

Disability Benefits for Faculty

EFFECTIVE JAN. 1, 2017

UNIVERSITY
OF
CALIFORNIA

KEY DEADLINES

WITHIN 31 DAYS AFTER YOU'RE HIRED

- **Enroll in Voluntary Short-Term Disability, Voluntary Long-Term Disability or both** now when you won't need a statement of health.

AS SOON AS YOU KNOW YOU'LL NEED TO TAKE DISABILITY LEAVE

- **See your doctor** so he or she can certify the date your disability began.
- **Let your department chair know** of your situation and request any salary continuation you think you'll need.

AS SOON AS YOU BELIEVE YOUR DISABILITY MAY LAST LONGER THAN YOUR SALARY CONTINUATION

- File a claim for any disability benefits for which you're eligible.

WITHIN 120 DAYS OF SEPARATION FROM UC EMPLOYMENT (IF YOU DO SO BECAUSE OF A DISABILITY)

- **Apply for UCRP Disability income**, if you're eligible. If you apply later than this deadline, you'll lose your right to continue your UC-sponsored health coverage.

Choosing the right disability insurance can give you essential peace of mind should illness or injury ever prevent you from working for a long time.

As a UC faculty member, you have several options for replacing some or all of your salary and continuing your benefits if you become disabled. Disability insurance may replace a portion of your salary during pregnancy and for the first few weeks after childbirth.

You'll find that the details of disability benefits are complex; if you need clarification, you can contact your Benefits Office for help.

This fact sheet outlines the features of UC's disability plans as they apply to faculty members and other academic appointees who do not accrue sick leave. For a more comprehensive description of UC's disability benefits, take a look at *Your Guide to UC Disability Benefits*. For details about faculty leave provisions as they relate to pregnancy, take a look at family-friendly policies in the academic personnel manual, which you'll find at ucal.us/acadfamilyfriendly.

This fact sheet also includes important information about your choices regarding Voluntary Disability insurance, for which you pay the premiums.

Represented faculty should see their contract for more information about disability benefits.

Please note that this is a summary of your benefits only; additional requirements, limitations and exclusions may apply. Refer to applicable plan documents and regulations for details. The Group Disability Income policy issued by the carrier and the University of California Group Insurance Regulations and other applicable UC policies will take precedence if there is a difference between the provisions therein and those of this document.

UC's Disability Plans

WHAT'S DIFFERENT FOR FACULTY MEMBERS

If you become disabled, you have the option to request a period of paid medical leave from your department or your location's Academic Personnel Office. If this is granted, you'll continue to receive some percentage of your salary during this period, as well as UC's contributions toward your benefits. You also may be eligible for disability benefits after your paid medical leave ends.

Faculty use their paid medical leave period to satisfy some or all of the Basic and Voluntary Disability plans' waiting period.

UC faculty members have access to a variety of disability benefit options. They work in concert with each other to provide you with varying amounts of salary replacement. In most cases, disability benefits from all sources combined can provide a maximum of 60 percent of your eligible earnings. (Two exceptions: If your disability is covered under Workers Compensation or you're in the Health Sciences Compensation Plan, you may be eligible for disability income that represents a larger percentage of your salary. Talk with your department to find out more.)

The UC plans include:

A basic version, called **Basic Disability**, which covers 55 percent of your eligible monthly earnings to a maximum of \$800 per month, for up to six months. If you're an academic appointee with full, mid-level or core benefits, you're covered at no cost to you. There is a standard 14-day waiting period before you can begin receiving benefits and the plan doesn't cover work-related injuries or illnesses. While you're receiving Basic Disability income, UC continues to pay its portions of your medical premiums. Basic Disability income is generally taxable.

A version for short-term disabilities, called **Voluntary Short-Term Disability (VSTD)**. This plan offers more comprehensive coverage—60 percent of your eligible earnings, with a maximum benefit of \$15,000 per month. After a 14-day waiting period, benefits only last for 6 months, making this a good option to cover short-term needs such as pregnancy, most illnesses, minor surgeries, etc.

If you accrue sick leave, you are required to use up to 22 days of sick leave, if available, prior to the start of Basic or VSTD benefits.

As a faculty member, it's likely that you would receive salary continuation for some or all of the time that would otherwise be covered by Basic Disability and VSTD. (See Academic Personnel Manual 710.)

A version for long-term disabilities, called **Voluntary Long-Term Disability (VLTD)**. VLTD benefits don't start until six months after your date of disability or when VSTD benefits end, whichever is later. The plan pays 60% of your eligible earnings, up to \$15,000 per month and benefits can last until your Social Security Normal Retirement Age. This type of plan doesn't pay for the first six months of disability, but offers long-term benefits in cases of catastrophic injury or illness, or permanently disabling conditions.

VLTD may provide payments for work-related disabilities, in coordination with Workers' Compensation. If you are receiving other sources of income (Workers' Compensation, UCRP Disability, Social Security disability income, state disability) that exceed 60 percent of your eligible income, the Voluntary Disability plan would pay a minimum of \$100 per month.

Voluntary Disability income is generally not taxable, since you pay the premiums with after-tax dollars.

DISABILITY INCOME FROM UCRP

UC Retirement Plan (UCRP) Disability income is available to you if you're a member of UCRP, meet the vesting requirements, and have a disability that's expected to last 12 months or longer. It replaces a maximum of 22.5 to 40 percent of your UCRP covered compensation, depending on when you joined UCRP and how much service credit you have. (As with Voluntary Disability, your eligible compensation doesn't include by-agreement payments, compensation for University Extension teaching, summer salary, additional compensation or Health Sciences Compensation Plan additional compensation.) You may also be eligible to have UC pay some portion of its contribution to your medical premiums. UCRP Disability income is generally taxable.

The specifics of UCRP disability coverage are complicated. You'll find much more information in *Your Guide to UC Disability Benefits* on UCnet.

Social Security Normal Retirement Age

Full retirement age (also called "normal retirement age") had been 65 for many years. However, beginning with people born in 1938 or later, that age gradually increases until it reaches 67 for people born after 1959. Go to SSA.gov to calculate your retirement age.

How Paid Medical Leave and Disability Benefits Intersect

The examples below illustrate how paid medical leave and UC's disability plans work together under a variety of disability scenarios.

EXAMPLE 1

Faculty member has back surgery and is not able to return to work for three years. Faculty member is not yet vested in UCRP (i.e. does not have five years or more service credit). In this example, the campus approves four months paid medical leave.

BASIC DISABILITY INSURANCE ONLY

| Month | Month 1 through 4 | Month 5 through 10 | Month 11 through 36 |
|-------|--|---|---|
| | <ul style="list-style-type: none"> • Paid medical leave | <ul style="list-style-type: none"> • Basic Disability • \$800 per month | <ul style="list-style-type: none"> • No benefits payable beyond month 10 |

Date of disability

BASIC AND VOLUNTARY LONG-TERM DISABILITY INSURANCE

| Month | Month 1 through 4 | Month 5 and 6 | Month 7 through 36 |
|-------|--|---|---|
| | <ul style="list-style-type: none"> • Paid medical leave | <ul style="list-style-type: none"> • Basic Disability • \$800 per month | <ul style="list-style-type: none"> • Voluntary Long-Term Disability • 60% of monthly earnings to \$15,000 per month |

Date of disability

EXAMPLE 2

Faculty member is a new hire and is disabled during the first three months of employment. The faculty member will be unable to work for nine months. In this example, the campus approves one semester (18 weeks) of paid medical leave.

BASIC DISABILITY INSURANCE ONLY

| Month | One semester (18 weeks) | Week 19 through 39 |
|-------|--|---|
| | <ul style="list-style-type: none"> • Paid medical leave | <ul style="list-style-type: none"> • Basic Disability • \$800 per month |

Date of disability

BASIC AND VOLUNTARY SHORT-TERM DISABILITY INSURANCE

| Month | One semester (18 weeks) | Week 19 through 39 |
|-------|--|--|
| | <ul style="list-style-type: none"> • Paid medical leave | <ul style="list-style-type: none"> • Basic and Voluntary Short-Term Disability • 60% of monthly earnings to \$15,000 per month |

Date of disability

How Paid Medical Leave and Disability Benefits Intersect

EXAMPLE 3

Faculty member is in a car accident and is permanently disabled and unable to return to work. The faculty member is a vested UCRP member, joined UCRP before July 1, 2013, is coordinated with Social Security and has 10 years of service credit. In this example, the campus approves one year of paid medical leave.

BASIC DISABILITY INSURANCE ONLY PLUS UCRP

| Month | Month 1 through 12 | Month 13 through 18 | Month 19 and on |
|-------|--|---|--|
| | <ul style="list-style-type: none"> • Paid medical leave | <ul style="list-style-type: none"> • UCRP Disability pays 35% of salary until retirement* | |
| | | <ul style="list-style-type: none"> • Basic Disability supplements UCRP 20% of salary (up to maximum of 55%) to \$800 per month | <ul style="list-style-type: none"> • No disability insurance benefits payable beyond month 18 |

Date of disability

VOLUNTARY SHORT- AND LONG-TERM DISABILITY INSURANCE PLUS UCRP

| Month | Month 1 through 12 | Month 13 until Social Security retirement age* |
|-------|--|---|
| | <ul style="list-style-type: none"> • Paid medical leave | <ul style="list-style-type: none"> • UCRP Disability pays 35% of salary • Voluntary Disability supplements UCRP 25% of salary (up to maximum of 60%) up to \$15,000 per month |

Date of disability

* Dependent on date of hire and participation in Social Security. Although UCRP Disability income may end at age 65, the member could choose to retire and receive basic retirement income or a lump sum cashout.

Making Choices About Voluntary Disability

The choices you make about Voluntary Disability will have important repercussions for you and your family if you ever need to use your coverage. Here are some issues to consider:

THREE KEY THINGS TO KNOW:

- UC does not participate in California State Disability Insurance (CA-SDI). If you've worked for UC for less than 18 months and your previous employer was in California, you may be eligible for CA-SDI benefits under your previous employer.
- Even though you pay the full cost of the premiums, it's often a really good idea to sign up for Voluntary Disability. It allows you to replace substantially more of your salary than Basic Disability alone. You may find that the comparatively higher level of replacement income from Voluntary Disability provides crucial help in covering not only your usual living expenses, but the extra medical costs that can come with a lengthy period of disability.
- If you think you may need this type of insurance, it's to your advantage to enroll when you're first hired, during your period of initial eligibility, or PIE. (This is usually a 31-day period that starts on your hire date.) Unlike other benefits, Voluntary Short-Term Disability (VSTD) and Voluntary Long-Term Disability (VLTD) aren't usually open for enrollment during UC's annual Open Enrollment period. If you want to enroll later, you'll have to submit a statement of health, which could disqualify you from adding coverage based on a current or pre-existing medical condition.

FACTORS TO CONSIDER:

- **Are you considering becoming pregnant?** If you think you may become pregnant and don't have paid child-bearing leave (see page 8), consider VSTD. For most pregnancies, the disability period begins two weeks before birth and ends six weeks after birth (eight weeks for a Caesarian section). Don't wait until you're pregnant to enroll. You'll be required to submit a statement of health, and if you're already pregnant, your enrollment application will not be accepted.
- **Do you have a lot of non-negotiable monthly expenses?** If you've recently purchased a new house, for instance, you may not want to risk a long period without income to help pay your mortgage.
- **Are you eligible for paid faculty medical leave?** If so, you might only need VLTD.
- **How's your savings cushion?** If you have substantial savings that could tide you over the first six months of a disability, you might choose VLTD only. If not, you should consider both VSTD and VLTD for the most protection.

To calculate the premiums for VSTD and VLTD, use the Insurance Premium Estimator on ucal.us/premiumestimator.

Definition of disability: The definition of disability changes with the type of coverage you receive:

- **Basic and Voluntary Short-Term Disability**—In order to receive benefits, you must be disabled from your job at UC, based on the demands and duties of your position.
- **Voluntary Long-Term Disability**—For the first 24 months of VLTD benefits, in order to receive benefits, you must be disabled from your own occupation, based on the demands and duties that employers (throughout the national economy) ordinarily require for that occupation. From the 25th month onward, you must be disabled from any occupation (throughout the national economy) for which you are reasonably suited.

(Note that UCRP defines disability differently; for details, please see "Understanding UCRP Disability" in Your Guide to UC Disability Benefits for details.)

Pre-existing conditions: For the VSTD Plan and the Basic Disability Plan, there are no limits related to pre-existing conditions. Additionally, as long as you've been covered by the current Supplemental Disability Plan and/or VLTD Plan for more than 12 months without a claim related to your condition, there are no restrictions or limitations on the VLTD Plan.

However, your VLTD benefits will not be payable if:

- Your disability leave is related to a condition you were diagnosed with, or had treatment for, in the 90 days prior to your initial enrollment in VLTD (or into Supplemental Disability Insurance, if you are continuing coverage without an interruption) and
- Your disability leave begins within one year of your initial enrollment into VLTD (or into Supplemental Disability Insurance, if you are continuing coverage without an interruption).

You will, however, be eligible for VLTD benefits for conditions that were not pre-existing.

Mental Illness and Substance Abuse: VLTD benefits for these issues are generally limited to a 24-month lifetime maximum benefit, unless you remain continuously hospitalized or in an extended treatment plan.

Time Off for Pregnancy and Childbirth

If you're an Academic Senate faculty member or you have served at least 12 months in any faculty title, you're eligible for a childbearing leave, during which you'll receive your full covered compensation for at least six weeks. (If medically necessary, more time may be granted.) For example, a faculty member who becomes pregnant and is scheduled to deliver on March 1 would typically be able to stop working two weeks before her scheduled delivery date. For those two weeks, plus the first four weeks after the March 1 birth, she would receive her full salary and benefits just as if she were working. (Or, if she chose to keep working until one week before the birth, she would receive salary and benefits for that week plus the first five weeks post-birth.) See the policy on Faculty Accommodations for Child Bearing at (www.ucop.edu/academic-personnel/_files/apm/apm-760.pdf) for more information.

After that, the amount of salary she'd receive, and for how long, would depend on whether she was enrolled in Voluntary Short-Term Disability (VSTD).

(If you're a member of the Health Sciences Compensation Plan, check with your department to determine what portion of your salary is covered during pregnancy leave.)

If you're a non-Senate faculty member and have served less than one year, you'll receive at least eight hours of sick leave for every month you've worked up to the date of your pregnancy leave. You must use up to 22 days of sick leave, if accrued, prior to the start of VSTD benefits.

If you need to modify your work schedule either before or after you add a child to your family, you may be eligible to do so under

a provision known as active service-modified duties. For more information, check with the Academic Personnel Office or see the family-friendly policies section of the Academic Personnel Manual at ucal.us/acadfamilyfriendly.

Most often, the faculty salary continuation period would replace some or all of the UC-paid Basic Disability and employee-paid VSTD benefits for pregnancy. (The VSTD disability benefits start two weeks before the baby is due and continue until six weeks after the birth for a normal pregnancy—eight weeks for a Caesarean section). If you experience complications during pregnancy or childbirth, you may be able to extend your benefits.

You may be eligible to take pregnancy-related leave for up to 12 weeks (and continue UC's contributions toward your medical benefits) through the Family and Medical Leave Act. This leave would run concurrently with your faculty childbearing leave. Please see the *Family and Medical Leave Benefits Fact Sheet* at ucal.us/fml for details. Once this leave ends, you may also be eligible for Pregnancy Disability Leave or California Family Rights Act (CFRA) Leave. For more information, please see the *Pregnancy, Newborn Child and Adopted Child Fact Sheet* at ucal.us/pregnancy.

The example below illustrates how various leave options might work together.

Gloria has been a fulltime faculty member for five years. She is enrolled in VSTD and she wants to take three months off for the birth of her child, although she is only disabled due to pregnancy/birth for eight weeks.

BASIC AND VOLUNTARY SHORT-TERM DISABILITY INSURANCE

| Week | Week 1 through 6 | Week 7 through 8 | Week 9 through 12 |
|------|---|--|---|
| | <ul style="list-style-type: none"> Baby is born at end of week 2 Full covered compensation and benefits | <ul style="list-style-type: none"> Basic and Voluntary Short-Term Disability 60% of eligible salary UC continues its contributions to medical, dental and vision premiums | <ul style="list-style-type: none"> UC continues its contributions to medical, dental and vision premiums |
| | <ul style="list-style-type: none"> Family and Medical Leave | | <ul style="list-style-type: none"> Unpaid Family and Medical Leave for baby bonding under FMLA and CFRA |

Date of disability

Other Disability Resources

DISABILITY COVERAGE FOR WORK-RELATED INJURIES OR ILLNESSES

If your disability is work-related, state Workers' Compensation benefits may provide you with up to two-thirds of your salary (up to a maximum of \$1,172 per week in 2017). You can supplement the Workers Comp benefits up to 100 percent of your salary by using accrued sick leave. Once you use up your sick leave, you may be eligible for Workers' Comp Extended Sick Leave, which will supplement your Workers' Compensation up to 80 percent of your salary.

To learn more about Workers' Compensation, see the *Workers' Compensation Fact Sheet* at ucal.us/workerscomp or contact the Workers' Compensation manager at your location. (There's a directory of UC WC managers at ucal.us/workerscompmanagers). Or see California's Workers' Compensation website, dir.ca.gov/dwc/.

FAMILY AND MEDICAL LEAVE

You may be eligible to take unpaid leave related to your disability for up to 12 weeks (and continue UC's contributions toward your medical benefits) through the Family and Medical Leave Act. Please see the *Family and Medical Leave Benefits Fact Sheet* at ucal.us/fml for details.

SOCIAL SECURITY DISABILITY

If you contribute to Social Security (or have in the past), contact the agency to find out about disability benefits you may be eligible for. You may also be eligible based on contributions by a spouse or former spouse. To learn more, go to the Social Security website at www.ssa.gov/disability/.

By authority of the Regents, University of California Human Resources, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC's contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California's annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. For more information, employees should contact their Human Resources Office and retirees should call the Retirement Administration Service Center (800-888-8267).

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