

**MANAGING CHANGE
FREQUENTLY ASKED QUESTIONS
(2/28/11)**

1. **Question:** What exactly does a “workforce reduction” mean?

Answer: A “workforce reduction” is the deletion of positions due to budget cuts, reductions in authorized filled or vacant positions, program reductions resulting from outsourcing or privatization efforts, program phase-outs, elimination in grants, or other actions.

2. **Question:** What is the process for reducing the workforce?

Answer: Once the agency determines the necessity of a workforce reduction, the agency identifies vacancies that may be deleted prior to impacting employees. If employees are to be impacted, the agency must determine the mission and goals that must be accomplished by the remaining employees. Once that is determined, the agency will evaluate the comparative merit of the employees through a comparison of each employee’s value in relationship to each other taking into consideration overall performance, skills and experience and the ability of the employee to accomplish the mission and goals required.

3. **Question:** If I am officially notified that my Career Service position is identified for deletion, what are my options?

Answer: Upon determination that your position will be abolished, you will be notified that you are an adversely affected employee. You will have the following options:

- Request placement assistance in locating other employment. You may be entitled to the right of first interview within any state agency for a vacancy to which you may apply, provided you meet the minimum qualifications for that position. This right is limited to only the first interview afforded by an agency.
- Elect to be laid off.
- Elect to retire, if applicable.

4. **Question:** What happens to my salary upon reassignment or demotion?

Answer: Your base salary (excluding any Competitive Area Differential or other pay additive) will be determined by the agency’s policy.

5. **Question:** As an adversely affected employee, do I have to meet the minimum qualifications for the class?

Answer: Yes, you must meet the minimum knowledge, skills and/or abilities or required licensure, certification or registration for the position in which you are to be placed.

6. **Question:** What are my appeal or grievance rights?

Answer: If you are an employee who is covered by a collective bargaining agreement, the decision regarding a lay-off is not disciplinary and is not subject to the grievance

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procedure. However, an employee may file a grievance if they believe that the action violated the provisions of the Workforce Reduction article of the respective collective bargaining agreement. Since a lay-off is not a disciplinary action, it may not be appealed to the Public Employees Relations Commission.

7. **Question:** What if I believe I have been discriminated against?

Answer: If you believe you have been discriminated or retaliated against due to a federal or state protected basis, you may file a complaint within the Department of Health with the Office of the Inspector General or the Equal Opportunity Section in the Bureau of Human Resource Management, or with the Florida Commission on Human Relations, or the United States Equal Employment Opportunity Commission.

8. **Question:** What if I have questions regarding my retention preference as a veteran in a Career Service position?

Answer: Please contact your servicing HR, Labor Relations office or you may contact the [Department of Veterans' Affairs](#), Division of Benefits and Assistance, Post Office Box 31003, St. Petersburg, FL, 33731; (727) 319-7462.

9. **Question:** If I am laid off, what happens next?

Answer: To assist you in locating other employment, you may be entitled to the right of first interview within any state agency for a vacancy to which you may apply, provided you meet the minimum qualifications for that position. This right is limited to only the first interview afforded by an agency. When applying for such vacancies, you must advise the state agency with the vacancy that you were laid off from the Department of Health and you wish to exercise your right to a first interview.

Payroll and Leave

10. **Question:** When will I receive my final pay warrant?

Answer: Your final pay warrant will be paid based on the current [bi-weekly pay schedule](#) for non-OPS employees.

11. **Question:** If I am Career Service, what happens to my annual leave balances if I am laid off?

Answer: A CS employee with twelve months of service will be paid for all unused annual leave up to 240 hours unless the employee requests in writing that the annual leave be held in abeyance up to a maximum of one year, pending reemployment. If the employee is reemployed within one year, annual leave credits shall be restored if the employee so requests in writing and repays the full amount of any lump-sum payment received for accumulated leave credits. If the employee is not reemployed within one year, unused annual leave held in abeyance will be paid.

12. **Question:** If I am Selected Exempt Service (SES), what happens to my annual leave balances if I am laid off?

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Answer: A SES employee who is being laid off shall be paid for all unused annual leave up to 480 hours, with the current year's accrual prorated, unless the employee requests in writing that the annual leave be retained up to a maximum of one year, pending reemployment. If the employee is not reemployed within one year, unused annual leave held in abeyance shall be paid. If the employee is reemployed within one year, annual leave credits shall be restored if the employee so requests in writing and repays the full amount of any lump-sum payment received for accumulated leave credits.

13. Question: What happens to my sick leave balances?

Answer: If the employee has ten years or more of creditable state service and is otherwise eligible for receipt of sick leave payment pursuant to the rule, the agency shall pay for the credits at the time of layoff, unless the employee requests in writing that the agency hold the credits in abeyance pending reemployment within one year.

If the employee is reemployed within one year following layoff, an agency shall restore the credits to the employee, provided the employee requests restoration in writing and returns the full amount of any payment received at the time of layoff for the credits.

If the employee is not eligible for receipt of sick leave payment at the time of layoff, the agency shall hold the credits in abeyance and, if the employee is reemployed within one year following layoff, shall credit them to the employee upon reemployment.

Employees with at least ten years of creditable service requesting payment will be paid for 1/4 of all unused sick leave earned after October 1, 1973, up to a maximum payment of 480 hours and 1/8 of all unused sick leave earned prior to October 1, 1973.

14. Question: If I receive payment for unused sick leave, can I repay it also?

Answer: All unused sick leave credits will be restored to you provided you request it in writing and repay the full amount of any lump sum payment received for accumulated sick leave.

15. Question: What happens to my regular compensatory leave balance?

Answer: Any accumulated regular compensatory leave will be held in abeyance pending reemployment within 12 calendar months after layoff and then forfeited.

16. Question: What happens to my special compensatory leave balance?

Answer: All unused special compensatory leave credits will be paid in a lump sum at the time of layoff.

17. Question: Will I be paid for my personal holiday if I haven't used it prior to separation from employment?

Answer: No. If you have not used your personal holiday, you will not be paid for it after separation.

18. Question: How can I determine how much money I will receive for my leave balances?

Answer: The rate of pay is determined by adding the biweekly base rate of pay and all salary additives (except on-call) that are received each pay period. That figure is divided by 80, resulting in an hourly rate of pay. This hourly rate of pay would be multiplied by the residual leave hours to be paid (determined by the HR office conducting an official leave audit) in order to determine the gross payment for leave. You can view your pay stubs on the Employee Information Center (<https://apps.fldfs.com/EIC/EmployeeInfoCenter/>).

19. Question: When will I receive payment for my leave balances?

Answer: If you elect (and are eligible) to be paid for your leave balances, they will be input for payment after 31 days of separation. The net funds will be deposited to your direct deposit account on record in People First. If you do not have direct deposit, the paper warrant will be delivered to the agency and forwarded to you at your direction.

20. Question: Can I still receive my Form W-2 electronically?

Answer: Yes, you will have access to your Form W-2 electronically as long as you have elected to receive it through the Employee Information Center (<https://apps.fldfs.com/EIC/EmployeeInfoCenter/>). It will be available to you for up to four years after separation.

21. Question: My net pay is directly deposited to a financial institution. Do I need to stop it and how?

Answer: Unless you are closing your personal banking account, you do not need to stop your direct deposit.

Insurance & Miscellaneous Deductions

22. Question: How long will my state-sponsored benefits (state health, life, dental, other pretaxed supplemental plans) continue after my employment ends?

Answer: Coverage will be effective through the end of the next month after the month your employment ends. Example, if your termination date is June 20, coverage continues through July 31, terminating on August 1.

23. Question: May I continue my health insurance coverage if my employment ends and how much will it cost?

Answer: Yes. As an employee being laid off, you are eligible to continue health and basic life insurance coverage while in layoff status for up to two years (24 months). You must pay the entire premium for these plans; current monthly rates for health insurance are:

| | <u>Standard Plans</u> | <u>Health Investor Health Plans</u> |
|------------|-----------------------|-------------------------------------|
| Individual | \$549.80 | \$514.80 |
| Family | \$1,243.34 | \$1,127.64 |

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Although you have the option to continue health and basic life under the layoff provision, by law, we must also advise you of your right to continue health coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA). This provides that terminating insured employees and their covered dependents may elect to continue their group health, dental, and vision coverage for up to 18 months from the date employment terminates or until the employee becomes covered under another group plan, whichever is first. COBRA premiums are typically the entire premium plus a 2% administrative fee; current monthly rates for health insurance are:

| | <u>Standard Plans</u> | <u>Health Investor Health Plans</u> |
|------------|-----------------------|-------------------------------------|
| Individual | \$534.09 | \$455.90 |
| Family | \$1,207.82 | \$1,004.81 |

The employee will receive an application for COBRA benefits for health, vision, and dental, if applicable, from the People First Service Center within 30 days of termination. The employee has 60 days from receipt of the application to elect continuation of coverage. Employees who take the full 60 days from receipt of the application before electing continuation of coverage will be required to make up the premium under payments.

Premium payments should be submitted to People First by the 10th of the month prior to the coverage month; for example, the payment for August is due by July 10. You will receive information regarding continuation of coverage from People First within 30 days of the date your separation is processed in People First or you may contact People First at 1-866-663-4735.

If you have any other supplemental plans, i.e., cancer/intensive care, accident/disability, supplemental hospital, you will need to contact the insurance company directly to continue coverage, if allowed, within 31 days of separation.

- 24. Question:** What about my \$25,000 state basic life insurance coverage that the state pays the premium for now and the optional life that I pay for based on increments of my salary? May I continue those?

Answer: Yes, you may continue the basic life under the layoff provision for up to 24 months by paying the monthly premium of \$4.54 to People First. The basic life policy, underwritten by Minnesota Life, may also be converted to an individual plan. If you wish to have the insurance converted, contact Minnesota Life at 1-888-826-2756 within 31 days from the date coverage ends. If you leave employment, other than by retiring, you may be eligible to take your Optional Life coverage with you and pay premiums directly to Minnesota Life. [Portable coverage](#) must be applied for within 31 days of termination. Premiums may be higher than those paid when you were an active employee.

- 25. Question:** My spouse works for the state; can s/he pick up the state health insurance coverage and other pretax benefits I carry that s/he is covered on?

Answer: Yes, your termination is a qualifying event that would allow your spouse, if he/she is a state employee, to enroll in state health insurance or any other pre-taxed

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supplemental plan that you are enrolled in, except certain grandfathered plans, within 31 days of your termination. Your spouse must contact his/her servicing human resources or the People First Service Center at 1-866-663-4735, Monday – Friday, between 8 – 6 pm, ET to make arrangement to continue a family or individual policy. Delaying this process may result in a premium underpayment.

26. Question: Can I continue all of my non-state sponsored, miscellaneous deductions?

Answer: Deductions will terminate with your final pay warrant. You must contact each company directly to continue coverage, if possible, and make arrangements for premium payments. You should contact the companies within 31 days of termination to avoid a lapse in coverage. If you were having payroll deductions for the prepaid college or loan repayment deductions to a credit union, you will need to contact those entities directly to make other payment arrangements. Contact your servicing human resources office if you need insurance company contact information.

Flexible Spending Accounts

27. Question: What happens to my Dependent Care Reimbursement Account (DCRA)?

Answer: Participation in this account will terminate with your last payroll deduction. You may continue to file claims incurred prior to your termination against any balance in this account until the end of the calendar year.

28. Question: What happens to my Medical Reimbursement Account (MRA)?

Answer: Participation in this account will terminate with your last payroll deduction. You must elect to continue or to terminate plan participation by completing the [Medical Reimbursement Account Termination of Employment Form FB-4](#). You may elect one of the following options to continue participation:

- Full payment of the balance due can be deducted from any annual and sick leave payment for which you are eligible. This would be on a pretax basis.
- Partial payment of the balance due can be deducted from the annual and sick leave payment. This would be on a pretax basis. The remaining balance will be paid by personal check or money order within 45 days of election although it would not provide any pretax advantage.
- Full payment of the balance due, paid by personal check or money order, within 45 days of election. This option has no pretax advantages.
- Monthly payments of balance due paid by personal check or money order by the first of each month and will include a 2% administrative fee. This option has no pretax advantages.

29. Question: I have a *myMRA* card that I use for my MRA expenses. What happens to my card if I leave state employment?

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Answer: Your *myMRA* card is suspended on the date you end employment with the state. If you made arrangements to continue your MRA following termination using the FB-4 mentioned in the previous question, you may submit claims incurred during the remainder of the plan year by properly completing and submitting [claim forms](#) with accompanying documentation.

- 30. Question:** I have a Health Savings Account (HSA) and the state contributes money to it each month. What happens to that if I leave state employment?

Answer: The state will no longer contribute to your account when your employment ends. Money in your HSA, including the state contribution, is yours to use for eligible health care expenses.

Retirement

- 31. Question:** What happens to my retirement credits in the Florida Retirement System (FRS) if I am not eligible for retirement when I am laid off?

Answer: Under the FRS Pension Plan, all your service credit remains on account under your social security number. Should you return to FRS-covered employment, your future service credit will be combined into the same account regardless of the period of separation.

Under the FRS Investment Plan, if your vested funds remain in the account, future contributions will be combined into that account. You may be required to receive a mandatory de minimis distribution of your inactive account balances. Without requesting a distribution, non-vested funds are held in a suspense account for up to five years. If you do not return to a FRS-covered position within five years, your non-vested funds are forfeited. Non-vested funds are forfeited when you request and receive a distribution.

Under the Senior Management Service Optional Annuity Program (SMSOAP), all funds that remain on account can have future contributions combined into that account as long as the employees remain employed in positions eligible for SMSOAP participation. Employees in the SMSOAP may be required to receive a mandatory de minimis distribution of inactive account balances after termination.

- 32. Question:** What does vesting mean?

Answer: Vesting refers to the meeting of length of service conditions that are required under the retirement plan for you to qualify for a future benefits from that plan. For the FRS Pension Plan, those who were employed on or initially enrolled in the Pension Plan as of July 1, 2001, vesting is upon completion of six years of creditable service. FRS Investment Plan members are vested for the contributions made on their behalf upon completion of one work year.

- 33. Question:** How do I determine if I am vested in the FRS?

Answer: If you are in the Pension Plan, you may access your retirement account online and view FRS service history through the Division of Retirement's Retirement

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Online system: <https://www.rol.frs.state.fl.us/>. You may also contact the Division of Retirement at 850-488-6491 or toll-free to 1-888-738-2252. For FRS Investment Plan members, information about your account is available to you by logging into www.MyFRS.com or by calling the Investment Plan Administrator, Aon Hewitt, at 1-866-446-9377.

- 34. Question:** How much FRS service do I have and how much will my benefit be if I decide to retire now?

Answer: You may access your retirement account online through the Division of Retirement's Retirement Online system: <https://www.rol.frs.state.fl.us/>. You can view your service history, create estimates, and update beneficiary information through this site. If you wish to proceed with applying for retirement or have any questions, please contact your servicing human resources office.

- 35. Question:** I am in the FRS Pension Plan, but I've heard that I can switch to the FRS Investment Plan.

Answer: FRS members have a one-time opportunity to transfer from one FRS retirement plan to the other while actively employed with an FRS employer. This is called a 2nd Election. Once you make a 2nd Election, it is final, so before you use it, you are encouraged to get help from FRS to ensure you are making an informed decision and one that's right for you. Review the [Second Election flyer](#) and contact the MyFRS Financial Guidance Line, sponsored by the FRS, for unbiased help in exploring your 2nd Election option. Web-based tools are also available to you on www.MyFRS.com.

Deferred Compensation

- 36. Question:** If I am enrolled in a Deferred Compensation program, what should I do?

Answer: Employees must contact their provider within 30 days of termination in order to give and/or receive instructions on their account. If the provider cannot be reached, contact the Division of Deferred Compensation at (850) 413-3162 or toll-free (877) 299-8002. For more information, please visit www.myfloridadeferredcomp.com.

- 37. Question:** I'd like to make a lump sum deferral from my leave payout to my Deferred Compensation account. Is this allowed and how do I initiate the process?

Answer: An employee terminating from state government may elect to have the leave payment or portion thereof deducted into a deferred compensation program instead of receiving payment upon termination. This option provides a pretax advantage; however, your request must be made prior to payout. You will need to contact your deferred compensation provider directly or the Department of Financial Services, Deferred Compensation office for the appropriate forms.

Unemployment Compensation

- 38. Question:** Will I be eligible for Unemployment Compensation if I am laid off?

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Answer: The actual determination of eligibility is made at the local Unemployment Compensation Office. Information regarding how to file a claim and the eligibility requirements for unemployment compensation can be found on the Agency for Workforce Innovation's website at:

http://www.floridajobs.org/unemployment/uc_emp_claims.html

Assistance Programs

- 39. Question:** I am having trouble dealing with the prospect of being laid off, both financially and emotionally. Are there any resources available to help me?

Answer: Horizon Health, through the State of Florida's Employee Assistance Program (EAP), provides counseling services for employees and family member 24 hours a day, at no cost to you or your family. Services also include financial planning/debt management. Visit the Horizon Health Web site: MyFlorida.com/MyEAP or call 1-800-860-2058.

The MyFRS Financial Guidance Line (FGL), sponsored by the FRS, is staffed by Ernst & Young financial planners who are available to provide unbiased, objective counseling for FRS members at no cost to you. Financial planners can be reached Monday – Friday, from 9 am – 8 pm ET at 1-866-446-9377 or visit www.MyFRS.com.