

This checklist explains what happens to the benefits of full-time or part-time, partial-year Career employees when on a furlough. Partial-year Career employees are appointed to work for less than 12 months each year. A furlough is the regularly scheduled period off work for these employees. Each furlough can last up to three months in a calendar year. A furlough is not considered a separation from UC employment.

A furlough is different from a leave without pay or a temporary or indefinite layoff. If you are going on leave without pay or if you have been laid off, see the appropriate checklist. If you are appointed to a full-year Career position but work part-time, this checklist does not apply to you.

You may wish to go over this information with your Benefits Office to be sure you have taken all necessary actions.

Need Help?

General information, UC publications and forms and detailed plan booklets are available on **At Your Service**, UC's Human Resources website (atyourservice.ucop.edu); for your plan enrollments, select "Sign in to My Accounts," log on, and then select "Current Enrollments" under the "Health & Welfare" option.

You can also get answers to your questions, detailed plan booklets, forms, and UC publications from the person in your department who handles benefits and from your local Benefits Office.

Furlough

Benefits Checklist

While on Furlough

When you are on an approved furlough, you may be eligible to continue some of your UC-sponsored benefits. The chart on page 2 explains your benefits options in detail.

UC contributions continue for some plans. For others, you must arrange in advance to pay any required premium(s) directly to your Benefits or Payroll Office. If you choose not to continue your UC-sponsored coverage, or if you do not pay your premium(s) on time, your coverage will end on the last day of the last month for which premiums or contributions are paid.

If your UC-sponsored coverage lapses, you may re-enroll when you return to work at UC with an eligible appointment.

Note: A 12-month payment plan, which allows partial-year Career employees to receive twelve paychecks throughout the year, is available. If your pay status continues, generally your payroll deductions and contributions continue. Your benefits procedures may or may not be the same as those shown in this checklist. Please see your local Benefits Office for information.

Moving Out of a Plan Service Area:

If you continue UC-sponsored medical or dental coverage and you move during your furlough, please note the following:

- If you continue coverage in a health maintenance organization (HMO) or Anthem Blue Cross PLUS during

your furlough and you will be out of the plan's service area for more than two months, you will be covered for only emergency services and must select another plan. You have 31 days from the date you lose coverage because of the move to enroll yourself and your eligible family members in another UC-sponsored medical plan available in your new location. Contact your local Benefits Office for assistance.

You and/or your eligible family members may also need to select a new primary care physician(s). Contact your medical carrier.

Tax-Deferred 403(b) Plan Loan

Program: If you have an outstanding loan when you go off pay status, you must arrange one of the following options with Fidelity Retirement Services (1-866-682-7787) within 90 days of your last day on pay status:

- Make monthly payments.
- Make full payment in advance for the period you will be off pay status.
- Repay the outstanding amount in full.

If you do not elect one of these options within the 90-day period, the outstanding amount will be reported as a taxable distribution. It may also be subject to federal and state early distribution penalties.

Service Credit Buyback: If you have a UCRP service credit buyback in progress, your payroll deductions will stop when you go off pay status. You do not make payments during your

(continued on page 3)

While on Furlough

| Benefit Plan | Benefits Options |
|---|---|
| Health and Welfare Plans | |
| Medical Dental Vision Legal | You may continue coverage for up to four months after the month your furlough begins. UC's contributions continue for up to three months in a calendar year beginning after your last paycheck with plan contributions. You must arrange in advance to pay the monthly premium(s) for the legal plan and your medical plan premium (if applicable) directly to your local Benefits or Payroll Office. Also see "Moving Out of a Plan Service Area" on page 1 and "Health and Welfare Plan Continuation and Conversion" on page 3. |
| Basic Life Short-Term Disability | Your coverage continues (at no cost to you) for up to four months after the month your furlough begins. You cannot receive disability benefits during your scheduled furlough. However, your Short-Term disability coverage will protect you if you are disabled during furlough and unable to return to work when scheduled. |
| Accidental Death & Dismemberment (AD&D) Supplemental Life Basic Dependent Life Expanded Dependent Life | You may continue coverage for up to four months after the month your furlough begins by arranging in advance to pay the monthly premium(s) directly to your local Benefits or Payroll Office. If you are enrolled in Basic Life only, you may continue Basic Dependent Life for up to four months. If you are enrolled in and continue Supplemental Life, you may continue Basic Dependent Life or Expanded Dependent Life for up to four months. |
| Supplemental Disability | You may continue coverage for up to four months after the month your furlough begins by arranging in advance to pay the monthly premium(s) directly to your local Benefits or Payroll Office. You cannot receive disability benefits during your scheduled furlough. However, continuing your coverage will protect you if you are disabled during furlough and unable to return to work when scheduled. |
| Business Travel Accident Workers' Compensation | Coverage stops your last day actively at work before your furlough begins. |
| UC Retirement Plan, Retirement Savings Program and Other Savings Options | |
| University of California Retirement Plan (UCRP) | Contributions stop when you go off pay status. Your UCRP contributions and any Capital Accumulation Provision (CAP) balance remain on deposit and you may not withdraw them. You remain eligible for any UCRP benefits for which you were eligible when your furlough began. Currently, full-time, partial-year Career employees (who work 100% time during a 9-, 10-, or 11-month appointment) receive one year of service credit for each plan year. Part-time, partial-year Career employees receive prorated service credit. You may be able to establish service credit for furloughs taken before August 1, 1992. See your Benefits Office for details. |
| Retirement Savings Program (Defined Contribution Plan Pretax Account Tax-Deferred 403(b) Plan 457(b) Deferred Compensation Plan) | Contributions stop with your last paycheck. You remain eligible to borrow from your 403(b) Plan account, if you have a balance of \$1,000 or more. While usually you are not eligible to take a distribution, in some cases you may be able to take a distribution from your 403(b) Plan or 457(b) Plan. For more information, contact Fidelity Retirement Services at 1-866-682-7787 or see the Fidelity website (www.netbenefits.com). |
| Defined Contribution Plan After-Tax/Rollover Account | Contributions stop with your last paycheck. You may take a distribution at any time. To request a distribution, see the Fidelity website (www.netbenefits.com) or call 1-866-682-7787. |
| Social Security Other Retirement Plans | If your furlough is without pay, neither you nor UC contributes while you are on furlough. If you are a member of another retirement plan—such as CalPERS—contact that plan directly for information. |
| U.S. Savings Bonds | Deductions stop with your last paycheck. Contact any bank for information on your options. |
| Other Benefits | |
| Vacation Leave Sick Leave | You do not accrue vacation or sick leave during your furlough. For details, see the personnel policy or collective bargaining agreement that applies to you. |
| Dependent Care Flexible Spending Account (DepCare FSA) | Contributions stop when you go off pay status. Eligible expenses incurred through the end of the pay period in which you made the last contribution are eligible for reimbursement. You must submit your claims by the filing deadline of the following year; you forfeit funds left in your account after that date. |
| Health Flexible Spending Account (Health FSA) | Contributions stop when you go off pay status. Eligible expenses incurred through the end of the pay period in which you made the last contribution are eligible for reimbursement unless you continue participation under COBRA. See "Health and Welfare Plan Continuation and Conversion," on page 3. You must submit your claims by the filing deadline of the following year; you forfeit funds left in your account after that date. |
| Tax Savings on Insurance Premiums (TIP) | TIP contributions stop when you go off pay status. Monthly health premium payments to continue coverage during your furlough are made on an after-tax basis. |

While on Furlough

| Benefit Plan | Benefits Options |
|--|---|
| Other Benefits (continued) | |
| Automobile and Homeowner/ Renter | You may continue coverage to the end of the contract year by paying premiums directly to the insurance company or you may cancel your coverage. Call the insurance company for information. |
| California Unemployment Insurance Program | UC coverage stops on the last day you are actively at work. You may be eligible for Unemployment Insurance benefits. However, if you are on furlough between academic terms and have reasonable assurance that you will be rehired, you are generally <i>not</i> eligible for benefits. |

furlough; you can resume payments when you return to work.

Address Changes: While on furlough, please keep UC advised of your correct *permanent* address. Changes in your permanent address may affect your eligibility for health plans that have a service area. In addition, UC needs a correct, current address to keep you informed about your benefits. Notify your Benefits or Payroll Office or the appropriate person in your department of any address changes.

Enrolling and De-enrolling Family Members: If you continue UC-sponsored coverage while on furlough, you may enroll newly eligible family members in your plans within 31 days of the date they become eligible to enroll. For other opportunities to enroll in UC-sponsored plans, see *Your Group Insurance Plans*.

You are also responsible for de-enrolling family members who lose eligibility to participate in UC-sponsored plans. Failure to do so within required deadlines may affect continuation rights and/or result in liability for any expenses incurred by UC or the plan due to the ineligible enrollment.

If you do not continue UC-sponsored coverage during your furlough, you may not enroll yourself and your eligible family members in your plans until your new 31-day period of initial eligibility (PIE) that begins on the date you return from furlough. Upon request, you will need to provide documentation to verify the relationship of your enrolled family members.

Health and Welfare Plan Continuation and Conversion

Below are options for continuation and conversion of coverage for family members who lose eligibility for UC-sponsored coverage. Note that these options are generally more costly. Conversion policies may also provide fewer benefits than UC's group plan. For more details on all of these options, see the UC HR website (atyourservice.ucop.edu) or your benefit plan booklets.

COBRA and CalCOBRA Continuation: If you are enrolled in medical, wellness, dental, or vision, once your continuation through UC is over and if you do not return to UC employment, you and/or your eligible family members may be eligible to continue UC-sponsored group health coverage, as well as eligibility for your location's Employee Assistance Program, under COBRA (the Consolidated Omnibus Budget Reconciliation Act of 1985) and CalCOBRA. If you are enrolled in the Health Flexible Spending Account (Health FSA), you may continue your participation under COBRA, but only through the end of the current plan year (December 31) by making after-tax payments to your account. You have 60 days from the date you receive notice of your continuation rights to apply for COBRA continuation.

Conversion: If you are enrolled in medical, life (including Basic, Supplemental, Basic Dependent, Expanded Dependent, and Senior Management), AD&D, or legal and you apply within 31 days after UC-sponsored coverage ends, you can convert your group insurance coverage to individual policies without the need for individual underwriting by the insurance plan. For medical coverage, you have 31 days after your UC-sponsored or COBRA continuation coverage ends to apply for conversion.

Portability: If you are enrolled in Supplemental Life insurance, and you apply within 31 days after your UC-sponsored coverage ends, you may be eligible for the Prudential Portability benefit which allows you to purchase a Prudential group term-life policy for similar amounts carried in Supplemental Life, Basic Dependent Life, or Expanded Dependent Life.

When You Return to Work

When you return to work, records must be updated, benefits must be activated, and forms must be processed. If you continued coverage during your furlough, at some locations coverage continues automatically. At other locations you must re-enroll. **Because procedures vary by location, it is very important that you review your benefits with your local Benefits Office soon after you return to work.**

The chart on page 5 explains your benefits options when you return to work at UC with an eligible appointment. For some plans, you have a new period of initial eligibility (PIE) in which to enroll, re-enroll, or make changes. If you miss the PIE, some plans allow you to enroll during Open Enrollment, usually held in November. Other plans may require you to submit a statement of health to the insurance company; doing so, however, is no guarantee that you will be accepted. To be sure you get the coverage you want, sign up during your PIE.

Period of Initial Eligibility (PIE)

This is a time during which you and/or your eligible family members may enroll in UC-sponsored plans. The PIE starts on the first day of eligibility (for example, the day you return to work or pay status). It ends 31 days later, or, if the 31st day falls on a weekend, the next work day for paper enrollments. UC defines a working day as a normal business day—Monday through Friday, excluding holidays—for your local Benefits or Payroll Office.

In addition, you must meet all eligibility requirements when you return to work. If your appointment changes when you return to work, your new appointment will determine the benefits in which you may enroll. If you have family members eligible for coverage, contact your Benefits Office to enroll them within your new 31-day PIE.

Benefits Transactions and Deadlines:

When making benefits changes, it is your responsibility to complete your transactions within UC deadlines.

Although UC makes every effort to ensure your enrollment transactions are completed accurately, you should review your paycheck stub or direct deposit statement carefully to be sure it matches your benefits choices. *It is your responsibility to promptly notify your local Benefits or Payroll Office of any errors.*

Returning to a Plan Service Area:

If you are returning to your previous medical or dental plan service area, you may transfer back to your previous plan within 31 days of your return to the plan's service area. You and/or your eligible family members may also need to select a primary care physician(s) or a DeltaCare® USA dentist. Contact your Benefits Office to transfer plans and your medical carrier or Delta Dental to change providers.

Service Credit Buyback: If you have a previous UCRP service credit buyback in progress, tell your Payroll Office to resume payments. Your payment period will be extended, but your monthly payroll deduction amount will not change.

For more information, see *The UCRP Buyback Booklet*.

If You Do Not Return to UC Employment

Contact your Benefits Office if you end UC employment while on furlough, and read the *Termination of Employment* checklist. Ask your Benefits Office for more information about continuing group coverage.

If you decide to retire while on furlough, see the *Retirement Handbook* for information. Because a furlough may affect your retirement benefits, be sure you discuss your options with your local Benefits Office *before* you elect to retire.

California Unemployment

Insurance Program: UC coverage stops the last day you are actively at work. Depending upon your circumstances, you may or may not be eligible for Unemployment Insurance benefits. You can get details and apply for benefits at your local office of the California State Employment Development Department (EDD). If you work outside California, contact the comparable state agency for your location.

When You Return to Work

| Benefit Plan | New PIE | Benefits Options |
|---|---------|--|
| Health and Welfare Plans | | |
| Medical* Dental* Vision* Legal Supplemental Life Basic Dependent Life Expanded Dependent Life Supplemental Disability | YES | If you continued coverage during your furlough: Your coverage continues. If you did not continue coverage: When you return to work, during your new 31-day PIE you may re-enroll in the same plans (with the same level of coverage) you were enrolled in before you left. Upon request, you will need to provide documentation to verify the relationship of your enrolled family members. See “Returning to a Plan Service Area” on page 4. |
| Basic Life Short-Term Disability | N/A | Your coverage, based on your appointment, continues automatically when you return to pay status. |
| Accidental Death & Dismemberment (AD&D) | N/A | If you continued coverage during your furlough: Your coverage continues. If you did not continue coverage or if you were not previously enrolled: You may enroll at any time. |
| Business Travel Accident Workers’ Compensation | N/A | Coverage resumes automatically on your first day actively at work. |
| UC Retirement Plan, Retirement Savings Program and Other Savings Options | | |
| Retirement plan contributions and retirement savings deductions resume automatically when you return to pay status. At some locations, deductions for a Tax-Deferred 403(b) Plan loan or a UCRP service credit buyback in progress resume automatically. At other locations you must reactivate them. See “Service Credit Buyback” on page 4. | | |
| Other Benefits | | |
| Vacation Leave Sick Leave | N/A | When you return to pay status, you start accruing vacation and sick leave. For details, see the personnel policy or collective bargaining agreement that applies to you. |
| Dependent Care Flexible Spending Account (DepCare FSA) | YES | If you choose to re-enroll for the remainder of the plan year, your monthly contribution must be the same as before your furlough. |
| Health Flexible Spending Account (Health FSA) | YES | If you choose to re-enroll for the remainder of the plan year, your annual contribution must be the same as before your furlough. |
| Tax Savings on Insurance Premiums (TIP) | YES | TIP contributions resume automatically when you return to pay status. You may opt out of TIP during your new PIE. See the <i>TIP Summary Plan Description</i> for details. |
| Automobile and Homeowner/Renter | N/A | If you continued coverage during your furlough: You may resume payroll deductions when you return to pay status. If your coverage lapsed: You may re-enroll at any time. Call the insurance company directly. |
| California Unemployment Insurance Program | N/A | Coverage resumes automatically when you return to pay status. |

* For other opportunities to enroll in UC-sponsored plans, see *Your Group Insurance Plans*.

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 (1-800-888-8267). 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 your Human Resources Office and retirees should call the UC Customer Service Center (1-800-888-8267).

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

In conformance with applicable law and University policy, the University is an affirmative action/equal opportunity employer. Please send inquiries regarding the University's affirmative action and equal opportunity policies for staff to Systemwide AA/EEO Policy Coordinator, University of California, Office of the President, 1111 Franklin Street, 5th Floor, CA 94607, and for faculty to Associate Director of Academic Personnel, University of California Office of the President, 1111 Franklin Street, Oakland, CA 94607.

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