

HUMAN RESOURCES AND BENEFITS

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OAKLAND, CALIFORNIA 94612-3556

May 20, 2008

CHIEF HUMAN RESOURCES OFFICERS
LABOR RELATIONS MANAGERS
BENEFITS MANAGERS

RE: **UC Benefits in the Event of a Strike**

This is to provide a reminder and summary of the status of UC employee benefits when an employee is out on strike.

In general, employees out on strike are treated like any other employee on an unapproved leave of absence without pay. The attached chart, "While on an Unapproved Leave Without Pay", provides a listing of the status by specific benefit plan. Below are important general notes:

- Coverage for most health & welfare plans ends on the last day of the pay period for which the employee has an eligible appointment and premiums are paid. Premiums for most plans are paid one month in advance. However, please remember that coverage for the following plans ends on the last day actively-at-work before the unapproved leave begins:
 - Short Term Disability and Supplemental Disability
 - Workers' Compensation
 - Business Travel Accident plans
 - Coverage for the California Unemployment Insurance Program
- Unlike an approved leave of absence without pay, employees on an unapproved leave do not have the option to pay premiums for health & welfare plans directly to their local Benefits or Payroll Office to continue coverage during the leave without pay. A break in service will occur after four consecutive calendar months on an unapproved leave without pay. The break in service would cause the employee to be subject to new employee eligibility requirements for health and welfare benefits and graduated eligibility requirements for retiree health benefits. COBRA or conversion rights may apply for some plans when coverage ends.
- Employees on an unapproved leave do not earn UCRP retirement service credit during the leave. Contributions stop for the voluntary Retirement Savings Program (e.g., Tax-Deferred 403(b) Plan and 457(b) Deferred Compensation Plan) with the employee's last paycheck. Also, employees do not accrue vacation or sick leave during a leave without pay.
- When an employee returns to pay status in an eligible position following an unapproved leave without pay, coverage for health & welfare benefits, retirement and other plans will resume or re-enrollment will be allowed. Coverage for health & welfare benefits is limited to the plans and family members listed before the unapproved leave began. Additional information is available at the At Your Service website (<http://atyourservice.ucop.edu/>).

If an employee is on a paid leave, approved leave of absence, terminated, or other employment status, different policies apply.

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For additional details, please see the Group Insurance Regulations, personnel policy, or the applicable collective bargaining agreement. If you have questions, please contact Debbie Albuquerque (e-mail address: Deborah.Albuquerque@ucop.edu or phone: 510-987-9283).

Sincerely,

Randy Scott
Executive Director
Human Resources & Benefits
Policy & Program Design

Attachment – While on an Unapproved Leave Without Pay

cc:
Standard CC's
Mark Esteban
Chris Simon
Gary Schlimgen
Debbie Albuquerque