

Government Shut Down

Questions & Answers

(www.BeReadyMN.com)

[If a budget agreement isn't reached, do agencies have authority to continue spending after July 1st? - May 26, 2011](#)

No. The Constitution requires appropriations before spending occurs. Without an enacted budget, the Courts will have to determine what limited activities might have to continue.

Priority One and Two Critical Services concerning life, health, safety and personal custodial activities will likely continue to operate based on direction from earlier court orders. Support services that are both directly related to priority critical services and that are absolutely necessary for the continuation of these priority critical services could also continue to operate.

[When will any court order be issued? June 3, 2011](#)

The court will declare what types of work are "critical" and will continue. However, it is unknown when this will occur.

[What are "priority one and two critical services"? May 26, 2011](#)

These are terms that are used in all types of state contingency planning. Critical/core activities are those that must remain uninterrupted or conditions would create a potential immediate threat to public health and/or safety. In addition, they may be services with critical/core activities that can be disrupted temporarily but must be re-established within a few days or disorder or an economic impact may develop.

[Will Financial Systems be available after July 1? May 26, 2011](#)

Conversion to the SWIFT system will continue and any financial transaction in FY 2012 will occur in SWIFT. Agencies should assume that the state's financial systems and supporting personnel will not be operating after June 30. Under plans to limit state services to emergency functions, agencies should anticipate limited access to the state accounting and financial systems during the initial periods of a state shutdown. If the systems are determined necessary to support emergency functions, they will operate on a very limited basis upon specific authorization.

[How are services picked for continuation or cessation? What is the process to determine priority one and two critical services? May 26, 2011](#)

Agencies compile and submit their priority critical services determinations to Minnesota Management and Budget (MMB). MMB will review the priority critical service lists in accordance with past practice and current criteria and forward recommendations to the administration. The final determination will be provided by the courts.

[Does it matter how our positions are funded? If we are federal funded, will we continue to operate? May 26, 2011](#)

No, the funding source of positions is not the driving factor in whether employees continue to work after June 30th. While the authority may exist for the programs to continue to operate, normal operations may not be possible due to suspension of supporting or related state services, the absence of general state administrative services, and potential disruption of access to state offices and facilities. Any decisions for the continuation of services will be on number of factors, including but not limited to, availability of funds.

[Will employee layoffs be necessary in the event of a state government shutdown? May 26, 2011](#)

Yes, based on current contract language. Employees will need to be notified of the possibility of layoff prior to July 1. In the event of a layoff, certain benefits and payouts are available based on contract provisions. Bumping and other seniority rules will also be in place and the State will make a good faith effort to comply. These terms could also be altered by an agreement, if feasible.

[How is this information or data classified? May 26, 2011](#)

Minn. Stat. § 13.37 (a) labels all business continuity plans and planning documents as private, non-public security documents, therefore any planning documents related to business interruptions, including a possible government shutdown, are private non-public and cannot be disclosed.

EMPLOYEE FAQs – BeReadyMN.com

Why is there talk about a possible Shutdown? 5/26/11; Rev. 6/3/11

The Legislature adjourned at midnight on May 23, 2011 without reaching an agreement to appropriate money to fund certain operations of state government. Unless the Legislature agrees to appropriate money, there is no authority to continue non-critical services of those state agencies affected and employees cannot report to work or be paid until an appropriation has been secured.

One appropriations bill was passed by the Legislature and signed into law by the Governor to fund the Department of Agriculture, the Board of Animal Health and the Agricultural Utilization Research Institute. However, whether or not these agencies will be able to operate to their full capacity while the remainder of state government is shutdown is yet to be determined.

Will any of the employees of agencies that do not yet have funding continue to work during a shutdown? 5/26/11; Rev. 6/3/11

In 2001 and in 2005 when there was the potential for a shutdown the Court declared that certain types of work were “critical” and could continue.

What is a "critical" service? 5/26/11

Priority 1 Critical Services are services that are of an immediate threat to public health and/or safety. These services are critical/core activities that must remain uninterrupted. Generally, these would include agencies and facilities that operate 24-hours a day.

Priority 2 Critical Services are services that may cause disorder or an economic impact may develop if not delivered in a few days. These services are critical/core activities that have a recovery time of 25 hours to five days that can be disrupted temporarily or might be periodic in nature, but must be re-established within a few days.

When will any court order be issued? 6/3/11

The court will declare what types of work are “critical” and will continue. However, it is unknown when this will occur.

Will employees who continue to work during the shutdown receive pay and benefits? 5/26/11

It is anticipated that employees working beyond July 1 in critical services would continue to receive their regular pay and insurance benefits during that time; however the State must receive an order from a court allowing this to occur.

Can employees work out of their home during the shutdown? 5/26/11; Rev. 6/3/11

Critical employees who would otherwise work out of their home may continue to do so. Non-critical

employees may not perform any work for the employer during the period of the government shutdown.

Can employees attend any events or meetings as a representative of the Department during a shutdown? 5/26/11

Non-critical employees may not perform any work for the employer during the period of the government shutdown. Critical employees must report to work and may, as part of their work duties, attend certain work related meetings.

Will probationary periods be extended because of the shutdown? 5/26/11

This depends on the collective bargaining agreement or compensation plan covering your employment. Some of these agreements indicate that absences in excess of 10 working days extend the probationary period. Refer to your union contract or plan for the provision that applies to you.

Deferred Comp Withdrawal

Due to the shutdown, can I receive an emergency withdrawal from my Minnesota Deferred Compensation Program? 5/26/11

In order to be considered for an unforeseeable hardship (emergency) withdrawal due to layoff, employees need to have missed at least one full check. IRS regulations for an emergency withdrawal from the Minnesota Deferred Compensation Program (MNDCP) require that the person applying provide documentation showing that they have been rejected for a loan and that their situation is severe, it is unforeseeable and they do not have other resources that can be used to meet the need. The IRS does not permit contributions into MNDCP for at least six months after an unforeseeable hardship withdrawal.

If, after missing one full check, an employee needs to apply for an emergency withdrawal, please contact MNDCP at (651) 296-2761 or 1-800-657-5757 and a representative can provide the necessary information and forms.

Website for MNDCP: <http://www.mndcplan.com>

Employee Assistance Program

Will employees and their family members continue to have access to Employee Assistance Program (EAP) services during a layoff? 5/26/11

Yes. Employees and their family member can use LifeMatters, EAP counseling and referral services during a layoff. This benefit is free and confidential and can be accessed by calling (651) 259-3840 or 1-800-657-3719. There is more information about EAP services at www.mmb.state.mn.us/eap.

Family Medical Leave Act (FMLA)

Will employees who have an FMLA qualifying event during the government shutdown be able to use FMLA leave and if so, will sick leave be available to those employees? 5/26/11

- Critical employees who have an FMLA qualifying event during the government shutdown who are otherwise FMLA eligible will be eligible for FMLA during the period of the government shutdown.
- Non-critical employees who have an FMLA qualifying event during the government shutdown should contact their human resource office upon returning to work should the need for FMLA leave still exist.

Holiday Pay and Use

If I am a critical employee, will I be paid for holidays during the period of the shutdown? 5/26/11

Employees will be eligible for holiday pay in accordance with provisions of their collective bargaining agreement or compensation plan.

If I am laid off, will I be paid for any holidays during the period of the shutdown? 5/26/11

Because non-critical employees will be laid off during the shutdown, they will not be paid for any paid holidays (e.g., July 4) during the period of shutdown

3rd Shift

In the event of a government shutdown, will non-critical employees who work 3rd shift from June 30 to July 1 be sent home from work at 12:00 a.m. on July 1? 5/26/11

Yes. Because the fiscal year ends at 11:59 p.m. on June 30 the State can no longer pay non-critical employees for work performed on behalf of the State. Accordingly, any and all non-critical employees must stop working and be sent home.

Layoff/Claiming/Severance

I am a non-critical employee. Will I be laid off in the event of a shutdown? 5/26/11

In the event of a government shutdown, non-critical employees will be laid off.

How will I be notified if I am laid off? 5/26/11

Non-critical employees who are to be laid off will be hand delivered or mailed individual layoff notices in accordance with their collective bargaining agreement or compensation plan. The layoffs will be effective at the close of business on June 30.

If a new budget is approved for the shutdown agencies at any time after June 30, 2011, and the state is no longer shutdown, are employees still laid off? 5/26/11

No, once a new budget is approved for those affected agencies, laid off employees will be recalled to work at the end of the shutdown in a manner consistent with the applicable collective bargaining agreement or compensation plan to the degree practicable.

If I am laid off, can I claim a position in another agency that is funded? 5/26/11

If your bargaining agreement/plan allows for claiming, you may claim vacancies in your bargaining unit. However, there will be very limited opportunities for claiming during the shutdown.

How do I claim a position? 5/26/11; Rev. 6/3/11

Check for vacancies on-line at <http://www.careers.state.mn.us>. If you find a vacancy for which you qualify which is in your bargaining unit and at an equal or lower level, contact the Human Resource Office of the hiring agency to indicate your interest in claiming. Be prepared to provide a copy of your layoff letter. You may apply on-line but must also contact the hiring agency's Human Resource Office to indicate you are claiming the job, not just applying for it. There may be no one in your agency's HR Office to assist you so be proactive.

How do I know if the vacancy is at an equal or lower level? 5/26/11

If the top of the salary range is equal to or lower than the top of the range for your job class, it is generally an equal or lower class. In some instances, the top of the salary range may be slightly higher. The hiring agency's Human Resources Office will determine if the class is equal or lower than yours.

Can I claim a job at a higher level? 5/26/11

No. You cannot claim a vacancy that would be a promotion but you may apply for the position like any other applicant. However, you would receive no preference under the claiming provisions of your contract/plan.

Do I have to qualify for the job I'm claiming? 5/26/11

Yes, you must meet the minimum qualifications but you do not have to meet the preferred qualifications.

If I successfully claim a job in another agency, can I return to my former position when the shutdown ends? 5/26/11

Once you have started work in a job that you have claimed that is at an equal level, you have no automatic recall rights to your former position. If you are dissatisfied with your new position during the trial period, you may return to your former position if permitted by your bargaining unit agreement or plan. If you accept a position at a lower level, you do have the right to return to your former job.

What if I wish to return during the trial period but my former agency is still shut down? 5/26/11

You will return to layoff status and be eligible for recall when the shutdown ends. However, refer to your collective bargaining agreement or compensation plan to determine if you will have any further claiming rights during these times.

Will I go on layoff lists if I am laid off? 5/26/11

If you are laid off, you are eligible to be placed on layoff lists. However, the number of employees being laid off makes it impossible to process these lists on a timely basis.

Are probationary employees laid off? 6/3/11

Yes. Depending upon the terms and conditions outlined in the collective bargaining agreement or compensation plan covering their employment, absences in excess of 10 working days may extend their probationary period. Refer to the appropriate contract or plan for the provision that applies.

Will employees receive payment for accrued vacation and severance upon layoff? 6/10/11

If an employee is actually laid off, vacation and severance payments as specified in the applicable collective bargaining agreement or compensation plan will be paid after the agency receives an appropriation from the Legislature.

Questions not addressed here

Prior to the shutdown, employees should contact their exclusive representative, if applicable, or their human resources office with questions.

Retirement**Questions relating to Retirement**

Employees should contact a representative from their retirement system. Below are the number(s) for each retirement system office:

- MSRS: (651) 296-2761 1-800-657-5757 (outside Twin Cities area) or <http://www.msrs.state.mn.us/>
- TRA: (651) 296-2409 (Twin Cities area) or 1-800-657-3669 (outside Twin Cities area) or <http://www.tra.state.mn.us/>

- PERA: (651) 296-7460 or 1-800-652-9026 (outside Twin Cities area) or <http://www.mnpera.org/>

Will the time on layoff be counted toward retirement? [MSRS] 6/3/11

Please see the MSRS Website (<http://www.msrs.state.mn.us/info/whatsnew.htmls#Ft3>) for details regarding how a shutdown would impact retirement.

Return to Work

How will I know how and when to return to work? 5/26/11

The details of how employees would be returned to work following a government shutdown have not been fully resolved. Additional information will be posted at www.BeReadyMN.com as it becomes available.

Keep in mind that the shutdown may end sooner for some agencies than others. However, employees are expected to return to work when the shutdown ends for their agency. It is recommended that employees stay tuned to television and radio reports for information. Additionally, all agencies have been asked to establish a communication plan to keep employees informed of the status of their agency during the shutdown. This plan may include a phone number for employees to call for updates on their agency. Agency communication plans may also include contact between employees and their supervisors once the shutdown ends to explain returning to work. Each agency is to have a process to notify employees of the time and date they are to return to work when the agency reopens.

What happens if I'm unable to report to work when the shutdown ends? 5/26/11

If employees are unable to report to work when the shutdown ends, they need to contact their supervisor immediately to discuss return to work arrangements and leave usage for any work time the employee may miss.

Unemployment Insurance

Questions relating to Unemployment Insurance (5/26/11)

Unemployment Insurance (UI) works the same for State employees as other workers in the State of Minnesota. For information about unemployment insurance eligibility during the shutdown, non-critical employees should contact the Unemployment Insurance Program by phone at (651) 296-3644 or on the web at <http://www.uimn.org/ui/index.htm>.

Are unclassified employees eligible to receive unemployment compensation during a shutdown? 6/3/11

Unemployment Insurance (UI) works the same for State employees as other workers in the State of Minnesota. For information about unemployment insurance eligibility during the shutdown, employees should contact the UI Program by phone at (651) 296-3644 or on the web at <http://www.uimn.org/ui/index.htm>.

Vacation Donation

If I am on the Vacation Donation Program, will I be affected? 5/26/11

Yes. Employees on the program are paid from the budget of their own agency even though donations may have come from employees of other agencies. If your agency does not have an appropriation, they will not have funds to pay you.

If I am on the vacation donation program, what happens to me during the shutdown? 5/26/11; Rev. 6/10/11

You will be laid off with the same rights as other employees.

Will I be eligible to return to the Vacation Donation Program after the shutdown? 5/26/11

Yes. You are automatically eligible again after the shutdown unless your doctor has released you to return to work.

Will the time be counted against my 1044 hours/1 year limit on the program? 5/26/11

The time on layoff will not be counted.

Questions and Answers Relating to Employee Benefits for Employees on Bi-Weekly Payroll

Insurance Continuation

In the event of a shutdown, what happens to employee insurance? 5/26/11

During a government shutdown, employees will be placed in a critical service position or non-critical position:

1. For critical employees insurance will continue as it did prior to the shutdown. All applicable collective bargaining agreement and compensation plan language will continue to be followed including changes related to hires, transfers, promotions, etc. Employees are still required to follow applicable deadlines and notification requirements as outlined in their collective bargaining agreements or compensation plans and insurance deductions will continue as a pre-tax payroll deduction. Employees will continue to receive their employer contribution. Employees whose paycheck may not be adequate for premium deductions may receive a bill from SEGIP for their premiums.
2. Non-critical employees will be placed in a layoff or involuntary unpaid leave of absence status and given the option to continue insurance benefits during the shutdown period. Please read additional Q&A's for further information.

Non-Critical Employees

In the event of a shutdown, when will insurance terminate? 5/26/11

All state employees participating in SEGIP will have the option to continue most insurance benefits, particularly medical and dental coverage. This includes coverage options for their dependents. Employees choosing to continue coverage will have no break in coverage and should continue to use the medical benefits as needed. Employees choosing to discontinue coverage will lose their insurance effective July 1, 2011.

Will employees continue to receive an employer contribution during the shutdown? 5/26/11

Employees who choose to continue their benefits during the shutdown period should refer to their collective bargaining agreement or compensation plan for rules regarding the continuation of an employer contribution.

How will premiums be collected during the shutdown? 5/26/11

SEGIP will invoice employees for their portion of the insurance premiums on the third week of July. The invoice will be due on Aug 1 and all employees will be given a 30 day grace period to pay the invoice. The invoice will include premiums for July and August coverage. Employees should make appropriate plans to accommodate the invoices received to ensure proper and timely payment. Additional instructions will be issued prior to the shutdown.

Can all employee insurance benefits be continued for employees who are laid off during the shutdown? 5/26/11

No. Federal and state continuation laws do not allow for the continuation of the Dependent Care Expense Account (DCEA) and Transit Expense Account (TEA, parking and bus). Continuation of the Medical Dental Expense Account (MDEA) can be continued on COBRA. Additional instructions will be issued prior to the shutdown.

If employees do not want to continue insurance coverage will they be able to cancel coverage after they are laid off? 5/26/11; Rev. 6/3/11

Yes. Employees will have the option of cancelling coverage. SEGIP will provide detailed information on the cancellation procedure prior to the commencement of the shutdown.

If employees choose to cancel coverage during the shutdown, will they be able to re-enroll in coverage when they return to work? 5/26/11

Yes. Employees choosing to cancel coverage during the shutdown will have their medical, dental, life, long term disability (LTD) and short term disability (STD) coverage's reinstated upon return to work to the coverage in place on the day prior to the shutdown except for pretax accounts and Long Term Care (LTC).

Pretax accounts include Medical Dental Expense Account (MDEA), the Dependent Care Expense Account (DCEA) and the Transit Expense Accounts (TEA, parking and bus). In order to re-instate these pre-tax accounts employees must re-enroll in the programs. SEGIP will send participants an enrollment form upon return to work after the shutdown period has ended.

Employees choosing to not continue LTD coverage during the shutdown will have a 24 month pre-existing condition exclusion upon reinstatement. Health, dental, life insurance and STD, do not have preexisting condition exclusions.

If LTC is not continued employees must re-apply with evidence of good health and if approved the rate will be based on their age upon approval.

How will a shutdown affect state retirees? 5/26/11

If a retiree is paying their health and dental carrier directly for their coverage they will not see any change in their insurance or payment arrangements.

If a retired or separated state employee is currently receiving an employer contribution to their insurance, will the employer contribution continue during a shutdown? 5/26/11; Rev. 6/3/11

Yes. Retired or separated employees receiving an employer contribution prior to a state shutdown will continue to receive an employer contribution to their premiums. Retired or separated employees with an employer contribution include the Corrections Early Retirement Plan, the early retirement incentive under MLEA, the Early Retirement Incentive passed into law in 2010 and special DHS MOU employees.

If an employee retires during a state shutdown and is eligible for a retirement incentive, will they receive the incentive during the shutdown period? 5/26/11

Yes. Employees eligible for a retirement incentive, including Corrections Early Retirement Plan, the early retirement incentive under MLEA and special DHS MOU employees, will be eligible for the retirement incentives available through their collective bargaining agreement or compensation plan.

What happens to insurance for employees currently on a paid or unpaid leave of absence? 5/26/11; Rev. 6/3/11

All non-critical employees will be placed under layoff or involuntary unpaid leave of absence. These employees may continue some of the benefits, including medical and dental, if they maintained the coverage during their leave. Coverage not maintained while on leave cannot be reinstated under the

shutdown.

If a government shutdown has not been averted and employees have questions about their insurance coverage or premium payments who can they contact? 5/26/11

It is anticipated that SEGIP staff will be available to answer questions either by phone at (651) 355-0100; or email at segip.mmb@state.mn.us. They can also visit Minnesota Management and Budget's website at www.mmb.state.mn.us, for on-going insurance information and updates. Please be aware that SEGIP anticipates heavy call volumes so patience is appreciated.

I am a new employee as of June 13. How will the shutdown effect my insurance enrollment (since there is a 35 day waiting period)? 6/10/11

The initial effective date of coverage under the Group Insurance Program is the thirty-fifth (35th) day following the employee's first day of employment, rehire or reinstatement with the State. An employee must be actively at work on the initial effective date of coverage. The coverage will be effective on the first day of the employee's return to work provided the 35 day waiting period has been satisfied.

Can I go on my spouse's coverage (not a State employee) if my insurance lapses on July 1? Will you provide a letter for this purpose (a letter to the spouse's insurance plan)? 6/10/11

Check with your spouse's employer to determine the process to add you to their coverage. Loss of other group coverage is a life event that allows for mid-year enrollment. You will receive a notice of creditable coverage with specific information regarding your enrollment and coverage termination dates from your SEGIP Advantage Health Plan after your coverage has lapsed. This document may be provided to your spouses' employer.

Will employees on layoff be permitted access to funds they have in their Health Care Savings Plan for qualified expenses, such as premiums under COBRA? 6/10/11

View the MSRS website for more information at www.msrs.state.mn.us

Some employees have been granted additional service credit for purposes of vacation leave accrual. Does this change an employee's length of service for other purposes, such as insurance contribution eligibility? 6/10/11

No. An employee's length of service is not affected by their vacation accrual rate.

Which "Independent Billing Units" covered through the State Employee Group Insurance Program may the information in this Q&A may not apply to? 6/10/11

- Affinity Plus Federal Credit Union
- Agricultural Utilization Research Institute (AURI)
- American Legion
- Center for Rural Policy & Development
- Inter-Faculty Organization (IFO)
- Joint Underwriting Association
- Lake Superior Area Labor Management Association
- Middle Management Association (MMA)
- MN Association of Professional Employees (MAPE)
- MN Government Engineers Council (MGEC)
- MN Historical Society
- MN Horticultural Society
- MN House of Representatives
- MN Humanities Commission
- MN Safety Council

- MN State Fair
- MN State Senate
- MN Technology, Inc.
- Veterans of Foreign Wars

Does an unpaid leave of absence (e.g., parenting leave) count toward the three years of service for the six months of insurance on layoff? 6/10/11

Yes.

Workers' Compensation

What if I need medical treatment for my work related injury? Can I receive treatment and will it be paid? 5/26/11

Reasonable and necessary medical treatment for an accepted Workers' Compensation claim continues to be available. Payments for medical treatment are made through your managed care vendor.

Arrangements are being made to allow these payments to continue.

If I am working during a shutdown, how do I notify the employer in the case of an injury? 5/26/11

The employee should report injuries to the supervisor on duty. The supervisor can obtain a First Report of Injury from the Department of Administration's website. Information regarding the Workers' Compensation Program can be found at: <http://www.admin.state.mn.us/risk/wc/>.