

**ARTICLE 42**  
**HEALTH BENEFITS WHEN IN A NON PAY STATUS**

**Section 42.01 - General.** In accordance with government-wide regulations, employees may be in a non-pay status for three hundred sixty-five (365) days and remain enrolled in the Federal Employee Health Benefits (FEHB) Program with the Government continuing to pay its share, provided the employee pays his/ her share of the premium costs. The requirement to pay the employee's share of premiums while in a non-pay status shall be announced once a year to all employees. Employees may seek the advice of their Local Union representative.

**Section 42.02 - Counseling of Employee.** Prior to entering a non-pay status, the employee shall have the right to request and receive counseling from their servicing personnel office. The counseling shall include:

- (1) An explanation of the regulations;
- (2) An outline of the payment options available to the employee;
- (3) Estimation of the premium and employee share and
- (4) An opportunity for the employee to continue or cancel health benefits coverage.

**Section 42.03 - Notice.** Employees who enter a non-pay status shall be notified by certified mail, returned receipt requested, immediately following the pay period in which there is insufficient salary to cover FEHB premiums.

**Section 42.04 - Notice Requirements.** The notice to employees regarding FEHB entitlements while in an LWOP status shall contain the following:

- (1) The individual employee's name and the date of the notice;
- (2) An explanation of the purpose of the notice, including actions required by the Office of Personnel Management;
- (3) A clear statement of the employee's responsibility to choose to continue or cancel FEHB coverage;
- (4) If coverage is to be continued, a statement that the premiums may be paid while the employee is in a leave without pay status or through payroll withholdings after the employee returns to a pay status;
- (5) If coverage is to be continued, a clear statement that, upon return to a pay status, the employee shall contact the payroll office to establish a biweekly withholding amount. If no contact is made, an amount not to exceed twenty-five (25) percent of the employee's net pay shall be deducted;
- (6) If coverage is to be canceled, an explanation of the consequences of cancellation of benefits;
- (7) A statement that the employee may request and receive more information before making an election to continue or cancel benefits; and
- (8) A designated space for the employee to make an election to continue or cancel FEHB benefits and a space for the employee's signature and date of decision.