## Group Insurance Regulations Administrative Supplement No. 12 February 2016

## Annuitant Medical and Dental Eligibility Upon Rehire

This supplement provides information on the minimum amount of time a rehired Employee or Annuitant must work as an "Eligible Employee," as defined under the University of California Retirement Plan (UCRP), if the reappointment period is needed to qualify for UC-sponsored Annuitant medical and dental coverage. This reappointment requirement is in addition to the minimum UCRP service credit requirement for UC-sponsored Annuitant medical and dental coverage.

The terms of the reappointment making individuals eligible for full benefits must be completed and the rehired Employee or Annuitant must be an Eligible Employee for at least one year and be an Eligible Employee at the time of separation. Upon such separation, a rehired Annuitant will immediately resume Annuitant status and will be eligible to continue medical and dental coverage as an Annuitant if the period of rehire was sufficient to qualify the Annuitant for such coverage. A separating rehired Employee whose period of rehire was sufficient to qualify for medical and dental coverage as an Annuitant must retire within in 120 days of the date of separation (with continuous medical and/or dental coverage), in order to continue such coverage as an Annuitant. In most cases, this will require the rehired Employee or Annuitant to be initially reappointed as an Eligible Employee and work 50% time or more for at least one year.

These provisions apply to rehired Annuitants who did not have UCsponsored Annuitant medical or dental coverage at the time of rehire.\*

\*NOTE: A reappointed Annuitant who already had, or suspended, medical and dental coverage as an annuitant will not be affected by these requirements.

Examples – Rehire

The example below applies to a rehired Employee or Annuitant, and is in addition to the minimum service requirements for Annuitant medical and dental eligibility.

Appointment Percent Appointment <u>Duration</u>

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(Eligible Employee) 50%-100% for 1 year

The Employee/Annuitant initially is rehired at 75% time for an indefinite period. Based on the appointment percentage and indefinite duration, the rehired Employee/Annuitant immediately qualifies as an Eligible Employee under UCRP and is eligible for active medical and dental coverage. He/she must work for a minimum of 1 year as an Eligible Employee to be eligible to continue UC-sponsored medical and/or dental coverage as an Annuitant, provided that all other eligibility requirements for such coverage are met.

(Limited to Career)

The Employee/Annuitant is rehired in a limited appointment. Generally, the Employee would not become UCRP- eligible, and would therefore not be eligible for UC-sponsored Annuitant medical and dental coverage upon retirement, since Employees with limited appointments are expected to be on pay status for less than 1000 hours (i.e., 50% time) in a 12-month period.

However, if a rehired Employee or Annuitant with a limited appointment accrues 1000 hours (or 750 hour for NSI Unit Employees) on pay status within a 12-month period (including hours from a previous appointment), thereby becoming an Eligible Employee, he/she could qualify for UC-sponsored Annuitant medical and/or dental coverage after working as an Eligible Employee for at least one year, provided all other eligibility requirements for such coverage are met.

If a retirement application is received from someone rehired within the last year prior to their requested retirement date, the Retirement Administration Service Center will validate that the Member satisfied the one-year Eligible Employee requirement, in addition to the minimum UCRP service credit requirement, to be eligible for UC-sponsored Annuitant medical and dental coverage.

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