

Military Leaves Without Pay

The Uniformed Services Employment and Reemployment Rights Act (USERRA) allows eligible employees and covered family members to continue employer coverage for up to 24 months when they are called to active duty for more than 31 days. This includes employer sponsored health insurance coverage and the Health Flexible Spending Account (HFSA). The employee must remain covered in order for family members to continue coverage under USERRA. The state contribution continues during Military Leave Without Pay.

Beginning a leave of absence without pay is a Qualifying Mid-year Event that will allow the employee to waive coverage, reduce membership, and cancel the HFSA.

Extended Coverage (COBRA) is concurrent with Military Leave Without Pay. Please provide the employee with the Extended Coverage Election Notice at the beginning of leave without pay.

If coverage is maintained premiums and FSA contributions are due on the first of each month, with a 30-day grace period. The agency collects the funds. The employee should be notified in writing that coverage will be terminated for failure to pay timely.

If no action is taken, coverage should be terminated for non-payment.

Returning from Military Leave Without Pay

When coverage is not maintained, employees returning from Military Leave Without Pay may enroll in coverage either the first of the month in which they return, or the first of the following month. If the employee elects to enroll in state coverage the first of the month in which they return, send the request to the Office of Health Benefits. The employee has 31 days in which to enroll based on returning from Military Leave Without Pay.

In some cases Military Health Insurance may continue for up to six months after discharge. When this occurs, the employee returning from Military Leave Without Pay may delay enrolling in state coverage until the military coverage ends. This enrollment must be elected within 60 days of the loss of the other coverage. This is considered a Qualifying Mid-year Event, is always prospective and may result in a break in coverage.

Please see the State Health Benefits Program Military Leave Fact Sheet for additional information. Contact the Office of Health Benefits for assistance.