

Payment flexibility

Montana State Fund understands the public health response to COVID-19 is having an unprecedented effect on Montana businesses. We know many of you have had to lay off workers and are facing sizable hits to your revenue. During this significant business disruption, Montana State Fund is keeping Montana policies active and delaying the cancellation process through June 30, 2020.

Act now to update payroll estimates

To ensure you are not charged for employees and payroll not currently active, we encourage you to update your payroll estimate information by contacting your agent or calling a Montana State Fund Customer Service Specialist at 800-332-6102. Updated payroll estimates ensure your coverage is as accurate as possible each month.

FAQ

Q: My policy is scheduled to cancel, and I need coverage, what can I do?

A: Montana State Fund is not cancelling any Montana policies for outstanding payments or payroll reports related to their Montana coverage. Montana State Fund is suspending the cancellation process for Montana policies through June 30, 2020. You will receive notice from Montana State Fund prior to June 30, 2020 outlining the normal cancellation process beginning on July 1, 2020. This should allow agents and businesses time to work with Montana State Fund on any need for flexible payment options around any deferred premium payments.

Q: I just received my premium bill, is there a grace period for the payment?

A: Montana State Fund currently offers a 30-day cancellation grace period from the due date on your invoice without penalty or charge. As noted above, Montana State Fund is suspending the cancellation process for Montana policies through June 30, 2020. The policy would normally cancel on day 31.

Q: My non-clerical employees are currently working from home performing clerical duties. Can I report their wages in the clerical class code?

A: Yes. You must track the hours worked for these employees for reporting and auditing purposes.

Q: Due to Covid-19, I had to lay off employees. I am continuing to pay them a wage, but they are not working. Do I need to report these wages for my Montana State Fund policy?

A: No. If there is no active work being done by the employees, there is no exposure and no premium due for the wages. These wages are considered “gratuitous” and include wages paid out of benevolence of the employer, as well as those federally mandated by the *Families First Coronavirus Response Act*. You should track this payroll to ensure detailed records are maintained, but the wages will not be considered for premium purposes for your Montana coverage. Traditional Sick or Vacation leave benefits paid to employees remain reportable wages for premium calculation purposes.

Q: Because of Covid-19 I laid off employees, but I am still providing housing for them. Do I need to report their housing during the months they are laid off?

A: No. You must track these employees for payroll and auditing purposes, but this compensation will not be considered for premium purposes for your Montana coverage.

Q: Because of Covid-19 I laid off employees, but I am still paying them. Can I report their wages in a lower rated class code?

A: No. If there is no active work being done by these employees there is no exposure and no premium due for these wages. You must track the payroll for these employees for reporting and auditing purposes, but these wages will not be considered for premium purposes for your Montana coverage.

Q: Most of my staff are quarantined or have been sent home for quarantine. Now, my clerical employees are helping in other needed areas of my business. Can I report their wages in 8810 as well as the class code in which they are currently working?

A: Yes, but only for employees that have a temporary *change in position*, not just a change in duties. So, if an employee has a temporary change in position due to an event such as the pandemic, an employer would be able to have earnings assigned to the appropriate code for the entire duration of the temporary assignment. Again, you should track and keep records of changes for any audit or reporting purposes.

Note: Concurrent interchange of labor between clerical and non-clerical codes is not permitted.