

Benefits While on Military Leave

You may continue most of your A&M System benefits while on military duty. However, the military provides medical and other benefits, and the A&M System Medical, Dental, Accidental Death and Dismemberment and Long-Term Disability plans will not pay benefits while you are in military service or due to involvement in war. Only the Life and Vision plans will pay benefits as a result of military incidences. Therefore, it may not be cost-effective for you to pay the premiums to continue some A&M System benefits. You may drop insurance coverage on yourself, but keep coverage for your family while you are on active duty.

Medical

While you are on paid military leave or any military leave of less than 31 days, your medical benefits will continue and you will receive the employer contribution. You will also receive the employer contribution while you are using emergency leave, vacation or compensatory time to receive part of your pay each month. When you are on unpaid leave for a full calendar month, you do not receive the employer contribution. However, you may continue medical coverage for yourself and/or any covered dependents by paying the full premium. If you drop your medical coverage, you will not have to provide evidence of insurability to enroll in medical coverage when you return to active employment, nor will you have any pre-existing condition limitations.

Optional Benefits

Your optional benefits will continue while you are on paid military leave. You may pay the premiums and continue coverage while on full or partial leave without pay. If you drop your coverage, you will be reinstated in your previous benefit coverages if you return to A&M System employment. Dental, Vision, Life, and Accidental Death and Dismemberment coverage are reinstated without evidence of insurability or pre-existing condition limitations. Long-Term Disability will be reinstated, but a new pre-existing limitation period will be required.

Spending Accounts

You may continue contributing to a Health Care Spending Account while on leave by making your monthly contribution after taxes have been paid. If you choose not to contribute while on leave, you may submit only expenses incurred before your leave began, and if you return to work in the same plan year (September 1–August 31), you may not re-enroll until the beginning of the next plan year. If

you return in a later plan year, you may enroll within 60 days of your return. You may not contribute to a Dependent Day Care Spending Account while on leave. However, you may continue to submit eligible expenses incurred during the remainder of the plan year in which your leave began. Your contributions will resume automatically if you return to work in the same plan year. If you return later, you may re-enroll within 60 days of your return.

Retirement

You may not contribute to the Teacher Retirement System or the Optional Retirement Program while on military leave, unless receiving differential wage payments equal to more than half-time paid employment, during active duty. In that case, deductions for retirement may continue during your Military Leave, if you choose this option, and are receiving more than half-time employee paid leave for a time period sufficient to establish service credit. When you return from leave, you may make contributions for your period of military service to either plan. If you do so, the state will make its ORP or TRS contributions as well, and you will receive retirement service credit for the period of leave. ORP contributions must be made within a period equal to three times the length of the military service or five years, whichever is less. TRS contributions may be repaid at any time before retirement.

You may contribute to a Tax-Deferred Account or the Deferred Compensation Program while on military leave only if your state pay while on leave will be enough to cover the entire contribution. If you do not contribute while on leave, when you return you may make contributions for your period of military service to a TDA within a period equal to three times the length of the military service or five years, whichever is less. You may not make up missed contributions to DCP.

If you are called to active duty for more than 179 days, you may withdraw money from your TDA under certain circumstances with no penalty tax. Within two years of discharge, you may “repay” all or part of the withdrawal by making contributions to an IRA.

For more information and details, refer to System Regulation 31.03.0 6, Military Leave and Service, or contact your Human Resources office. In case of any discrepancy between the information in this brochure and the regulation, the regulation will govern. Changes to the program will be made as necessary to comply with state and federal laws.