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MEMORANDUM #037-13HR

TO: Agency Administrators
FROM: Carolyn Horwich, J.D., Director of Human Resources
THROUGH: Rip Colvin, Executive Director
SUBJECT: Employee Eligibility for State Group Insurance Benefits
DATE: November 25, 2013

The Department of Management Services recently issued a guide regarding employee eligibility for State Group Insurance Benefits. The focus of the guide is on OPS/Variable Hour employees and .75 FTE (who are now considered full-time for the purposes of certain benefits).

While the information is not new, it is more of a "one stop shop" for answering your questions. The guide also contains a decision tree and a flow chart to assist you in determining eligibility for OPS/Variable Hour employees. Additionally, the guide provides you with the multiple ways People First communicates with employees to ensure that nothing falls through the cracks. The following are some of the areas that are addressed in the guide: measurement periods, agency contributions, and effective dates.

The Guide is attached for your review.

Thank you.

If you have any questions, please do not hesitate to contact me at 850-488-2415 or Carolyn.Horwich@justiceadmin.org.

Attachment

A. Purpose

This manual defines State Group Insurance eligibility criteria for employees based on current state and federal law and regulations, which are subject to change. Exceptions, enrollment processes, and effective dates of coverage are described, as well as hiring considerations for human resource offices and hiring managers.

B. Definitions

The following defined words are capitalized throughout this document:

Agency – any employer that participates in the State Group Insurance Program (see Exhibit 1).

Break in Service – termination of Other Personal Services (OPS) employment or unpaid leave that exceeds 26 consecutive weeks; or a break between four weeks and 26 weeks if the period of service prior to the break is less than the period of the break.

Employment Status Change – the OPS/Variable Hour Employee becomes eligible for coverage because hours increase *within the New Hire Measurement Period*. The OPS/Variable Hour Employee is now reasonably expected to work, on average, 30 hours or more per week as the result of:

1. A promotion within the same Agency; or
2. Obtaining a new OPS/Variable Hour or part-time employment with another Agency.

Full-time Equivalent (FTE) Employees – Career Service, Selected Exempt Service, Senior Management Service, and their equivalents appointed to full-time or part-time salaried positions.

New Hire Measurement Period – the period of 12 consecutive months starting the first of the month following the initial hire date and ending the last day of the twelfth month in which an OPS/Variable Hour Employee's hours worked will be measured to determine eligibility for coverage. The New Hire Measurement Period does not change if the OPS/Variable Hour Employee is subsequently hired by additional agencies as an OPS/Variable Hour Employee unless there is a Break in Service.

Open Enrollment Measurement Period – the period of 12 consecutive months from October 3 through the following October 2 of each year in which an OPS/Variable Hour Employee's hours worked will be measured to determine eligibility for coverage.

Other Personal Services (OPS)/Variable Hour Employees – employees compensated on an hourly basis or paid from OPS funds. Examples include but are not limited to:

- Exempt OPS/Variable Hour salaried employees
- Employees hired on a temporary basis but expected to work more than 90 days, unless they are leased from a staffing firm (e.g., Kelly Services)
- Student workers, graduate assistants, and adjunct professors
- Leased or contracted employees who are subject to control of the Agency as to what shall be done and how it shall be done (see Common Law Employees below).
- Board members
- Fee for service Employees

C. Eligibility

Part-time and full-time employees as defined in Section 110.123(2)(c) and (f), Florida Statutes, are eligible for coverage under the State Group Insurance Program as follows:

Eligibility for Health Insurance Coverage

- FTE Employees appointed to .75 FTE or greater positions and OPS/Variable Hour Employees who work an average of 30 hours or more per week over the defined measurement period are considered full-time and eligible for the full state contribution towards the monthly premium.
- FTE Employees who work less than .75 FTE pay a prorated share of the Agency premium based on their FTE plus the employee share as follows:
 1. State contribution x FTE% = calculated state contribution
 2. Total contribution - calculated state contribution = employee contribution
- FTE Employees who work less than .75 FTE and also work in OPS/Variable Hour positions are eligible as full-time employees if their combined FTE hours and OPS/Variable hours worked are 30 hours or more per week on average.
- OPS/Variable Hour Employees are eligible for health insurance coverage at the Career Service premium or for the Spouse Program if:
 - At point of hire (original appointment or after Break in Service), they are reasonably expected to work 30 hours or more per week on average;
 - At the end of their New Hire Measurement Period, their hours worked average 30 hours or more per week;
 - At the end of the Open Enrollment Measurement Period, their hours worked average 30 hours or more per week; or
 - They experience an Employment Status Change during their New Hire Measurement Period.

Once eligibility is established, health insurance coverage continues for 12 months, even if the OPS/Variable Hour Employee does not work 30 hours per week on average. For example:

- Agency A hires Sally to work 40 hours per week and marks her as eligible for health insurance. After two months, Sally's hours decrease to 20 per week. She is eligible for coverage for the remainder of her 12 months, as long as she is employed by the state.
- Don's hours were measured at the Open Enrollment Measurement Period and he worked 33.5 hours on average per week. He enrolls in health insurance effective January 1. In April, his hours decrease to 15 per week, but he will remain in coverage through December 31, as long as he remains employed by the state. (When his hours are measured at the next Open Enrollment Measurement Period, he loses eligibility for the following year. See Section J.)

However, if the OPS/Variable Hour Employee does not enroll at the time he is first eligible but subsequently enrolls as the result of a qualifying event, he is only eligible for the balance of the 12 months. For example:

- When Fred was hired on July 10, he was reasonably expected to work 30 hours per week. Health insurance coverage could have started September 1, but Fred opted to waive coverage. He got married the following January and enrolled in family coverage effective February 1. He may continue the coverage through August 31 because that would have been the end of his new hire coverage period. Fred is then measured to determine eligibility for the next 12 months.

Eligibility for Life Insurance Coverage

- FTE Employees who work 1.0 FTE are automatically enrolled in the \$25,000 basic life insurance and pay no monthly premium. They are also eligible to enroll in optional term life insurance.
- FTE Employees who work less than 1.0 FTE may enroll in the \$25,000 basic life insurance and pay a prorated share of the monthly premium as follows: state contribution x FTE% = calculated state contribution. Total contribution - calculated state contribution = employee contribution. They are eligible to enroll in optional term life insurance.
- OPS/Variable Hour Employees who work an average of 30 hours or more each week over the defined measurement period may enroll in the \$25,000 basic life insurance and pay the entire monthly premium. They are **not** eligible to enroll in optional term life insurance.

Eligibility for Other State Group Benefits

In addition, employees who meet the eligibility requirements for health insurance (above) may enroll in:

- A health savings account¹ (if enrolled in a health investor health plan) and receive the state contribution once the employee correctly establishes the account through Tallahassee State Bank;
- Dental, vision and other supplemental insurance plans; and
- A dependent care reimbursement account.

Only FTE Employees are eligible to enroll in a medical or limited purpose medical reimbursement account.

Only SES/SMS and their equivalents are eligible for the [State Disability Income Plan](#).

For all plans, OPS/Variable Hour Employees expected to work less than 30 hours per week on average at the point of hire or who work less than 30 hours per week on average over the defined measurement period are not eligible for coverage. They will be measured in the next appropriate measurement period.

Seasonal and Short-term OPS/Variable Hour Employees

Seasonal and short-term OPS/Variable Hour Employees are not eligible for coverage during the New Hire Measurement Period unless they experience an Employment Status Change. However, their hours must be reported and measured in the event they move to other OPS/Variable Hour employment within their measurement period.

Seasonal OPS/Variable Hour Employees are not eligible as new employees; however, if they meet the 30-hour average of hours worked per week at the end of a measurement period, they will be eligible. If that is the case, the agency should consider if the OPS/Variable Hour Employee is correctly classified as seasonal. The federal definition states that a seasonal employee is one who performs labor on a seasonal basis where, ordinarily, the employment pertains to or is of the kind

¹ Employees who enroll in a health investor health plan may open a health savings account through the state as long as they or their covered dependents do not have *any* other health insurance coverage, including coverage through a spouse's employer or Medicare Part A or Part B.

exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year. Employees of educational institutions are not seasonal if their breaks are due to the academic calendar.

Short-term OPS/Variable Hour Employees are expected to work 90 days or less. They are not eligible as new employees; however if, in the course of their 90-day employment, they are expected to work longer than 90 days, the agency must complete a PAR to change their status. If the OPS/Variable Hour Employee is reasonably expected to work the 30-hour average at that time, he is eligible for coverage. Further, if the OPS/Variable Hour Employee remains employed throughout the New Hire Measurement Period, hours worked as a short-term employee will be added to any other hours worked for the overall average. If they meet the 30-hour average of hours worked per week at the end of a measurement period, they will be eligible.

Common Law Employees, Including AmeriCorps Volunteers

If an Agency has contracted employees, including staff augmentation or AmeriCorps volunteers, the IRS has issued a 20 factor common law employee test that Agencies should use on a case-by-case basis to determine if an employee is a common law employee and therefore potentially eligible for coverage:

1. **Instructions:** If the person for whom the services are performed has the right to require compliance with instructions, this indicates employee status.
2. **Training:** Worker training (e.g., by requiring attendance at training sessions) indicates that the person for whom services are performed wants the services performed in a particular manner (which indicates employee status).
3. **Integration:** Integration of the worker's services into the business operations of the person for whom services are performed is an indication of employee status.
4. **Services rendered personally:** If the services are required to be performed personally, this is an indication that the person for whom services are performed is interested in the methods used to accomplish the work (which indicates employee status).
5. **Hiring, supervision, and paying assistants:** If the person for whom services are performed hires, supervises or pays assistants, this generally indicates employee status. However, if the worker hires and supervises others under a contract pursuant to which the worker agrees to provide material and labor and is only responsible for the result, this indicates independent contractor status.
6. **Continuing relationship:** A continuing relationship between the worker and the person for whom the services are performed indicates employee status.
7. **Set hours of work:** The establishment of set hours for the worker indicates employee status.
8. **Full time required:** If the worker must devote substantially full time to the business of the person for whom services are performed, this indicates employee status. An independent contractor is free to work when and for whom he or she chooses.
9. **Doing work on Agency's premises:** If the work is performed on the premises of the person for whom the services are performed, this indicates employee status, especially if the work could be done elsewhere.
10. **Order or sequence test:** If a worker must perform services in the order or sequence set by the person for whom services are performed, that shows the worker is not free to follow his or her own pattern of work, and indicates employee status.
11. **Oral or written reports:** A requirement that the worker submit regular reports indicates employee status.

12. **Payment by the hour, week, or month:** Payment by the hour, week, or month generally points to employment status; payment by the job or a commission indicates independent contractor status.
13. **Payment of business and/or traveling expenses.** If the person for whom the services are performed pays expenses, this indicates employee status. An Agency, to control expenses, generally retains the right to direct the worker.
14. **Furnishing tools and materials:** The provision of significant tools and materials to the worker indicates employee status.
15. **Significant investment:** Investment in facilities used by the worker indicates independent contractor status.
16. **Realization of profit or loss:** A worker who can realize a profit or suffer a loss as a result of the services (in addition to profit or loss ordinarily realized by employees) is generally an independent contractor.
17. **Working for more than one firm at a time:** If a worker performs more than minimal services for multiple firms at the same time, that generally indicates independent contractor status.
18. **Making service available to the general public:** If a worker makes his or her services available to the public on a regular and consistent basis that indicates independent contractor status.
19. **Right to discharge:** The right to discharge a worker is a factor indicating that the worker is an employee.
20. **Right to terminate:** If a worker has the right to terminate the relationship with the person for whom services are performed at any time he or she wishes without incurring liability that indicates employee status.

See Exhibit 2 for the Eligibility Decision Tree.

Retirement

Employees who previously met the vesting requirements of s. 121.021(29) and (30), Florida Statutes, *and* enrolled in State Group health and/or life insurance at the time of retirement will automatically be enrolled as applicable in active health and/or life coverage if they return to work as an FTE or an eligible OPS/Variable Hour Employee. As long as there is no break in coverage, these employees will be systematically re-enrolled in retiree health and/or life coverage, as applicable, when they terminate employment or if they measured and determined no longer eligible to participate as an OPS employee.

If employees were eligible but did not elect retiree coverage at the time of their retirement, they will not be allowed to continue retiree coverage upon termination from a second state employment unless they are in an FTE position and meet vesting requirements for a second retirement.

Because OPS/Variable Hour Employees are not eligible to vest under the Florida Retirement System, they will not be eligible for retiree coverage upon termination; however, People First will mail them a COBRA package and they may continue health, dental and vision coverage under COBRA for up to 18 months.

D. Communications

People First sends the following communications related to eligibility and enrollment:

- New Hire ID letter – gives employees their People First ID so that if they are eligible, they can make online elections; receiving this letter does **not** indicate eligibility.
- Benefits package – sent to employees if they are eligible for benefits as a new hire or after the New Hire Measurement Period and includes the benefits statement, COBRA information and enrollment instructions
- Open Enrollment package – sent to all eligible employees before annual Open Enrollment
- Underpayment Notices – up to three notices are sent during the coverage month that is underpaid
- Emails – various reminders are sent to eligible employees who enter a notification email address in People First

Employee correspondence history is available in People First under Personal Information. Document IDs that begin with “E” are emails; all others are sent via the U.S. Postal Service.

E. Measurement for OPS/Variable Hour Employees

Reporting Hours Worked

Pursuant to federal regulations, hours worked for employees paid hourly must be measured to determine eligibility for health insurance coverage. Actual hours worked must be reported, regardless of the method of compensation. For example, OPS/Variable Hour Employees who are paid a stipend or are otherwise not paid on an hourly basis must submit their actual hours worked, not the hours used to calculate the compensation. An exception: adjunct professors must be credited with nine hours per week for every three-hour course.

Employees who are denied coverage will have the right to appeal. Timesheets will be required from the Agency as evidence of time worked.

- Employees who complete timesheets in People First must accurately record their hours worked and timesheets should be submitted and approved on time. Agencies should not allow on-demand payments for OPS/Variable Hour Employees unless the corresponding timesheets have been submitted and approved in People First.
- Actual hours worked for OPS/Variable Hour Employees who do not complete timesheets in People First must be submitted via file transfer following the established process.
- Human resource offices may use the Alternate Time Entry Screen for non-paying OPS/Variable Hour hours (e.g., where OPS employee is paid a stipend or otherwise not paid on an hourly basis). See [SE 112](#) and [instructions](#) for more information.

Measurement Periods

Measurement periods are 12 months long and are used to determine eligibility for coverage for the 12 months following the measurement period (referred to as the stability period).

The New Hire Measurement Period starts the first of the month that follows the initial hire date and ends the last day of the twelfth month. The New Hire Measurement Period does not change if the OPS/Variable Hour Employee is subsequently hired by additional agencies as an OPS/Variable Hour Employee unless there is a Break in Service (termination of OPS employment or unpaid leave that exceeds 26 consecutive weeks; or a break between four weeks and 26 weeks if the period of service prior to the break is less than the period of the break).

Once OPS/Variable Hour Employees have been measured in the New Hire Measurement Period, they will thereafter be measured in the Open Enrollment Measurement Period as long as they have no Break in Service. The Open Enrollment Measurement Period runs from October 3 through the following October 2 of each year.

See Exhibit 3, Determining OPS/Variable Hour Employee Eligibility, for a visual of the measurement process.

Measuring OPS/Variable Hour Employees Initially Measured October 2013

Per federal regulations, this initial measurement period established which employees would be eligible for coverage in 2014. Hire dates and eligibility determine when these OPS/Variable Hour Employees without a Break in Service will next be measured:

- Hired on or before April 1, 2013 will be measured again during the next Open Enrollment Measurement Period. Because they are not new hires, the Employment Status Change provision does not apply.
- Hired April 2, 2013 and after who, at the point of hire, were reasonably expected to work 30 or more hours per week on average are eligible for coverage in 2014. These employees will be measured again during the next Open Enrollment Measurement Period.
- Hired April 2, 2013 and after who, at the point of hire, were *not* reasonably expected to work 30 or more hours per week on average are not eligible for coverage in 2014. These employees are new hires. They will have a New Hire Measurement Period to determine eligibility for coverage. The Employment Status Change provision applies.

Calculating Average Hours Worked

At the end of each measurement period, People First will add the total hours reported on timesheets (or files, as applicable) and hours recorded in the Alternate Time Entry screen for the 12 month-period and determine the average hours worked for each week.

- New Hire Measurement Period – the calculation will run every Saturday² of the month for periods that ended the previous month.
- Open Enrollment Measurement Period – the calculation will run every Saturday³ in October following October 3.

If timesheets are approved after the measurement period calculations have occurred, the Agency must evaluate the OPS/Variable Hour Employee's record and call the People First Service Center if the eligibility indicator should be changed from not eligible to eligible.

Except for FMLA, jury duty and military leave, all periods of absence from work are calculated in the overall average, including terminations that do not result in a Break in Service. Agencies must notify the People First Service Center when OPS/Variable Hour Employees are out for jury duty, military leave or leave that would qualify under FMLA. People First will recalculate the measurement and update the eligibility if needed.

² Delayed approval of timesheets results in delayed communications to the Employee. Federal guidelines require us to offer health insurance and make it effective as early as the first day of the second month that follows the close of the New Hire Measurement Period. For example, if the New Hire Measurement Period ends July 30, measurement and communication occur in August and coverage can begin September 1.

³ Delayed approval of timesheets results in delayed Open Enrollment communications to the Employee.

OPS/Variable Hour Employees who work in academic institutions are credited with up to 501 hours when they are on academic breaks that last longer than four weeks. Applicable Agencies (state universities, the Department of Health and the Florida School for the Deaf and the Blind) must complete a PAR for LWOP – Academic Break (69) for these OPS/Variable Hour Employees.

F. Assigning Benefits in People First and State Contributions

FTE Employees

For FTE Employees, full-time (.75 and greater) and part-time (less than .75), benefits are always assigned to the FTE position. If OPS/Variable Hour employment combined with the part-time FTE equals 30 hours or more, the employee is considered full-time for health insurance purposes and benefits will continue to be assigned to the FTE position.

OPS/Variable Hour Employees

For continually employed OPS/Variable Hour Employees, once measurement is completed and eligibility for insurance is determined, benefits will be assigned as follows:

- To the last hiring agency, or
- If already eligible at Agency A and subsequently dually⁴ hired by Agency B, benefits will continue to be assigned to Agency A.

For newly hired OPS/Variable Hour Employees, benefits will be assigned as follows:

- One Agency – if the Agency determines the OPS/Variable Hour Employee is reasonably expected to work 30 hours or more at the point of hire, benefits assigned to that Agency and will continue to be, even if the employee is subsequently dually employed by another Agency in an OPS/Variable Hour position.
- Two or more Agencies – benefits assigned to the Agency whose hiring action put the OPS/Variable Hour Employee at 30 or more hours on average per week. For example:
 - Agency A hires Sam for 15 hours per week. Agency B hires Sam during his New Hire Measurement Period for 10 hours per week. Agency C then hires Sam during his New Hire Measurement Period for 10 hours per week. Benefits are assigned to Agency C, which is responsible for the state contribution. If Sam leaves Agency C, benefits are reassigned to Agency B, which is responsible for the state contribution, even though Sam no longer works 30 or more hours. Should Sam leave Agency B, benefits are again reassigned, with Agency A responsible for the state contribution.
 - Agency A hires Sally at 30 hours per week and pays the state contribution. Agency B hires Sally at 10 hours per week. Benefits remain assigned to Agency A because that is the employment that made Sally eligible. If Sally terminates from Agency A, the benefits are reassigned to Agency B, which is responsible for the state contribution, even though Sally no longer works 30 or more hours.

People First system alerts will be generated when benefits are assigned to an Agency. Agencies should terminate OPS/Variable Hour Employees who will be off payroll at least one month to avoid insurance premium underpayments. Such employees may continue health, dental and vision coverage under COBRA, if applicable.

⁴ State Personnel System agencies: dual hire for health insurance measurement purposes does not change any other State Personnel System rules regarding dual hires.

G. Hiring OPS/Variable Hour Employees

Once eligible and enrolled, OPS/Variable Hour Employees continue coverage for 12 months unless they terminate employment or experience an appropriate qualifying status change event (see Section H). Consequently, Agencies have⁵ a financial responsibility for the state contribution.

The People First Benefits Eligibility Report will help Agencies make decisions about individuals under consideration for hire. This report allows Agencies to view an individual's current state employment, if any, to determine if the employee is either already eligible for benefits or would become eligible for benefits if hired.

Agencies may also wish to ask prospective employees if they have OPS/Variable Hour employment with another state Agency (see Exhibit 1) and, if so, how many hours they work on average per week.

Recent People First system PAR enhancements (10/04/13 Release) require the Agency to determine eligibility for health insurance at the point of hire. Refer to [SE 114](#). New hire packages for eligible Employees are triggered on the appointment date of the PAR.

H. Making Elections

Employees may research State Group Insurance options at the [myBenefits website](#) and should make elections online in [People First](#). They may also call the People First Service Center toll-free at 1-866-663-4735 Monday through Friday, from 8 a.m. to 6 p.m. Eastern time.

Open Enrollment

Eligible employees are allowed to enroll or make changes to their State Group Insurance benefits during the annual Open Enrollment period. Changes become effective January 1 of the following year and will continue through December 31.

Qualifying Status Change (QSC) Events

Eligible and participating employees are required, as cafeteria plan members, to follow all rules of the State Group Insurance Program, which includes but is not limited to Chapter 60P, Florida Administrative Code, Section 110.123, Florida Statutes, and Section 125, Internal Revenue Code. For a complete list of QSC events and requirements, refer to the [QSC Matrix](#). A decrease in wages or in the number of hours worked⁶ is not a QSC event that allows employees to cancel coverage.

Waiving Coverage

Employees are not required to accept the offer of health insurance from State Group Insurance. Those who wish to shop on the MarketPlace or stay covered under a spouse may do so. However, IRS tax laws may assess a penalty starting in the 2014 tax year if employees are not enrolled in any health insurance coverage.

⁵ Or may have, see Section F.

⁶ FTE Employees who move from full-time to part-time are able to use the significant cost increase QSC event, if applicable.

The People First system will record positive declination of coverage; in other words, employees can log in to [People First](#), enter their People First password and select Complete Enrollment without making elections. The system will record that no elections were made. As additional documentation, the Correspondence History screen in People First lists all communications, including offers of coverage (New Hire package and Open Enrollment packages) sent to the address of record.

Agencies may wish to have employees sign an acknowledgement form that an offer of coverage was made and declined, but it is not required.

I. Effective Dates of Coverage

FTE Employees

New hires – coverage begins on the first of the month for which full payroll deductions are taken and underwriting⁷, if any, is passed and reported to People First, with the following exceptions:

- Health insurance – FTE Employees may elect an early effective date – the first of the month following their date of hire. If double payroll deductions cannot be taken, FTE Employees must submit the premium payment to the People First lockbox and the Agency must submit the state contribution.
- Basic life insurance – enrollment is automatic and coverage begins the first day the FTE Employee is physically at work.

QSC events – coverage for all plans can begin as early as the first of the month following the election, provided any required documentation and the premium payment are received and approved by People First by the end of the month during which the election is made.

OPS/Variable Hour Employees

Effective dates of health coverage depend on the point in time OPS/Variable Hour Employees are determined to be eligible, when they make elections, and payroll. Following are the earliest possible effective dates:

- January 1, 2014
- New hires expected to work 30 hours or more on average per week (as recorded on the PAR) – the first day of the third month of employment; for example, if hired April 2, coverage can begin June 1.
- After the New Hire Measurement Period – first day of the second month that follows the New Hire Measurement Period; for example, if hired November 28, the measurement period is December 1 through the following November 30. Coverage can begin January 1.
- Employment Status Change during the New Hire Measurement Period (PAR required) – the earlier of:
 - The first day of the second month following the Employment Status Change; or
 - The first day of the second month that follows the New Hire Measurement Period.
- Meets the eligibility requirements in the Open Enrollment Measurement Period – January 1 of the plan year following the measurement period.
- Eligible, enrolled, terminates employment and returns to state employment:

⁷ Evidence of insurability/medical underwriting may be required for optional life insurance and is required for Aflac cancer and hospital intensive care plans.

- Without a Break in Service – automatically enrolled the first of the month for which full payroll deductions can be taken and coverage continues for the balance of the 12-month stability period. The hiring agency will be responsible for Agency contributions even if the OPS/Variable Hour Employee is not reasonably expected to work an average of 30 hours per week.
- With a Break in Service – treat as a new hire.
- QSC events – coverage for all plans can begin as early as the first of the month following the election, provided any required documentation and the premium payment are received and approved by People First by the end of the month during which the election is made.

The effective date of coverage for all other plans will be the first of the month for which full payroll deductions are taken and underwriting⁸, if any, is passed and reported to People First.

J. When Coverage Ends

See the [QSC Matrix](#) for the complete list of Qualifying Status Change events that cause a loss of eligibility. In summary, coverage in State Group Insurance plans ends:

- When employment is terminated. Employees pay premiums one month in advance, so coverage ends on the last day of the month following the month they terminate employment. For example, if the last day of work is April 23, coverage ends May 31.
- For OPS/Variable Hour Employees on the last day of their 12-month health insurance coverage period if they do not meet the eligibility requirements in the measurement period to continue coverage. All other coverage ends the same time as health insurance, regardless of the number of months enrolled.

Continuation Options

- COBRA health, dental and vision will be offered to employees and covered dependents if the employee was enrolled in the respective plan at the time of termination or loss of eligibility. COBRA premiums are the total premium plus a 2 percent administrative fee. Coverage can continue up to 18 months. Plans can then be converted to a private policy with the insurance company.
- Career Service employees and their equivalents who are laid off may continue health and basic life coverage up to 24 months by paying the full premium.
- FTE Employees may [continue their medical reimbursement accounts](#).
- Employees enrolled in life and other supplemental insurance plans may contact the supplemental insurance companies directly about converting their coverage to a private policy.

⁸ Medical underwriting is required for Aflac cancer and hospital intensive care plans.

Exhibit 1: Agencies Participating in State Group Insurance

Administrative Hearings
Agency for Enterprise Information Technology
Agriculture and Consumer Services
Attorney General
Auditor General
Board of Governors
Business and Professional Regulation
Children and Families
Citrus
Commission Human Relations
Corrections
Economic Opportunity
Education
Elder Affairs
Emergency Management
Environmental Protection
Executive Office of the Governor
Financial Services
Fish and Wildlife Conservation
Florida Atlantic University
Florida Board of Bar Examiners
Florida Gulf Coast University
Florida Inland Navigation
Florida International University
Florida Polytechnic University
Florida A&M University
Florida School for the Deaf and the Blind
Florida State University
Health
Health Care Administration
Highway Safety and Motor Vehicles
Justice Administrative Commission
Juvenile Justice
Law Enforcement
Legislature

Lottery
Management Services
Miami Dade Expressway Authority
Military Affairs
New College of Florida
Northwood Shared Resource Center
Orlando Orange County Expressway Authority
Parole Commission
Persons with Disabilities
Public Service Commission
Public Employees Relations Commission
Revenue
Southwood Shared Resource Center
State
State Board of Administration
State Courts
Transportation
Tri-Rail
University of Central Florida
University of Florida
University of North Florida
University of South Florida
University of West Florida
Veteran's Affairs
Volunteer Florida
West Coast Inland Navigation

Exhibit 2: Eligibility Decision Tree

New Hires

1. Is the new hire appointment for an FTE position?
 - a. Yes – **eligible**
 - b. No – go to next question
2. Is the OPS/Variable Hour Employee a contracted employee, including staff augmentation or AmeriCorps volunteer, who meets the IRS definition of a common law employee (see Section C above)?
 - a. Yes – go to next question
 - b. No – not eligible
3. Is the OPS/Variable Hour Employee seasonal?
 - a. Yes – not eligible as a new hire
 - b. No – go to next question
4. Is the OPS/Variable Hour Employee expected to work less than 90 days?
 - a. Yes – not eligible as a new hire
 - b. No – go to next question
5. Is the OPS/Variable Hour Employee expected to work 30 or more hours per week on average?
 - a. Yes – **eligible**
 - b. No – go to next question
6. Does the OPS/Variable Hour Employee work in another OPS/Variable Hour position (refer to the Benefits Eligibility Report presented during the PAR process)?
 - a. Yes – go to next question
 - b. No – not eligible
7. Do the combined hours from the positions equal 30 or more hours per week (refer to the Benefits Eligibility Report presented during the PAR process)?
 - a. Yes – **eligible**
 - b. No – not eligible

Employment Status Change

1. Is the OPS/Variable Hour Employee in his New Hire Measurement Period?
 - a. Yes – go to next question
 - b. No – No change in eligibility
2. Will the OPS/Variable Hour Employee's hours increase to 30 or more per week on average either as the result of an increase in the same Agency or employment with another Agency (Benefits Eligibility Report presented during the PAR process)?
 - a. Yes – **eligible**
 - b. No – not eligible

Measurement Period

1. Do the OPS/Variable Hour Employee's hours measured over the 12-month period average to 30 or more per week (OPS Measurement Period Report scheduled for release December 14, 2013)?
 - a. Yes – **eligible**
 - b. No – not eligible

Exhibit 2: Determining OPS/Variable Hour Employee Eligibility

