



**COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT**

**Benefits Administrator Memo #20-07**

**To:** Benefits Administrators  
**From:** State and Local Health Benefits Programs  
**CC:** All OHB  
**Date:** November 30, 2020  
**Re:** Health Benefits Premium Holiday

We are pleased to announce that there will be a premium holiday for the month of December 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. A communication will be sent from the Governor 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:

<b><i>Participants</i></b>	<b><i>Premium Holiday Date(s)</i></b>
Central Payroll	December 16 and December 31
Direct Bill Participants	Bill generated on November 10 <sup>th</sup> for the month of December. New December bill is being generated reflecting \$0 premium. January bill will generate as scheduled on or around December 10 <sup>th</sup> . If participant has

	paid their premium(s) in advance, their "paid-to" date will be moved out by an additional month and be reflected on the January invoice.
VRS Retirement Benefit Deduction	Benefit payment on December 31 (December premium)
Decentralized Payrolls	Date(s) to coincide with the December time frame

- 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 has published a premium holiday [Payroll Bulletin](#) for centralized agencies.
- 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 December. 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 in early December.
- 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](mailto:ohb@dhrm.virginia.gov).