COVID-19 Related Employer FAQs

Unemployment Impact
Q: If layoffs occur and no wages are reported to IPERS, does the member lose a service credit? How does that impact their retirement? Is there any FMLA credit?

A: Members do not receive a service credit if they are in layoff or furloughed status and the employer does not submit wages for the entire calendar quarter. Quarterly service credit is granted when wages are submitted during any month of the calendar quarter. Under FMLA rules, members on Family Medical Leave will be granted one free service credit; additional quarters due to FMLA must be purchased. Missing service credits do negatively impact members’ benefits at retirement.

Furloughs/Layoffs
Q: Can furloughed members pay their contributions as they did during the furlough several years ago? Can the time period where no earnings are reported be eligible for service purchase at retirement?

A: Members cannot make up the missing wages and contributions for the time period that they are unemployed or furloughed. Members may buy additional service at the time of retirement to make up for any lost service time. Specific legislation authorized make up of missing wages and contributions for furloughs that occurred in 2009 and 2010 and was limited to only that time frame.

Q: What termination date should my employer use if I am formally terminated during the COVID-19 emergency?

A: Employers must report the date the employee and employer relationship ends. This is the date all employee rights cease.

Licensed Health Care Providers, any Public Health Employee and Special Service Members
Q: Can a member in one of these classifications return to employment during their first four months of receiving retirement benefits?

A: For the duration of Governor Reynold’s Proclamation of Disaster Emergency, the standard bona fide retirement period is waived for qualified members in one of the above classifications. IPERS will not require these employees to leave employment immediately after the declared emergency is over.

Q: What about the reemployment earnings limit for members of the above classifications who are rehired and younger than age 65?

A: The reemployment earnings limit is also waived during the Proclamation of Disaster Emergency.

Q: Can an employer pre-negotiate reemployment with a member in one of the above professions?

A: No, pre-negotiated reemployment is not permitted.

Q: Is the compensation I received for 80 hours of COVID-19 relief IPERS-covered?

A: Yes, the compensation for the 80 hours are IPERS-covered.

Q: Is hazardous duty pay IPERS-covered?

A: No, this type of payment would be considered a bonus and is not IPERS-covered.