

Memorandum

Date: October 26, 2006
To: All Employees Going On Military Leave
From: Employee Benefits Division
Subject: **Employee Salary & Benefits while on Military Leave**



This memo is intended to clarify the County's treatment of employee benefits for those individuals on military leave. This is a summary of the major impacts to your employee benefits. The basic rule for all benefits is that you can continue any voluntary benefits you have previously chosen by paying your normal payroll deduction cost out of any County pay that you receive. If that pay is not sufficient you will be billed at your address on file. Please verify your address on your Earnings Statement. If you need to update it contact your departmental payroll clerk immediately. Your payroll information is attached for your reference.

As you may know, on October 24, 2006, the Board of Supervisors approved an extension to the "Supplement to Military Pay Program" for employees on active military duty. In essence it says that for the first 30 days of military leave, the County will make your full salary payment as prescribed under the Military & Veterans Code 395.01 and 395.02. After these 30 days the supplemental pay approved by the Board would begin, and would augment your military pay up to your regular rate of pay, including your benefit cash and other allowances, that you received prior to your active duty. This supplemental pay will last for as long as you remain on active duty. If your military pay is higher than your regular pay plus benefit cash, there is no supplemental pay.

What To Do When You Know You Will Be Going On Active Military Duty:

Step 1 - Contact your supervisor and departmental payroll clerk. Provide them with your active duty military orders which will be reviewed by your department. They will then contact the Auditor-Payroll Division with the necessary information. As soon as possible you'll need to send a copy of your military pay stubs directly to: Auditor Controller, Payroll, P.O. Box 39, Santa Barbara, CA 93102. They can also be FAXED to A/C Payroll: (805) 568-2016. You will need to send EACH of your military pay stubs (as you receive them) to the Auditor Controller, Payroll.

Step 2 - The Auditor's Office will forward a copy of your military orders to the HR-Employee Benefits Division. Once we receive this, we will send you a summary of your current benefits and your share of cost to continue coverage. Please return your form to us as soon as possible. Another place to check for your covered benefits is on your earnings statement where this data is taken from. If you need to call the Employee Benefits Division, we can be reached at 568-2800.

Please indicate which employee benefits you would like to continue paying for while you are on military leave. Payment for your benefits will be taken from your County salary.

Please review your beneficiaries on file with the Payroll, Retirement, and Human Resources Offices and those on all your life and accident insurance plans.

1 What Happens to My Salary and Benefits While I'm on Military Leave?

- **Salary** - You will be paid your full, regular salary for the first 30 days of military leave, if you have been employed by the County for one year prior to the date of leave. Thereafter you will be paid according to the rules of the "Supplement to Military Pay Program" resolution adopted by the Board of Supervisors.
- **Salary Supplement Under Board Resolution** - You will be entitled to have your military pay supplemented until the date that you are officially released from active military duty, up to your regular pay including your full, regular Benefit Cash and other allowances.
 - Prior to the start of the military pay supplement, you must exhaust all your compensatory time (overtime) but not vacation or holiday accruals.
- **Health Insurance** - When on active military duty you are provided health insurance through the military and your dependents are eligible for coverage under [Tricare](#). If you want to continue your County medical and dental insurance while on military leave as you are currently enrolled, including your dependent(s) coverage, you do not have to complete any health insurance forms. Your coverage will continue as usual and will not be treated as COBRA extension coverage.
 - **Waiving coverage** - If instead you decide to waive your coverage, you will be able to re-enroll upon your return to work.
 - **Dropping dependent(s) coverage** – Under this program you are eligible to discontinue dependent coverage and reinstate coverage upon return to work.
- **Retirement** - As long as you are receiving sufficient County pay, you will receive full retirement service credit. If your pay is insufficient to make your normal retirement contribution, upon return from military duty, the Auditor-Controller will withhold contributions based on the member's salary at the time

the leave commenced equal to the number of pay periods for which no retirement contributions were made. Within 90 days of reinstatement, you may elect not make the additional retirement contributions.

- **County Basic Life Insurance** - You will continue to be covered for the same amount (\$20,000, \$30,000 or \$50,000) that you were covered for while at work. This coverage is fully paid by the County.
- **County Long Term Disability (LTD) Coverage** - Your County-paid LTD coverage will continue to be paid while you are on military leave. Please note that if you become disabled while on active duty, there will be some impact on your LTD benefits.
- **FLEXIBLE SPENDING PLAN BENEFITS** - In general, if you will be receiving sufficient pay from the County to make your premium or contribution payments, your enrollment will continue. If you drop your enrollment in any of these options, you may re-enroll when you return to work.
 - **Pre-Tax Health Premiums** - Any premiums that are paid through the County payroll system will continue to be paid on a pre-tax basis if this is how they are currently set up.
 - **Flexible Spending Accounts** - If you stop contributing to either of the spending accounts below, you cannot file claims for the period that you are not making contributions.
 - **Health Care Spending Account** - While on leave, you are:
 - Eligible to continue coverage by making your regular contributions,
 - Can revoke your existing election for the remainder of the coverage period,
 - Can elect continued coverage as a Cobra beneficiary if a positive account balance exists when the existing election is revoked or eligibility is lost,
 - Can reinstate your spending account upon return from military leave on the same conditions as you previously were enrolled.
 - If your participation in the health care spending account terminates during your leave, you will not be able to receive reimbursements for claims incurred during that period of time.
 - **Dependent Care Spending Account** - While on leave, you are:
 - Eligible to continue coverage by making your regular contributions,
 - Can revoke your existing election for the remainder of the coverage period,
 - Reinstatement your spending account upon return from military leave on the same conditions as you previously were enrolled.

- If your participation in the dependent care spending account terminates during your leave, you will not be able to receive reimbursements for claims incurred during that period of time.
- **Voluntary Life Insurance** - You are eligible to continue coverage.
- **Personal Accident Insurance** - You are eligible to continue coverage.

2 Will I Still Earn Vacation and Sick Leave Benefits?

- **LEAVE ACCRUAL BENEFITS**

- **Vacation** - You will continue to accrue benefits at your regular rate.
- **Sick leave** - You will continue to accrue benefits at your regular rate.
- **Other leave benefits** - You will continue to accrue benefits at your regular rate.

3 Will I Lose Any Seniority While I'm Gone?

- **SENIORITY** - You will continue to receive service credit for layoff purposes for up to 5 years.

Your employment and benefit rights while on military leave are defined under the state Military and Veterans Code ([Section 395](#) & following) and the federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) ([P.L. 103-353](#)) and County policies.

If you have any other questions about your County employment, you can check with the following County offices:

- Your departmental payroll division
- Auditor-Payroll Division 568-2170
- Employee Benefits Division 568-2818 or 2821
- Retirement Division 568-2940