Impact of a Layoff on MOSERS Benefits

• Departments and benefit providers may use different terms. However, for MOSERS’ purposes, a “layoff” occurs when a department lays off an employee by reason of a shortage of work or funds, the abolition of the position, or other material change in the duties or the organization, or for other related reasons, which are outside the employee’s control.

  – This definition is intended to include any instance where the employer eliminates a position due to the above reasons, regardless of the term (i.e. layoff, furlough, reduction in workforce, etc., which are all considered a leave of absence).

  – Employers should submit a leave of absence form to MOSERS indicating layoff status.

  – An employee does not earn service or salary credit during a layoff period. However, an employee in their BackDROP period can continue to work toward BackDROP eligibility while on an approved leave of absence.

  – After twelve months on layoff status, the employee is automatically terminated and MOSERS group life and long-term disability insurance coverage ends.

• The following flow charts are intended to provide general guidance to employers and employees. As noted in the charts, an employee has different rights if they are on a leave of absence as opposed to terminated status. An employee should work directly with their employer if they prefer termination status vs. leave status.

• An employee who is eligible for retirement should contact MOSERS for individualized counseling.
Employer Chart - Layoff

1. Employer submits Leave of Absence form to MOSERS indicating layoff status.
2. Payroll for employee stops, including employer and employee contributions for both MOSERS and MO Deferred Comp.

Is an employee being reinstated within one year from layoff date?

- Yes
  - Employer submits Back to Work form.
  - Employee payroll & contributions resume.

No

- Employee requests termination
  - Normal termination procedures

Group Life & LTD MOSERS
  - Coverage reinstated at prelayoff levels.
  - Premiums paid through payroll.

Defined Benefit MOSERS
  - Service and salary credit resume based on reinstatement date.
  - Prior service credit automatically reinstated.

Defined Contribution MO Deferred Comp
  - Contributions resume via payroll based on reinstatement date.

If an employee returns, the employee should be set up as a new hire in SEBES.
A non-vested member must work one year before prior service credit is reinstated.

If an employee is still working, even with reduced pay or hours, MOSERS does NOT consider this a layoff and you do NOT need to submit a leave of absence form.

A terminated 2011 plan member may request a refund of their employee contributions from MOSERS, which results in forfeiture of all credited service.

June 5, 2020
You can be on a leave of absence for up to 12 months following a layoff.

During this time, you do **not** earn service or salary credit towards retirement benefits.

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**Employee Chart - Layoff**

**Are you eligible for retirement?**

- **Yes**
  - **Are you in your BackDROP period?**
    - **Yes**
      - **May apply for retirement.**
    - **No**
      - **Are you a 2011 plan member?**
        - **Yes**
          - **Can continue to work toward BackDROP requirements while on an approved leave of absence.**
        - **No**
          - **Do you want to take a refund of 4% employee contributions?**
            - **Yes**
              - **Upon termination, you are eligible for a refund of employee contributions from MOSERS, which results in forfeiture of all your credited service.**
            - **No**
          - **Do you want to continue MOSERS Life & LTD Coverage?**
            - **Yes**
              - **You may continue coverage for up to one year.**
              - **You must pay premiums.**
            - **No**
          - **Do you need access to your MO Deferred Comp account?**
            - **Yes**
              - **Once active employment ends, you may access DC funds. May be 10% penalty if you are younger than 59½.**
            - **No**

**Are you eligible for retirement?**

- **No**
  - **Are you in your BackDROP period?**
    - **Yes**
      - **May apply for retirement.**
    - **No**
      - **Are you a 2011 plan member?**
        - **Yes**
          - **Can continue to work toward BackDROP requirements while on an approved leave of absence.**
        - **No**
          - **Do you want to take a refund of 4% employee contributions?**
            - **Yes**
              - **Upon termination, you are eligible for a refund of employee contributions from MOSERS, which results in forfeiture of all your credited service.**
            - **No**
          - **Do you want to continue MOSERS Life & LTD Coverage?**
            - **Yes**
              - **You may continue coverage for up to one year.**
              - **You must pay premiums.**
            - **No**
          - **Do you need access to your MO Deferred Comp account?**
            - **Yes**
              - **Once active employment ends, you may access DC funds. May be 10% penalty if you are younger than 59½.**
            - **No**

See the list of benefit providers on the following page. Contact other benefit providers with questions about how a layoff may affect your cafeteria plan or medical, dental, & vision insurance.

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*You can leave money in MO Deferred Comp while on an approved leave of absence and after active employment ends.*
## Missouri State Employees’ Retirement System

<table>
<thead>
<tr>
<th>Employees</th>
<th>Retirement Benefits</th>
<th>Insurance Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retiree &amp; Survivor</td>
<td>Term Life</td>
</tr>
<tr>
<td>General State</td>
<td>MOSERS</td>
<td>MOSERS</td>
</tr>
<tr>
<td>Legislators</td>
<td>MOSERS</td>
<td>MOSERS</td>
</tr>
<tr>
<td>Judges</td>
<td>MOSERS</td>
<td>MOSERS</td>
</tr>
<tr>
<td>Conservation</td>
<td>MOSERS</td>
<td>Conservation</td>
</tr>
<tr>
<td>College/University*</td>
<td>MOSERS</td>
<td>MOSERS</td>
</tr>
<tr>
<td>Lincoln University</td>
<td>MOSERS</td>
<td>MOSERS</td>
</tr>
<tr>
<td>State Tech College of MO</td>
<td>MOSERS</td>
<td>MOSERS</td>
</tr>
</tbody>
</table>

### Benefits Available to ALL Eligible Employees

- Deferred Compensation
- MO Cafe Cafeteria Plan (Central Bank/ASI)
- Universal Life Insurance (MoVLIC)

* Employees of the University of Missouri have different benefits and providers. They are not members of MOSERS.

### Acronym Key

- MCHCP - Missouri Consolidated Health Care Plan
- MOSERS - Missouri State Employees’ Retirement System

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### Benefit Providers

**MCHCP**
- Phone: (573) 751-0771 • (800) 487-0771
- Secure Messaging: [my.mchcp.org](http://my.mchcp.org)
- Web: [www.mchcp.org](http://www.mchcp.org)

**MOSERS**
- Phone: (573) 632-6100 • (800) 827-1063
- Email: [mosers@mosers.org](mailto:mosers@mosers.org)
- Web: [www.mosers.org](http://www.mosers.org)

**MOVLIC**
- Phone: (866) 668-5421 • (866) 891-4149
- Fax: (816) 531-7503
- Email: [dmeyer@mhgmovlic.org](mailto:dmeyer@mhgmovlic.org)
- Web: [www.mhgmovlic.org](http://www.mhgmovlic.org)

**MO Deferred Comp**
- Phone: (573) 893-1053 • (800) 392-0925
- Web: [www.moderedeferedcomp.org](http://www.moderedeferedcomp.org)

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June 5, 2020