

**ARTICLE 42
UNIVERSITY BENEFITS**

A. HEALTH AND WELFARE BENEFITS

1. Eligible employees may participate in a number of benefit programs generally available to other eligible staff employees of the University.
2. The University health and welfare plans provide an annual open enrollment period during which eligible employees may elect to change specific plan or coverage options. Open enrollment provides an opportunity for employees to choose among plans due to changes in circumstances of the employees, changes in the coverage and costs of each plan, and changes in plan availability which may change from year to year.
3. The University may, at its option, alter its health and welfare programs, including the retiree health benefit program. Such alterations include, but are not limited to altering eligibility criteria, establishing new coverage, altering or deleting current coverage, altering rates of contribution, changing the carrier for established plans or programs, or changing the administrator of such plans. In the event the University makes such alterations, the changes will apply to employees eligible for benefits within the unit in the same manner as they apply to other eligible staff employees at the University.
 - a. The sole exceptions to Section A.3. above shall be:
 - 1) any alterations proposed by the University which affect only bargaining unit employees; and
 - 2) any increase to the monthly employee contribution rates in the Health Net Blue and Gold Plan and the Kaiser Plan, greater than the amounts indicated in Section A. 3. b.1) and A.3.b.2), below.
 - b. With regard to the changes in Section A.3.a.1) and A.3.a.2), above, the University agrees to meet and confer with respect to the proposed changes in accordance with the provisions of Article 6, Duration, Section D, Reopener Negotiations.
 - 1) In each calendar year when gross rates increase, the University may increase the monthly employee contribution rates without meeting and conferring. In calendar year 2012, the Health Net B&G and Kaiser Plans shall be as follows:

2012 MEDICAL PLANS GROSS/NET EMPLOYEE COSTS
Effective January 1, 2012

	U	UC	UA	UAC
	Single	Adult + Child(ren)	Two Adults	Family
PAYBAND 1				
Health Net Blue & Gold HMO (HB, HE & HM)				
Gross Rates	563.07	1,013.53	1,182.45	1,632.90
Employer Contribution	539.99	971.98	1,087.35	1,519.34
Employee Contribution	23.08	41.55	95.10	113.56
Kaiser Permanente - CA (KN & KS)				
Gross Rates	504.39	907.90	1,059.22	1,462.73
Employer Contribution	496.32	893.37	1,042.27	1,439.33
Employee Contribution	8.07	14.53	16.95	23.40
PAYBAND 2				
Health Net Blue & Gold HMO (HB, HE & HM)				
Gross Rates	563.07	1,013.53	1,182.45	1,632.90
Employer Contribution	503.94	907.09	1,005.05	1,408.20
Employee Contribution	59.13	106.44	177.40	224.70
Kaiser Permanente - CA (KN & KS)				
Gross Rates	504.39	907.90	1,059.22	1,462.73
Employer Contribution	460.27	828.48	959.97	1,328.19
Employee Contribution	44.12	79.42	99.25	134.54
PAYBAND 3				
Health Net Blue & Gold HMO (HB, HE & HM)				
Gross Rates	563.07	1,013.53	1,182.45	1,632.90
Employer Contribution	466.94	840.49	931.29	1,304.84
Employee Contribution	96.13	173.04	251.16	328.06
Kaiser Permanente - CA (KN & KS)				
Gross Rates	504.39	907.90	1,059.22	1,462.73
Employer Contribution	423.27	761.88	886.21	1,224.83
Employee Contribution	81.12	146.02	173.01	237.90

- 2) In each subsequent calendar year of this Agreement (2013, 2014, 2015, and 2016), when gross rates increase, the University may increase the monthly employee contributions in the Health Net Blue & Gold Plan and in the Kaiser plan by twenty percent (20%) over the dollar amounts established by the University for the preceding year without meeting and conferring. In the event the University establishes employee contribution rates for either of these two plans that exceed this twenty percent (20%) threshold, the University will contribute the amount of the increase that exceeds (20%). The subsequent year's cap will be determined using the full amount of the prior year's employee contributions,

i.e., the combination of the actual employee contribution plus the UC subsidy.

4. Employee costs that exceed current University contributions, and employee costs for plans to which the University does not contribute, are to be paid by employees, normally through payroll deduction.

B. RETIREMENT BENEFITS

1. The University maintains several retirement and savings plans for eligible University employees. Currently, such plans include the UC Retirement Plan (UCRP), Tax-Deferred 403(b) Plan, Defined Contribution Plan (DC Plan), and 457(b) Deferred Compensation Plan, which collectively constitute the University of California Retirement System (UCRS). Eligible employees may participate in a number of retirement plans generally available to other eligible staff employees of the University.
2. The University may, at its option, alter the existing UCRS plans and establish new retirement and/or savings plans for the UCRS. Such alterations include, but are not limited to altering the eligibility criteria; altering or deleting current benefits; ending the re-direction to the DCP of UCRP contributions; implementing the UCRP Benefit Tier for employees hired in a career position on or after July 1, 2013, as adopted by The Regents on December 13, 2010; or changing the carrier or administrator for established plans or programs.
 - a. In the event the University makes such alterations, the changes will apply to employees eligible for retirement benefits in the same manner as they apply to other eligible staff employees at the University.
 - b. The sole exceptions to Section B.2, above, shall be:
 - 1) Any alterations proposed by the University which affect only bargaining unit employees; and
 - 2) Any alterations proposed by the University which reduce the UCRS retirement benefits formula of current bargaining unit employees;
 - 3) Any increases in employee UCRP contributions for both the current tier and the new defined benefit plan covering employees hired on or after July 1, 2013, which exceed the following, expressed as a percentage of covered compensation:
 - a) For employees hired in a career position on or before June 30, 2013:
 - (1) 2% redirect plus 1.5% (minus \$19) beginning July 1, 2011;
 - (2) an additional 1.5% (minus \$19) beginning July 1, 2012;

- (3) an additional 1.5% (minus \$19) beginning July 1, 2013;
 - b) For employees hired in a career position on or after July 1, 2013:
 - (1) 7.0% beginning July 1, 2013
- 3. **UCRP Payments: Repayment of Shortfalls and Initiation of UCRP Contributions**
 - a. Ending mandatory contribution to the DCP and redirecting them to the UCRP shall begin on the first month following ratification.
 - b. Employees shall increase their UCRP contribution by 1.5% effective the same pay period in which the FY 2011/2012 salary range increase occurs. Employees shall make-whole the UCRP for the missed UCRP contribution from July 1, 2011 through January 2012 the date on which the 3% range increase is effective, in accordance with the provisions of Article 45 – Wages, Section B.1.b.
 - c. The UCRP shall be made whole for the missed UCRP contributions from the 2010 redirect in accordance with the provisions contained in Article 45-Wages, Section B.6.
- 4. The parties agree to meet and discuss alternatives to the currently proposed UCRP New Tier. In the event the parties do not achieve agreement by January 1, 2013, the New Tier, retiree health eligibility, and employee UCRP contributions approved by The Regents and as applied to non-represented staff employees will apply to all employees in the CX unit for the duration of this Agreement.

C. EFFECT OF ABSENCES FROM WORK ON BENEFITS

1. Temporary Layoff/Temporary Reduction in Time/Furlough

Health plan contributions by the University will be provided for the Clerical & Allied Services unit employees, in accordance with Section A.2., above, when the employee is affected by: temporary layoff; temporary reduction in time below the hours required to be eligible for health benefits; or furlough. For health plans to remain in force, employees on temporary layoff or furlough must comply with the terms of the applicable plan documents, rules and/or regulations.

2. Military Leave

An employee on military leave with pay for emergency National Guard duty or Military Reserve Training Leave shall receive all benefits related to employment which are granted when an employee is on pay status.

3. Leaves of Absence Without Pay

- a. Approved leave without pay shall not be considered a break in service and, except as provided in Section C.3.c., below, shall not determine eligibility for benefits except that the regulations of the retirement systems determine the effects of such leave without pay on retirement benefits.
- b. Except as provided in Section C.3.c, below, an eligible employee on approved leave without pay may, in accordance with the plan documents, rules and regulations, elect to continue University-sponsored benefit plans for the period of the leave.
- c. An employee on an approved Family Care and/or Medical Leave shall be entitled, if eligible, to continue participation in health plan coverage (medical, dental, and optical) as if on pay status for a period of up to 12 workweeks in any 12-month period. However, an employee who exhausts her entitlement to health plan coverage while on an approved Pregnancy Disability Leave that runs concurrently with federal Family and Medical Leave, shall not be entitled to an additional 12 workweeks of health plan coverage under the State Family Care and Medical Leave Act. Other group insurance coverage and retirement benefits shall be continued in accordance with the provisions of the applicable group insurance and retirement system regulations.

D. ENUMERATION OF UNIVERSITY BENEFITS

1. For informational purposes only, a brief outline of benefit programs in effect on the date the Agreement is signed is found in Appendix Q. CUE Teamsters understands and agrees that the descriptions contained in Appendix Q do not completely describe the coverage or eligibility requirements for each plan, the details of which have been independently communicated to CUE Teamsters.
2. Specific eligibility and benefits under each of the various plans are governed entirely by the terms of the applicable Plan Documents, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. Employees in an ineligible classification are excluded from coverage, regardless of appointment percent and average regular paid time. For details on specific eligibility for each program, see the applicable documents, agreements, regulations, or contracts.