

Reduction in Force (RIF) and Health Insurance for RIF Employee For Classified and Certified Employees

When implementing your RIF policy, some things to keep in mind:

Grounds for Reduction in Force - the nature of the grounds associated with the current the RIF for the public school systems are due to budget constraints. The grounds for RIF or dismissal should never be based on arbitrary, capricious, discriminatory or for personal or political reasons.

If the dismissal has been identified as RIF, the employee shouldn't be asked to resign. Files should be documented according to the action and situation.

Determining a RIF Employee

The following conditions will help guide you with standard year to year contracts:

1. If the employer had all intention in renewing the contract and/or has verbally or written committed to a contract for the up-coming year and later changed commitment due to **budget constraints**, it is better to treat this as a RIF.
2. Probationary teacher contract is a year to year contract for up to 3 years with the recommendation being made by the fourth year. If the employer has a reduction in force **before** the year is up, this is considered as a RIF.
3. If it is at the end of the year and the contract was for one year and would have ended anyway-- this is **not** a RIF. This is just a contract which has met its duration.
4. If the contract is at the end of the year, for example a probationary teacher, the employer has decided not to renew the contract due to performance or other reasons other than budget constraints. This is **not** a RIF, a situation of this nature is a standard non renewal.

Health Insurance options for the RIF Employee

There are 2 Options:

1. Health Insurance paid by employer

Any employee that is dismissed due to a RIF situation and has been employed for 10, 11 or 12 consecutive months and completed the contract term of employment is eligible for health insurance for 12 months. The employee had to be covered by the Plan at the time of separation from service. The ratifying of Senate Bill 1251 allows the employer to retroactively identify former employees who were subject to a reduction in force on or after May 1, 2010 having 10 or 11 months of service.

This means, any 10, 11 or 12 month employee that has worked for one full contract year whether it is 10, 11 or 12 months and was employed by the same employer (public school system) would be eligible to have 12 months of health insurance paid by the employer for the 12 months following termination.

The State Health Plan will allow employees who have been RIF'd to change their health plan coverage (move from 80/20 to 70/30) and coverage type (employee-family to employee only), as long as the request is made within 30 days from the date of separation from service.

Employees who elect not to continue coverage under RIF immediately following separation may not obtain coverage at a later date.

2. Health Insurance paid by employee (COBRA)

Employees who do not have 10, 11 or 12 months of consecutive service may continue health care coverage at full cost under COBRA (for themselves and any eligible dependents).

Please Link to NC State Health Plan for further details on COBRA:

<http://www.shpnc.org/hbr-updates/february-2009/rif-and-health-care-coverage.html>

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