THE CITY UNIVERSITY OF NEW YORK

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for Time and Leave Credits as a consequence of Classified Staff Layoff Procedures
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Issue:
The following bulletin serves as guidance regarding the benefits to which employees are eligible as a consequence of a reduction in force or abolition of positions.
THE CITY UNIVERSITY OF NEW YORK

BENEFITS ELIGIBILITY AND PAYMENTS FOR TIME AND LEAVE CREDITS AS A CONSEQUENCE OF CLASSIFIED SERVICE LAYOFF

University Personnel Office
April 1995
I. PAYMENT FOR TIME AND LEAVE CREDITS UPON SEPARATION FROM CUNY SERVICE

There is a one year maximum payment of unused accrued leave balances upon a covered employee's final separation from CUNY service. This includes unused accrued overtime, including compensatory time, annual leave, and terminal leave based on sick leave.

A. Annual Leave and Compensatory Time

An employee with creditable accrued annual leave and/or compensatory time balances may be required to use them before the date of separation. The employee will receive a lump sum cash payment for such balances unused by the date of separation.

If an employee who is separated from CUNY service later re-enters CUNY service, the rate at which that employee accrues annual leave may be affected. However, for determining annual leave accrual rates, time spent on a preferred list is counted as if the employee had worked all along. Separated employees who re-enter CUNY service should contact their College Personnel Officers to determine correct accrual rates.

B. Sick Leave

An employee, in other than a skilled trades title, with creditable sick leave, and ten years of continuous service, may be eligible to receive cash payment for a portion of unused sick leave upon separation. In general, after 10 years of continuous service, employees may be granted payment for 1/2 of their sick leave accrued up to a maximum of 120 days. As per Appendix A of the Comptroller Regulations, there are two methods for computing terminal leave benefits for skilled trades titles; however, if the method selected is as one-half the number of unused sick days, the maximum payout may not exceed 100 days. Employees should contact their College Personnel Officers for specific information.

C. Meal Allowance, Travel Allowances, etc.

An employee who is owed meal allowances and/or reimbursement for travel expenses or other petty cash expenditures must complete and submit a Personal Expense Form (Comptroller A-24; or AC 132 and if applicable AC 160) to the employing college. A reimbursement check will be sent after termination of services.

II. UNEMPLOYMENT INSURANCE

A separated employee may be eligible for Unemployment Insurance Benefits up to a maximum of $300 per week, for up to 26 weeks.
To qualify for unemployment insurance, a separated employee must:

- Have been employed [by any employer(s)] in at least 20 of the 52 weeks before the date of the claim;
- Have at least $1,600 in covered earnings during these twenty weeks;
- Have lost the job through no fault of his or her own;
- Be ready, willing, and physically able to work;
- Be making active efforts to find other employment; and
- Not refuse a job for which the separated employee is suited by training and experience.

Employees who did not accept the option when offered to bump, retreat, or revert to another title, or to accept an appointment to another college may find their eligibility to receive unemployment insurance adversely affected. This may also be true for employees who elect to retire rather than to be laid off.

Employees may apply for these benefits at the unemployment insurance office nearest their home. To locate the office nearest their homes, New York State residents may call (718) 791-7268. Residents of other states should contact their state unemployment insurance agency.

III. HEALTH PLAN BENEFITS

CUNY health plan benefits will be discontinued at the end of the last payroll period for which the laid off employee is paid. Depending upon individual circumstances, employees have several options to continue benefits. These options, detailed in the NYC Employee Benefits Program Health Benefits Summary Program Description (SPD) are outlined below:

A. Health Plan Benefits Conversion Option

Laid off employees may purchase health coverage on an individual direct pay basis. Benefits under this type of policy are of indefinite duration and may vary from the City's "basic" benefits package in both the scope of benefits and the cost to the individual.

An individual electing the conversion option must notify the health plan of his/her request or such coverage within 45 days of termination of coverage under CUNY's group. In most cases, for the first 18 months following separation, the benefits the employee could elect under COBRA (Section B below) will be more extensive than a conversion option.

For further information on the scope and cost of benefits available, employees should contact their current health plan.
B. COBRA Continuation Benefits

The Federal Consolidated Omnibus Budget Reconciliation Act of 1985, also known as COBRA, requires that the City offer employees, retirees, and their families the opportunity to continue group health and/or welfare fund coverage at 102% of the group rate, in certain instances where the coverage would otherwise terminate. All group benefits, including optional benefits riders, are available. Welfare fund benefits which can be continued under COBRA are dental, vision, prescription drugs, and other related medical benefits. The period of coverage varies from 18 to 36 months, depending on the reason for continuation. COBRA eligibles who are disabled under Social Security definitions may receive up to 29 months of COBRA (see disability section). If the reason is termination of employment, the employee is eligible for COBRA continuation benefits for up to 18 months.

Employees eligible for COBRA will receive a copy of "Notice of Rights When Your Health Insurance Terminates", a list of Welfare Fund Administrators, and COBRA premium leaflets along with a "COBRA Continuation of Coverage Application" from their college personnel office. To elect continuation of health coverage under COBRA, the COBRA eligible person must complete the "COBRA Continuation of Coverage Application". Employees should contact the applicable welfare fund if they wish to purchase welfare fund benefits.

Eligible persons electing COBRA continuation coverage must do so within 60 days of the date on which they receive notification of their rights. Premium payments will be made on a monthly basis.

C. Disability Benefits

If, on the date of the termination of employment, an employee is totally disabled as a result of an injury or illness, the employee remains covered with respect to the disability for up to a maximum of 18 months for the GHI-CBP plan and up to 12 months for the HMO plans.

GHI Type C provides only 31 days of coverage. This extension of benefits applies only to the disabled person and only covers the disabling condition. Under the GHI plans, if a subscriber is hospitalized at the time of termination, hospital coverage (under Blue Cross) is extended only to the end of the hospitalization. Employees should contact their health plan for details.

Covered persons who are disabled under the definition established by the Social Security Law, at the time of a COBRA qualifying event of termination of employment or reduction of hours, are entitled to continue coverage through COBRA for up to a total of twenty-
nine (29) months from the date of initial qualifying event. The cost of coverage during the last eleven (11) months of this extended period is one hundred fifty percent (150%) of the CUNY cost for the benefit. Persons so disabled must inform the health plan within sixty (60) days of the disability determination and within thirty (30) days of the disability ceasing.

D. Medicaid and Medicare

Laid off employees may be eligible for Medicare if they meet certain income requirements. They can call the Human Resources Administration (718) 291-1900 for further information. Persons over 65 or disabled may be eligible for Medicare. Contact any local Social Security Office for further information.

E. Health Plan Benefits Upon Retirement

CUNY will continue basic health plan coverage for employees who retire provided that they meet all the following requirements:

1. Have at least five years of credited service as a member of an approved pension system (this requirement does not apply if they retire because of accident disability); and
2. Have been employed by CUNY prior to retirement; and
3. Have worked regularly for at least 20 hours per week; and
4. Receive a pension from a retirement system maintained by CUNY or another system approved by CUNY.

In order to continue coverage as retirees, employees must file a Retiree Health Benefit Application (Form P2R) at their payroll or personnel office prior to retirement.

F. Health Plan Benefits Upon Election of a Deferred Pension

Under NYCERS:

For employees eligible for deferred retirement under the NYCERS, who elect a deferred pension, CUNY will continue to pay for basis health insurance coverage for up to five years immediately following retirement or until the employee reaches pension payability, whichever comes first, provided the employee meets all of the following requirements:

1. Be enrolled in the Career Pension Plan (Plan A or Plan C) in the New York City Employees’ Retirement System or the Board of Education Retirement System; and
2. Have 20 years credited pension service; and
3. Be enrolled in the City’s Employee Benefits Program.
College payroll or personnel officers can help make the special arrangements necessary for this coverage.

Under NYCTRS or BOERS:

Rules regarding health benefits eligibility upon retirement for members of the NYCTRS or the BOERS differ from those listed above for NYCERS. Members of either of those retirement systems should consult with their College Personnel Office for further details.

G. **Union or other Welfare Fund Benefits**

Employees who are members of a welfare fund administered by a union should contact their welfare fund to determine what benefits maybe continued. Dental, vision care, prescription drugs, and other related medical benefits provided by a welfare fund may be offered through COBRA continuation coverage. Other welfare fund benefits may be offered through conversion to direct payment.

**MISCELLANEOUS**

When an employee is separated, all payroll deductions cease. Employees wishing to continue membership in a union, or to make payments to a credit union, must make payment arrangements directly with these organizations.

The employee will receive a refund for any bond deductions not credited to a bond.

V. **CHANGE OF ADDRESS**

An employee whose name appears on a preferred list, transfer in lieu of layoff roster, placement roster, reemployment roster, promotion or open competitive eligible list, who changes address, must notify their college of the information. The college will forward the information to the University Personnel Office.

VI. **PENSION INFORMATION**

A. Immediately upon notification of layoff, all members regardless of their tier should report to either NYCERS at 220 Church Street, Room 1608, New York, N. Y. 10013, or NYCTRS at 40 Worth Street, 14th Floor, New York, New York 10013 for individual consultation. Membership number and Social Security Number must be provided when contacting either NYCERS or NYCTRS.

B. Non-Members of the Retirement System
Employees who are not members of a retirement system should consider joining a retirement system before leaving CUNY employment. By joining, they will protect their rights to purchase previous CUNY service in the event they return to CUNY or begin employment for a City or State organization or agency in the future.

C. Tier 4 Members of either the New York City Employees' Retirement System (NYCERS) or New York City Teachers' Retirement System (NYCTRS) [joined after July 26, 1976]

1. With under 10 years of credited service members may:
   a. Apply for refund of their contribution and thereby terminate their membership and relinquish all rights to any benefits attached thereto.
   b. Leave their contributions on deposit and retain any and all membership rights for 5 years (not including time on a preferred list)
   c. Be eligible to purchase additional service and vest their pension benefits

2. With over 10 years of credited service members are:
   a. Automatically vested but should file an intent to vest form with: NYCERS, Room 1600 at 226 Church Street, New York, New York 10013, or NYCTRS at 40 Worth Street, 14th Floor, New York, New York 10013
   b. Ineligible for a refund of their contributions.

* Note: As of July 1, 1991 Tier 4 members of NYCERS and NYCTRS may be eligible to apply for a pension loan. This will not terminate their membership as opposed to a refund of their pension contributions. Loans, however, may result on tax consequences to the employees so consultation with a tax advisor is recommended.