

QUICK REFERENCE GUIDE

IMPACT OF LEAVE ON BASIC BENEFITS – CLASSIFIED EMPLOYEES¹

Type of Leave	457 Plan and Cash Match	Health Benefits	Retirement Defined Benefit (DB) or Optional Retirement (ORP) <i>See note below.</i>	Life Insurance <i>See note below regarding Optional Life Insurance.</i>
Educational Leave With Pay	457 deferrals allowed from compensation and cash match; applies if eligible deferral is made.	Provided that at least half pay is given, health coverage continues for up to 24 months. Agency pays its part of premium and employee is responsible for his or her portion of the premium	Provided that at least half pay is given, agency makes contribution for employee and employee earns service credit and creditable compensation. 10.4% of actual compensation continues to ORP.	Coverage continues for a maximum of 24 months. Agency pays the premium.
Educational Leave Without Pay (LWOP)	No 457 deferral allowed. No cash match received.	Coverage will continue through end of the month in which LWOP begins. If employee returns the following month and works at least one-half of the workdays in the month, coverage will not lapse. Coverage may be granted up to 24 months. Employee must pay the full premium.	Agency makes contribution for any month employee works. Contributions will be discontinued for the time employee is on LWOP. (If agency certifies approved leave, may purchase service credit upon return.) No contributions made to ORP; no contribution make-up upon return.	Coverage continues for a maximum of 24 months. Agency pays the premium.
Family and Medical Leave Paid or Unpaid	If employee is paid, 457 deferral allowed up to 100% of compensation or annual limit if less. Cash match provided if eligible deferral	Agency continues to pay employer portion of premium as long as employee is using paid annual or sick leave; and for up to 12 weeks if employee is on FMLA-approved LWOP. Employee will continue to pay	Retirement contributions (both DB and ORP) will be made for any pay period in which qualifying compensation has been received (leave with pay). Retirement contributions will not be made for pay period in which no	Coverage continues. Agency pays life insurance premiums as long as employee is using paid annual or sick leave; and for up to 12 weeks if employee is on FMLA approved LWOP.

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	<p>amount made.</p> <p>If employee is not paid, no 457 deferral allowed and no cash match is payable. Distribution is not allowed.</p>	<p>same portion of his or her premiums.</p> <p>Extended Coverage is possible.</p>	<p>Defined Benefit (DB) or Optional Retirement (OPR) <i>See note below.</i></p> <p>qualifying compensation is received (leave without pay).</p> <p>If agency certifies unpaid FML was due to the birth or adoption of a child, the DB service may be purchased.</p>	<p><i>See note below regarding Optional Life Insurance.</i></p>
<p>LWOP Layoff</p>	<p>No 457 deferral allowed and no cash match allowed. Distribution is allowed.</p>	<p>Healthcare Coverage may continue up to 12 months. Agency will continue to pay employer portion of the premium. Employee must pay his or her portion.</p> <p>Extended Coverage should follow the 12 month period.</p>	<p>In lieu of being placed on LWOP-layoff and receiving severance pay, health insurance, and life insurance, an employee may elect to use total value of severance benefits to purchase creditable service to be used in the calculation of their VRS retirement benefit. (Must be 50 years of age with 5 or more years of service and retire on an immediate annuity).</p> <p>If employee does not retire and withdraws VRS funds, the employee severs all employment related ties and all severance benefits are lost.</p> <p>ORP – Only cash severance is available. Some colleges and universities have their own severance plans.</p>	<p>Coverage continues for 12 months. Agency makes full contribution unless employee withdraws VRS funds.</p>

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<p>Leave with Pay (Earned annual, sick, overtime, compensatory etc.)</p>	<p>457 deferral allowed up to 100% of actual compensation or annual limit if less and cash match if eligible. No distribution allowed.</p>	<p>Coverage continues. Agency continues to pay employer portion of health care premium and employee is responsible for his or her portion of the premium.</p>	<p>Agency makes contribution for employee and employee earns service and creditable compensation credit. 10.4% of actual compensation continues to ORP</p>	<p>Coverage continues. Agency pays the premium.</p>
<p>Leave with Pay Granted by Governor (Holidays, Emergency Closings, Civil and Work-Related Leave, School and Volunteer Service Leave, etc.)</p>	<p>457 deferral allowed and cash match if eligible. No distribution allowed</p>	<p>Coverage continues. Agency continues to pay employer portion of health care premium and employee is responsible for his or her portion of the premium.</p>	<p>Agency makes contribution for employee and employee earns service and creditable compensation credit. 10.4% of actual compensation continues to ORP</p>	<p>Coverage continues. Agency pays the premium.</p>
<p>Leave Without Pay – Medical <u>LWOP Medical is for employees in the traditional sick leave program only.</u> <i>LWOP for medical reasons may be granted on a conditional or unconditional basis.</i></p>	<p>No 457 deferral allowed and no cash match payable. No distribution allowed.</p>	<p>Coverage continues. Agency continues to pay employer portion of health care premium for up to 12 months and employee is responsible for his or her portion of the premium. Disability Certificate must be submitted. If not certified, employee pays full premium limited to 6 months. COBRA runs concurrent and is effective at end of active coverage.</p>	<p>Agency makes contribution for any month the employee works. Contributions will be discontinued for the time employee is on LWOP. If agency certifies LWOP was due to the birth or adoption of a child, DB service may be purchased. No contribution made for ORP participant for time the employee is on LWOP.</p>	<p>No contributions are made by the agency. Coverage continues while on personal leave up to six months. Employee pays the premium.</p>

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<p>Leave Without Pay Personal</p> <p><i>LWOP for personal reasons may be granted on a conditional or unconditional basis.</i></p>	<p>No 457 deferral allowed and no cash match.</p> <p>No distribution allowed.</p>	<p>Healthcare coverage may be continued up to 6 months. There is no state contribution. Employee must pay the entire premium. COBRA runs concurrent and effective at end of active coverage.</p>	<p>Defined Benefit (DB) or Optional Retirement (OPR) <i>See note below.</i></p> <p>Agency makes both DB and ORP contribution for any month an employee covered under either of the respective retirement plans works.</p> <p>ORP is 10.4% of actual compensation. Contributions will be discontinued for the time employee is on LWOP.</p> <p>DB service cannot be purchased.</p>	<p><i>See note below regarding Optional Life Insurance.</i></p> <p>No contributions are made by the agency.</p> <p>Employee continues optional up to 24 months.</p>
<p>Long-Term Disability Non-Working</p>	<p>No 457 deferral allowed and no cash match.</p> <p>No distribution allowed unless unforeseeable hardship withdrawal approved.</p>	<p>Employee must enroll in the VRS group healthcare plan within 31 days of going into LTD.</p> <p>Employee is responsible for paying full healthcare premium. Employee is billed directly by carrier.</p>	<p>Unum reports the employee's creditable compensation (based on their pre-disability income) and the employee earns service credit.</p> <p>No Agency contributions are reported to VRS. No ORP contributions are made.</p>	<p>Coverage continues. No premiums are paid by agency.</p>
<p>Long-Term Disability- Working</p>	<p>457 deferral allowed on compensation earned. Cash match payable if eligible deferral is made. No distribution allowed unless unforeseeable hardship withdrawal approved.</p>	<p>Coverage continues. Agency continues to pay employer portion of health care premium and employee is responsible for his or her portion of the premium. If employees' wages do not cover their portion of the health insurance premium, the employee can pay the agency by personal check.</p>	<p>Employee earns service and creditable compensation credit (based on pre-disability income). Unum reports employees' creditable compensation. No Agency contributions are reported to VRS.</p> <p>ORP is 10.4% of actual compensation.</p>	<p>Coverage continues. No premiums are paid by agency.</p>

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Military Leave With Pay	457 deferral allowed and cash match. No distribution allowed.	Coverage continues. Agency continues to pay employer portion of health care premium and employee is responsible for his or her portion of the premium.	Agency makes contribution for employee and employee earns service and creditable compensation credit. ORP is 10.4% of actual compensation	Coverage continues. Agency pays the premium.
Military Leave Without Pay	457 deferrals and eligible cash match make up allowed if returning within the provisions of USERRA.	Coverage through the US government is free for military personnel on active duty and their dependents. Extended Coverage is available to employees on military leave without pay and their covered dependents, with the state continuing to pay the employer portion of health care premium for up to 24 months.	Agency makes contribution for any month employee works. Contributions will be discontinued for the time employee is on LWOP. Employee may be given service credit at no cost upon return from active duty. No ORP contributions are made.	Coverage continues for a maximum of 24 months. After 24 months, the employee may convert to an individual life insurance policy and pay the entire premium.
Short-Term Disability (Includes Short-Term Disability-Working)	457 deferral allowed and cash match up to 100% of actual compensation or annual limit if less. No distribution allowed.	Coverage continues. Agency continues to pay employer portion of health care premium and employee is responsible for his or her portion of the premium.	Agency makes contribution for employee and employee earns service and creditable compensation credit.	Coverage continues. Agency will continue to pay life insurance premiums.

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Temporary reduction of workforce	457 deferral allowed out of any compensation earned up to 100% of actual compensation or annual limit if less. Cash match paid if eligible deferral is made. No distribution allowed.	Coverage continues. Agency continues to pay employer portion of health care premium and employee is responsible for his or her portion of the premium.	Agency makes contribution for any month employee works. Employee does not receive service or creditable compensation credit for any month they are not reported to VRS. This service cannot be purchased. No ORP contributions are made.	Coverage continues. Agency pays the premium.
Workers' Compensation	No 457 deferral allowed and no cash match. Under certain provisions of the Internal Revenue Code, may qualify for a distribution under the Hardship provisions.	Workers' Compensation, not the health benefits plan, covers services related to Workers' Compensation approved conditions. Other healthcare issues would follow either the VSDP Program or the traditional Sick Leave.	Agency makes both DB and ORP contribution for any month an employee covered under either of the respective retirement plans works. Contributions will be discontinued for time spent on LWOP. If the employee is not covered under VSDP, the employee will not receive service or creditable compensation credit for the time on LWOP. This service cannot be purchased.	Coverage continues for 12 months. Agency makes full contribution.

Notes:

Optional Life: An employee who participates can continue coverage provided he/she is eligible for continuation of basic group life and continues to pay for the coverage. If coverage is not continued, the employee can have the optional life reinstated upon return to employment. **Optional Retirement Plans:** Political Appointees and certain college and university faculty/staff are eligible to participate in defined contribution plans administered by VRS. For detailed information consult DHRM and VRS policies, manuals, and handbooks at <http://www.dhrm.virginia.gov> or <http://www.varetire.org>.

¹ Covered employees only as defined in Policy 2.20, Types of Employment.