

## **Productivity Enhancement Program for 2018 MC Professional Enrollment Form**

### **Overview:**

The Productivity Enhancement Program (PEP) allows eligible SUNY M/C (bargaining unit 13) employees to exchange previously accrued annual leave (vacation) in return for a credit to be applied toward their employee share NYSHIP premiums on a biweekly basis. In no case can the credit available under the program be applied to the employer share of NYSHIP premiums. As detailed below, the program will be administered on a NYSHIP plan year (hereafter “plan year”) basis.

In the 2018 plan year, **eligible full-time** employees earning up to \$68,131 who enroll will forfeit a total of either 3 days of Annual leave at the time of enrollment in return for a credit of up to \$500, or a total of 6 days for a credit of up to \$1,000. Additionally, eligible full-time employees earning more than \$68,131 and up to \$88,971 who enroll will forfeit a total of either 2 days of Annual leave at the time of enrollment in return for a credit of up to \$500, or a total of 4 days for a credit of up to \$1,000.

All **eligible part-time** employees who enroll in PEP will forfeit Annual leave on a prorated basis in accordance with their payroll/employment percentage in return for a prorated credit. This credit will be applied to the biweekly employee share NYSHIP premium deductions paid for the 2018 NYSHIP plan year.

The credit will be divided and distributed over 26 pay checks issued in 2018 and applied toward the biweekly premium payments required for coverage under NYSHIP in that plan year, up to the biweekly cost of the enrollee’s employee share of NYSHIP premium. The biweekly value of the credit will NOT be adjusted for enrollees who do not pay all biweekly employee share deductions during the plan year. Therefore, employees who do not expect to make all employee share premium payments during a plan year may not wish to participate in that plan year.

Once enrolled for a given plan year, employees continue to participate for the duration of that plan year unless they separate from State service or cease to be NYSHIP contract holders. **Leave forfeited in association with this program will not be returned, in whole or in part, to employees who cease to be eligible for participation in the program.**

### **ENROLLMENT**

The enrollment period for the 2018 plan year will be from **October 2, 2017 through November 6, 2017**. Employees are required to submit a separate enrollment form for each year in which they wish to participate.

### **ELIGIBILITY**

At the time of enrollment employees must:

- Be employed on a Calendar Year or College Year basis;
- Be a full-time employee with an annual salary no greater than \$88,971 at the time of enrollment OR part-time employee whose annual salary rate does not exceed \$88,971;
- Be a SUNY M/C employee (bargaining unit 13);
- Be a NYSHIP enrollee (contract holder) in either the Empire Plan or an HMO;
- Be eligible to receive an employer contribution toward NYSHIP premiums (or be on leave without pay from a position in which the employee is normally eligible for an employer share contribution toward NYSHIP premiums); and
- Have a sufficient annual leave balance to make the full leave forfeiture without bringing their annual leave balance below 8 days or a prorated balance for part-time employees respectively
  - **Employee’s time record must be approved through September 2017 to participate!**

**To enroll in the program for the 2018 plan year, employees must meet all eligibility criteria at the time of enrollment.**

### **LEAVES OF ABSENCE**

Participants who go on sick leave at half-pay during a program year in which they are PEP enrollees will continue to have the health insurance premium credit applied to the employee share of health insurance premiums deducted from biweekly paychecks.

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PEP enrollees who go on leave without pay (LWOP) and do not receive a waiver of premium continue to participate in the program, paying the employee share of the NYSHIP health insurance premium at the reduced rate. Additionally, they pay the employer share of the health insurance premium where required. No portion of the health insurance premium credit available under the program can be applied toward the employer share of the health insurance premium. **Leave forfeited in association with the program will not be returned, in whole or in part, to employees who receive a waiver of premium.**

### **INSURANCE ISSUES**

An employee enrolled in PEP who moves between individual and family coverage under NYSHIP will have his/her health insurance contribution credit adjusted upward or downward as appropriate.

If both spouses are State employees covered under a single family contract, only the contract holder who carries the family coverage can participate in PEP. If both spouses are enrolled contract holders, both may participate in PEP if otherwise eligible.

The Employee Benefits Division of the Department of Civil Service will issue guidelines for agency Health Benefits Administrators concerning the processing of enrollment and status changes for PEP participants.

### **TAXABILITY**

By electing to participate in PEP, an employee reduces the amount deducted from biweekly paychecks to pay the employee share of NYSHIP premiums. If the employee currently has that amount deducted on a pre-tax basis, the PEP health insurance premium credit reduces that pre-tax deduction. The net effect is that the amount of income the employee pays taxes on increases by the amount of the health insurance premium credit. While employees will realize net savings because of the PEP credit, the amount of that savings will be less than the full amount of the PEP credit for anyone currently paying NYSHIP premiums on a pretax basis. Furthermore, for each program year of participation in PEP, employees who participate in the pre-tax premium contribution program may only make changes to health insurance in accordance with pre-tax premium contribution program rules regarding qualifying events, even though the PEP credit eliminates all or part of the health insurance premium deduction.

**Employees should refer to their income tax preparer for questions regarding the tax implications of participation.**

**Productivity Enhancement Program for 2018**  
**MC Professional Enrollment Form**

**Mail completed form to:** State Benefits, 120 Crofts Hall, North Campus | **Fax to:** 645-3830 | **Email to:** UB-HR-Benefits@buffalo.edu

**Name:**

**Person Number:**

By signing this document, **I elect to participate in the 2018 portion of the Productivity Enhancement Program (PEP)** and agree to the provisions contained in the Productivity Enhancement Program Description (hereafter program description) that is available in my agency personnel office. **I understand that I must meet all the eligibility criteria as set forth in the program description in order to participate.**

I understand that, in accordance with the program description, I will surrender leave accruals standing to my credit as a result of participation and that ALL of these leave credits will be deducted from my leave balances at the time my enrollment is processed. Furthermore, **I understand that no portion of this leave will be returned to me under any circumstances. Your time record must be approved through September 2017.** I wish to apportion this leave forfeiture as follows:

Full Time Salary	Number of Days
Up to \$68,131	3 or 6 days
\$68,132 to \$88,971	2 or 4 days

In exchange for forfeiting this accrued leave I will receive a credit as set forth in the program description to be applied against the employee share cost of 2018 plan year NYSHIP health insurance. The maximum possible amount of this credit for full-time employees is \$500 for 2 or 3 days exchanged and \$1,000 for 4 or 6 days exchanged. The maximum credit for part-time employees will be prorated based upon the employee's payroll/employment percentage. Pursuant to the program description, the amount of this credit will be established at the time of enrollment and will be adjusted only upon movement between individual and family coverage. I will not receive any amount of credit that exceeds the cost of the employee share of my NYSHIP health insurance premiums paid during that period.

I understand that this enrollment form is for the 2018 program year only.

I understand that in order to participate this completed election form must be filed with my agency personnel office by the close of business on **November 6, 2017.**

Signature\_\_\_\_\_Date\_\_\_\_\_

**PERSONAL PRIVACY PROTECTION LAW NOTIFICATION**

This information is being requested pursuant to New York State Civil Service Law section 161-a for the principal purpose of determining eligibility for the Productivity Enhancement Program for 2018. This information will be used in accordance with Public Officers Law section 96(1). Failure to provide this information may result in a denial of eligibility to participate in the Productivity Enhancement Program for 2018. This information will be maintained by the employee's Agency Personnel Office. For further information relating only to the Personal Privacy Protection Law, call (518) 457-9375.

**For Agency Personnel Office Only:**

Employee's payroll/employment percentage: \_\_\_\_\_ Total number of days forfeited: \_\_\_\_\_

Hours of leave deducted from employee's balance:

Vacation\_\_\_\_\_Date\_\_\_\_\_

**For Health Benefits Administrators Only** (I certify that this applicant meets the eligibility criteria necessary for participation in this program):

Date Processed\_\_\_\_\_

Biweekly Health Insurance Premium Contribution Credit\_\_\_\_\_

Name\_\_\_\_\_Title\_\_\_\_\_

Signature\_\_\_\_\_Date\_\_\_\_\_