

Insurance Coverage Policy Separating Employees

These procedures have been established to provide guidelines for the continuation of insurance benefits for separating employees.

The Office of Group Benefits stipulates in Article 2 – Termination of Coverage

I Active Employee and Retired Employee Coverage

- A. “Subject to continuation of coverage and COBRA rules, all benefits of a Covered Person will terminate under this Plan on the earliest of the following dates:
1. ...
 2. ...
 3. ...
 4. On the contribution due date if the Covered Person fails to make any contributions which is required for the continuation of his coverage.
 5. ...
 6. On the last day of the month in which the covered Employee ceases to be eligible.”

Employees who are separating from ULM service should notify their supervisor, department head, dean or director of the employees pending resignation. The department head, dean, supervisor or director will determine the actual date of separation based on notification from the employee and complete the proper payroll action form.

The University considers a full-time employee with an employment appointment less than 12 months (9-, 10-, 11-months) to be in full-time employment status during the months the employees are not required to be on campus (i.e. June, July or August). Therefore, the employee would remain eligible to keep their insurance benefits during those months. Additionally, if the University notifies an employee during the fall semester that their employment contract will not be renewed at the end of the Spring Semester, their insurance coverage will continue through the summer months for which insurance premiums were collected.

The Office of Group Benefits requires all insurance coverage terminate on the last day of the month the employee was employed (termination date June 15, coverage term date June 30; termination date December 31, coverage term date December 31). All employees no longer eligible for Office of Group Benefits insurance can opt to enroll in COBRA.

Examples of separation situations:

1. A 12-month employee notifies their supervisor on April 1 of their intention to separate from service on April 15. The Payroll Action Form will stipulate employment end date of April 15 and coverage will end on April 30.
2. A 12-month employee notifies their supervisor on June 20 their intention to separate from service on July 5. The Payroll Action Form will stipulate employment end date July 5 and coverage will end on July 31.

3. On May 15, a 9-, 10-, or 11-month employee notifies their department head of their intention to not return at the start of the Fall Semester. The employee's coverage will terminate August 31 provided insurance premiums have been paid by the employee.
4. An employee with a 9-, 10- or 11-month appointment notifies their department head on November 20 of their intent to not return for the Spring Semester. The Payroll Action Form must indicate a termination date in January. The employee will be covered through the end of January providing insurance premiums have been paid by the employee.

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