

What happens to my benefits if I'm called to active military duty?

Many Americans are called to leave civilian life and serve in the armed forces, a number of them members of the National Guard and Reserves. This information summary was developed to assist you in making decisions about your benefits in the event you are called to active duty.

If your deployment is a result of an emergency declared by the President or the Governor, you may be entitled to 30 working days of paid military leave. You may also choose to be paid all or a portion your vacation time to extend your UAMS pay. Following these payments, you may be placed on "leave of absence without pay."

As long as you remain on the payroll and continue receiving a paycheck, your benefits will continue. Your share of premiums will continue to be deducted from your paycheck and UAMS will continue to pay its share. However, you have the option to discontinue all or some of your insurance plans for the time you are on military leave. When you return to work at UAMS, you generally would have 30 days to re-enroll in the plans you had dropped. By discontinuing your insurance, then re-enrolling when you return, you would not be subject to paying the insurance premiums for the time you are gone.

If you decide to keep your insurance, you will need to make arrangements before you leave to pay the amounts that would normally come out of your paycheck. Our office can provide you with a benefits statement showing the amount you would owe. This is very important, as failure to make payment could result in your benefits being terminated.

If you choose not to return to UAMS after your military duty is up, you may be offered continuation of some benefits under "COBRA", but only after you have paid all amounts that were due while you were on unpaid leave of absence.

We would be happy to talk to you about your individual circumstances. The attached information is provided as general information only, and is not intended to replace the summary plan descriptions (i.e., 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 and to get a list of all your current benefit elections.

**UAMS Office of Human Resources
(501) 686-5650**

Medical and Dental Insurance

You and your family will likely have medical and dental coverage, and perhaps vision coverage, through the military. If so, you should consider dropping your UAMS coverage while you are on military leave. You can re-enroll within 30 days of either returning to work or your military coverage ending. You will need to visit our office to complete new enrollment forms.

If you pre-tax your Medical, Dental or Vision premiums, the earliest you can drop your coverage is the date your active duty begins. You will need to fill out forms in our office, indicating if you want your coverage to end this date or a later date. **You will need to provide a copy of your military orders.**

If you pay Medical and/or Dental premiums on an after-tax basis, you may drop your coverage at any time.

Perhaps you wish to keep your family on your UA plan because you feel the benefits are better than those offered through the military. If so, you will need to arrange for payment of the premium while you are on unpaid leave of absence. The premium would be the same as that normally deducted from your paycheck. UAMS will continue to pay its portion of the premium as long as you pay your portion.

If you do not return to work at UAMS and had continued your insurance for the entire time you were on unpaid military leave, you may be eligible to continue your coverage under COBRA. The maximum amount of time you could continue COBRA coverage would be 18 months. Your cost would be 102% of the entire premium, including the portion that UAMS had paid. You will receive notification of your COBRA rights from Conexis, the University's COBRA plan administrator.

<p>IMPORTANT: Your coverage will <u>not</u> automatically be reinstated when you return to work at UAMS. You must complete new enrollment forms and submit to our office within 30 days of returning to work, or within 30 days of when your military coverage ends. Coverage takes effect the first of the following month.</p>

Life Insurance

UAMS will continue your employer-paid Basic Life Insurance coverage for your first 12 months of active military duty.

If you have the supplemental coverage -- Optional Life and/or Dependent Life -- you can keep that coverage for up to **12 months** from the date your active military duty begins.

Your Optional Life and Dependent Life coverage will automatically continue as long as you receive a UAMS paycheck. If you wish to keep your coverage while on unpaid military leave of absence, you will need to make arrangements to continue paying the premiums before you leave. The premium would be the same as that normally deducted from your paycheck, plus any rate increases that would normally occur should you have a birthday that puts you in a different age bracket (refer to rate sheet).

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If you drop your Optional Life or Dependent Life coverage because of your military deployment, you may re-enroll within 90 days of military discharge. But reinstatement is not automatic. You must complete new enrollment forms and submit to our office within the deadline.

If you do not return to UAMS and your employment is terminated, your coverage (had you continued it and were caught up on the premiums) will end on that day.

Accidental Death and Dismemberment Insurance (AD&D)

AD&D does not pay benefits while you are on active military duty. Therefore you should drop this coverage if you have “employee only” AD&D. You can re-enroll any time after you return to work, as there is no limited enrollment window for AD&D. Employees can enroll, change, or drop their AD&D coverage at any time, and the change would take effect the first of the following month.

If you have “employee and family” AD&D, you can keep your coverage. Although you would not be eligible for benefits if an accident occurred to you while you were on active duty, your family would remain covered. You will need to arrange for payment of the premium while you are on unpaid leave of absence. The premium would be the same as the amount normally deducted from your paycheck.

If you do not return to work at UAMS, your coverage would end based on either the last premium you paid or your termination date.

Long Term Disability (LTD)

UAMS will continue your employer-paid Basic LTD coverage for your first 12 months of active military duty. If you have the supplemental coverage -- Optional LTD – you can keep that coverage for up to **12 months** from the date your active military duty begins.

You need to be aware that your coverage doesn't pay benefits if a disability is caused by an act of war. If you elect to drop your coverage for this reason, you can re-enroll within 90 days of military discharge. But reinstatement is not automatic. You must visit our office to complete new enrollment forms.

If you do not return to UAMS and your employment is terminated, your coverage (had you continued it and paid the premiums) will end on that day.

If you are a College of Medicine Faculty Group Practice member, contact Jim Foss & Associates at 221-3700 to discuss your LTD benefit options.

Section 125 Flexible Spending Accounts

If you participate in a dependent care flexible spending account, you may end your participation when you begin your unpaid leave of absence (or earlier if you are still on the payroll but have been deployed). You will have 30 days from that date to submit a claim for dependent care expenses that you incurred through the date you ended your account. If you return to UAMS before the calendar year

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ends, you should consider re-enrolling or changing your elected annual amount; otherwise, the remainder of your election will be deducted from your remaining checks.

Example: You are paid monthly and elected to put \$2,400 into a dependent care reimbursement account to cover your son's daycare expenses. You leave in April for military duty, but remain on the payroll through the end of July. As of July you had contributed \$1,200 to your account. Your military duty ends and you return to work at UAMS in November. \$600 will be deducted from each of your November and December checks (to reach your annual elected amount of \$2,400), unless you fill out a change form within 30 days of returning to UAMS.

If you participate in a health care flexible spending account, you need to contact our office before you begin your military leave to discuss your options. Your options include:

1. Changing your annual elected amount at the time you begin an unpaid leave of absence.
2. Changing your annual elected amount at the time you return to work at UAMS.
3. Electing to have your remaining annual election (the amount that would have been deducted had you remained on UAMS's payroll through December 31st) taken out in a **pre-tax** lump sum from your last paycheck before you begin your unpaid leave of absence. This means you would be able to submit claims for health care expenses that you incurred from January 1st through the end of the calendar year.

UA 403b/457b Retirement Plan

For retirement benefit purposes, your period of active military duty will be counted the same as active UAMS service. This means if you were not vested at the time you began your military duty (perhaps because you had not worked 3 years), the time you are on military leave will count the same as if you were still working.

Your personal contributions will continue to be deducted from your paycheck as long as you remain on regular payroll, unless you fill out a form to stop them. UAMS will also continue making its matching contribution for each pay period you also make a contribution, up to the applicable maximums set by the IRS. If you stop your contribution but are still getting a UAMS paycheck, UAMS' contribution will drop down to the mandatory 5%.

When you return to work, your contribution will resume, based on what it was when you began your unpaid leave of absence. If you wish to increase your contribution to make-up for the lost contributions while you were on unpaid military leave, UAMS will also make-up the appropriate matching contribution. Even if you do not make-up your lost contributions, UAMS will contribute the mandatory minimum 5% based on the salary you would have received had you not been called to active duty.

If you are a member of the APERS or ARTRS retirement plan, please visit with us before you leave about the impact to your retirement benefits.

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VOLUNTARY INSURANCES

Long Term Care, Home/Auto, Critical illness, Vision

Your premium will continue to be deducted as long as you remain on UAMS payroll. You will need to contact the insurance carrier to arrange for continued payment for the time you are on unpaid leave of absence, or should you wish to drop coverage.