

## **BENEFIT INFORMATION UPON TERMINATION OF EMPLOYMENT**

**Medical, Dental and Vision Insurance:** Contact Benefits Customer Service, 565-2900

Your medical, dental, and vision coverage expire after you have a pay period with less than half your normal biweekly in-service hours. The first date without coverage is the pay date when you no longer pay a premium payment. You have the option of continuing coverage under a federal program called Consolidated Omnibus Budget Reconciliation Act (COBRA). COBRA allows you to continue your medical, dental, and vision coverage for up to 18 months from your termination date by paying the full cost of the coverage plus a 2% administration fee. You will receive information and the COBRA Notification regarding COBRA eligibility and your option to continue coverage approximately two to three weeks after your last day of coverage.

**Important note:** You only have 60 days from the date you receive the COBRA Notification to make your elections for COBRA health coverage.

You will receive the COBRA offer at your home address from a third party administrator, Conexis. If you have questions after you receive your COBRA offer, please contact Conexis at 1-877-722-2667 or [www.conexis.org](http://www.conexis.org). Be sure to keep your payroll clerk informed of any address changes for you and your eligible dependents.

The American Recovery and Reinvestment Act of 2009 (ARRA) provides a COBRA premium reduction for Assistance Eligible Individuals (AEI's). The premium reduction is available to certain individuals who experience a qualifying event that is an involuntary termination of employment during the period beginning with September 1, 2008 and ending with December 31, 2009. These individuals may be eligible for the temporary premium reduction for up to nine months.

However, if a qualified beneficiary is eligible for other group health coverage (such as through a new employer's plan or a spouse's plan) or Medicare, he or she is not eligible for the premium reduction.

If you qualify for the premium reduction, you need only pay 35 percent of the COBRA premium otherwise due to the plan. The premium reduction is not available for periods of coverage prior to March 2009. Complete details will be included in the COBRA notice sent to each terminating employee.

At the end of the 18-month COBRA continuation period, you may be able to convert your medical coverage to an individual insurance policy. Contact the medical plan directly if interested.

**For employees covered by SEIU, Salary Resolution, and ESC in bargaining units 00, 01, 05, 10, 25, 45, 49, 50, 51, 52, 60, 75, 80, and 95:**

If you are presently receiving medical insurance coverage provided by the County and are laid off, the SEIU MOU (19.3.6), the ESC MOU (19.5e), and the Salary Resolution (32.4) provide for a County contribution toward your medical insurance (for your plan and for the dependents as enrolled at the time of layoff). You have the option to drop dependents at the time of layoff, however, no dependents may be added except for newly acquired dependents and only within 30 days of the event (e.g., newborns).

The County will make its usual *medical* insurance contribution for the first six pay periods following layoff and one half (50%) of its normal contribution for the next six pay periods

following layoff. This only applies to medical, not dental and vision, and is coordinated with COBRA.

**Life Insurance:** Contact Benefits Customer Service, 565-2900

Eligibility for life insurance ceases upon termination from County employment. You may convert to an individual policy through the Hartford Life Insurance Company. Your application must be submitted and the first premium paid to Hartford Life and Accident within 31 days after termination of insurance under the County's group policy. The conversion application is provided to you by your Payroll Clerk. More detailed plan information may be obtained from Human Resources Benefits Unit or The Hartford Life Insurance Company, (888) 563-1124.

**Retirement:** Contact Elizabeth Anderson or Helen Olson, Sonoma County Employees' Retirement Association (SCERA), 565-8100.

SCERA Members – if you currently participate in the County's Retirement System, you have various options with regard to the money in your retirement account (your own contributions plus interest) when you terminate employment with the County. Please contact the Retirement Office to determine your specific options. Some options include:

- 1) withdrawing your retirement contributions plus accumulated interest (or rolling them directly into an IRA or other eligible plan)
- 2) leaving your contributions in the plan if you have five years service credit in Retirement, and deferring your retirement to a later date or until you wish to rescind the deferment and withdraw your funds
- 3) leaving your contributions in the plan if you have less than five years service credit in Retirement
- 4) applying for reciprocal benefits if employed within six months by another 1937 Act County or other public employer participating in California PERS
- 5) if permanently disabled from your County job, applying for a disability retirement benefit
- 6) if eligible to retire (must have ten years of service credit in Retirement and be at least 50 years of age), applying for a service retirement.

If you withdraw your retirement contributions plus interest, the refund process can take from four to six weeks. A more detailed explanation of each option is provided on the SCERA website at [www.scretire.com](http://www.scretire.com) or on pages 9, 10, and 11 of the Sonoma County Employees' Retirement System Plan Summary.

If you are laid off and then re-employed by the County of Sonoma within one year of termination as a result of layoff, it will not be considered as a break in the continuity of service as it relates to entry age in the Retirement System.

**Deferred Compensation:** Contact Karen Davis, Deferred Compensation, 565-3221

**457 Retirement Plan.** Contributions cease at the time of termination. You may take your account balance as a withdrawal and applicable taxes will be withheld. If your account exceeds a specific amount (\$1,000), you may leave the funds in the account until such time as you wish to take a withdrawal; maximum age is 70½. To take any action on your account, you will need to complete a Payment Option Form available through the Auditor-Controller-Treasurer-Tax Collector's Office. If your balance is less than \$1,000 and no action is taken within 30 days from your termination date, the amount will be automatically distributed less applicable taxes. There are no early withdrawal penalties for 457 plans.

**401(a).** Contributions cease at the time of termination. You may leave the funds in the account until such time as you wish to take a withdrawal and applicable taxes will be withheld. If you are under the minimum age is 59½ at the time of withdrawal, there is an early withdrawal penalty (10%). There is no minimum dollar amount for maintaining a balance in your account. To take any action on your account, you will need to complete a Payment Option Form available through the Auditor-Controller-Treasurer-Tax Collector's Office. A copy of the IRS Rules will be provided when the Payment Option Form is requested. For 401(a) accounts, there will be no automatic lump sum payment if no action is taken on your behalf.

With both types of accounts, should you wish to maintain a balance, you can still change your investment options.

You can contact the above number to discuss related questions.

**Vacation, Compensatory Time Off, and Sick Leave Payoffs:** Contact your department Payroll Clerk

Employees, who terminate employment, are entitled to payment for all unused vacation and compensatory time off accrued at the time of separation, and 25% of all unused sick leave accrued at the time of separation. Payment is at the employee's base hourly rate. Payoff is normally received one to two pay periods following termination of County employment. If you are eligible to retire or to defer your retirement, please contact the Retirement Office (565-8100) regarding vacation buy-back before retirement/layoff.

**Flexible Spending Accounts – DCAP/HCAP:** Contact the Auditor-Controller-Treasurer-Tax Collector's Office, Payroll Division, 565-6024

#### Dependent Care Assistance Plan (DCAP)

No additional deposits can be made to your DCAP account after your termination date and this program is not eligible for continuation through COBRA. However, you can continue to submit eligible expenses until your account is exhausted. Expenses must meet the eligibility requirements defined in the Highlights brochure (e.g., only expenses incurred while you are gainfully employed are eligible).

#### Health Care Flexible Spending Account (FSA)

Claims for valid Health FSA expenses incurred during the portion of the plan year in which you were covered prior to the termination date of your coverage can be submitted for reimbursement. The deadline for submission of these claims is the end of the plan's runoff period (March 31st). **However services must have been incurred on or before the**

**termination date of your coverage, unless you continue your coverage through COBRA, see below.** You will not receive reimbursement for expenses incurred after the termination date of your coverage unless you apply for and are eligible for COBRA. If you wish to continue to make deposits to your account or submit eligible expenses incurred after your coverage termination date you may do so by applying for COBRA continuation coverage as explained below.

COBRA continuation is available until the end of the plan year's grace period, which is March 15<sup>th</sup> in the year following your termination. If you have a positive unreimbursed account balance, COBRA enables you to continue participation by making after-tax contributions to your account. To receive reimbursement for eligible medical expenses incurred after your termination date, a COBRA election must be made within 30 days of your receipt of the COBRA Notification and premiums made by the due date specified in the notice. Consult the FSA Highlights brochure for complete details. Your Health FSA coverage end date is the same as your medical insurance end date.

**Severance Period (only for employees who are terminated due to lay-off):** Contact your designated department contact.

All employees generally receive at least three weeks notice in advance of being laid off. If you are covered by SEIU, ESC, or the Salary Resolution, and are laid off and cannot displace another employee or secure other regular County employment, you may also separate from county service after the eighth work day of the three-week notice period and receive your normal base salary for the hours you would normally be scheduled to work during the remainder of the three-week period.

**Housing Advisory Committee (HAC):** Contact Valerie Johnson, Community Development Specialist at the Community Development Commission, 565-7514

The Housing Assistance Committee has adopted a deferral policy for employees that are laid off and may have a Rental/Mortgage Assistance Loan, a First-Time Home Buyer Loan, or a Housing Rehabilitation Loan from the Housing Assistance Fund. At an employee's request, loan payments can be deferred for up to six months from the date of termination from County employment.