

What happens to my benefits when I leave UAMS

or otherwise become ineligible for benefits?

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This information was developed to assist you in making decisions about your benefits when your benefits-eligible employment ends. Perhaps you are leaving UAMS to work for another employer. Perhaps you do not have a new job lined up at this time. Perhaps you are retiring or reducing your hours to less than half-time.

If you are ending your UAMS employment for **medical reasons**, contact our office immediately (phone number below) about possible eligibility for disability, retirement, and other benefits.

If you are **retiring**, contact our office to make an appointment with a benefits counselor to discuss your benefit options.

If you are going to work for another University of Arkansas campus, be sure to visit your new Human Resources Office to arrange for continuation of your benefits.

We are happy to talk to you about your individual circumstances. This information is provided as general information only and is not intended to replace the summary plan descriptions (insurance booklets) for any of the UAMS benefit plans. This information is subject to change. Again, we encourage you to contact our office if you have questions. You'll also find information on our website.

UAMS Office of Human Resources
Employee Services (501) 686-5650
hr.uams.edu

Medical, Dental and Vision Insurance

Your coverage will end at 11:59 p.m. on your last day to be employed by UAMS.

Your medical, dental and vision coverage will automatically end when you leave UAMS' employment. Coverage ends on your last day to be an active employee in SAP. It does not extend until the end of the pay period or month.

If you don't work through the end of the pay period, your last premium will be a reduced, prorated amount. For example, if you are paid monthly and your last day is June 15, the deduction from your June check should be half the normal amount. If your department submits your termination status after payroll runs, the full premium will be deducted as normal. But you will receive a refund of overpaid premiums on the next regular payroll cycle.

Under a federal law called "COBRA" you and/or your eligible family members may be eligible to continue coverage for up to 18 months.

Your cost for COBRA coverage is 102% of the premium. That includes the amount you were paying by payroll deduction, plus the portion UAMS was paying, plus a 2% administrative fee. COBRA rates are listed on the last page.

There is no option to convert your UAMS medical or dental plan to an individual plan. COBRA may be your only opportunity to continue coverage.

Superior Vision does offer individual policies. Additional information is available at www.visionplans.com "find your plan." If you want to continue your vision coverage, you can either elect up to 18 months coverage under COBRA or enroll in an individual policy directly through Superior Vision.

After your last day we will notify HealthEquity, our COBRA administrator, to send you a letter advising you of your COBRA continuation rights. You will have 60 days from the date of HealthEquity's letter to elect coverage. Then you will have 45 days to make your first payment and 30 days to pay subsequent premiums to HealthEquity.

Once you make your first COBRA payment, your coverage will be reinstated retroactively so that there is no gap in your coverage.

If you are age 65 or older, contact our office to find out how your COBRA medical coverage would coordinate with Medicare. Detailed information is also posted on our Benefits web site found at hr.uams.edu. You will need to sign up for Medicare Parts A and B if you haven't done so already, as Medicare would become your primary coverage.

If you are retiring from UAMS you may be eligible to continue medical and dental (not vision) coverage as a "UA retiree" instead of COBRA. If at the time of your retirement your age plus years of continuous UA service equal 70 or more, and you have been continuously employed and covered by the UA plans for the last 10 consecutive years, you may be eligible for retiree benefits. You would also be eligible if you are age 65 or older, have at least 5 years of UA service, and have been covered under the UA plans for the last 5 consecutive years. Please contact our office at (501) 686-5650 to schedule an appointment so that we may discuss your benefit options with you.

If you elect coverage at your new job, be mindful of the effective date. Most employers have a waiting period before coverage takes effect. For that reason, you may need to elect COBRA coverage to cover the gap between the time you leave UAMS and your new coverage begins.

If you have a pre-existing health condition, ask your new employer or their medical insurance carrier how expenses will be covered. It is likely they will be covered, as this is a requirement of the Affordable Care Act - but still a good idea to ask.

The COBRA notice you will receive from HealthEquity will provide dates you were covered under medical. You should keep this in case your new employer requests verification. Should you need additional verification, your employer may contact our office at (501) 686-5650.

Life Insurance

Your coverage will end on your last day to be employed by UAMS.

Your group life insurance coverage -- Basic Life, Dependent Life, and Optional Life -- automatically ends when you leave UAMS.

You have a 31-day window to continue this coverage as a private policy. There are two options. One is "portability" coverage if you and your dependents do not have a medical condition that has a material effect on life expectancy -- in other words, you are in good health. The second

is "conversion" coverage. Conversion premiums are higher because you don't have to provide evidence of good health.

You should receive a letter from Standard Insurance Company within a week or two after your last day that offers this opportunity. If not, contact our office and we can provide links to the applications.

Critical Illness Insurance

Your coverage will end on your last day to be employed by UAMS.

Your Critical Illness insurance automatically ends when you leave UAMS.

You have a 31-day window to continue or "port" this coverage as a private policy.

The form for this option is available on this [UA System Benefits website](#). UnitedHealthcare, the carrier, must receive this form and your first premium payment in the mail within one month of your last day.

Short Term Disability Insurance (STD) Accidental Death and Dismemberment Insurance (AD&D)

Your coverage will end on your last day to be employed by UAMS.

Your Short Term Disability and AD&D insurance coverage automatically ends when you leave UAMS.

There is no option to continue coverage under a private policy.

Long Term Disability (LTD)

Your coverage will end on your last day to be employed by UAMS.

Your LTD coverage automatically ends when you leave UAMS. At that time you may be eligible to convert to an individual policy. Your eligibility to do so would be based upon several factors which are described in the summary plan description which is posted on this [UA System website](#).

You have a 31-day window to convert to an individual policy. You should receive a letter from Standard Insurance Company within a week or two after your last day that offers this opportunity. If not contact our office and we can provide a link to the application.

Flexible Spending Accounts

If you participate in an FSA, your deduction ends on your last regular paycheck from UAMS. The deadline to file claims is March 31 of the next year. Normally you would only be able to file reimbursement claims for expenses you incurred up through your last day of work. However, COVID stimulus legislation has added temporary flexibility

for you to continue incurring claims through the end of 2021. Click [here](#) for an update and your options to file claims incurred through December 2021.

Please be aware that the \$550 rollover benefit (after the 2021 plan year ends) does not apply to your

health care flexible spending account once your employment ends.

through December – taken out in a pre-tax lump sum from your last regular paycheck.

NOTE to health care FSA participants:

You have the option to have your remaining annual election – which is the amount that would have been deducted had you remained on UAMS’s payroll

If you choose this option, you must notify our office at least two weeks in advance of your last day, so that we have time to process this before payroll runs.

UA Retirement Plan
Contributions automatically stop with your last regular paycheck.

Options for University of Arkansas Retirement Plan benefits are outlined below. If you are a member of an alternative State retirement plan, APERS or ARTRS, you will need to contact that office for information. We can provide those phone numbers if you need them.

You are entitled to UA retirement benefits if you are “vested” and UAMS made retirement contributions on your behalf. Of course, any money you personally contributed to your retirement plan is always 100% vested and available to you.

You are vested in UAMS’s employer contributions if you completed 24 full months of continuous, benefits-eligible employment.

If you are **retiring** and are vested, you have several payout options. Because these options can be complex and your retirement plan is in your name, you will need to contact your fund sponsor to discuss your individual circumstances.

TIAA	1-800-842-2252
Fidelity	1-800-642-7131

TIAA and Fidelity counselors are available to meet individually with employees. Please contact our office at (501) 686-5650 for a schedule of these visits. You can also see a schedule on our website.

You generally have three options if you are not retiring:

1: You may **leave your money in your account**(s) if over \$5000. You don’t forfeit any of the vested benefits that have already been set aside for you by UAMS. You will still benefit from continuing growth of these funds based on dividends, interest rates, and market experience. By leaving the money in your account, you preserve it for its intent – retirement income.

If your account balance is less than \$5000, you will be given the opportunity to take a distribution. If you do not elect this, your vested account will be transferred from the UA plan to an IRA.

2: You may be eligible to rollover all or a portion of your UA retirement account into your new employer’s 403(b) or 401(k) plan, or into an IRA. If the rollover is direct to another plan -- in other words, you don’t touch the money -- there is no IRS penalty. However, if you have the distribution paid to you -- in other words, “cash out” your plan-- then there will be a mandatory 20% IRS tax withholding and possible penalties. If you are considering rolling over your UA accumulations to another retirement plan, we encourage you to carefully compare the return rates of both plans.

3: You may choose to receive a “distribution” under any of the available options available through TIAA or Fidelity. It is important to contact your fund sponsor, TIAA or Fidelity, before cashing out your retirement plan. Depending on your personal situation – for example, your age, work status and your spouse’s work – taxation could seriously diminish the value of your benefits. There will be a mandatory 20% IRS tax withholding from cash payouts. You may be subject to an additional 10% penalty if you are less than age 59½. There may also be limitations depending on where you invested your money. For example, amounts over \$2000 in some TIAA accounts cannot be pulled out all at once, but instead over a 7 to 10-year period.

Before “cashing out” or getting a distribution from your retirement plan, we recommend you first contact TIAA or Fidelity and ask for a projection of what your account balance might be if you left the money there until age 65, or any other age you anticipate retiring. You may be surprised at how much your account can grow, simply through the magic of compounded interest.

Withdrawal requests to cash out any money from your retirement plan may require Employer Authorization through our office. After you complete your portion of the forms, you may:

- Mail them to UAMS Human Resources at 4301 W. Markham, Box #564, Little Rock, AR 72205;

- Deliver them to our office, Monday through Friday from 7:30 a.m. until 4:30 p.m. Call (501) 686-5650 for directions to our office;
- Email to AskHR@uams.edu; or
- Fax to our office at (501) 686-5386. However, please note that some forms require original signature and cannot be faxed.

Several individuals in our office are authorized to sign-off on TIAA and Fidelity forms. Forms will be processed on a first-come, first served basis. We will be happy to return the completed forms to you, forward them to the fund sponsor, or call you

when they are ready to be picked up. Often we are able to sign-off online.

Important: If you cash out all or a portion of your retirement when you leave UAMS, you cannot be rehired at UAMS or any other University of Arkansas campus within 32 days. You may be required to sign a form acknowledging this. If your vacation payout exceeds that time period, the waiting period could be longer.

If it has been less than 32 days since your last day, and you are requesting a distribution, you will be required to sign a release form in our office. This form is available on our web site. Or you may contact our office at (501) 686-5650.

Leave Benefits, Misc.

Vacation/Holidays

You will be paid for your vacation and holiday leave balance on a separate check after you leave UAMS. The maximum payout is 240 hours (30 days).

Once you complete the required clearance process, Payroll will process the check on the next payroll cycle. The check will be mailed to your home.

If your vacation/annual leave is paid out, you will not be able to return to University employment until the number of days for which you received additional compensation has expired. Employees rehired or transferring to another State agency or institution may transfer all accrued annual leave. Please refer to UAMS Administrative Guide 4.6.04.

Sick

There is no provision for payment of sick leave upon separation of UAMS employment unless all of the following apply: you were in a classified position, worked more than 10 years, had more than 50 days saved up, and you are retiring.

W-2

Your W-2 form will be mailed to your home address next January. If you move, please call our office at (501) 686-5650 or email AskHR@uams.edu to provide your new address.

Credit Union

Deductions stop with your last paycheck. However, you retain your membership in the UARK Federal Credit Union even though you may no longer work for the University of Arkansas.

COBRA* Monthly Rates

Continuation of UAMS Medical, Dental or Vision

Effective January 2021

* The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) is a federal law which mandates continuation of group health care insurance plans, at workers' expenses, after a worker leaves an employer. The University of Arkansas outsources COBRA benefits administration to:

HealthEquity (former name WageWorks)
P.O. Box 226101
Dallas, TX 75222-6101
PHONE (toll-free): 1-877-722-2667
INTERNET: mybenefits.wageworks.com

MEDICAL	Classic Plan	Premier Plan	Health Savings Plan
Single coverage for Employee Only, Spouse Only, or Child Only	\$ 476.41	\$ 611.53	\$ 413.56
Employee and Spouse	\$ 1,112.59	\$ 1,392.99	\$ 941.18
Employee and Child(ren), or Spouse and Child(ren), or Children only	\$ 891.29	\$ 1,141.90	\$ 775.18
Employee, Spouse and Child(ren)	\$ 1,536.73	\$ 1,921.48	\$ 1,313.29

DENTAL

Single coverage for Employee Only, or Spouse Only, or Child Only	\$ 32.64
Employee and Spouse	\$ 67.32
Employee and Child(ren), or Spouse and Child(ren), or Children only	\$ 56.81
Employee, Spouse and Child(ren)	\$ 91.49

VISION

	Basic	Enhanced
Single coverage for Employee Only, or Spouse Only, or Child Only	\$ 5.58	\$ 11.26
Employee and Spouse	\$ 11.08	\$ 22.26
Employee and Child(ren), or Spouse and Child(ren), or Children only	\$ 10.84	\$ 21.82
Employee, Spouse and Child(ren)	\$ 16.48	\$ 33.16