retirees and LTD participants, and resume the following month.
- Any participant whose premium is in arrears will be eligible for the premium holiday if their coverage is ultimately continuous through the designated premium holiday date(s) listed above. This generally applies to direct-bill recipients.
- Eligible health plan participants who have paid their premium(s) in advance should be credited for the appropriate premium holiday month, advancing their "paid-to" date by the amount of the credit. This generally applies to direct-bill recipients.

Please pass this along to anyone else in your agency who needs this information.

Thank you for your attention to the administration of this benefit. If you have any questions, please direct them to ohb@dhrm.virginia.gov.