

FURLOUGH UPDATE #2

Employee Questions and Answers

NOTE: The following is intended to briefly address important issues which may be of concern to you in the event of a furlough. This is not a legal document or contract, and may be subject to change.

HEALTH BENEFITS

Q33: Will an employee's health benefits continue while on a furlough?

A33: Yes, as long as the necessary premium payments are made on a timely basis. Employees who do not have sufficient monthly earnings to pay for their insurance premiums will be sent a Notice of Premium shortage by the Employer-Union Health Benefits Trust Fund (EUTF).

Q34: If a part-time employee is currently receiving health benefits, will the furloughs affect the employee and cause him/her to lose health benefits coverage?

A34: No. The employee will not lose health benefits coverage as a result of the furloughs because the State will not change the employee's FTE (Full-Time Equivalent)* designation which is one of the factors used to determine health benefits eligibility. As stated in Q&A #33 above, health benefits coverage will continue as long as the necessary premium payments are made on a timely basis.

*Definition of **Full Time Equivalent (FTE)**: Based on an 8-hour workday, the FTE is the percent rate that an employee is employed. Basically, 100% FTE means an employee is employed on a full-time basis, 50% FTE means an employee is employed on a half-time basis, and so forth.

GENERAL QUESTIONS

Q35: Will the furlough affect an employee's status as a full-time employee?

A35: No, the employee's FTE will remain the same.

Q36: Can furlough hours be taken in advance?

A36: No, unless approved by the Department Head on a case-by-case basis.

Q37: Will the furlough affect employees' service anniversary dates regarding service awards?

A37: No.

Q38: Will the Ethics Commission be providing guidance regarding any limitations on second jobs?

A38: Yes. In the June 2009 issue of the Hawaii State Ethics Commission newsletter, "The High Road," the Commission has published guidelines that employees should keep in mind when looking for outside employment or starting their own business to supplement their government paychecks. A copy of "The High Road" may be downloaded from their website at: http://hawaii.gov/ethics/pubs_guides/newsltr/2009.

Q39: How will the furlough affect child support payments being deducted from an employee's paycheck?

A39: The amount deducted for child support is set by court or administrative order. If your paycheck does not cover the amount that is to be deducted to satisfy your child support obligations, the portion that is not deducted will be considered a delinquency and payment will need to be sent directly to the Child Support Enforcement Agency at: P.O. Box 1860, Honolulu, Hawaii 96805-1860.

If there are any questions, employees may call 692-8265. Neighbor island employees may call: Maui – 243-5241; Kauai – 241-7112; Hawaii – 933-0644; Molokai and Lanai, toll free, 1-888-317-9081.

HOLIDAYS

Q40: Can an employee request to take his/her furlough on a holiday?

A40: No, furloughs will not be on holidays.

Note: This is an update to "Employee Questions and Answers," #A15, dated June 8, 2009.

SALARY/ PAYROLL ADJUSTMENTS

Q41: Will employee statutory union dues be adjusted due to the furlough?

A41: The employer has no authority to adjust union dues. In the event the Unions elect to adjust dues during the furlough period, the State will facilitate that choice and adjust the paycheck deduction accordingly.

LEAVES

Q42: In Question and Answer #21, it stated that furloughs will not affect the number of hours of vacation or sick leave earned. Does that apply to part-time, as well as full-time, employees?

A42: Yes.

Q43: Will the furlough affect the number of donated leave days an employee may receive under the departmental Leave Sharing Program?

A43: Yes. The number of shared leave credits that an employee may receive through the Leave Sharing Program shall be reduced to account for the furlough days. Paid shared leave cannot be used in lieu of furlough.

EMPLOYEES' RETIREMENT SYSTEM

Q44: Will an employee's "ordinary death" benefits be affected if he/she dies while on furlough?

A44: No. Death benefits are payable to all Employees' Retirement System members, including those on furlough, as long as the member died while still employed and meets (for certain plans) the minimum years of service eligibility requirements.

Q45: Will the employee's contributions to the Employees' Retirement System for the Contributory or Hybrid Plan be based on the employee's base pay or adjusted gross pay?

A45: Employee's contributions will be based on the adjusted gross pay.

ISLAND FLEX FLEXIBLE SPENDING ACCOUNTS PLAN

Q46: Will employees be able to make changes to their Island Flex flexible spending accounts plan because of the furlough?

A46: Yes. Employees may make changes to their **Island Flex** flexible spending accounts plan provided that they contact Comprehensive Financial Planning (CFP) Inc., the State's Third-Party Administrator of the Plan, **before June 30, 2009**. CFP can be reached at (808) 596-7006. Neighbor Island employees may call toll free at 1-877-550-5552.

PRE-TAX TRANSPORTATION PROGRAM
(i.e., Pre-Tax Bus Passes, Vanpool Hawaii, Handi-Van)

Q47: Can an employee cancel their enrollment in the pre-tax transportation program due to the furlough?

A47: Yes, as long as the cancellation form is submitted to the Department Coordinator no less than 35 days prior to the month for which the cancellation is to be effective.

REACH COUNSELING SERVICES

Q48: Will there be employee assistance counseling services available to employees?

A48: The State's Resource for Employee Assistance and Counseling Help (REACH) Program provides short-term professional counseling services to employees who may be experiencing problems that are affecting job performance. The services are currently provided by WorkLife Hawaii, a division of Child and Family Service up **until June 28, 2009**. Employees wishing to schedule an appointment may call (808) 543-8445.

After June 28, 2009, employees who need counseling services may want to check whether their health benefits plan would cover for such services through a private counselor. Or, they may call 211, a service which provides information and referrals on everything from crisis intervention and counseling to job training, educational programs, and childcare.