

ARTICLE 36 - UNIVERSITY BENEFITS

A. UNIVERSITY HEALTH & WELFARE BENEFITS - GENERAL CONDITIONS

1. The University's annual Open Enrollment is a period in which eligible employees may elect to change health and welfare plans or coverage options. This process affords employees the opportunity to choose among plans due to changes in employee circumstances, coverage and costs of each plan, and plan availability, which may change from year to year.

The University may, at its option during the term of this Agreement, 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 employee and University rates of contribution, or changing the carrier for established plans or programs. 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 eligible employees of the AFSCME Service Unit. This means that AFSCME Skilled Crafts employees are eligible for and subject to the same terms and conditions of the UC health plans and make the same employee contributions to the UC health plans, as eligible AFSCME Service Unit employees. The letter of understanding in Appendix A further explains the intent of this agreement.

2. Employee costs for healthcare premiums and costs for plans to which the University does not contribute, are paid by unit employees, normally through payroll deduction.

B. 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 unit employees, in accordance with Section C, below, when the employee is affected by the following conditions lasting up to four (4) months: a temporary layoff, a temporary reduction in time below the hours required to be eligible for health benefits; or a 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 eligible employee on military leave with pay for emergency National Guard duty or Military Reserve Training Leave shall receive those benefits related to employment that are granted in the University's Military Leave policy and its related documents.

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 3.c, below, shall not determine eligibility for benefits.
- b. Except as provided in Section 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 time specified in the plan documents, rules and regulations.

- 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, vision) as if on pay status for a period of up to twelve (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 shall be continued in accordance with the provisions of the applicable group insurance regulations.

C. HEALTH BENEFITS

1. Medical Program – A variety of medical plans are available to cover eligible employees and their eligible family members. Eligible Limited Appointment employees appointed and paid by the University to work a specified minimum appointment and average regular paid time may be covered by the CORE major medical plan.
2. Dental Program – Dental plans are available to cover eligible employees and their eligible family members.
3. Vision Program – A comprehensive vision care benefit is available to cover eligible employees and their eligible family members.

D. UNIVERSITY OF CALIFORNIA RETIREMENT SYSTEM

Eligible employees may participate in a number of retirement plans generally available to other eligible non-managerial, non-supervisory, non-confidential, non-academic employees of the University.

1. Retirement And Savings Plan

The University maintains several retirement and savings plans for eligible University employees. As of the effective date of this agreement, such plans include but are not limited to, the UC Retirement Plan (UCRP), Tax-Deferred 403(b) Plan, Defined Contribution Plan (DCP) and 475(b) Deferred Compensation Plan, which collectively constitute the University of California Retirement System (UCRS). The University may, at its option, alter, amend or terminate the existing UCRS plans and establish new retirement and/or saving plans for the UCRS. Such alterations include, but are not limited to altering eligibility criteria, altering or deleting current benefits, altering employee and University rates of contribution, or changing the carrier or administrator for established plans or programs. In the event the University makes such alterations, the changes will apply to employees eligible for retirement benefits within the unit in the same manner as they apply to eligible employees of the AFSCME Service Unit. This means that AFSCME Skilled Crafts employees are eligible for and subject to the same terms and conditions of the UCRP retirement plan, and make the same employee contributions to the UCRP retirement plans, as eligible AFSCME Service Unit employees. The letter of understanding in Appendix A further explains the intent of this agreement.

- a. The sole exceptions to D.1. above shall be:

1) any alterations proposed by the University which affect only the Skilled Crafts bargaining unit employees, and

2) any alterations proposed by the University which reduces retirement benefits of bargaining unit employees, except as provided above with regard to employee contributions to UCRP. In such cases, the University agrees to meet and confer with respect to the proposed change.

2. Effect Of Absences From Work On Benefits

a. Leaves of Absence Without Pay

Approved leave without pay shall not be considered a break in service. The provisions of the applicable retirement plan regulations determine the effects of such leave without pay on retirement benefits.

b. Family Medical Leave Act

Retirement benefits shall be continued in accordance with the provisions of the applicable retirement plan regulations.

3. Tax Deferred 403(b) Plan

Voluntary participation in the Tax Deferred 403(b) Plan is available to all University employees except students who normally work less than twenty (20) hours per week. The Plan provides a mix of internally and externally managed investment options.

4. Defined Contribution Plan (DC Plan)

- a. Pre-Tax/Safe Harbor Account – Employees who are not in a UC-sponsored defined benefit retirement plan make mandatory contributions of 7.5% of earnings up to the Social Security wage base to the Pretax Account in lieu of paying the Old Age, Survivors and Disability Insurance portion of Social Security taxes (Safe Harbor contributions). Although payroll reductions default to the Savings Fund, participants are offered a mix of internally and externally managed investment options.
- b. After Tax Account – Voluntary participation in the After-Tax Account is available to all University employees except students who normally work less than twenty (20) hours per week. Payroll deductions may be invested in a mix of internally and externally managed investment options.

5. 457(b) Deferred Compensation Plan

Voluntary participation in the 457(b) Plan is available to all University employees except students who normally work less than twenty (20) hours per week. The Plan provides a mix of internally and externally managed investment options.

E. LIFE INSURANCE

1. University-Paid

Personal life insurance in the amount of one times the employee's annual salary is provided without charge for represented

employees covered by UCRP at the University.

2. Supplemental

Optional personal life insurance and dependent life insurance is available and may be purchase by eligible employees. Supplemental Life, Basic Dependent Life and Expanded Dependent Life insurance are available and can be purchased for an employee and eligible family members for a monthly premium through payroll deduction.

F. OTHER INSURANCE

1. Accidental Death and Dismemberment Insurance (AD&D)

UC offers the AD&D plan to protect you and your family from the unforeseen financial hardship of a serious accident that causes death or dismemberment. A variety of coverages and amounts of coverage are available.

2. Business Travel Accident Insurance

Employees who are traveling on official University business are covered by \$100,000 of accidental death and scheduled dismemberment insurance.

3. Disability Insurance

- a. Short-Term Disability Insurance – UC provides Short-Term disability insurance to eligible employees.

b. Supplemental Disability Insurance – Optional supplemental disability insurance may be purchased by eligible employees. This optional covered augments the Short-Term Disability Insurance referenced above, and provides income protection during Long-Term Disability coverage. These benefits in conjunction with state-mandated Workers' Compensation and Social Security disability benefits create a comprehensive safety net to protect employees from loss of wages over the course of a disability period.

4. Legal Expense Insurance Plan

UC offers eligible employees the opportunity to participate in a legal expense insurance plan that can be purchased through payroll deductions for employees and eligible family members.

5. Auto/Homeowner Insurance

UC offers eligible employees the opportunity to participate in an Auto/Homeowner insurance plan. Individual policies can be purchased through payroll deductions.

G. OTHER BENEFITS

1. Tax Saving on Insurance Premiums (TIP)

Employees enrolled in certain benefit plans are automatically enrolled in TIP, unless the employee makes an election to withdraw. After the University contribution, if any, is applied the net insurance premiums

are deducted on a pre-tax, salary reduction basis.

2. Flexible Spending Accounts

a. Dependent Care Assistance Program (DepCare)

DepCare is available to eligible employees and allows employees to pay for eligible dependent care expenses on a pre-tax, salary reduction basis.

b. Health Care Reimbursement Account (HCRA)

The Health Care Reimbursement Account is available to eligible employees and allows them to pay for eligible health care expenses not covered by the employee's medical, dental, or vision plans on a pretax, salary reduction basis.

3. Death Payments – Death payments are provided upon the death of an employee who has been on pay status at least fifty percent (50%) time at least six (6) continuous months prior to death. Payment is a sum equal to the deceased's regular salary for one (1) month, and shall be paid to the person or persons in the first of the following categories in which there is a survivor, legal spouse or domestic partner; child or children; parent or parents; or siblings. If there is no

survivor in any of the foregoing categories, the benefit will be paid to the estate, or if there is no estate, to the beneficiary designated in the deceased's University-paid life insurance policy. All monies due and payable to the employee at the time of death shall be paid to the employee's surviving spouse or domestic partner and/or eligible dependent(s).

4. Alternate Retirement Plans – Employees covered by alternate retirement plans are subject to those plans' rules and regulations, and not subject to the UCRP coverage.

H. ENUMERATION OF UNIVERSITY BENEFITS

For informational purposes only, a brief outline of benefit programs in effect on the date the Agreement is signed is found above. AFSCME understands and agrees that the descriptions contained above do not completely describe the coverage or eligibility requirements for each plan, the details of which have been independently communicated to AFSCME.

Specific eligibility and benefits under each of the various plans are governed entirely by the terms of the applicable plan documents, custodial agreement, 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 time paid. For details on specific eligibility for each program, see the applicable documents, agreements, regulations, or contracts.