Health Care Benefits during an Unpaid Leave of Absence
HR-04-40

About This Policy

Effective Dates:
08-01-2012

Last Updated:
08-22-2012

Responsible University Administrator:
Vice President and Chief Financial Officer

Policy Contact:
IU Human Resources
askHR@iu.edu

Scope

This policy applies to all Staff and Academic Employees.

Policy Statement

1. It is the policy of Indiana University that an employee on an unpaid leave of absence may continue participation in the University-sponsored medical and dental care plans, subject to the following provisions:
   a. Up to the first 6 months of an unpaid leave of absence, Indiana University will continue to pay its share of premiums for University-sponsored medical and/or dental care plan coverage, provided the employee continues to pay his or her share of the premiums.
   b. After the completion of 6 months and up to 12 months from the start of the unpaid leave of absence, the employee may continue coverage in University-sponsored medical and/or dental care plan coverage, provided the employee pays the full cost of the premium(s.)
   c. After the completion of 12 months from the start of the unpaid leave of absence, the employee may elect continuation of coverage under COBRA provisions if he or she wishes to continue coverage in the University sponsored medical and dental care plans. (COBRA coverage may continue for another 18 months.)
   d. To provide for a transition period for employees who are on an unpaid leave of absence that is within 90 days of 6 months or has exceeded 6 months at the time of implementation of these changes, the following provisions will be applied.
      i. A one-time, 90 day period from the date of being notified in which the University will pay its share of the premiums if the employee continues to pay his or her share of the premiums.
      ii. Following one-such 90-day extension, the employee must pay the full premium if he or she wishes to continue coverage in the University-sponsored medical and dental care plans for up to 12 months from the start of the leave of absence.
   e. To provide for a transition period for employees who are on an unpaid leave of absence that is within 90 days of 12 months or has exceeded 12 months at the time of implementation of these changes, the following provisions will be applied.
      i. A one-time 90 day period from the date of being notified in which the University will pay its share of the premiums if the employee continues to pay his or her share of the premiums.
ii. Following one such 90 day extension, the employee must elect continuation of coverage under COBRA provisions if he or she wishes to continue coverage in the University sponsored medical and dental care plans.

2. For an extended leave without pay due to military service, faculty with a SBIR grant, or faculty with a Prestigious Leave there is an exception to this policy such that the employee may remain covered by an IU-sponsored medical and dental plan for a longer period of time. Generally, these exceptions shall not exceed a 24-month period, unless federal regulations for military service require a longer period.

   a. Employees with an extended unpaid leave due to military services, faculty with a SBIR grant, or faculty with a Prestigious Leave should consult with the University Human Resources office for details.

Reason For Policy

It is necessary to establish and communicate the terms on which the University and the employee will make premium payments to maintain coverage in the University sponsored medical and dental care plans during an unpaid leave of absence.

Procedure

1. When an employee is contemplating or has been approved for an unpaid leave of absence, refer the employee to the campus Human Resource Office to discuss maintaining coverage under the University sponsored medical and dental care plans.

2. University Human Resource Services will track the leave of absence, provide timely notification to the employee of approaching 6 month and 12 month duration of the leave, and calculate the changes in the employee’s share of the premium payments.

Definitions

1. As used in this policy, an unpaid leave of absence does not include a leave for military service and an FMLA covered leave, each of which has its specific set of policies related to the continued coverage for medical and dental care plans.

2. Health care benefits are the University sponsored medical and dental care plans.

Sanctions

Managers, supervisors, and employees who violate this policy are subject to disciplinary action, up to and including termination.

History

This is a new Indiana University policy.