Termination of Employment Benefits

UNIVERSITY
OF
CALIFORNIA

KEY DEADLINES

AS SOON AS YOU KNOW YOU WANT TO RETIRE (IF YOU ARE ELIGIBLE AND WANT TO CONTINUE MEDICAL, DENTAL, VISION AND LEGAL COVERAGE AS A RETIREE)

- Contact the Retirement Administration Service Center (800-888-8267) to begin the process. (You must retire within 120 days of your separation date, and the process can be time-consuming.)

WITHIN 60 DAYS FROM THE DATE YOU LOSE MEDICAL, DENTAL OR VISION COVERAGE

- Apply for COBRA continuation coverage, if you wish to

WITHIN 60 DAYS OF SEPARATION FROM UC EMPLOYMENT

- If you have a service credit buyback in progress, make a lump sum payment to complete it, if you wish to

WITHIN 31 DAYS AFTER UC OR 63 DAYS AFTER COBRA MEDICAL COVERAGE ENDS

- Apply for an individual policy, if you wish to

WITHIN 31 DAYS AFTER UC LIFE INSURANCE AND LEGAL COVERAGE ENDS

- Apply for conversion to an individual policy, if you wish to

SOON AFTER (BUT NO LATER THAN 90 DAYS AFTER) YOUR LAST DAY ON PAY STATUS

- If you have an outstanding 403(b) loan, arrange to make monthly payments or repay the outstanding amount in full

BY APRIL 15 OF THE YEAR AFTER YOU LEAVE UC EMPLOYMENT

- File any claims for reimbursement from your Health and DepCare Flexible Spending Accounts (otherwise you forfeit money left in the accounts)

Got questions?
If you still have questions after reviewing the information here, check out At Your Service (atyourservice.ucop.edu). You'll find general information, UC publications and forms, and details on benefit plans. To review the specific benefits you're enrolled in, sign in to your At Your Service Online (AYSO) account, and then choose "Current Enrollments" under the "Health and Welfare" option. You can also contact your local Benefits Office for help.

At the time you move on from UC employment, you'll want to make your transition as seamless as possible.

You'll also want to be sure you understand what options you have regarding your health, welfare and retirement benefits.

This fact sheet outlines what happens to your benefits when you leave UC, and how to arrange to continue or convert your coverage if you need to.

There are a few important details to complete. For example, be sure to return any UC items related to your job, including keys, access cards, cell phone, laptop, etc. And you'll want to leave voicemail and email messages letting contacts know where to find you and who to contact on UC business after you've left.

If you're taking a leave without pay, check the *Leave Without Pay Fact Sheet* for information that applies to you available online at ucal.us/leavewithoutpay.

Finally, if you're leaving one campus, medical center or laboratory to work at a different UC location, please contact the Benefits Offices at both your new location and your current one as soon as possible to arrange for a smooth transition of your benefits. You'll find detailed information about what you need to do online at ucal.us/intercampustransfer.

Health, Welfare and Other Benefits

For the most part, your participation in UC benefits will end when you leave UC. Fortunately, if you need to continue certain benefits, you have some options for doing so.

If you're leaving UC for medical reasons, please contact your local Benefits Office right away. They can help determine your eligibility for disability, retirement and other possible benefits.

If you're being laid off, please see either the *Temporary Layoff Fact Sheet* or *Indefinite Layoff Fact Sheet*. You'll find important information there that may be applicable to you, including details about preference for re-employment and right to recall.

You can continue some of your UC benefits — both for yourself and your spouse, domestic partner or eligible dependents — through COBRA. This program may allow you to continue medical, dental, vision and health flexible spending account benefits for up to 18 months. Coverage under COBRA is identical to the UC-sponsored coverage that you and your dependents had just before you ended UC employment. A company called CONEXIS handles COBRA administrative services for UC. Once UC notifies CONEXIS that you are terminating employment, CONEXIS will send you a COBRA election packet. You'll need to send your enrollment forms and premiums directly to CONEXIS.

For additional details about COBRA, please see ucal.us/COBRA. If you are enrolled in a fully insured plan when your 18-month COBRA period ends, you may be able to continue your medical coverage for an additional 18 months under CalCOBRA.

Another option, for certain benefits, is to convert your group coverage to an individual policy. Be aware, though, that individual policies are often more expensive, and provide fewer benefits, than group coverage.

You may also want to explore your options through the health insurance marketplace established under the Affordable Care Act. In California, you can find information at coveredca.com or call 800-300-1506.

The table on pages 5–7 summarizes continuation options for your UC health and welfare benefits.

Tip:
You may be eligible for unemployment insurance. You can get details and apply for benefits at your local office of the California State Unemployment Department (EDD), or online at edd.ca.gov. If you work outside California, check with the comparable agency in your state.

HEALTH, WELFARE AND OTHER BENEFITS — CONTINUATION OPTIONS

Benefit	When UC coverage ends	Continuation options	What you need to do	What you need to know
Medical	Last day of last month for which you have an eligible appointment and premiums are paid	COBRA*, CalCOBRA (CalCOBRA not available for UC Care and Core)	Apply for COBRA continuation no later than 60 days from the date you lose coverage or the date you receive notice of your continuation rights (whichever is later). Contact your Benefits Office about how to apply, or go to ucal.us/COBRA	The COBRA period allows you to continue your medical coverage for up to 18 months. After that, you and/or your eligible family members may be able to extend your coverage (medical only) for an additional 18 months under CalCOBRA.
		Conversion to individual policy (after COBRA coverage ends, if your coverage has been continuous, or as an alternative to COBRA)	Apply within 31 days after your UC or COBRA coverage ends by contacting your local Benefits Office.	Converting a group medical policy to an individual one usually means paying more for fewer benefits. Check with the insurance carrier about applying directly for an individual policy. If you qualify, you may find more options and lower rates. (CalCOBRA is not available for UC Care and Core.)
Dental, Vision	Last day of last month for which you have an eligible appointment and premiums are paid	COBRA* (conversion to individual policy not available)	Apply for COBRA continuation no later than 60 days from the date you lose coverage or the date you receive notice of your continuation rights (whichever is later). Contact your Benefits Office about how to apply, or go to ucal.us/COBRA	
Legal	Last day of last month for which you have an eligible appointment and premiums are paid	Conversion to individual policy	Contact the carrier directly within 31 days of the day your group coverage ends.	
		If you retire, continue coverage for yourself and spouse or domestic partner as a retiree.	Contact your Benefits Office or the Retirement Administration Service Center (800-888-8267).	
Basic Life, Core Life	Last day of last month for which you have an eligible appointment and premiums are paid	Conversion to individual policy	Contact the carrier directly within 31 days of the day your group coverage ends.	Individual policies tend to be more expensive and offer fewer benefits.

* unless you are terminated for gross misconduct

** Being actively at work means that you're being paid *and* on the job working. Being on pay status also means that you are being paid, but you are not on the job working, because you might be on vacation, say, or out sick.

Health, Welfare and Other Benefits

HEALTH, WELFARE AND OTHER BENEFITS — CONTINUATION OPTIONS

Benefit	When UC coverage ends	Continuation options	What you need to do	What you need to know
Supplemental Life, Basic Dependent Life, Expanded Dependent Life	Last day of last month for which you have an eligible appointment and premiums are paid	Conversion to individual policy	Contact the carrier directly within 31 days of the day your group coverage ends. You'll make payments directly to the carrier.	Individual policies tend to be more expensive and offer fewer benefits.
		Transfer coverage to the Prudential Portability group term life plans. (For Dependent Life, this is only available if you also elect portability of your Supplemental Life policy.)	Contact your local Benefits Office for the portability application form. Generally, you'll need to apply within 31 days after UC coverage ends. For details about application requirements for each type of coverage, go to ucal.us/COBRA	To be eligible for portability, you must be actively at work on the day before you separate from UC employment. Your dependent may not be confined for medical care or treatment at home or elsewhere on the day your UC coverage ends. Life insurance benefits for those who choose portability will be reduced to 60% at age 65, 50% at 70, and will end at age 80.
Accidental Death and Dismemberment (AD&D)	Last day of last month for which you have an eligible appointment and premiums are paid	Conversion to individual policy	Contact the carrier directly within 31 days of the day your group coverage ends. You'll make payments directly to the carrier.	
		If you retire, purchase coverage under the retirees' group plan	Contact your Benefits Office or the Retirement Administration Service Center (800-888-8267).	
Short-Term Disability, Supplemental Disability, UCRP Disability	Your last day actively at work.**	None available	If you'll be on paid leave before separating from UC employment and are enrolled in Supplemental Disability, you must complete a cancellation form to stop the premium deductions.	Even if you remain on pay status, your coverage ends your last day actively at work.
Business Travel Accident Insurance	Your last day actively at work.**	None available	N/A	N/A
Workers' Compensation	Your last day actively at work.**	For most employees, none available. UC police and fire employees may remain eligible for certain medical conditions for up to five years.	If you're a police or fire employee, contact your Benefits Office for information.	

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HEALTH, WELFARE AND OTHER BENEFITS — CONTINUATION OPTIONS

Benefit	When UC coverage ends	Continuation options	What you need to do	What you need to know
Dependent Care Flexible Spending Account (DepCare FSA)	Your participation will end at the end of the month in which you separate.	None available	Submit your claims to CONEXIS by April 15 of the year after you leave UC employment.	If you don't submit your claims by the deadline, you'll forfeit any money left in your account.
Health Flexible Spending Account (Health FSA)	Your participation will end at the end of the month in which you separate.	COBRA*	Apply for COBRA continuation no later than 60 days from the date you lose coverage or the date you receive notice of your continuation rights (whichever is later). Contact your Benefits Office about how to apply, or go to ucal.us/COBRA	You can continue participation through the end of the current plan year by making direct, after-tax payments to your account.
Tax Savings on Insurance Premiums (TIP)	Contributions stop with your last paycheck.	None available	N/A	N/A
Auto/Home/ Renter's Insurance	End of the policy contract year. (The carrier will bill you directly unless you cancel your coverage.)	You may be able to continue coverage beyond the end of the policy contract year, but your rates may change.	Contact the insurance company for information and to arrange to make payments, if you wish to.	N/A
SelectPlus	When you go off pay status**	None available	N/A	N/A
ScholarShare	When you go off pay status**	You may continue to make contributions directly to ScholarShare	N/A	N/A
Parking/ Commuter Benefits	Your contributions and coverage end when you go off pay status**	None available	N/A	N/A
Vacation Leave	You will be paid for any vacation time earned through your last day at work.	N/A	N/A	N/A
Sick Leave	You won't be paid for any accumulated sick leave.	N/A	N/A	If you retire within 120 days of separation and elect a monthly pension, any unused sick leave will be converted to retirement service credit at the rate of about eight hours of sick leave for one day of service credit.

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Retirement Plan Participation and Retirement Savings Accounts

When you leave UC employment, you have several options about what to do with your pension and retirement savings.

UC RETIREMENT PLAN

If you're a UCRP member, you'll stop accruing UC Retirement Plan (UCRP) service credit when you go off pay status. You are eligible for one of these options:

BECOMING AN INACTIVE UCRP MEMBER

If you leave your accumulations in the Plan, you may become an inactive member, which means that you retain the right to future UCRP retirement benefits. You'll be an inactive member if you meet one of the following criteria:

- you have at least five years of service credit
- you're eligible for reciprocity
- you were medically separated from University employment and are eligible to apply for UCRP disability income
- you're a faculty member of a University medical school who has been appointed by the Veterans Administration to a University-affiliated hospital, and, as a result, receive no further covered compensation, or
- you became a Plan member July 1, 1989, or earlier, and reached age 62 while still an eligible employee.

Under certain circumstances, you may be able to become an inactive member even if you don't have sufficient service credit. If you:

- are leaving UC employment involuntarily for budgetary reasons, and;
- could become vested only through an eligible service credit buyback.

You may be able to make an after-tax lump sum payment, before separation from employment, that would allow you to become vested. Contact your Benefits Office right away for more information.

Tip:
Let UC know your current address. If you leave money in the University of California Retirement Plan (UCRP), you must notify UC whenever you change your permanent address. You can update your address by signing in to your At Your Service Online (AYSO) account and then choosing "My Contact Information" in the left column. Or let your local Benefits Office know of any changes.

Alternatively, if you have less than the required amount of UCRP service credit and have service credit in another eligible retirement plan, such as CalPERS, you might qualify to become vested because of your service with the other plan. Check with your Benefits Office.

If you're not eligible for inactive membership, then you may request a refund of your UCRP accumulations. You must request a refund of your CAP balance, if any (see below).

ELECTING TO RETIRE

If you're a UCRP member and eligible to retire, you may do so at any time. **Important: You'll need to retire within 120 days of your separation from UC employment if you want to continue any UC retiree health and other benefits for which you are eligible.** For more information, please see ucal.us/ucrphwb. To begin the process, contact the Retirement Administration Service Center at 800-888-8267.

If you elect to retire, you may choose to receive retirement income in the form of a monthly lifetime benefit or, under certain circumstances, a lump sum cashout.

You're eligible for the cashout if you became a UCRP member before July 1, 2013, and:

- you are eligible to retire when you leave University employment, (that is, age 50 or older with five years of UCRP service credit) or
- you are an inactive or disabled member who is eligible to retire.

(In general, members who joined UCRP after July 1, 2013 don't have the lump sum option.) To learn more, talk with your Benefits Office or see the *Lump Sum Cashout Fact Sheet* at ucal.us/lumpsumcashout.

REQUESTING A REFUND OF UCRP ACCUMULATIONS

When you leave UC, you may request a refund of the UCRP contributions that you made, plus any interest. (UC's contributions are not refundable.) You may also request a distribution of any Capital Accumulation Payment (CAP) balance.

You may request a refund of UCRP accumulations regardless of whether or not you're eligible for inactive UCRP membership, but there's a significant downside: Getting this refund (though not a CAP distribution) cancels your right to any future UCRP benefits based on your years of service so far (unless you were to return to UC employment and reestablish service credit).

TAKING A CAPITAL ACCUMULATION PAYMENT (CAP) DISTRIBUTION

To take a CAP distribution, fill out the *Distribution Request—CAP Balance* form (UBEN 142CAP), which is available online at ucal.us/UBEN142cap. Or you can call the UC Retirement Administration Service Center (800-888-8267) to request a form.

BUYING BACK SERVICE CREDIT

If you have a buyback in progress and leave UC employment before you make all the payments, you'll receive proportional service credit (or a proportional reduction in your noncontributory offset). Payments you've made won't be refunded.

If you'd like to complete your buyback, you may be able to do so by making an after-tax lump sum payment within 60 days after you separate from UC employment. To be eligible, you must have already completed at least one year of payments. The payment may not exceed an annual limit under IRC 415(c).

UC RETIREMENT SAVINGS PROGRAM

KEEPING MONEY IN YOUR ACCOUNTS

You can keep your money in the DC, 403(b) and 457(b) plans for any plan that has a balance of at least $2,000.

If you don't meet the balance requirement, you must request a full distribution of your money from that plan. You can request a distribution by going online to ucfocusonyourfuture.com or by calling Fidelity at 866-682-7787. (If you're a non-exempt student employee, this method of taking a distribution applies to you as well.)

If you don't make arrangements for a distribution, your balance will be:

- Rolled over to an IRA custodian in an account maintained for you (if your balance is more than $1,000 but less than $2,000), or
- Paid directly to you at your address of record (if your balance is $1,000 or less).

You may be liable for taxes and penalties on the distribution. Check with Fidelity for more information.

PAYING BACK A 403(b) LOAN

If you have an outstanding loan, you'll need to arrange one of the following options with Fidelity Retirement Services within 90 days of your last day on pay status:

- Make monthly payments
- Repay the outstanding amount in full.

If you don't take action, the outstanding loan principal will be reported as a distribution. That means you'll owe income tax on it, and possibly state and federal tax penalties as well.

QUESTIONS ABOUT SOCIAL SECURITY OR OTHER RETIREMENT PLANS?

Contributions stop with your last paycheck. If you're considering retiring and need information, contact Social Security directly. If you're a member of another plan, contact the plan directly for information.

Tip:
Make sure your beneficiaries are up to date, even after you leave UC. If you decide to change the person or persons who'll receive benefits from your retirement plan in the event of your death, you can do this any time online for UCRP and CAP. Go online and sign in to your At Your Service Online (AYSO) account and select "My Beneficiaries." Or you may submit a *Designation of Beneficiary—Retirees, Former Employees and Others* form (UBEN 117), which you'll find at ucal.us/UBEN117.

The online or paper process for UCRP and CAP beneficiaries does not apply to your Retirement Savings Program plans. To check or change the beneficiaries for the Retirement Savings Program or other savings options, visit ucfocusonyourfuture.com or contact Fidelity at 866-682-7787.

Returning to UC Employment

If you return to work at UC, your eligibility to reenroll in benefits plans depends on your new position. If you're eligible, your enrollments will vary depending on the plans themselves and how long you've been separated from UC.

You may also be eligible for reinstatement of other benefits such as sick leave, depending on the length of your separation. Contact your Benefits Office within 31 days of your rehire date for information.

If you return to work at UC and become a member of UCRP again, you may reestablish your service credit by redepositing any refund of your UCRP accumulations (plus interest). For more information, see the *UCRP Buyback Booklet*.

If you've retired from UC and return to work, please see the *Returning to UC Employment after Retirement Fact Sheet* at (ucal.us/returntowork) and talk with your local Benefits Office.

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 guaranteeof 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).

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, Oakland, CA 94607, and for faculty to the Office of Academic Personnel, University of California, Office of the President, 1111 Franklin Street, Oakland, CA 94607.

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