



# State of New Jersey

DEPARTMENT OF THE TREASURY  
DIVISION OF PENSIONS AND BENEFITS  
P. O. Box 295

TRENTON, NEW JERSEY 08625-0295  
Telephone (609) 292-7524 / Facsimile (609) 777-1779  
TRS 711 (609) 292-6683  
[www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

ELIZABETH MAHER MUOIO  
*State Treasurer*

JOHN D. MEGARIOTIS  
*Acting Director*

PHILIP D. MURPHY  
*Governor*

SHEILA Y. OLIVER  
*Lt. Governor*

September 2020

**TO:** State Health Benefits Program (SHBP) and School Employees' Health Benefits Program (SEHBP) Certifying Officers, Human Resources Representatives, and Benefit Administrators

**FROM:** New Jersey Division of Pensions & Benefits (NJDPB)

**SUBJECT: Information Regarding Employees on Leave of Absence and Health Benefits Coverage and Termination**

The New Jersey Division of Pensions & Benefits is sending this Certifying Officer Letter to provide employers with information regarding the procedure for terminating Health Benefits coverage for employees on a Leave of Absence (LOA) and to notify employers about a mailing that will be sent to employees that may be delinquent in their Health Benefits contributions as a result of being on LOA from March 3, 2020, to the present.

### **Procedure for Terminating Health Benefits Coverage for Employees on LOA:**

State Monthly, Local Government, and Local Education employers should use the Employer Pension and Benefits Information Connection (EPIC) to terminate coverage for employees on a Leave of Absence. *Health Benefits Enrollment and/or Change Forms* to waive or terminate coverage should not be used in the case of a Leave of Absence.

**Note:** Beginning October 1, 2020, State Biweekly and State Monthly employers should use Benefitsolver to terminate coverage. Local Government and Local Education employers should continue to use EPIC.

Employees are permitted to waive their coverage provided they have other health care coverage on their own or as a dependent by completing an application. To have this coverage reinstated, the member must notify the SHBP/SEHBP within 60 days of the loss of the other coverage and provide proof of loss of that coverage. Reinstatement will be effective immediately following the loss of the employee's other health plan coverage. If no proof of loss of other coverage is received, members must wait until the next Open Enrollment period to have their coverage reinstated.

Termination of Health Benefits due to a Leave of Absence is not considered a waiver of coverage; therefore, applications are not needed. To ensure members returning from a Leave of Absence are reinstated in a timely fashion, please be sure to report every Leave of Absence in which coverage will be terminated through EPIC or Benefitsolver.

Please forward this information to your human resources staff, benefit administrators, and any other staff responsible for the administration of employee health benefits.

### **Notification of Delinquency for Health Benefits Contributions While on LOA:**

As you are aware, pre-payment of health benefits contributions is generally required for continued coverage under the State Health Benefits Program during any approved Leave of Absence. However, due to the COVID-19 Public Health Emergency, the NJDPB recognized that there may have been disruptions in such payments. So as to not disrupt members' coverage during the COVID-19 Public Health Emergency, the NJDPB has not been terminating coverage for those on approved Leave of Absence that have failed to pay health benefits contributions since the announcement of the Public Health Emergency. Please note that as of September 28, 2020, pre-payments for Leaves of Absence will continue to be required for continued coverage under the SHBP.

The Division will be sending letters to all employees that have outstanding amounts owed for medical, prescriptions drugs, and dental benefits that were incurred during an approved Leave of Absence (see attached). The letter will inform members that failure to make payment will result in termination of health benefits coverage along with any dependent coverage under the SHBP. Termination will occur retroactively to the original date of the employee's Leave of Absence or the date for which the employee ceased paying healthcare contributions, whichever is later. If an employee has returned from an approved Leave of Absence, the letter directs the employee to inform their human resource officer and to complete a *Health Benefits Enrollment and/or Change Form*.

**Note:** While employers should use EPIC/Benefitsolver to terminate an employee's coverage, the *Health Benefits Enrollment and/or Change Form* is required to reinstate coverage. Beginning October 1, 2020, State Biweekly and State Monthly employees can reinstate coverage through Benefitsolver. All other employees should download and print the appropriate form from the NJDPB website: [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions)

If an employee has not yet returned from an approved Leave of Absence, the letter informs the member of their continued obligation to pay contributions for health benefits coverage under the SHBP and directs the employee to immediately contact the human resources officer in order to determine the amount outstanding for medical, prescription drug, and dental benefits coverage incurred during the Leave of Absence. Any amounts remaining unpaid and outstanding thirty (30) days after the date of the notice may result in retroactive termination of coverages to the original date of the employee's Leave of Absence or the date on which the employee ceased paying healthcare contributions, whichever is later. Payments must be made through money order and should be submitted through Centralized Payroll's normal reinstatement process.

Employees that have separated from State service or have further questions are directed to contact their human resources office in order to ensure that all owed amounts outstanding have been paid.

### **ADDITIONAL INFORMATION**

If you have questions regarding the information provided in this letter, please contact the NJDPB's Office of Client Services at (609) 292-7424, or email the NJDPB at: [pensions.nj@treas.nj.gov](mailto:pensions.nj@treas.nj.gov)