



## Frequently Asked Questions (FAQs)

### Performance Pay Reduction, Furloughs & Employee Insurance Benefits

**What impact will the performance pay reduction have on an employee's health, dental and vision insurance?**

There is no impact to an employee's health, dental or vision insurance.

**What impact will the performance pay reduction have on an employee's life insurance?**

There is no impact to an employee's life insurance.

**What impact will the performance pay reduction have on an employee's disability insurance?**

The calculation for disability benefits is calculated on bi-weekly earnings, the disability benefits may be reduced based on earnings in the pay period at the time of disability.

**What impact will the performance pay reduction have on an employee's flexible spending accounts?**

There is no impact to the employee's flexible spending. The contributions to the medical and dependent care remain the same. An Employee can elect to reduce the dependent care annual election if there is a change to daycare expenses but no reduction in the annual medical election is permitted.

**What impact will the mandatory furloughs have on an employee's health, dental and vision insurance?**

There is no impact to an employee's health, dental or vision insurance.

**What impact will the mandatory furloughs have on an employee's life insurance?**

There is no impact to an employee's life insurance.

**What impact will the mandatory furloughs have on an employee's disability insurance?**

The calculation for disability benefits is calculated on bi-weekly earnings, the disability benefits may be reduced based on earnings in the pay period at the time of disability.

**What impact will the mandatory furloughs have on an employee's flexible spending accounts?**

There is no impact to the employee's flexible spending. The contributions to the medical and dependent care remain the same. An Employee can elect to reduce the dependent care annual election if there is a change to daycare expenses but no reduction in the annual medical election is permitted.

**Benefit Options**

**Choice. Value. Health.**

**Does the performance pay reduction, furlough program, or pay reduction in lieu of the mandatory furloughs enable an employee to make changes to the employee's benefit elections due to a qualified life event?**

No, changes to benefits are not permitted as there is not a qualified life event.

**Will the mandatory furloughs or performance pay reduction be considered a qualified life event?**

No, mandatory furloughs and the performance pay reduction are not considered to be qualified life events.

**What impact will the mandatory furloughs or performance pay reduction have on the computer purchase program payroll deductions?**

There is no impact to the payroll deductions for the computer purchase program.

**What impact will the mandatory furloughs or performance pay reduction have on the auto/home insurance payroll deductions?**

There is no impact to the payroll deductions for the auto/home insurance payroll deductions.

**For additional information regarding Performance Pay and Furloughs can be found at the following website:**

[http://www.hr.state.az.us/HR\\_Professional/index.asp](http://www.hr.state.az.us/HR_Professional/index.asp)

**Benefit Options**  
**Choice. Value. Health.**