

April 19, 2018

TO: On & Off Campus Unit Contacts

SUBJECT: Summer Insurance Benefits for Less Than 12-Month Employees

The following guidelines are provided to answer questions regarding the continuation of the State Group Insurance Premium (SGIP) during the summer months for employees who have a disbursement plan and annual work period less than 12-months. (4.5/9/10/11)

- Employees premiums will be deducted from their May earnings paid on 6/1/18 for monthly-paid employees and 5/25/18 for biweekly-paid employees.
- Employees who are budgeted for less than 12-month appointments are eligible to continue insurance benefits and receive the state contribution (SGIP) during the summer months **if the unit has a reasonable expectation that employment will continue in the fall.**
- Employees who are budgeted for less than 12-month appointments and do not have a reasonable expectation of benefit eligible employment in the fall, should be terminated effective their last working day. *This includes Grad Assistants who graduate in May and Grad Assistants who are NOT returning in the Fall*
- If during the summer, an employee notifies a unit that he/she will not be returning in the fall, the employee should be terminated immediately.
- If an employee is to remain less than a 12-month employee, and receive the SGIP for the summer months, the department may wish to change the costing allocation from which the SGIP is paid during the summer.

If your department has employees who are less than 12-month appointments you can run the "Employee Academic Pay Settings By Organization" report to review your list. A business process should be completed for employees being terminated May 31st or before and for employees who will be extended thru the summer. **All business processes should be completed by May 17, 2018.** Please, **do not delay** as it will affect the May 2018 monthly payroll. Instructions are provided on the attachment, "'18 Current Grad Assistants."

Employees appearing on your report and who will NOT be working as a Graduate Assistant during the summer, but will be returning in the fall need to have a Change Job business process completed to: (1) adjust the annual work period, (2) adjust the disbursement plan and (3) remove the summer costing allocation. This will generate the action to have the summer premiums deducted from the May earnings.

On May 1, 2018, the *Insurance Premiums for Summer 2018* letter will be e-mailed to employees who are budgeted for less than 12 months. The letter will be maintained in HRConnect Legacy. This letter explains that all employees who are on the budget for less than 12 months will have out-of-pocket insurance premiums for May, June, July and August deducted from their 6/1 paycheck. **It is VERY important that the Business Processes complete before the May payroll runs to avoid summer premium deductions that could cause undue financial burden on the employee.**

Also attached is a document titled “18 Summer Insurance Premium Q&A” which can be given to employees who contact you regarding their letter or have questions about how insurance works for less than 12 month appointments.

For questions about benefit deductions, please contact: Vicki Welch at (979) 862-8096

For questions about the business processes, please contact: Your HR Generalist

Texas A&M AgriLife Administrative Services | <http://agrilifeas.tamu.edu/>