

**Health Care Savings Plan
Status as of May 1, 2007**

Various contractual bargaining agreements, MOA's and salary plans, contain differing eligibility and minimum threshold levels for contributions to the Health Care Savings Plan administered by MSRS. (Payment and administration instructions are listed below the matrix.) The eligibility for the HCSP in each of the bargaining units is:

Unit/Plan	Status & Notes	Contribution Amounts	Exceptions (Normal pay provisions; payment is made through payroll to the employee)
AFSCME	Effective 11/18/03, applies to all separating employees who meet the severance pay criteria.	100% of severance payment that totals \$500 or more.	Layoff, death OR Severance payment of less than \$500.
MAPE	Effective 9/1/02, applies to all employees who meet the severance pay criteria	100% of severance payment that totals \$200 or more.	Layoff, death OR Severance payment of less than \$200
MGEC	Applies to employees who are immediately eligible for retirement benefits upon separation and whose severance and vacation payoffs are received on or after 9-4-2002	100% of vacation payoff and 75% of severance payment that totals \$200 or more.	Layoff, death and discharge with just cause OR Vacation and severance amounts totaling less than \$200
MMA	Contract implemented 1/21/02; Applies to all separating employees on or after that date. -Any employee separating with 20 or more years of service who is eligible for severance pay -Any retiring employee who is eligible for severance pay	100% of vacation payoff and 100% of severance payment that totals \$500 or more.	Death, layoff with less than 20 years of service OR Vacation and severance amounts totaling less than \$500
MNA	Effective 4/10/03; all employees except intermittents.	Employee contributes \$75 per month and 75% of severance pay.	Severance payment based on death
MSUAASF	All separating employees eligible for severance pay effective 1/29/02.	100% of severance payment	none
	All employees who retire with an ESI on or after 2/2/04.	Lump sum amount equal to twelve months of the normal employer contribution towards the employee's current level of health insurance premiums at the time of retirement.	none
	Effective 1-10-06: Retirees who meet the definition of retiree in Article 16, Sect. C, Subd. 4 of the MSUAASF Agreement	100% of Vacation Payoff for all hours in excess of 120 hours	The first 120 hours of unused accumulated vacation hours are paid in cash
	Effective 6-30-06: All externally funded, probationary and permanent employees with 5 or more consecutive appointment years	Employee contributes 5% per payroll period of the first \$6,000 earned	none
	Effective 1-1-07: All insurance eligible employees	1-1-07: Employer contributes \$350 1-1-08: Employer contributes \$300	

MSCF	Applies to all separating employees on or after 9/21/02; any payments to the HCSP are made immediately upon termination; remaining amounts of severance are paid on the schedule specified in the MSCF contract	50% of severance payments of \$1,000 or more. Severance pay includes sick leave liquidation, enhanced sick leave liquidation (former UTCE), and "severance" paid in accordance with the retirement incentive grandparent clause (former UTCE); see Art. 16, Sect. 1, 3 and 4.	Layoff, death and less than 10 years of service OR Severance payments of less than \$1,000 See MSCF Contract, Article 16, Section 7
IFO	Contract implemented 6/20/02; Applies to all separating employees on or after that date.	100% of severance payment of \$500 or more	Death, where the faculty member has no spouse or dependents OR Severance payments of less than \$500
	All employees who retire with an ESI on or after 10-29-04.	Lump sum amount equal to twelve months of the normal employer contribution towards the employee's current level of health insurance premiums at the time of retirement.	
Commissioner's Plan	All separating employees eligible for severance pay.	100% of severance payment of \$100 or more.	Layoff, death and any payment to an employee with less than 10 years of service OR severance payments of less than \$100
Classified Managerial Plan	All separating employees eligible for severance pay.	100% of severance payment of \$200 or more.	Layoff, death and any payment to an employee with less than 10 years of service OR severance payments of less than \$200
MnSCU Administrators	Applies to all severance payments made for PPE 7-30-02 or later.	100% of severance payment if \$5,000 or more. Applies only to severance based on sick leave.	Death OR severance payment of less than \$5,000

For those employees who meet the qualifying criteria for the contribution of vacation payoffs, the value of insurance payments, and/or severance payments to the HCSP, participation is required with very few exceptions. One of those exceptions is for employees who can submit evidence of coverage under the Federal government's Tri-Care health insurance program. Generally, exceptions are provided for employees who qualify for health insurance without payment of premiums until death, and for certain foreign nationals. MSRS will review these situations on a case by case basis for determination of exemption from the program. Employees must contact MSRS and submit appropriate documentation along with a completed application for waiver. The payments that would have otherwise gone to the HCSP may be made in cash only after a waiver of participation form is forwarded to the employer by MSRS.

Payments that qualify to go to the HCSP are to be made using assignment type code 4003, and the following earn codes:

Type of Payment	Bargaining Unit	Earn Code
Severance	IFO, MSUAASF, MSCF and MnSCU Administrators Plan	LSP
	AFSCME, Commissioner's Plan, Classified Managerial Plan, MAPE, MMA, MNA and MGEC	9SR
Vacation Liquidation	MMA and MGEC	9VR
	MSUAASF	VLP
Value of 12 Months of Health Insurance	IFO and MSUAASF	EOI

On the paycheck advice, employees will see earnings of Sev - Rtrmt Hlth Plan and/or Vac - Rtrmt Hlth Plan, and a deduction of Post Ret Hlth Plan EE.

Once the funds are transmitted through the payroll process to MSRS, they will establish an account for the employee. MSRS will then send the employee a welcome letter and a PIN to allow the employee to access his/her account on-line. Account statements will be mailed to the employee once every six months.

Forms for the HCSP are available on the MSRS web site: <http://www.msrs.state.mn.us/form.htmls>
 Employees may submit claims for reimbursement of medical expenses that were incurred on or after the employee's termination date.

Employees seeking additional information about the HCSP should be directed to the MSRS web site at <http://www.msrs.state.mn.us/hcsp/index.htmls>.