



## **Employer Provisions**

### **Administrative Rule 402 Participation: Military Leave**

#### **Benefits Plan Reference**

Article II Eligibility and Enrollment

#### **Original Date**

01/2017

#### **Revision Date**

04/2022

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The federal Uniformed Services Employment and Reemployment Rights Act (USERRA) and Heroes Earnings Assistance and Relief Tax Act (HEART) provide benefits protection for employees who leave active employment for military service.

### **Eligibility**

A Benefits Plan member who is called to or volunteers for active duty in the armed forces is required to notify, in writing or verbally, the employer in advance of the impending service. The employer must advise the employee of his/her rights, benefits, and obligations under USERRA and HEART (collectively, *USERRA rights*).

A member who returns within the USERRA leave period is entitled to reinstatement of all benefits that were in place before mobilization and to those the employer is offering or providing to others in the employee's employment class.

Most USERRA rights pertaining to benefits are subject to the member returning to eligible service under the Benefits Plan within five years of activation. The five-year period includes only the time the employee spends serving in the uniformed services; a period of absence from employment before or after armed forces service is not included. For example, after completing service, the employee is provided a certain amount of time, depending on the length of service, to report back to work or submit an application for reemployment. The period between completing uniformed service and reporting back to work or seeking reemployment is not included in the five-year limit.

### **Medical and Death and Disability Coverage**

The Benefits Plan permits a variety of coverage options to select from for members entering military service and their eligible family members:

- TRICARE medical coverage only. TRICARE provides medical benefits to members of the military and their families.
- TRICARE, plus death and disability coverage under the Benefits Plan if the member is enrolled in the Death and Disability Plan upon entering military service. Dues, based on the member's last effective salary, can be paid for up to five years'

continuous military service.

- Medical continuation coverage under the Benefits Plan only. The member pays the required subscription dues. Coverage can be in effect for up to five years' continuous military service.
- Medical and death and disability coverage under the Benefits Plan. Pastor's Participation members pay their medical dues, based on the minimum medical participation basis. Minister's Choice members, who currently have medical coverage under the benefits plan, can pay for medical coverage via Medical Continuation coverage as noted above. Those who are not enrolled in a benefits package pay 100 percent of coverage level costs. For death and disability coverage, regardless of the benefits package, dues are based on the member's last effective salary. Coverage can be in effect for up to five years' continuous military service.

### **Free Coverage**

Members enrolled in Pastor's Participation who terminate employment for uniformed service and their family members receive one month of medical coverage at no cost to them. They also will receive 90 days' death coverage. The employer and the member are not responsible for dues.

### **Reemployment**

Benefits Plan members returning to employment after more than 30 days' active duty have two options:

- immediate resumption of Medical Plan coverage
  - Employer resumes paying dues (Pastor's Participation) or employer share of coverage-level costs (Minister's Choice and members not enrolled in benefits packages, if applicable).
- Continued coverage through TRICARE at no cost to employee for 180 days under the Transitional Assistance Management Program (TAMP)
  - Employer pays nothing toward the employee's medical coverage for the 180 days.
  - Board requires written documentation of the employee's eligibility for TAMP and coverage dates to make the employee eligible for a Medical Plan waiver and to avoid coverage-gap problems.

The option selected will apply to all eligible family members.

### **Retirement Benefits**

#### **Pension Plan**

A member who continues Pension Plan coverage while serving in the armed forces is eligible to receive credit toward vesting and pension credits for up to five years of continuous military service. The credits are based on whichever is greater — the member's last effective salary or the annual median salary for the member's employment class, prorated for part-time employment where applicable. The Board will adjust credits based on any scheduled annual salary increase or increase in the annual median salary that may

occur during the member's military service.

- The employer may continue Pension Plan enrollment for up to five years of continuous military service. Dues are paid by the last employer and are based on the member's last effective salary.
- A member may elect to continue Pension Plan enrollment on a self-pay basis, with dues paid on the last effective salary, for up to five years of continuous military service.
- The employer and member may defer Pension Plan coverage until the member is reemployed.
- If a member dies while on active duty, the Pension Plan must pay survivor the benefit as set forth in Article IV, Section 4.7 (d) of the Benefits Plan.
- If a member dies or becomes disabled while on active duty, his or her last employer prior to active duty may elect to pay dues for Pension Plan coverage from the commencement of the member's military leave to the date of death or disability. (Note: This applies only to the Pension Plan; it does not apply to the death and disability benefits.)

### **Retirement Savings Plan**

- The employer and employee may contribute to the Retirement Savings Plan of the Presbyterian Church (U.S.A.) (RSP). If the employee does not continue to receive compensation during military service, he or she must make after-tax contributions to the RSP.
  - A member returning from military leave may make up contributions through salary deferral.
  - Upon a member's reemployment, the employer must make up any scheduled employer contributions that were not made during the member's military service.
- An RSP participant who serves on active duty for more than 30 days may elect to receive a distribution from his or her RSP account. If such an election is made, the participant may not make salary-deferral contributions to the RSP for six months following the distribution.
- If a deployment is to exceed 180 days, or is for an indefinite time, a participant may take a penalty-free RSP distribution.
- The member should contact Fidelity for information regarding loan availability.

### **Other Considerations**

- If an employer pays a Benefits Plan member a military pay differential, that payment may be included in effective salary for purposes of determining the contribution to the member's RSP and/or for pension credit accrual.
- A member's military service will be credited toward years of plan participation for Rule of 70 eligibility if the member returns during the USERRA leave period.