



Exit Guide for Employees Leaving City of Seattle Employment

2014



City of Seattle

Seattle Department of
Human Resources

Summary Checklist

Employee Considerations	Timeframe
<input type="checkbox"/> Verify your current address with your department's HR representative .	Before you leave.
<input type="checkbox"/> Complete an ORCA cancellation form to stop payroll deductions. Obtain form from your department's HR representative.	Before you leave.
<input type="checkbox"/> Review final paycheck information with your department's Human Resources representative. If retiring, review sick leave conversion/cashout.	Before you leave.
<input type="checkbox"/> Apply for optional insurance continuation (GTL, AD&D).	Within 31 days from your last date of coverage on a City plan.
<input type="checkbox"/> Contact Prudential regarding your Deferred Compensation plan.	As needed.
<input type="checkbox"/> Elect Medical/Dental/Vision/FSA COBRA Coverage.	Within 60 days from the date of your COBRA notification letter.
<input type="checkbox"/> Elect City retiree medical plan, if eligible.	Within 31 days from last day of City service.
<input type="checkbox"/> Elect a plan through the health insurance exchange	Within 31 days from last day of City service.

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Your Benefits

This Exit Guide explains your options for continuing your City of Seattle health care and optional insurance coverage after you leave City employment. It also provides information about the City's employment reference, rehire policies, and Code of Ethics as they apply to former City employees.

This Guide is for employees who are leaving City employment. This information does not apply to employees who are changing departments or taking a leave of absence.

Health Care Benefits

Your medical, dental and vision coverages end the last day of the month you separate from City employment. The following information will help you decide which benefits, if any, you want to keep after your employment ends. Some benefits can be continued by paying the premiums yourself.

Medical Insurance

Your medical coverage ends the last day of the month in which you leave employment. You and your eligible dependents may continue coverage through COBRA for up to 18 months after termination. You may elect to continue medical coverage only under COBRA or with dental and vision coverage. You also can elect dental and vision coverage only. You will receive information about COBRA by U.S. mail a few weeks after your last day. See page 5 for more information.

You may choose an individual medical plan through the health insurance exchange. Depending on your income and the number of dependents you cover, you may find a plan on the exchange that fits your coverage needs. Please note that if you enroll on an exchange plan, you will not be able eligible for coverage on a City retiree medical plan in the future. More information at www.wahealthplanfinder.org.

If you are eligible to retire, contact the Retirement Office at (206) 386-1293 for information about the City's retiree medical plans. If you want to participate in a retiree medical plan instead of COBRA, be aware that you must choose a plan within 31 days of retiring. In some cases, you can delay your enrollment in a City retiree medical plan if you are covered under another employer's plan. Contact the Retirement Office for more information.

Continuing Coverage under COBRA

Coverage through the Health Insurance Exchange

Coverage through a City Retiree Plan

Your Benefits

Health Insurance Advisors

Another resource is the [Statewide Health Insurance Benefits Advisors](#) (SHIBA), a free service of the Washington Office of the Insurance Commissioner. They provide a network of trained volunteers who help consumers on their rights and options regarding health insurance and health care access. They assist with private health insurance questions as well as many government programs (Medicare, Medicaid) Contact: 1-800-562-6900.

Children Attending College

College students meeting credit requirements may be able to purchase medical benefits through their school if they no longer have coverage after you separate from City service. Contact your school's admission office for more information.

Certificate of Coverage

You may be asked to provide "proof of continuous coverage" when applying for other insurance. When your health care coverage terminates, you and/or your dependents will receive a certificate of coverage that verifies the coverage you received as a City employee. This is in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Your current insurance carrier will send this certificate within 4-8 weeks after coverage has terminated. This will be of value to you if you enroll in a health plan that excludes coverage for pre-existing conditions.

Your Benefits

Continuing Dental and Vision Coverage under COBRA

Dental and Vision Insurance

Your dental and vision coverage ends the last day of the month in which you leave employment. You and your eligible dependents may continue your dental coverage through COBRA for up to 18 months after termination. You may elect dental and vision coverage only. You may also elect to continue dental and vision coverage with medical coverage. You will receive information about COBRA in the mail at your home a few weeks after your last day. See page 5 for more information. Individual dental and vision plans typically are not available.

COBRA

Under COBRA (the Consolidated Omnibus Budget Reconciliation Act of 1986), you are eligible to purchase continued medical, dental and vision coverage (or dental/vision only) under certain circumstances when your group health plan coverage with the City ends. Continuation of your Health Care Flexible Spending Account is also available (see page 9). Upon termination of employment, you will receive a letter at your home address which explains COBRA coverage.

You have 60 days to respond to the COBRA letter. If you elect coverage under COBRA, follow the instructions included with the COBRA information letter that will be mailed to you. You will pay your premiums by personal check or money order to the City of Seattle.

You and your covered dependents have the right to elect COBRA continuation coverage for up to 18 months if your coverage is lost because

- Your employment ends, or
- Your work hours are reduced to the point where you no longer are eligible for benefits.

To ensure you receive COBRA information in a timely manner, **PLEASE MAKE SURE YOUR ADDRESS IS SHOWN CORRECTLY ON YOUR LAST PAYCHECK.**

The 18-month COBRA continuation period may be extended to 29 months if you or a family member (who is a qualified beneficiary) is certified disabled according to Social Security at the time of one of the previously mentioned qualifying events. This 11-month extension is available to all covered family members of the disabled individual for 150% of the regular premium amount.

Continuing Medical, Dental and Vision Coverage under COBRA

City of Seattle 2014 Monthly COBRA Premium Rates*

MEDICAL				
Employee Group	City of Seattle Preventive	City of Seattle Traditional	Group Health Standard	Group Health Deductible
Most Employees, Library, SHA & LEOFF II (Non-Represented)	\$1,151.76	\$1,042.31	\$1,093.82	\$1,007.39
LEOFF I (Non-Represented)	\$1,151.76	\$846.61	\$1,093.82	\$1,007.39
SPMA (LEOFF I)	\$1,151.76	\$846.61	\$1,093.82	\$1,007.39
SPMA (LEOFF II)	\$1,151.76	\$1,042.31	\$1,093.82	\$1,007.39
Local 77	\$1,478.21	\$1,497.69	\$1,259.91	N/A
Fire Chiefs (LEOFF I)	\$1,151.76	\$846.61	\$1,093.82	\$1,007.39
Fire Chiefs (LEOFF II)	\$1,151.76	\$1,042.31	\$1,093.82	\$1,007.39
SPOG (LEOFF I)	\$1,462.87	\$1,085.22	\$1,353.54	\$1,007.39
SPOG (LEOFF II)	\$1,462.87	\$1,304.28	\$1,353.54	\$1,007.39

DENTAL		
Employee Group	Washington Dental Service	Dental Health Services
Most Employees, Library & SHA	\$124.19	\$150.44
LEOFF I & II (Non-Represented)	\$124.19	\$150.44
SPMA (LEOFF I & II)	\$124.19	\$150.44
Local 77	\$133.64	\$173.85
Fire Chiefs (LEOFF I & II)	\$124.19	\$150.44
SPOG (LEOFF I & II)	\$135.02	\$176.97

VISION		
Employee Group	Vision Service Plan	VSP Buy-Up
Most Employees, Library, SHA, & LEOFF I & II (Non-Rep'd)	\$9.65	\$23.13
SPMA (LEOFF I & II)	\$9.65	\$23.13
Local 77	\$12.51	N/A
SPOG (LEOFF I & II)	\$27.90	N/A

*equal to 102% of regular premiums

Your Benefits

Optional Insurances and Other Benefits

In some cases, you can continue or convert the optional insurance coverage you had as an active employee. It is your responsibility to arrange for conversion of optional insurance plans within the timeframe limits noted below. The City does not provide additional reminders or conversion opportunities. Conversion request forms are available from your [department's HR representative](#) or the Benefits Unit at (206) 615-1340.

Accidental Death and Dismemberment

If you have Accidental Death and Dismemberment (AD&D) coverage, it will terminate the last day of the month for which you paid a premium through payroll deduction. You can convert your coverage to an individual policy from Hartford. No evidence of insurability is required if you request conversion in writing and pay the initial premium within 31 days of the date your City coverage ends. Dependent coverage can be converted if your dependents were covered on the date your City coverage ended.

Long-Term Disability

Your Long-Term Disability (LTD) coverage ends the last day of the month in which you separate from City employment. You may buy LTD conversion insurance if you were insured under the City's LTD plan for at least one year. You must apply in writing to Standard Insurance Company and pay the first premium within 31 days of the date you lose City coverage.

Group Term Life

Your Basic Group Term Life (GTL) coverage and any supplemental coverage terminate on the last day of the calendar month in which you made a premium payment through payroll deduction. You may convert your group term life insurance to an individual policy without evidence of insurability if you apply in writing to Standard Insurance and pay the first premium within 31 days of the date you lose City coverage.

Your Benefits

Health Care Flexible Spending Account

If you do not continue your FSA under COBRA, your participation ends **the day you leave employment**. You will have until March 31 of the following year to submit reimbursement requests for expenses incurred through the date you left employment.

If you want to continue receiving reimbursements from your Health Care FSA through the end of the calendar year, you may do so by continuing your FSA contribution under COBRA. Contributions under COBRA are made on a post-tax basis. You will have until March 3 of the following year to submit reimbursement requests for expenses incurred during the calendar year while under COBRA.

Dependent Care Flexible Spending Account

Once you leave City employment, you can no longer make contributions to the Dependent Care FSA. However, you can access funds you already contributed to the account by submitting reimbursement requests for eligible expenses incurred through the end of the calendar year in which you terminated. You have until March 31 of the following year to submit expenses incurred in the year in which you left employment.

Deferred Compensation

If you participate in the City of Seattle Voluntary [Deferred Compensation Plan](#), a "457" (governmental, deferred compensation) Plan, you have a number of options available following retirement or departure from City employment. Until your account is entirely distributed, transferred or rolled over, it will remain active and will be subject to market-related earnings or losses. You may continue to transfer your balance among the investment options (funds) within the Plan and you will have on-line access to your account.

Options to consider following separation from City employment:

1. **Leave Your Money in the Plan** – Leave your funds in the Plan until you decide to withdraw them later using one of the other options listed below. To avoid substantial federal tax penalties, you must begin distribution no later than April of the year after the year in which you turn age 70½. While the money remains in the Plan, your account will continue to be adjusted for investment earnings or losses on remaining funds, and you will receive the benefit of negotiated investment fees.
2. **Take Money Out** – You can receive taxable payments in a number of ways. Your account will continue to be adjusted for investment earnings or losses on any remaining funds. Any distribution will be based on your account's value as of the transaction date. To illustrate your options, let's assume your account balance is \$36,000 on the day you initiate action.

Deferred Compensation (continued)

- Take periodic, taxable payments (e.g., of \$500 each) on a monthly, quarterly, semi-annual or annual basis until you exhaust your balance.
 - Take a partial, taxable lump sum payment (e.g., \$15,000) followed by periodic taxable payments (e.g., of \$300 each) until you exhaust your balance.
 - Take a single taxable payment of part of the account balance (e.g., \$5,000), with future distribution(s) delayed until a later time. To avoid substantial federal tax penalties, you must begin your second distribution no later than April of the year after the year in which you turn age 70½.
 - Take a taxable lump sum distribution of the entire account balance (i.e., all \$36,000), thereby closing your account.
3. **Move Your Money to another Eligible Plan** – A rollover will not be taxed if funds are transferred according to legal requirements. The transfer or rollover will be based on your City account’s value as of the transaction date. You can:
- Roll over your account balance to an Individual Retirement Account (IRA) held by a bank or other financial institution.
 - Roll over your account balance to another employer’s plan if your future employer’s plan is able to accept your funds. (It’s important to check first.) Funds rolled over to other employer plans become subject to the distribution tax provisions of the receiving plan. Depending on the type of employer you move to, the receiving plan may be a 401(a), 401(k), 403(b) or 457 Plan.

Please contact the plan record-keeper, [Prudential](#), at 1-800-833-5761, to discuss and/or select one of these options.

These options are only available after you separate from City employment. You will not be shown as separated from City employment in Prudential’s system until *after* you receive your final paycheck, generally 4 to 6 weeks after your last paid day. Questions? Call the City’s Benefits Unit at 206-684-7928.

Your Benefits

Transit Pass

If you receive an ORCA card from the City, you may elect to keep it or return it to the Treasury Operations Office, SMT 42nd floor. Whatever remaining values are on the card are yours to keep. Before leaving City employment, you must complete an ORCA cancellation form to stop payroll deductions.

Benefits Checklist



Leaving the City –Your Benefits Checklist

- Make sure your department has your correct forwarding address for the COBRA notification.
- Decide on the coverages you want to continue.
- Complete and submit conversion forms for AD&D, GTL and LTD, if desired (obtain conversion info from your department's HR representative).
- Call (800) 833-5761 if you want to discuss your Deferred Compensation Account options.
- Complete an ORCA cancellation form to stop payroll deductions. Obtain the form from your department's HR representative.

Your Retirement Plan

Retirement Account

If you are a member of the [Seattle City Employees' Retirement System](#) and leave the City for reasons other than disability or service retirement, you must contact the Retirement Office at (206) 386-1293 to discuss your account.

Vesting

Members with 5 or more years of creditable service may vest their retirement account. You will be able to draw a monthly annuity when your age and length of service meet the criteria for service retirement.

For example, if you leave City employment when you are 40 years old with 20 years of service and you vest your account, you can apply later for a monthly annuity at the age of 52. You can later change your mind and choose to withdraw your contributions with interest instead of waiting to qualify for a service retirement.

Withdrawal

If you are not eligible or choose not to vest your account, you can apply to withdraw your contributions in a lump sum. Only your contributions, plus interest, will be paid out. You are not eligible to withdraw the City's contributions to your account. There are significant penalties and tax liabilities associated with withdrawal unless you rollover your contributions into another qualified retirement account. Retirement Office staff can provide you with information about your options. Contact the Retirement Office as soon as you know your last date of employment. It may take up to six weeks for the Retirement Office to process your withdrawal.

If your separation from City employment is a service or disability retirement, you will need to discuss your eligibility and options with Retirement Office staff well in advance of your last day of employment.

Retirement Checklist



Leaving the City - Your Retirement Checklist

- Contact the [Retirement Office](#) at (206) 386-1293 to discuss your retirement account and retiree medical plans, if applicable.
-

Your Final Paycheck

<p>Vacation Cashout/ Conversion</p>	<p>You will receive a final paycheck on the next regular payday after your last day of employment. This paycheck will include a cashout of any unused compensatory time off you have earned.</p> <p>Your unused accumulated vacation balance will be paid out on the next payday following your final paycheck or you may choose to convert your vacation leave balance value into your Deferred Compensation account, total contributions not to exceed the annual maximum. Contact your Human Resources representative or the Benefits Unit if you have questions.</p> <p>If you are separating from a position that is represented under an authorized collective bargaining agreement and you have worked fewer than 6 months, you may not be eligible for a vacation cashout. Check your collective bargaining agreement for information.</p> <p>Employees who separate for reasons other than retirement do not receive a sick leave cashout.</p>
<p>Sick Leave Conversion for Retiring Employees – VEBA Eligible</p>	<p>Eligible retiring employees represented by unions that voted in favor of the Voluntary Employee Benefits Association (VEBA) must convert 35% of their sick leave balance into a tax-free VEBA account. VEBA participation is mandatory. Withdrawals are used for qualified healthcare expenses during retirement, such as medical premiums, copays, and prescription drugs. Eligible employees must complete a VEBA enrollment kit prior to leaving City service.</p>
<p>Sick Leave Cashout for Non-VEBA Retiring Employees</p>	<p>Eligible retiring employees whose group did not elect to vote or voted against VEBA may convert up to 35% of their sick leave balance into deferred compensation, total contributions not to exceed the annual maximum limit. Or you may instead choose to cash out 25% of your sick leave balance, subject to federal income tax. Contact your Human Resources representative or the Benefits Unit for more information.</p>
<p>Donating Your Sick Leave</p>	<p>With your appointing authority’s approval, you can donate unused sick leave to another City employee who has requested sick leave donations. Two limitations apply when donating your unused sick leave balance:</p> <ul style="list-style-type: none"> • You must maintain the 240-hour balance required by ordinance • You cannot donate more sick leave than you could use before your last day of employment.

Your Final Paycheck

Other Leaves

There is no cashout for unused personal holidays, executive leave or merit leave. If you have unused balances for any of these leaves, arrange to take the time off before your last day of employment.

Final W-2 Form

Your W-2 report of taxable earnings for the calendar year in which you separate from City employment will be mailed to you in January of the following year.

Payroll Checklist



Leaving the City – Last Paycheck Checklist

- If you use direct deposit for your paychecks, notify your department's payroll staff whether or not you want your final paycheck and vacation and/or sick leave payouts deposited.
- If you want your vacation cashout to go into your deferred compensation account, contact your Human Resources representative.
- If you are retiring and eligible to move up to 35% of your unused sick leave into your deferred compensation account, contact your department's Human Resources representative.
- If you are retiring and VEBA eligible, you will receive an enrollment kit from HR to move your sick leave cashout into a VEBA account for medical expenses post retirement. Complete and submit the kit before leaving City service.
- Make sure your department has your correct address for mailing your W-2 forms in January.

Planning for Other Employment

Employment Verification

Prospective employers may contact The Work Number to verify your employment and income. Give the person seeking your proof of employment the following information:

1. The Work Number Access Options:
 - www.theworknumber.com
 - 1-800-367-5690
2. The City of Seattle Employer Code: 11874
3. Your Social Security Number

Release Form

If you anticipate using your supervisor, co-workers, or other City staff as employment references, you should let them know your intentions in advance. Also, give them a signed copy of the following release form.

City of Seattle Current Employee and Former Employee General Consent and Information Release Form

NOTE: Under current Washington State law, the City may be required to provide specific information regarding your employment without your direct knowledge or permission. In legal proceedings, information may be provided in response to requests for discovery without your knowledge or consent.

I, _____,
request and authorize the City of Seattle to release information from my records in response to any requests for the same from prospective employers.

I understand that the information I am authorizing the City of Seattle to release includes employment information and may also involve records or assessments of my abilities, performance, attendance, productivity, attitude, conduct, and other work-related characteristics or issues.

In exchange for the City of Seattle's cooperation with this request, I hereby agree not to file or pursue any complaints, claims or legal actions of any kind against the City of Seattle or any of its employees, representatives, or agents arising out of their activities or actions performed in connection with this disclosure of information.

Signature

Date

Re-employment

Re-applying for Employment with the City

You may reapply for City employment at any time. Current job openings are listed on the City's website seattle.gov/jobs/

Unless you were laid off from City employment and rehired within 12 months of your layoff, you will be considered a new hire for most purposes. Your service credit for layoff and salary step placement will not be reinstated. However, your vacation accrual rate *will* reflect your prior service. For example, if you were accruing 18 days of vacation per year when you separated, you will start at that same accrual rate. If your separation was for a reason other than resignation, quit or discharge and you are rehired into a non-temporary position, any unused sick leave balance from your prior period of employment will be restored.

If you withdrew your retirement contributions upon separation, you will have an opportunity to repay them, with interest, in order to buy back your retirement service credit.

As long as you separate from the City in good standing, you may be eligible to apply for employment through the Contingent Workforce Programs.

If you were discharged, you must obtain the Seattle Department of Human Resources Director's approval before you can be considered for re-employment. Send a letter explaining the circumstances of your termination and the reason(s) you believe you should be eligible for rehire to:

Seattle Department of Human Resources Director
City of Seattle – Seattle Department of Human Resources
P.O. Box 34028
Seattle, WA 98124-4028

Life After City Employment

Prohibited Conduct after Leaving City Employment

It is a violation of the Code of Ethics for an individual who has separated from City employment to disclose or use any confidential information gained by reason of his or her City work.

It is a violation of the Code of Ethics for a former City employee, for a period of 1 year following separation from City employment, to:

1. Communicate, on behalf of any person on a matter involving the City, with an employee of the agency of the City with which he or she was previously employed.
2. Participate in a competitive selection process for a City contract in which the former employee assisted the City to define the scope of the project, work to be done, or process to be used.

It is a violation of the Code of Ethics for a former City employee, for a period of 2 years following separation from City employment, to assist any person on a matter in which he or she participated.

Post-Employment Checklist



- Ask staff about providing employment references.
- Complete and distribute Information Release Form.
- Read [Ethics Considerations When Separating From City Service](#).