LAYOFF BENEFITS QUESTION AND ANSWER SHEET

1. When will my health insurance benefits end?

Your healthcare coverage will end at midnight on the last day of the month in which you are laid off.

2. What will happen to my Retirement Plan?

- If you have more than $5,000 in both Principal Financial accounts, you may leave the money indefinitely.
- If you have less than $5,000 saved then you can roll the money directly into another tax qualified 401k plan or open an Individual Retirement Account (IRA) at your bank or credit union and roll the money in that account with no taxes or penalties.
- You can take a cash distribution but you will lose approximately 35% or more to taxes and penalties.

3. Will I be able to claim unemployment?

Yes, you can begin receiving unemployment after a 7 day waiting period. You may enroll online or by phone. You will be provided a booklet with numbers and instructions. Do not wait to file because the waiting period is not paid but the waiting period does not start until the claim is filed.

Currently unemployment pays for 6 months but Congress has recently passed further unemployment benefits.

4. How long will my COBRA Benefits last?
COBRA is federally mandated continuation of your healthcare benefits up to 18 months but you must pay the entire cost. The cost is the same amount that NHA pays for your coverage. COBRA participants pay both the employer and employee portions of the cost of coverage.

California law requires that health insurance carriers offer COBRA participants who exhaust their 18-month continuation coverage, an opportunity to extend their coverage up to 36 months. The cost of the extended coverage after the 18-month initial period will be 110% of the conventional rates used for active employees.

In addition, COBRA participants who complete the 36 month extended coverage can enroll in an individual conversion health insurance policy, without providing proof of insurability. The benefits provided under such an individual conversion policy may not be identical to those provided under the COBRA continuation. Former employees may exercise this right in lieu of electing continuation coverage, or may exercise this right after having received the maximum continuation coverage available to you. COBRA participants should contact their group health insurance provider and ask for conversion information.

How does the COBRA benefit work?

Please contact the Benefit Office to determine the current COBRA rates. You will be given 60 days to determine whether you need to enroll in COBRA or not. From the time that you enroll you then have 45 days to make your first payment. This timeframe gives you over 90 days to find other individual coverage or enroll in COBRA continuation benefits.

You can take each coverage separately i.e. You can take medical without including dental and vision without including any other benefit, etc.

5. What happens to my Flexible Spending Account (FSA) if I am laid off?

You FSA will end on your separation date unless you elect to continue making payment on an after tax basis. Any monies left in the account
will be forfeited unless you have receipts for treatment that occurred on or before your separation date. You will have 60 days to submit receipts for reimbursement.

6. **What if I do not have at least 3 years of service with NHA and therefore I am not vested in the Retirement Plan matching contributions**

The current vesting schedule is as follows:

- 1 year of service: you will own 35% of NHA’s Match
- 2 years of service: you will own 65% of NHA’s Match
- 3 years of service: you will own 100% of NHA’s Match

**NOTE:** The President/CEO will recommend to the NHA Board of Directors that they approve 100% vesting of the 6% NHA Employer Contribution for all employees, currently participating in the Agency’s pension program, who are being laid off during this reduction in force.

7. **How do I get to the money in my Retirement Plan?**

After you are laid off the Benefits Office will notify Principal Financial, our record keeper, to send you all the paperwork necessary to take a termination distribution or a rollover.

8. **Can I still use the Employee Assistance Program (EAP)?**

Yes, you and your family can use the EAP until the end of the month in which you terminate. The number for the EAP is:

**For English:** 800 854 1446  
**For Spanish:** 877 858 2147

9. **What if I had planned to have elective surgery after the lay off?**

If you are disabled for any reason within 90 days of being laid off you will still be eligible for CA State Disability.
10. **If I am on an approved FMLA leave will I still be laid off?**

Yes, FMLA does not provide job protection for good faith personnel actions. A lay off is considered a good faith personnel action. In any event, your job is not protected while on any type of leave, even Worker Comp, if you would have been laid off if you had been working. You will be treated just as if you were still at work.

11. **If I have a pending Workers Comp case what will happen to my WC benefits?**

Your Workers Comp injury will continue to be treated by Zenith Insurance until your case is closed.

12. **What happens to my Life insurance if I am laid off?**

Your Basic life insurance provided by NHA is $15,000. You may elect to continue coverage with a Conversion Policy but you must pay age banded rates determined by your age.

Supplemental Life insurance is portable. That means you can make the same payment to the insurance carrier and keep the same insurance coverage. You can even increase or decrease the amount if you wish.

Paperwork for both Basic Life Conversion and Supplemental Life Portability will be provided by the Benefits Office.

13. **What happens to my AFLAC benefits?**

You may keep any AFLAC policies except Short Term Disability. You will have to pay AFLAC directly.

14. **Will I get a W-2 from NHA?**
Yes, please make sure we have your correct address before you leave the Agency.

15. **Will I be paid for all my vacation accruals?**

Yes, all accrued vacation time will be paid out in your final pay check.

16. **Will any of my sick leave be paid out?**

If you are a union employee, no sick leave will be paid out.

If you are a non union employee and have more than 10 years of service with NHA you will receive a partial payout depending on your length of service.

17. **Am I eligible for rehire with NHA if there is a position in the future?**

Yes. You must first re-apply for employment with NHA

18. **Can I substitute at NHA if I can’t find another job?**

You must first re-apply for employment with NHA

19. **What will NHA tell my prospective employers about my service at NHA.**

NHA will only verify dates of service and position title. We will provide salary information only with written authorization from the employee.
20. What are our responsibilities as managers and supervisors during the layoff period?

Your responsibilities as managers remain the same; continue to follow normal operating procedures.

21. What does the Agency plan to do to help those who are laid off?

Outplacement services will be provided by the Metro Career Center. The Metro Career Center provides assistance in filing for unemployment compensation benefits, resume preparation and reemployment services.

If you have others questions, please feel free to contact Reginald Phoenix at (858) 715-2642 extension 172. He will work to get your questions answered in a timely manner.