Benefits While on a Position-Specific Furlough

for employees not working who have been placed in full furlough

Where to Find Help

The information below is designed to help University of Wisconsin–Madison employees understand important policies and procedures as the university responds to the COVID-19 pandemic. If you have questions or need assistance, please contact the human resources (HR) department in your school, college, or division. You can find your local HR contact at hr.wisc.edu/contact. You can find general benefits information at hr.wisc.edu/benefits. Contact the Office of Human Resources at (608) 265-2257 or furlough@ohr.wisc.edu for help.

For interpretation and translation services, please call Cultural Linguistic Services:

ESPAÑOL / SPANISH: (608) 265-0838; HMOOB / HMONG: (608) 263-2217

TIBETAN: (608) 890-2545; 中文 / CHINESE: (608) 890-2628; नेपाली / NEPALI: (608) 262-7521

Position-Specific Furlough

The information below applies to Position-Specific Furloughs for employees who have been placed in full furlough and are not working. If your hours are reduced, and you have been placed in a Position-Specific Furlough, contact furlough@ohr.wisc.edu for benefits information. More information for those with reduced hours will be available soon.

A furlough is the involuntary, temporary placement of any university faculty or staff member on a partial or full unpaid-leave of absence because of reduction of work, reduction of funding, or for other non-disciplinary reasons. A furlough constitutes a Leave of Absence (LOA). A Position-Specific Furlough will be assigned for a continuous period with a specific start and end date.

UW–Madison provides a variety of benefits to employees. Position-Specific Furloughs can impact benefits, so it is important that employees review each benefit.
Wisconsin Retirement System (WRS)

- Employees remain enrolled in the WRS. No hours and earnings will be reported on furloughed days.
- To receive a full year of creditable service, employees must meet the minimum hours requirement for the year:
  - University Staff = 1,904 hours per calendar year
  - Faculty/Academic Staff/Limited Appointee = 1,320 hours per fiscal year

Paid Leave: Accrual and Usage

- Employees on Position-Specific Furlough will continue to earn vacation, personal holiday, and sick leave during furlough.
- Employees will not get credit for any fixed legal holidays during furlough, but they will accrue floating holidays.
- An employee may not use leave (vacation, sick leave, or personal holiday) while on furlough or to offset the furlough.

Optional/Elected Benefits

- Employees on furlough will need to pay premiums to have their benefits continued.
  - Benefits can be paid through direct bill or payroll deduction from the last paycheck before furlough (if time permits).
  - Direct bill from UW-Shared Services may be paid using check, money order or credit card.
  - Please work with your HR department to determine your personal options.

Returning from Position-Specific Furlough (which is a form of a Leave of Absence)

- A return from a leave of absence under Wis. Stat. § 40.02 (40) is to be the first day an employee returns to work if the employee resumes work for 30 consecutive days for at least 50 percent of the employee’s normal work time. If the employee does not complete 30 days of work, an employee is not to have returned from leave and coverage will continue as an employee that is on a leave of absence.

See the chart below for more information.
### Benefits While on a Position-Specific Furlough Chart

<table>
<thead>
<tr>
<th>Benefit Plan</th>
<th>Maintain Benefits</th>
<th>Change/Lapse Coverage</th>
<th>Re-Enroll Upon Return</th>
</tr>
</thead>
</table>
| **State Group Health (SGH) Insurance**           | • Premiums are paid one month in advance. Employer premium contributions will continue the month the furlough starts and for three additional months.  
  • *Example: Furlough starts 06/02; employee has paid for July coverage with June earnings. Employer contribution will continue for August, September and October coverage months.* | • Furlough is considered a covered event. Lapse of coverage or changes to coverage are allowed.  
  • Continue coverage but change from family to single coverage at the beginning of furlough or when becoming responsible for the full premium.  
  • Maintain coverage for the 3 months while receiving employer contribution; and lapse coverage once responsible for the full premium or lapse at any time during the furlough for the duration of the furlough.  
  • **Important:** If family coverage is lapsed, and the employee passes away before reinstating family coverage, surviving dependents will not have access to the employee’s sick leave credits for health insurance. | • Re-enroll in the insurance carried upon return to work. An application must be received within 30 days of returning to work.  
  • Employer contribution towards premiums will resume, following the furlough, once employee has returned to work and met the requirements of Wis. Stat. § 40.02 (40) |
| **SGH Opt-Out Incentive**                        |                                                                                                                                                                                                                  |                                                                                                                                                                                                                 |                                                                                                                                                                                                                     |
| If employee declined SGH coverage and is currently receiving the Opt-Out Incentive payments, these will continue during furlough for 3 months. No action required.                                                                 |                                                                                                                                                                                                                  |                                                                                                                                                                                                                 |                                                                                                                                                                                                                     |
| Income Continuation Insurance (ICI) | Employer premium contribution will continue for the paid through month, and three additional months. *Example: Furlough starts 06/02; employee has paid for July coverage with June earnings. Employer contribution will continue for July, August and September.*  
- If maintaining ICI coverage, and are approved to receive an ICI benefit, the premium will be waived starting the 1st of the month following the disability approval date. | Lapse coverage at the beginning of the furlough or at any time during the furlough, for the duration of the furlough.  
- **Important:** If coverage is lapsed, there is no access to the ICI benefit while lapsed. | Re-enroll in the insurance carried upon return to work. An application must be received within 30 days of returning to work.  
- Employer contribution towards premiums will begin following the furlough once employee has returned to work and met the requirements of Wis. Stat. § 40.02 (40) |
| --- | --- | --- | --- |
| State Group Life Insurance (SGL) | Employer premium contribution will continue during furlough up to 36 months.  
- If maintaining SGL, and approved for an ICI benefit, the premium may be waived. | Lapse coverage at the beginning of the furlough or at any time during the furlough, for the duration of the furlough.  
- **Important:** If coverage is lapsed, there is no access to this life insurance payout in the event of death. | Re-enroll in the insurance carried upon return to work. An application must be received within 30 days of returning to work. |
<table>
<thead>
<tr>
<th>Benefit Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Delta Dental</strong></td>
<td>You can maintain current plan and coverage level.</td>
</tr>
<tr>
<td><strong>VSP Vision</strong></td>
<td>These are <em>employee pay all benefits</em>, no employer contribution (similar to before furloughs).</td>
</tr>
<tr>
<td><strong>UW Emp Inc. Life</strong></td>
<td>Lapse coverage at the beginning of furlough or anytime during furlough, for the duration of furlough.</td>
</tr>
<tr>
<td><strong>Individual &amp; Family Life</strong></td>
<td>Important: If coverages are lapsed, there is no access to the lapsed benefit.</td>
</tr>
<tr>
<td><strong>Securian Accident</strong></td>
<td>Re-enroll in the insurance carried upon return to work. An application must be received within 30 days of returning to work.</td>
</tr>
<tr>
<td><strong>Accidental Death &amp; Dismemberment (AD&amp;D)</strong></td>
<td>You can maintain current plan and coverage level.</td>
</tr>
<tr>
<td></td>
<td>This is an <em>employee pay all benefit</em>, no employer contribution (similar to before furloughs).</td>
</tr>
<tr>
<td></td>
<td>Coverage can be changed or canceled at any time by completing an application.</td>
</tr>
<tr>
<td><strong>Flexible Spending Account (FSA)</strong></td>
<td>Coverage can be changed or added at any time by submitting an application.</td>
</tr>
<tr>
<td><strong>Health Care FSA / Limited Purpose FSA</strong></td>
<td>Your pre-tax contributions made through payroll end on your last paycheck prior to the furlough and will restart when you return to work.</td>
</tr>
<tr>
<td></td>
<td>Your annual election will be recalculated based on the remaining pay periods in the calendar year.</td>
</tr>
<tr>
<td></td>
<td>You can continue to request reimbursement for eligible expenses until your account is exhausted. If the annual election amount is not met, expenses incurred during furlough will not be eligible for reimbursement.</td>
</tr>
<tr>
<td></td>
<td>To change your annual election, you must submit a <a href="#">Change of Election Form</a> within 30 days from when your furlough started to be considered. You can decrease your election, but you cannot change what has already been contributed.</td>
</tr>
<tr>
<td></td>
<td>To increase your annual election, you have 30 days to submit a <a href="#">Change of Election Form</a> to your local HR representative once the Position-Specific Furlough ends.</td>
</tr>
<tr>
<td><strong>Dependent Day Care</strong></td>
<td>Your pre-tax contributions made through payroll end on your last paycheck prior to the furlough and will restart when you return to work.</td>
</tr>
</tbody>
</table>
- Your annual election will be recalculated based on the remaining pay periods in the calendar year.
- You can continue to request reimbursement for eligible expenses, during furlough until your account is exhausted through December 31.
- To change your annual election, you must submit a [Change of Election Form](#) within 30 days from when your furlough started to be considered. You can decrease your election, but you cannot change what has already been contributed.
- To increase your annual election, you have 30 days to submit a [Change of Election Form](#) to your local HR representative once the Position-Specific Furlough ends.

### Health Saving Account (HSA)

If enrolled in the SGH High Deductible Health Plan (HDHP)

- If you receive employer contributions for your HDHP health insurance, employer contributions will continue for up to three months during furlough.
- Your pre-tax contributions made through payroll end on your last paycheck prior to the furlough and will restart when you return to work.
- If you are enrolled in the HDHP, you can make post-tax contributions during furlough. When you return to work you may need to decrease your annual election to account for any after-tax contributions, so you do not go over the annual IRS limit.
- If you allow your HDHP coverage to lapse, you may not make contributions to the HSA until HDHP coverage is reinstated.
- You can continue to withdraw HSA funds for qualified expenses if sufficient funds are available.
- If your account balance is $0.00, and a deposit has not been made in 13 months, your account will be closed.

### University Insurance Association Life Insurance (UIA)

- Coverage continues during furlough and remains in effect through September 30, 2020.
- When the annual premium is due during furlough, you will receive a bill for the coverage and will need to send a payment to the university by December 1.
- If premium is not paid, coverage will lapse. Employees will not be able to enroll upon return to work. During the next annual evaluation period (October of each year) the employee will be evaluated for eligibility requirements and employment classification (only available to Faculty, Academic Staff and Limited Appointees).

### Retirement 403(b) & 457

- Tax-Sheltered Annuity (TSA) 403b and Wisconsin Deferred Compensation (WDC) 457(b), contributions end on the last paycheck prior to furlough and resume when the employee returns to work.

---

*Every effort has been made to ensure this information is current and correct. Information on this page does not guarantee enrollment, benefits and/or the ability to make changes to your benefits.*