

## Fact Sheet: UC Retiree Health Eligibility Rules

UC is simplifying the eligibility rules for retiree health benefits, eliminating the grandfathering “rule of 50” for retiree health benefits that affects current policy-covered employees who became UCRP members prior to July 1, 2013. This fact sheet outlines the eligibility rules that reflect this change.

To be eligible for retiree health benefits, employees must meet the following criteria at the time of retirement:

- Be enrolled in or eligible to enroll in UC employee benefits on the day they retire
- Continue coverage at the time they retire
- Have a retirement date that is within 120 days of the date they end UC employment
- Continue coverage until the date retirement income begins

In addition, UC policy-covered employees are subject to one of the following sets of eligibility rules for retiree health benefits, depending on their date of membership in UCRP or their rehire date if they have a break in service of 120 days or more. For most employees, the membership date is the first day of work.

### ELIGIBILITY RULES FOR POLICY-COVERED EMPLOYEES HIRED PRIOR TO JAN. 1, 1990

Faculty and staff receive 100 percent of UC’s contribution toward the medical and/or dental monthly premiums if they retire:

- Before age 55 and have at least 10 years of UCRP service credit (five years for Safety members)
- At age 55 or later and have at least five years of UCRP service credit

### ELIGIBILITY RULES FOR POLICY-COVERED EMPLOYEES HIRED OR REHIRED FROM JAN. 1, 1990 TO JUNE 30, 2013

Employees are eligible for retiree health and the UC contribution toward medical and/or dental plan monthly premiums based on the following formula:

Years of UCRP Service Credit	Percentage of UC Contribution
5–9	If age plus years of service is at least 75 then 50%; otherwise not eligible
10	50%
11–20	Increases from 50% by 5% per year to 100% at 20 years

These rules also apply to Safety members, regardless of hire date.

**ELIGIBILITY RULES FOR POLICY-COVERED EMPLOYEES HIRED OR REHIRED ON OR AFTER JULY 1, 2013**

To encourage longer service, UC adopted a new graduated eligibility formula to determine how much it pays toward retiree health insurance premiums.

The formula is based on both the employee's years of service and age (in whole years) at retirement. UC's contribution to health care premiums increases significantly for employees who retire closer to the age at which they are eligible for Medicare.

The new formula also aligns more closely with the provisions of the 2013 Tier of the UC Retirement Plan, for which employees hired on or after July 1, 2013 are eligible.

The new rules affect UC employees, except Safety employees, hired or rehired on or after July 1, 2013. Represented employees should refer to their contracts for eligibility rules.

*The chart below shows the graduated eligibility formula in more detail.*

<b>Graduated Eligibility Formula</b>												
For employees hired on or after July 1, 2013												
<b>Years of UCRP Service Credit at Retirement</b>		<b>50-55*</b>	<b>56</b>	<b>57</b>	<b>58</b>	<b>59</b>	<b>60</b>	<b>61</b>	<b>62</b>	<b>63</b>	<b>64</b>	<b>65</b>
	<b>10</b>	<b>0%</b>	<b>5.0%</b>	<b>10.0%</b>	<b>15.0%</b>	<b>20.0%</b>	<b>25.0%</b>	<b>30.0%</b>	<b>35.0%</b>	<b>40.0%</b>	<b>45.0%</b>	<b>50.0%</b>
	<b>11</b>	<b>0%</b>	<b>5.5%</b>	<b>11.0%</b>	<b>16.5%</b>	<b>22.0%</b>	<b>27.5%</b>	<b>33.0%</b>	<b>38.5%</b>	<b>44.0%</b>	<b>49.5%</b>	<b>55.0%</b>
	<b>12</b>	<b>0%</b>	<b>6.0%</b>	<b>12.0%</b>	<b>18.0%</b>	<b>24.0%</b>	<b>30.0%</b>	<b>36.0%</b>	<b>42.0%</b>	<b>48.0%</b>	<b>54.0%</b>	<b>60.0%</b>
	<b>13</b>	<b>0%</b>	<b>6.5%</b>	<b>13.0%</b>	<b>19.5%</b>	<b>26.0%</b>	<b>32.5%</b>	<b>39.0%</b>	<b>45.5%</b>	<b>52.0%</b>	<b>58.5%</b>	<b>65.0%</b>
	<b>14</b>	<b>0%</b>	<b>7.0%</b>	<b>14.0%</b>	<b>21.0%</b>	<b>28.0%</b>	<b>35.0%</b>	<b>42.0%</b>	<b>49.0%</b>	<b>56.0%</b>	<b>63.0%</b>	<b>70.0%</b>
	<b>15</b>	<b>0%</b>	<b>7.5%</b>	<b>15.0%</b>	<b>22.5%</b>	<b>30.0%</b>	<b>37.5%</b>	<b>45.0%</b>	<b>52.5%</b>	<b>60.0%</b>	<b>67.5%</b>	<b>75.0%</b>
	<b>16</b>	<b>0%</b>	<b>8.0%</b>	<b>16.0%</b>	<b>24.0%</b>	<b>32.0%</b>	<b>40.0%</b>	<b>48.0%</b>	<b>56.0%</b>	<b>64.0%</b>	<b>72.0%</b>	<b>80.0%</b>
	<b>17</b>	<b>0%</b>	<b>8.5%</b>	<b>17.0%</b>	<b>25.5%</b>	<b>34.0%</b>	<b>42.5%</b>	<b>51.0%</b>	<b>59.5%</b>	<b>68.0%</b>	<b>76.5%</b>	<b>85.0%</b>
	<b>18</b>	<b>0%</b>	<b>9.0%</b>	<b>18.0%</b>	<b>27.0%</b>	<b>36.0%</b>	<b>45.0%</b>	<b>54.0%</b>	<b>63.0%</b>	<b>72.0%</b>	<b>81.0%</b>	<b>90.0%</b>
	<b>19</b>	<b>0%</b>	<b>9.5%</b>	<b>19.0%</b>	<b>28.5%</b>	<b>38.0%</b>	<b>47.5%</b>	<b>57.0%</b>	<b>66.5%</b>	<b>76.0%</b>	<b>85.5%</b>	<b>95.0%</b>
	<b>20 +</b>	<b>0%</b>	<b>10.0%</b>	<b>20.0%</b>	<b>30.0%</b>	<b>40.0%</b>	<b>50.0%</b>	<b>60.0%</b>	<b>70.0%</b>	<b>80.0%</b>	<b>90.0%</b>	<b>100.0%</b>

\* Those who retire between ages 50 and 55 are eligible to enroll in UC-sponsored health insurance for retirees but will not receive a UC contribution.