# Workforce Transition Act (WTA) Involuntary Separation from Employment Information

As state government transitions from one administration to the next, we are hopeful that all current staff remain throughout the entire administration. We understand that each employee's situation is unique and here is some important information to help you make informed choices.

This document contains an explanation of benefits that may be available to you under the Workforce Transition Act (WTA) at the end of the administration. It is common practice for "at-will" appointees to receive the described transitional severance and insurance benefits when their position does not continue into the next administration. These benefits must be approved in writing by the Chief of Staff (often referred to as a WTA Letter).

## **Eligibility**

- You must be a state employee
- You must be involuntarily separated from employment
- You cannot have voluntarily resigned from state employment

#### **Benefits**

Severance Payments— Eligible "at-will" appointees will be paid a severance payment based on consecutive years of service. You will continue to be paid by direct deposit on regular state paydays until the number of weeks of pay you are due is completed. There is no lump severance payout of the total amount due. Severance payments cease if you become employed within the Commonwealth during the severance period.

This table shows the number of weeks that you'll receive based on your service:

Years of Service	Severance Benefit
2 years or less	4 weeks of salary
3-9 years	4 weeks of salary plus an additional week for every
	year over 2
10-14 years	12 weeks of salary plus 2 additional weeks for every
	year over 9
15 years or more	2 weeks of salary per year not to exceed 36 weeks of
	salary

Health Insurance Coverage—Employees separated under WTA are eligible to stay in the state employee health insurance program for up to 12 months. Employees need to continue to pay their portion of the health insurance premium and the state will continue to pay its portion of the health insurance premium. While severance payments are being made, the employee premium will be withheld from their paycheck.

Once severance payments have ended, the employee must send in payment for their portion of the health insurance payment for the remainder of the 12-month period. A lapse in timely payment will result in health insurance being canceled.

Employees will be sent instructions on making those payments. Premium amounts are subject to change based on current health plans costs. A notification of any premium change (usually on July 1<sup>st</sup>) will be sent to the home address on file.

At the end of the 12-month severance period, COBRA coverage will be offered to employees separated under WTA. This will be administered by the Department of Human Resource Management, Office of Health Benefits.

**Group Life Insurance Coverage**—Employees separated under WTA will continue to be covered under the Group Life Insurance policy for twelve months.

Optional Retirement Plan for Political Appointees—Contributions to ORPPA will end with your last paycheck prior to severance payments. You can leave your funds in the account, roll it over to another retirement instrument, or begin withdrawals. If you take a full distribution from your Optional Retirement Plan account during your 12 months of WTA severance, this is considered a resignation of employment, and you will no longer be eligible for severance benefits, including health insurance.

Retirement under WTA - Plan 1, Plan 2, or Hybrid Retirement Plan members

If you are at least age 50 and vested on your last day of employment, you may be eligible for enhanced retirement under the WTA Transitional Benefits Program. You may elect one of the following:

- Enhanced retirement years of service credit. No severance, health care or life insurance.
- Severance benefit without the enhanced retirement credit
- Severance benefit with deferred retirement; or
- Severance benefit without retirement.

If additional years of service credit does not bring you to retirement eligibility, you are eligible only for the Severance benefit. Please consult with HR and VRS before making decisions on retirement options.

**Executive Leave** – "At-will" employees who are separated under WTA or who choose to resign from their appointed position that have been employed for at least six months may be paid for their documented unused leave balance up to a maximum of 80 hours as outlined in the Executive Leave Policy.

"At-will" employees participating in the Commonwealth's traditional annual leave accrual program shall be paid for their unused leave balances in accordance with established DHRM policy.

## **Frequently Asked Questions**

- How will I know when I need to start mailing in a check for my portion of the health insurance? How will I know how much the payment should be? You will receive a certified letter from your HR Officer with the details of the necessary payments to keep your health insurance active. Failure to make these payments in a timely manner will result in your health insurance being cancelled. A sample letter is shown at the end of this document for your review. If for some reason you do not receive this letter, contact your HR immediately for the Cabinet Gov Office Contact (804) 692-2598 or HR@governor.virginia.gov.
- What if I get another job before the end of the 12-month WTA period?
  - If an employee is hired by the original agency or another state agency, even as an hourly employee, independent contractor, or consultant while receiving severance payments, severance payments cease. If the employee obtains a job in the private sector, their WTA payments and benefits are not affected.
- I found another job in the private sector, I would like to take their health insurance, how do I stop the coverage I have with the state?
  - Notify your agency HR office, or if in the Cabinet Offices or Gov Office, notify HR in the Division of Executive Administrative Services that you would like to end your coverage. It will end on the last day of the month that you give notice. HR@governor.virginia.gov or (804) 692-2598.

# Sample Health Insurance Payment Letter

On (date), you will receive your last WTA salary benefit payment from the Commonwealth of Virginia. However, your healthcare coverage will continue through (date). As a result of your salary benefit ending, your portion of the health care premium will need to be mailed to the office. Please forward a check/money order made payable to the "Treasurer of Virginia" in the amount of (amount) beginning the month of (month) or go this portal Gov Office Payment Portal to pay by credit card. We must receive your payment on or before the 5<sup>th</sup> of each month. If we do not receive your payment on or before the 5<sup>th</sup> of each month, your coverage will be terminated. Your first payment will be due on or before (date). If paying by check, please mail your check to the following address:

Division of Executive Administrative Services ATTN: Human Resources P. O. Box 409 Richmond, Virginia 23218

If you would like to discontinue your healthcare coverage, please send a letter to the address listed above or email <u>HR@governor.virginina.gov</u> requesting that your coverage be terminated.