

PEBA Academy

Change in status

Insurance Benefits Training
2026


PEBA
SC Retirement System
and State Health Plan

Serving those who serve South Carolina

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Important information

- This overview is not meant to serve as a comprehensive description of the insurance benefits offered by PEBA.
- More information can be found in the following:
 - [Benefits Administrator Manual](#); and
 - [Insurance Benefits Guide](#).
- The plan of benefits documents, certificates of coverage and benefits contracts contain complete descriptions of the insurance benefits offered by or through PEBA. Their terms and conditions govern all these benefits.

South Carolina Public Employee Benefit Authority

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Most common changes in status

- Unpaid leave or reduction in hours.
- Military leave.
- Change in position.
 - Part-time to full-time.
 - Full-time to part-time.

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Unpaid leave or reduction in hours

In Stability Period

- Benefits continue until the end of the employee's Stability Period or until the employee leaves employment, whichever occurs first.
- Employer cannot charge more than employee's share of premium (employee is still eligible).
- Employee does not have the option to cancel coverage unless they experience a special eligibility situation or intend to enroll in health coverage through the Marketplace.
 - May cancel health insurance only if going to the Marketplace.

Not in Stability Period

- Employees not in a Stability Period lose eligibility for insurance if they are not on protected leave and experience a reduction of hours below 30 hours per week or enter into an unpaid leave status.
- Employer should terminate coverage and offer employee COBRA and/or conversion information if applicable.
- Coverage may be offered once employee returns to full-time position.

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Military leave

- Continue coverage:
 - Nothing sent to PEBA.
 - Written permission to continue coverage and bill for premiums.
 - Provide Your insurance benefits when your hours are reduced notice.
- Cancel health due to gain of coverage:
 - Complete an Active Notice of Election and attach a copy of military orders.
 - Provide Your insurance benefits when your hours are reduced notice.
- Cancel all coverage:
 - Complete the Active Termination Form.
 - Provide Your insurance benefits when your hours are reduced notice.
 - Offer 36 months of COBRA and conversion information, if applicable.

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Change in position

- Part-time to full-time:
 - If a part-time employee is reclassified as a full-time employee, then benefits should be offered on the first of the month after the change of position.
- Full-time to part-time:
 - Employees who are not in a Stability Period and have a change in position that results in a reduction of hours below 30 will become ineligible for insurance benefits on the first of the month after the reduction.
 - An employee deemed eligible for insurance during an Initial Stability Period or Standard Stability Period does not lose eligibility due to a change in status. Benefits continue for the remainder of the Stability Period.

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Disclaimer

This presentation does not constitute a comprehensive or binding representation of the employee benefit programs PEBA administers. The terms and conditions of the employee benefit programs PEBA administers are set out in the applicable statutes and plan documents and are subject to change. Benefits administrators and others chosen by your employer to assist you with your participation in these employee benefit programs are not agents or employees of PEBA and are not authorized to bind PEBA or make representations on behalf of PEBA. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.
