Employees on Authorized Leave Without Pay and EUTF Notifications for Premium Deductions, Shortages and Cancellations
Agenda

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- Voluntary Waiving of Health Plans While On LWOP
- Continuing Health Plans While On LWOP
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- Shortages and Cancellations
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Authorized Leave Without Pay
Authorized Leave Without Pay (LWOP) is a temporary absence from work which includes TDI. In some cases employees may be entitled to LWOP for the following situations:

- **FMLA** (The Family and Medical Leave Act of 1993) provides covered employees with entitlement to unpaid leave for certain family and medical needs.

- **USERRA** (The Uniformed Services Employment and Reemployment Rights Act of 1994) provides employees with entitlement to LWOP when employment is interrupted by a period of service in the uniformed services.
Workers Compensation

Health benefit premium deductions are **NOT** deducted from workers’ compensation payments.

If you continue to receive a paycheck and use paid leave (i.e. sick and vacation), health benefit premiums will continue to be deducted from your paid leave. You must review your pay statements each pay period to check if your total premiums were deducted. If your total premiums were not deducted and only partial premiums were deducted, you must pay your premiums directly to the EUTF to avoid the cancellation of your health benefits.

You may send payments in advance of your payment due date. Make checks payable to “EUTF” and be sure to indicate your EUTF HB# and month(s) to which your payment applies, on your check.
Workers Compensation

Send payments to the following address:

**EUTF**  
201 Merchant Street Suite 1700  
Honolulu, HI 96813

Additional payment options including credit card or electronic check payments are also available at https://eutf.hawaii.gov/premium-payment-options/. Fees may apply.

Failure to promptly pay your premiums may result in administrative cancellation of your health plans. In addition, you may be ineligible for COBRA Continuation coverage. You may re-enroll only during the next open enrollment period, or upon experiencing a qualifying life event following the next plan year and may suffer a break in coverage. If your enrollment is cancelled while on FMLA your coverage may be reinstated, or you may choose to re-enroll in the same plans when you return to work. Premiums owed as a result of the cancellation may be collected prior to your reinstatement or re-enrollment.
Leave Without Pay

LWOP Lasting More Than 30 Days

Departmental Human Resource or Personnel Officers must complete an L-1 form and give a copy to the employee. L-1 forms are important because it gives the employee crucial information during their leave of absence. The L-1 form must be submitted to the EUTF within 45 days of the LWOP start date. Employees must choose between two options:

(1) Voluntarily Waiving Health Plans
This option will waive employee coverages (except life insurance) while on LWOP. Employee coverage will be waived and they will not be responsible for premium payments. They may reenroll into their original plan options once they return to work and notify the EUTF.

(2) Continue Health Plans
Employees will need to promptly pay their portion of premium amounts while on LWOP. Premium payments are due by the first of each month. EUTF will not send a bill.
Voluntary Waiving of Health Plans While On LWOP
Voluntary Waiving of Health Plans

Employees who wish to voluntarily waive their health plans due to LWOP must complete and submit an EC-1 or EC-1H form within 45 days from LWOP start date.

Departmental Human Resource or County Personnel Officers must complete an L-1 form and forward a copy to the employee. EC-1/EC-1H forms must be submitted to the HRO or County Personnel Officer within 45 days of the LWOP start date.

Once the EUTF processes the L-1 and EC-1/EC-1H form to waive coverage due to LWOP, health plans will be waived effective the first day of the next pay period during which LWOP begins. All plans will be waived except life insurance.
Voluntary Waive

Indicate employee's last name, first name and middle initial.

List the dates employee will be on LWOP. Note: LWOP must be for 30 days or more.

Employee instructions on EC-1/EC-1H form submission and re-enrollment are listed here for employees electing to voluntarily waive health plans while on LWOP.

Complete this section and sign and date the form. Be sure the employee is given a copy for their records.

Form must be submitted to the EUTF within forty-five (45) days of the LWOP start date.
Voluntary Waive

Employee must complete Employee Data section and mark the “Qualifying Event” box, using the leave start date as the qualifying event date. Qualifying event description will be “LWOP-Waive.” Employees must complete the remaining line items under the Employee Data section.

Plan Selection & Contribution section must be all waived, except the Life plan. For employees on USERRA leave, the employee does have the option of continuing their dental, vision and life plans. HSTA-VB members must waive the vision plan if they waive their medical/drug plans, because they are bundled.
Employee must sign and date the form. Form must be submitted to the Departmental Human Resource or Personnel Officer within 45 days of employee’s LWOP start date.

Complete the bottom section of the EC-1 and submit with L-1 form to the EUTF.
Reenrolling in Health Plans

Employees may reenroll into their original health plans upon returning to work by submitting an EC-1 or EC-1H form to Departmental Human Resource or County Personnel Officers within 45 days from their LWOP return date.

Employees will not be able to make any changes from their original plan selection or type of enrollment. Employees will also need to select the coverage start date in section two of the EC-1 or EC-1H form.
Continuing Health Plans While On LWOP
Continuing Health Plans While On LWOP

Departmental Human Resource or County Personnel officers must complete an L-1 form and forward a copy to the employee. L-1 forms must be submitted to the EUTF within 45 days of the LWOP start date.

Employees continuing health plans during LWOP are responsible for submitting monthly premium payments to the EUTF by check, electronic check, or credit card.

**EUTF WILL NOT SEND A BILL**
Continuing Health Plans While On LWOP

To help employees calculate their monthly cost, Premium and contribution rate sheets are available on our website at euth.hawaii.gov.

Employees who fail to make premium payments on time will be cancelled from their health plans and ineligible for COBRA coverage.
L-1 Form

Continuing Health Plans

Indicate employee’s last name, first name and middle initial.

List the dates employee will be on LWOP. Note: LWOP must be for 30 days or more.

Employee instructions on continuing health plans while on LWOP and submitting monthly payments to the EUTF can be found here.

Complete this section and sign and date the form. Be sure the employee is given a copy for their records.

Form must be submitted to the EUTF within forty-five (45) days of the LWOP start date.
Making Payments To The EUTF
Premium Payment Options

Employees who wish to continue health plans while on LWOP may make monthly payments by:

**Personal check, cashier’s check or money order payable to “EUTF”**

**In person:**

EUTF  
201 Merchant Street, Suite 1700  
Honolulu, HI 96813

**By mail:**

EUTF  
P.O. Box 30700  
Honolulu, HI 96820-0700
Premium Payment Options

Credit Card or Electronic Check Payment Options

This service allows employees to submit payment for EUTF health plan premiums by credit card or electronic check. Debit card is also accepted but will be processed as a credit transaction. Service fees apply.

Go to eutf.hawaii.gov and click the “Premium Payment Options” icon on the home page to get started.
Shortages and Cancellations
Shortages

A Shortage Notice is mailed to the employee when required premium payments are not received by the EUTF or when only a partial premium payment is received for health plans. Shortages primarily relate to LWOP situations. Employees must pay the premiums reflected on their Shortage Notice, regardless of whether they returned to work and their EUTF deductions have restarted.
Cancellations

Employees who receive a shortage notice and fail to make full payment by the due date indicated will receive a Notice of Health Insurance Cancellation from the EUTF. Health plans will be cancelled retroactive to the date of the last payment received.

Employees who are cancelled may have their health plans reinstated if full payment of contributions is made within sixty (60) days from the date of the notice of cancellation, provided the employee’s enrollment has not been previously cancelled within twelve (12) months from the date of the notice of cancellation. Otherwise, employees may only reenroll during the next open enrollment or qualifying event occurring within the next plan year.
Continuing Health Plans on FMLA

For employees who wish to continue their health plans while on LWOP due to FMLA, Departmental Human Resource or Personnel Officers must complete an L-1 form, check the box indicating employee is on FMLA and submit to the EUTF within 45 days from the start date of employee’s FMLA.

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HRO USE: Please route the completed L-1 Form by intra-office courier or mail to: EUTF at 201 Merchant Street, Suite 1700, Honolulu, HI 96813
Employer: __________________ Agency/Department: ___________________ Phone: ________________

HRO Signature: ___________________ Date: ___________________

Employee is on Family Medical Leave (FMLA): □ Yes □ No
Employee is on Uniformed Services Leave (USERRA): □ Yes □ No
If employee is on FMLA or USERRA leave, indicate start and end date: ____________ to ____________
Please provide the following copies of this form to: Employee: _____ EUTF: _____ Employer’s File Copy: ___

Revised 7/18
FMLA

Continuing Health Plans on FMLA

If an employee on FMLA incurs a shortage and does not submit payment to the EUTF by the due date indicated on the Shortage Notice, their plans will be cancelled effective the due date on the notice.

If an employee under FMLA has their health plans canceled due to non-payment, they will be able to reenroll into their original plans according to the start date they select in the “coverage start date” section of their EC-1 form, regardless of whether they had a Cancellation Non-payment within the past 12 months. Please keep in mind that the employee will still be responsible for paying any outstanding premiums after they are reinstated.
Continuing Health Plans on USERRA

For employees who wish to continue their health plans while on LWOP due to USERRA, Department Human Resource or Personnel Officers must complete an L-1 form, check the box indicating the employee is on USERRA and submit within 45 days from the start date of employee’s USERRA.
Continuing Health Plans on **USERRA**

If an employee on USERRA incurs a shortage and does not submit payment to the EUTF by the due date indicated on the shortage notice, their plans will be cancelled effective the last paid in full date.

If an employee under USERRA has their health plans canceled due to non-payment, they will be able to reenroll in their original plans according to the start date they select in the “coverage start date” section of the EC-1 form.
Jane is going on LWOP for a few months. She informs her Departmental Human Resource or County Personnel Officer that she wishes to waive her health coverage while on LWOP.

Jane completes an EC-1 form to waive her health plans and submits her EC-1 to her Departmental Human Resource or County Personnel Office within 45 days of her LWOP start date.

The Departmental Human Resource or County Personnel Officer completes the L-1 form and submits both EC-1 and L-1 forms to the EUTF. A copy of the L-1 form is given to Jane for her records.
Voluntary Cancellation Example

Upon Jane’s return from LWOP, she wishes to reenroll in her health plans. She submits an EC-1 form to her Departmental Human Resource or County Personnel Office within 45 days from her return date.

Jane is only allowed to reenroll in the original health plans she had prior to going on LWOP.

Her plans become effective according to the start date she selects in the “coverage start date” section of her EC-1 form.
Continuing Health Plans Example

Jeff is going on LWOP for several months. He informs his Departmental Human Resource or County Personnel Office that he wishes to continue his health plans while on LWOP.

The Departmental Human Resource or County Personnel Officer completes and submits the L-1 forms to the EUTF within 45 days of his LWOP start date. A copy of the L-1 form is given to Jeff for his records.

Jeff will be responsible for paying the employee portion of his health plan premiums.
Continuing Health Plans Example

Jeff uses the premium and contribution rate sheet provided with the L-1 form to calculate his portion of health plan premiums.

Payment must be promptly paid to the EUTF on the first of each month.

EUTF will not send a bill.

<table>
<thead>
<tr>
<th>Benefit Plans</th>
<th>Type Enrollment</th>
<th>Employee Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMSA 80/20 PPO</td>
<td>Self Only</td>
<td>$285.86</td>
</tr>
<tr>
<td>Medical, CVS Prescription Drug &amp; Chiro Plan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HDS Dental Plan</td>
<td>Self Only</td>
<td>$14.76</td>
</tr>
<tr>
<td>VSP Vision Plan</td>
<td>Self Only</td>
<td>$2.46</td>
</tr>
<tr>
<td>USAble Life Insurance</td>
<td>Self Only</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Total Due to the EUTF per Month $303.08
Continuing Health Plans Example

Shortly after his LWOP begins, Jeff stops making premium payments.

Payment was not received by the 13th of the next month payment stopped, and a Shortage Notice is mailed to Jeff requesting full payment of premiums within 30 days.
Continuing Health Plans Example

Jeff fails to submit the premium shortage within 60 days from the initial Shortage Letter. Jeff now receives a Notice of Health Insurance Cancellation letter from the EUTF advising him that his health plans have been cancelled for non-payment.

If full payment is not received within 60 days of the Notice of Cancellation letter or Jeff has had a previous cancellation within the last 12 months, his plans will be cancelled and he will not be able to reenroll upon his return from LWOP.

Jeff may reenroll during the next open enrollment or qualifying event occurring within the next plan year.
Additional Information

State Employers Only – Termination, Demographic and Bargaining Unit Changes
Executive Branch, University of Hawaii and Hawaii Health Systems Corporation (HHSC) no longer need to submit EC-1 forms to EUTF for Termination of Employment, Demographic and Bargaining Unit Changes (UH will still send EC-1 forms for BU changes). They are reported on the Hawaii Information Portal (HIP) file. Employers must continue to submit EC-1 forms to void a Termination, for Transfers of Employment to another Public Employer and for all other life events.

Change of Address
State and County employees not included in the Executive Branch, HHSC and University of Hawaii must notify the EUTF of a change in address. Employees may download an “Address Change Form for Employees” online at eutf.hawaii.gov in the forms for active employee section. Completed forms must be submitted to their employer or EUTF designee. Employees may also contact the EUTF at 808-586-7390 or toll free at 1-800-295-0089 to request that an “Active Employee Address Change Form” be mailed to them. State of Hawaii Executive Branch, HHSC and University of Hawaii employees must update their personal address using the Hawaii Information Portal (HIP).
LWOP Lasting **Less Than 30 Days**

Do not submit an L-1 or EC-1/EC-1H form for employees on LWOP for less than 30 days. They are not eligible to waive their plans.

Employees on LWOP for less than 30 days, including those on TDI, should check their pay statements each pay period to ensure premiums were deducted. If premiums were not deducted, employees must submit their portion of the premiums to the EUTF to avoid cancellation of their plans.

Employees with questions regarding their account balance can contact EUTF Accounting at 586-7390 or toll-free at 1-800-295-0089 and select option #3.