

Partial Disability: Stay at Work/ Return to Work

UNIVERSITY
OF
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If you're coping with a lengthy illness or injury but are well enough to work part-time, UC's disability plans can give you the flexibility to do this. Working part-time or in a less demanding job might help you ease back into the workplace after a period of full-time disability, or enable you to keep working during treatment and recovery. These options also may allow you to earn more money, by combining disability benefits and part-time earnings, than you would receive from disability benefits alone.

This fact sheet explains UC's partial disability provisions, how to apply for them and the approvals required. For detailed information about the disability plans themselves, please see *Your Guide to UC Disability Benefits* (ucal.us/disabilitystaff).

Tip:

If you have additional questions, most UC locations have rehabilitation counselors or disability management staff who can assist you. Contact your local Benefits Office.

How Partial Disability Works

The partial disability provisions work together with UC's Basic and Voluntary Short-Term and Long-Term Disability plans. They allow you to continue to earn some income—by either working fewer hours or in a lower-paid position—and receive partial disability benefits to make up some of your lost wages. The level of disability income you'll receive depends on your individual situation, whether you're enrolled in Voluntary Disability, which replaces more of your income than Basic Disability alone, and whether you are eligible for UCRP disability benefits. (See the examples on pages 5–7 for details about how the plans can combine with earnings in specific circumstances.)

ELIGIBILITY

If you are determined to be partially disabled, you may be eligible for disability benefits. Being partially disabled means that you are:

- Able to perform one or more, but not all, of the material and substantial duties of your own or any other occupation on a fulltime or part-time basis; or
- Able to perform all of the material and substantial duties of your own or any other occupation, but only on a part-time basis

If able, you may work up to 80 percent of your regular schedule, and can receive no more than 80 percent of your pre-disability earnings.

You don't need to work for UC during your partial disability period—the plans allow you to work elsewhere if the position is a good fit with your abilities.

APPROVALS

To make a transition to partial disability status, you'll need signoff from:

- Your doctor, who must certify that you're not able to work fulltime because of your disability, but are able to work safely, and
- Your supervisor, who must approve the reduced work schedule you're proposing, and
- The disability case manager assigned to you by the insurance carrier, who must accept your request

YOUR EARNINGS AND DISABILITY INCOME

Your benefits under the disability plan, together with all other sources of income, may not exceed 100 percent of your eligible earnings before your disability. For detailed descriptions of the Basic and Voluntary Disability benefits, please see *Your Guide to UC Disability Benefits*.

Your partial disability benefits will be calculated based on your potential full-time Pre-Disability Earnings, minus Non-Disability Earnings, such as your part-time earnings from UC and other income you may receive while on partial disability status.

- **Pre-Disability Earnings** refers to your regular monthly rate of pay from the University. Pre-Disability Earnings will be adjusted annually for inflation using the CPI-W or other comparable measurement.
- **Non-Disability Earnings** refers to income received other than disability benefits from the insurance carrier.

If you have Basic Disability only, your benefit will be 55 percent of the lost earnings, up to a monthly maximum of \$800, for a maximum of six months.

If you have Voluntary Short-Term and/or Long-Term Disability, your benefit will be approximately 60 percent of your lost earnings. Remember that, in order to receive disability benefits, you're not allowed to earn more than 100 percent of your pre-disability earnings from disability benefits, part-time earnings and all other income.

For the first 12 months while partially disabled, your Total Earnings are equal to your Pre-Disability Earnings multiplied by 55% (if you are in Basic Disability only) or 60% (for Voluntary Short-Term and/or Long-Term Disability) plus your Non-Disability Earnings from other income (not to exceed your Pre-Disability Earnings).

After 12 months if you continue to be partially disabled and enrolled in Voluntary Long-Term Disability, your Total Earnings are equal to your monthly Pre-Disability Earnings minus your Non-Disability Earnings multiplied by 60% plus your Non-Disability Earnings. If you are not enrolled in Voluntary Long-Term Disability, your Total Earnings are your Non-Disability Earnings only.

Please note that the maximum benefit duration for Basic and Voluntary Short-Term Disability benefits is 26 weeks including the waiting period.

The examples below show how these benefits may be calculated in a variety of circumstances and how disability benefits and earnings may combine.

EXAMPLE 1—EMPLOYEE WITH BASIC DISABILITY ONLY

Esther has been diagnosed with breast cancer and her doctor recommends that she work no more than five hours a day. After discussing partial disability with the person who handles disability claims at her location and her insurance carrier disability case manager, the insurance carrier approves her claim. Esther begins working five hours per day and submits her earnings statements to the carrier every two weeks. Under the terms of the Basic Disability plan, she can receive partial disability benefits for a maximum of 26 weeks. This is how her benefit is calculated:

Step 1: Calculate Non-Disability Earnings

\$2,500	(part-time earnings)
+ \$0	(all other earnings)
\$2,500	total Non-Disability Earnings

Step 2: Figure the Partial Disability Benefit Amount

\$4,000	monthly Pre-Disability Earnings
- \$2,500	total Pre-Disability Earnings
\$1,500	potential benefit

Step 3: Calculate Maximum Benefit Allowed

The lesser of 55% of the Pre-Disability Earnings or \$800

$\$4,000 \text{ Pre-Disability Earnings} \times 55\% = \$2,200$

\$800 is used as this is the lower amount.

Step 4: Determine the Actual Benefit

Take the lesser of Step 2 (\$1,500) or Step 3 (\$800)

Monthly Partial Disability Benefit: \$800

Total earnings from work and disability: \$3,300

EXAMPLE 2—EMPLOYEE WITH BASIC AND VOLUNTARY SHORT-TERM DISABILITY ONLY

Mary had some complications after a car accident and her doctor suggests that she reduce her work schedule to four hours per day. After discussing her partial disability plan with the person who handles disability claims at her location and her insurance carrier disability case manager, the insurance company approves Mary's claim for partial disability. She begins working four hours per day and submits her earnings statement every two weeks. Here's how Mary's benefit is calculated:

Step 1: Calculate Non-Disability Earnings

\$2,000	(part-time earnings)
+ \$0	(all other earnings)
\$2,000	total Non-Disability Earnings

Step 2: Figure the Partial Disability Benefit Amount

\$4,000	monthly Pre-Disability Earnings
- \$2,000	Non-Disability Earnings
\$2,000	potential benefit

Step 3: Calculate Maximum Benefit Allowed

60% of the Pre-Disability Earnings

$60\% \text{ of the } \$4,000 \text{ Pre-Disability Earnings} = \$2,400$

Step 4: Determine the Actual Benefit

Take the lesser of Step 2 (\$2,000) or Step 3 (\$2,400)

Monthly Partial Disability Benefit: \$2,000

Total earnings from work and disability: \$4,000

Mary's complications following her car accident have continued longer than originally expected. Her doctor continues to recommend she work a reduced work schedule of four hours per day based on her recovery. Mary has regularly kept her supervisor informed of her status and her supervisor has agreed to continue to accommodate her restrictions. Mary has now been working part-time while on disability benefits for over six months. Here's how Mary's benefit is calculated:

Step 5: Calculate Total Earnings

\$2,000	(part-time earnings)
+ \$0	(all other earnings)
\$2,000	total earnings

As Mary did not enroll in Voluntary Long-Term Disability, after six months her Voluntary Short-Term Disability benefits were exhausted, and she only collects her part-time earnings.

EXAMPLE 3—EMPLOYEE WITH BASIC, VOLUNTARY SHORT-TERM DISABILITY AND WORKERS' COMPENSATION

Linda has been off the job for several weeks due to an injury at work. Her doctor suggests that she could return to work part time at four hours per day. After discussing her partial disability plan with the person who handles disability claims at her location, her Workers' Compensation manager and her insurance carrier disability case manager, the insurance company approves Linda's claim. She begins working four hours per day and submits her earnings statement every two weeks. Here's how Linda's benefit is calculated:

Step 1: Calculate Non-Disability Earnings

\$2,500	(part-time earnings)
<u>+ \$1,320</u>	(other earnings—Workers' Comp)
\$3,820	total Non-Disability Earnings

Step 2: Figure the Partial Disability Benefit Amount

\$5,000	monthly Pre-Disability Earnings
<u>– \$3,820</u>	total Non-Disability Earnings
\$1,180	potential benefit

Step 3: Calculate Maximum Benefit Allowed

60% of the Pre-Disability Earnings

60% of the \$5,000 Pre-Disability Earnings = \$3,000

Step 4: Determine the Actual Benefit

Take the lesser of Step 2 (\$1,180) or Step 3 (\$3,000)

Monthly Partial Disability Benefit: \$1,180

Total earnings from work, Worker's Comp and disability benefits: \$5,000

After six months, Linda has not fully recovered from her injury at work. Her doctor supports she continues to work part time for four hours per day for several more months. Linda only elected Voluntary Short-Term Disability, which pays benefits for up to six months. After the six months, here's how Linda's benefit is calculated:

Step 5: Calculate Total Earnings

\$2,000	(part-time earnings)
<u>+ \$1,320</u>	(other earnings—Workers' Comp)
\$3,320	total earnings

Because Voluntary Short-Term Disability provides benefits for up to six months, and Linda's disability has continued beyond that time, her only income sources are part-time earnings and Worker's Comp.

EXAMPLE 4: EMPLOYEE WITH BASIC, VOLUNTARY SHORT-TERM DISABILITY, VOLUNTARY LONG-TERM DISABILITY AND WORKER'S COMPENSATION

Dave has been off the job for several weeks due to an injury at work. His doctor suggests that he could return to work part time at four hours per day. After discussing his partial disability plan with the person who handles disability claims at his location, his Workers' Compensation manager and his insurance carrier disability case manager, the insurance company approves Dave's claim. He begins working four hours per day and submits his earnings statement every two weeks. Here's how Dave's benefit is calculated:

MONTHS 1–6**Step 1: Calculate Non-Disability Earnings**

\$2,300	(part-time earnings)
<u>+ \$1,480</u>	(other earnings—Workers' Comp)
\$3,780	total Non-Disability Earnings

Step 2: Figure the Partial Disability Benefit Amount

\$4,600	monthly Pre-Disability Earnings
<u>– \$3,780</u>	total Non-Disability Earnings
\$820	potential benefit

Step 3: Calculate Maximum Benefit Allowed

60% of the Pre-Disability Earnings

60% of the \$4,600 Pre-Disability Earnings = \$2,760

Step 4: Determine the Actual Benefit

Take the lesser of Step 2 (\$820) or Step 3 (\$2,760)

Monthly Partial Disability Benefit: \$820

Total earnings from work, Worker's Comp and disability: \$4,600

Voluntary Short-Term Disability benefits end after 6 months.

Dave continues to be off work due to the injury at work. His doctor recommends he could work part time at four hours per day for several more months. The insurance company approves Dave's claim for long-term disability as he remains partially disabled. He has now been working part-time while on disability benefits for almost a year. Here's how Dave's benefit is calculated:

MONTHS 7–12**Step 5: Calculate Non-Disability Earnings**

\$2,300	(part-time earnings)
<u>+ \$1,480</u>	(other earnings—Workers' Comp)
\$3,780	total Non-Disability Earnings

Step 6: Figure the Partial Disability Benefit Amount

\$4,600	monthly Pre-Disability Earnings
– \$3,780	total Non-Disability Earnings
\$820	potential benefit

AFTER MONTH 12

After 12 months, the Voluntary Long-Term Disability benefit is calculated based on the difference in earnings instead of the monthly Pre-Disability Earnings.

Step 7: Calculate Maximum Benefit Allowed

$\$820 \times 60\% = \492

Step 8: Determine the Actual Benefit

Monthly Partial Disability Benefit: \$492

Total earnings from work, Worker's Comp and disability:
\$4,272

If you have additional questions or clarification needed, please contact your disability case manager assigned to you by the insurance carrier.

WHEN DISABILITY BENEFITS BEGIN

Before you receive any disability benefits, you must complete a waiting period. The waiting period for Basic and Voluntary Short-Term Disability is 14 days; you'll need to use up to 22 days of sick leave, if you have them, before benefits begin. The waiting period for Voluntary Long-Term Disability is six months. The first day of the waiting period is the day after your last full day at work, and you can meet the waiting period requirement with any combination of consecutive partial or total disability days. (A day of partial disability counts as a full day.)

If you have more than the required 22 days of accrued sick leave, you may choose to use that, as well as vacation leave, before you begin receiving disability benefits. If you don't have enough sick and/or vacation leave to cover the waiting period, the rest of the waiting period will be unpaid.

Note that if you return to work fulltime during your waiting period, you may be required to start a new waiting period if you again become partially or totally disabled.

HOW LONG DISABILITY BENEFITS LAST

If you're enrolled in Basic and/or Voluntary Short-Term Disability only, you may be eligible for up to 26 weeks of disability benefits.

If you have Voluntary Long-Term Disability, your benefits may last up to your Social Security normal retirement age. For details, please see *Your Guide to UC Disability Benefits*.

Be aware, though, that if you begin receiving Voluntary Long-Term Disability benefits, the definition of disability becomes stricter. For example, if you're doing your regular job part-time, but can perform the duties of an alternate occupation fulltime, you might not meet the stricter definition. Your disability case manager can give you a more detailed explanation of the definition as it applies to you.

Also, your partial disability benefits can't continue longer than your total disability benefits would. Nor can they continue if your department can no longer accommodate your partial work schedule or alternate duties.

Tip:

Both the University of California Retirement Plan (UCRP) and Social Security have return-to-work programs. If you receive disability benefits from either of these sources, contact them about return-to-work benefits for which you may be eligible.

UCRP: UC Retirement Administration Service Center:
800-888-8267

Social Security: 800-772-1213 or ssa.gov

How to Apply

1. Let your supervisor know you'd like to consider partial disability, and discuss possible work options appropriate for your situation. You might also want to consult with the disability management staff at your location; they may be able to help you and your supervisor identify job accommodation options and plan your assignment. (Ask your Human Resources Office about disability management resources.)

2. Let your physician know that you're interested in working part-time, and ask for a release certifying that you're able to do so.

3. Discuss your potential work plan with the disability case manager assigned to you by the insurance company. If you want to work for a non-UC employer, your case manager can get you the forms you'll need to complete. If you haven't been assigned a case manager, contact your local Benefits Office.

To continue your UC-sponsored health insurance and other benefits if you're working fewer hours than usually required, ask your local Benefits Office how to initiate the process and for information about limitations on the University's contributions.

DURING YOUR PERIOD OF PARTIAL DISABILITY

You'll need to:

- provide information about your medical condition when the insurance carrier requests it
- give copies of your earnings statement to the carrier, to verify the hours you work. The insurance company will give you deadlines for this once you are approved for partial disability; your benefits can't be calculated and paid until the insurer receives your earnings statements.

What Happens to Benefits While on Partial Disability

VACATION, HOLIDAYS AND SICK LEAVE

While you're working part-time, the Basic and Voluntary Disability plans allow you to take any sick days, holidays and vacation days for which you're eligible. (This is the case only if you're working at UC; if you're working elsewhere, the policies of that employer will apply.) These days off will be treated the same as if they were workdays and will count toward your earnings for that pay period. Your disability benefits for that period will be calculated as outlined in the plans.

If you need to take sick leave—for instance, if you come down with the flu or your child is ill—but don't have accrued sick time, these days may be covered by full disability benefits if the insurance company determines that your disabling condition still exists. Contact the insurance company for details.

If you need to take any days off because your disabling condition has intensified, let the insurance carrier know. If the company confirms that your absence was due to your condition, you'll be able to receive full benefits for those days.

OTHER UC-SPONSORED BENEFITS

Under partial disability, your eligibility to continue UC-sponsored health and other benefits continues, even if you're working fewer than the usual number of hours required to qualify. UC's contributions to your premiums for medical coverage (but not dental or vision) will continue while you are receiving Basic Disability benefits. Its contributions for medical, dental and vision continue only if you are on an approved Family and Medical Leave. (For more details about health and other benefits during a period of disability, please see *Your Guide to UC Disability Benefits*.)

If you are working at least 50 percent time, you'll be eligible to accrue vacation and sick leave, in accordance with applicable personnel policies.

While you're on partial disability status—as with total disability status—you aren't required to pay monthly Voluntary Disability premiums.

When Your Disability Ends

Once your physician has cleared you to work fulltime, your disability period will end. The insurance carrier will close your claim and discontinue benefits. If you disagree with the decision, you may file an appeal. The reason for the closure of your claim and the appeal process are outlined in the closure letter you will receive from the insurance company.

If you'd prefer to keep working part-time and your supervisor agrees, you may make arrangements to do this. But you would no longer receive partial disability benefits because the insurance carrier would no longer consider you disabled. (And if you become disabled again later, any disability benefits you receive would be based on your pay for your part-time position.)

If you try returning to work fulltime and find that you're not able to do so because of your disability, you may be able to resume disability benefits without a new waiting period. Both Basic and Voluntary Disability allow for successive periods of disability. These periods do have limitations, though. In some cases, if you have returned to work full time, any future periods of disability may be considered new periods, requiring a new waiting period before benefits are payable. Check with your Benefits Office to learn more.

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 UC Retirement Administration Service Center (800-888-8267).

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