

## **PART IV**

### **Annuitant Health & Welfare Plans**

# Table of Contents - PART IV

---

## **Annuitant Medical and Dental**

6000. Title

6001. Introduction and Definitions

6002. Eligibility

6003. Period of Initial Eligibility (PIE)

6004. Enrollment/De-Enrollment

6005. Effective Date

6006. University Contribution

6007. Premiums

6008. Actions Which Affect Coverage

6009. Termination of Coverage

6010. Continued Group Coverage (COBRA)

6011. Conversion

Appendix A – Medicare Coordinator Program

## **Annuitant Legal**

6100. Title

6101. Introductions and Definitions

6102. Eligibility

6103. Continuation of Coverage, Subsequent Enrollment and Disenrollment

6104. Period of Initial Eligibility

6105. Effective Date

6106. University Contribution

6107. Premiums

6108. Actions Which Affect Coverage

6109. Termination of Coverage

6110. Continued Group Coverage (COBRA)

6111. Conversion

## **Annuitant Vision**

6200. Title

6201. Introductions and Definitions

6202. Eligibility

6203. Continuation of Coverage, Subsequent Enrollment and Disenrollment

6204. Period of Initial Eligibility

6205. Effective Date

6206. University Contribution

6207. Premiums

6208. Actions Which Affect Coverage

6209. Termination of Coverage

6210. Continued Group Coverage (COBRA)

6211. Conversion

**Annuitant Accidental Death and Dismemberment (AD&D)**

6300. Title

6301. Introductions and Definitions

6302. Eligibility

6303. Enrollment and Disenrollment

6304. Effective Date

6305. University Contribution

6306. Premiums

6307. Actions Which Affect Coverage

6308. Termination of Coverage

6309. Continued Group Coverage (COBRA)

6310. Conversion

# 6000. MEDICAL and DENTAL PLANS

---

## 6001. Introduction and Definitions

A. The University-sponsored group health program provides medical and dental coverage for Annuitants and their eligible Family Members.

B. Definitions:

1. "Annuitant" means a Retired Member, Disabled Member, Preretirement Survivor, Postretirement Survivor or Contingent Annuitant who is eligible for Annuitant Health Coverage as provided in this Section 6000.
2. "Annuitant Health Coverage" means the UC-sponsored medical and/or dental coverage available to an Annuitant in accordance with the terms and conditions of these Group Insurance Regulations (GIRs).
3. "Annuitant Health Eligibility Date" means:
  - a. the date on which an Eligible Employee becomes an Active UCRP Member; provided that if a Member has a Break-in-Service of more than 120 calendar days, the Member's most recent hire date in a UCRP-eligible position after such break will be that Member's Annuitant Health Eligibility Date. Note: The Annuitant Health Eligibility Date does not change in the event a Retired Member is recalled to University employment from retirement under a Qualifying Plan, provided the Retired Member was receiving, or eligible for, Annuitant Health Coverage as of his/her initial retirement date.
4. "Break-In-Service" has the meaning set forth in Administrative Supplement 5.
5. "Eligibility Group" means a group, eligibility for which:
  - a. is based on a Member's Annuitant Health Eligibility Date and Service Credit; and which
  - b. determines the percentage of the University's maximum contribution toward the cost of Annuitant Health Coverage for the Annuitant and the Annuitant's eligible Family Members.
6. "Health Coverage" means group or individual medical and/or dental coverage that is not Annuitant Health Coverage.
7. "Postretirement Survivor" means a survivor described in Section 6002.A.3.a.iii, below.

8. "Preretirement Survivor" means a survivor described in Section 6002.A.3.a.ii, below.
9. "Qualifying Plan" means UCRP or another defined benefit plan listed as a qualifying plan in GIR Administrative Supplement No. 4.
10. "Safety Member" means a UCRP Member described in Article 8 of the UCRP plan document.
11. "Service Credit" has the meaning set forth in the UCRP; except that for purposes of Group 1 eligibility, "Service Credit" will include service credit accrued while a Member of a Qualifying Plan, but only for the period during which the Member was a University employee.
12. "UCRP" means the University of California Retirement Plan.
13. The terms "Active Member," "Basic Retirement Income," "Contingent Annuitant," "Disabled Member," "Disability Date," "Disability Income," "Eligible Child," "Eligible Dependent Parent," "Eligible Employee," "Member," "Postretirement Survivor Continuance," "Preretirement Survivor Income," "Retired Member," "Retirement Date," and "Service Credit" have the meanings set forth in the UCRP and UCRP Regulations, except that for purposes of Section 6002.2.a., below, "Disabled Member" shall include a Member with respect to whom a decision regarding his or her eligibility for Disability Income is pending.

---

## 6002. Eligibility

### A. Initial Requirements

#### 1. Retired Members

- a. **Eligibility:** – An Active Member whose Annuitant Health Eligibility Date is on or before 12/31/89 (Group 1), on or after 1/1/90 (Group 2) or on or after 7/1/13 (Group 3) will be eligible for Annuitant Health Coverage; provided that:
  - i. Safety Members whose Annuitant Health Eligibility Date is on or before 12/31/89 are in Group 1. All other Safety Members are in Group 2.
  - ii. at the time of the Member's separation from University employment, the Member was eligible for enrollment in UC-sponsored Health Coverage and was either enrolled in such coverage or was not enrolled in UC-sponsored coverage but was enrolled in non-UC-sponsored group or individual

**Medical and Dental Plans  
Section 6002  
Eligibility**

Health Coverage; and such Health Coverage is continued (including through COBRA) until the effective date of the Member's Annuitant Health Coverage;

- iii. the Member's Retirement Date is within 120 calendar days of the date of the Member's separation from University employment;
- iv. the Member will receive his or her 1976 Tier UCRP benefit, and, if applicable, both the 1976 Tier and 2013 Tier UCRP benefits, in the form of monthly retirement income; and
- v. for Eligibility Group 1, as of the date of the Member's separation from University employment, the Member:
  - a) is age 50 to age 54 and has at least 10 years of Service Credit; or, for a Member who was a Safety Member or a CalPERS Member, as defined in Administrative Supplement 4 has at least 5 years of Service Credit; or
  - b) is age 55 or over and has at least 5 years of Service Credit; or
- vi. for Eligibility Group 2, as of the date of the Member's separation from University employment, the Member:
  - a) is age 50 or over and has at least 10 years of Service Credit; or
  - b) is age 50 or over, has at least five years of Service Credit, and the sum of the Member's age plus years of Service Credit is not less than 75; or
- vii. for Eligibility Group 3, as of the date of the Member's separation from University employment, the Member:
  - a) is age 50 or over and has at least 10 years of Service Credit;
- viii. Only whole, attained years of Age and Service Credit will be considered; no rounding.

**b. Family Member Eligibility.** Retired Members who enroll in Annuitant Health Coverage may enroll their eligible Family Members, as described in Part I, Section 3.C. of these GIRs.

**2. Disabled Members**

**Medical and Dental Plans  
Section 6002  
Eligibility**

- a. **Eligibility:** An Active Member will be eligible for Annuitant Health Coverage as a Disabled Member provided that:
- i. at the time of the Member's separation from University employment, the Member was eligible for enrollment in UC-sponsored Health Coverage and was either enrolled in such coverage or was not enrolled in UC-sponsored coverage but was enrolled in non-UC-sponsored group or individual Health Coverage; and such Health Coverage is continued (including through COBRA) until the effective date of the Member's Annuitant Health Coverage. The Retirement Insurance Program may consider an exception to this continuous coverage requirement upon a documented showing of financial hardship if the decision regarding the Member's Disability Income application has not yet been made.
  - ii. the Member must apply for Disability Income within 120 calendar days of the Member's separation from University employment and must be approved as a Disabled Member;
  - iii. if approved, the Disabled Member has not been on a leave without pay for more than 24 consecutive months; and
  - iv. a Disabled Member's Annuitant Health Coverage Eligibility Group (1, 2 or 3) will be determined by such Member's Annuitant Health Eligibility Date.
- b. **Family Member Eligibility.** Disabled Members who enroll in Annuitant Health Coverage may enroll their eligible Family Members, as described in Part I, Section 3.C. of these GIRs.

**3. Survivors**

- a. **Eligibility:** The survivor of a deceased Member will be eligible for Annuitant Health Coverage, provided that:
- i. at the time of the Member's death, the survivor was eligible for enrollment in UC-sponsored Health Coverage as the Member's Family Member and the survivor was either enrolled in such coverage or was not enrolled in UC-sponsored coverage but was enrolled in non-UC-sponsored group or individual Health Coverage; and such Health Coverage is continued (including through COBRA) until the effective date of the Member's Annuitant Health Coverage; and
  - ii. the survivor is eligible to receive Preretirement Survivor Income within 120 calendar days of the Member's death ("Preretirement Survivor"); or

**Medical and Dental Plans  
Section 6002  
Eligibility**

- iii. the survivor is eligible to receive Postretirement Survivor Continuance within 120 calendar days of the Retired Member's death and he or she is the survivor of a deceased Retired Member who had satisfied the Group 1, Group 2 or Group 3 eligibility requirements as of the Member's Retirement Date and who remained eligible for Annuitant Health Coverage until his or her date of death ("Postretirement Survivor"); or
- iv. the deceased Member was a Retired Member who accrued 2013 Tier benefits only and who satisfied the Group 3 eligibility requirements as of the Member's Retirement Date and who remained eligible for Annuitant Health Coverage until his or her date of death; the survivor is the Contingent Annuitant named by the deceased Retired Member and:
  - a) is the Member's surviving spouse or surviving Domestic Partner, provided that such spouse or Domestic Partner was the Member's spouse or Domestic Partner (as applicable) for one full year before the Member's Retirement Date and continuously to the date of the Member's death; or
  - b) is the Member's Eligible Child who:
    - 1. received support for 50% or more of the costs related to housing, clothing, meals, health care, and education from the Member for the one-year period preceding the date of death, unless an exception to the one-year support requirement, as described in UCRP Section 2.19, applies;
    - 2. was residing with or in the care of the Member immediately before the date of death, unless the child is the Member's biological or adopted child; and
    - 3. is under age 18 or under age 22 if a full-time student.
- v. the Annuitant Health Coverage Eligibility Group (1, 2 or 3) of a Preretirement Survivor will be determined by the deceased Member's Annuitant Health Eligibility Date.
- vi. the Annuitant Health Coverage Eligibility Group (1, 2 or 3) of a Postretirement Survivor or a Contingent Annuitant will be the Eligibility Group for which the deceased Member was eligible as of his or her Retirement Date, provided the Member remained eligible for Annuitant Health Coverage continuously until his or her date of death.

**b. Family Member Eligibility.**

- i. A surviving spouse or surviving Domestic Partner who is eligible for and enrolls in Annuitant Health Coverage, may enroll his or her eligible Family Members, as described in Part I, Section 3.C. of these GIRs as if the surviving spouse or partner were the employee, Disabled Member or Retired Member, except that a future spouse or future Domestic Partner or the child or grandchild of such future spouse or partner are not eligible Family Members.
- ii. A surviving Eligible Child who is eligible for and enrolls in Annuitant Health Coverage may not enroll any other individual in such coverage.

**B. Continuing Requirements – Annuitants must meet all of the following in order to retain eligibility:**

1. Maintain eligibility for and continue to receive a monthly payment from UCRP or another Qualifying Plan; and
2. Use the Annuitant Health Plan solely in accordance with these Group Insurance Regulations and applicable Administrative Supplements.

**C. Ineligible Categories – Individuals in certain categories are not eligible. These categories include, but are not limited to:**

1. individuals only receiving an annuity or installment payments from a University-sponsored defined contribution plan;
2. Inactive Members who fail to enroll (or suspend) within 120 days of separation from UC employment as an Active Member;
3. guardians or custodians of survivor Annuitants;
4. Medicare eligible employees age 65 or older, working for UC in a position eligible for full or midlevel benefits as active employees.

---

## 6003. Period of Initial Eligibility (PIE)

- A. Definition – A period of initial eligibility (PIE) is a period during which an Annuitant may enroll him/herself and/or his/her eligible Family Members in Annuitant Health Coverage, subject to the Annuitant and Family Member eligibility rules described in Section**

6002, above. The act of retiring in itself does not result in a PIE; newly Retired Members remain enrolled in the plans they have on their last day of employment. Enrollment in some medical and dental plans may be subject to certain “service area” restrictions.

- B. Length** – A PIE ends 31 calendar days from the date it begins, except as provided under 6003.C and 6003.D.5. Note that in determining the end of the 31-day or 60-day period, the date the PIE starts should be counted as the first day. When enrolling with paper forms, if the last day of a PIE falls on a weekend or holiday, the PIE is extended to the following business day.
- C. Extensions for Illness/Accident** – The Plan Administrator may grant an extension to Annuitants unable to enroll during their PIE due to illness or accident. The extension begins on the first day after the PIE ends. The extension ends 31 calendar days later as described in B. above.

Extensions cannot be granted to Annuitants only because they failed to obtain information about their PIE. Annuitants must be eligible for coverage as described in Section 6002.

- D. Added Period of Initial Eligibility** – Under the following circumstances there is an added PIE. It begins as described below and ends as described in B. above. Annuitants and Family Members must remain eligible for coverage as described in Section 6002. Other enrollment opportunities may apply, including Open Enrollment and 90-day waiting periods as described in Section 6004.A.2.
- 1. Involuntary Loss of Coverage (ILOC)** – An Annuitant will have a new PIE if, during the time of the prior PIE, the Annuitant and/or Family Member(s) were enrolled in other Health Coverage and the Annuitant and/or Family Member(s) lose some or all of that coverage involuntarily for any of the reasons below. The PIE begins on the day after the other group or individual coverage ends. Example: Other group or individual coverage ends on March 31; the PIE begins on April 1.
- a. the coverage was medical plan coverage (other than coverage under b. and c. below) and eligibility for the coverage was lost or employer contributions for the coverage were terminated, loss of eligibility as a result of legal separation, divorce or termination of domestic partnership, cessation of Family Member status (such as attaining maximum age for status as a child), death, termination of employment, reduction in hours of employment or aging-in to Medicare and no Medicare version of current plan).

- b. the coverage was provided under COBRA and the entire COBRA coverage period was exhausted \*; or
- c. the coverage was under Medicaid or a State children's health insurance program (CHIP) and eligibility for the coverage was lost.

Loss of eligibility does not include loss due to the failure to pay premiums on a timely basis or for cause (such as making a fraudulent claim or intentionally misrepresenting a material fact in connection with the coverage provided). Coverage that may be lost involuntarily includes, but may not be limited to: coverage under group plans, individual plans, Medicare, Medicaid, CHIP plans, and foreign socialized medical plans.

An Annuitant eligible to enroll under these ILOC provisions may enroll him/herself and eligible Family Members in any University-sponsored plan. If already enrolled in a University-sponsored plan, the Annuitant may add eligible Family Members to that plan or enroll him/herself and eligible Family Members in a different University-sponsored plan. The enrollment form must be accompanied by the appropriate form certifying loss of the other coverage.

\* Exhaustion of COBRA coverage means that an individual's COBRA coverage ceases for any reason other than the failure to pay premiums on a timely basis or for cause (such as making a fraudulent claim or intentionally misrepresenting a material fact in connection with the coverage provided). Voluntary termination of COBRA coverage is not considered exhaustion of such coverage.

2. **Disruption of Primary Medical Group or Primary Care Physician**– An Annuitant may be given a new PIE to change to another medical plan if/when his or her current primary medical group's contract with the medical plan is terminated or to follow his or her PCP, e.g., member enrolls in Medicare and PCP does not accept Medicare under the current plan, but does under another UC medical plan option.

If an Annuitant enrolled in the affected medical plan is requesting a medical plan transfer and the Office of the President Human Resources has **not** made a system-wide announcement, they must submit a copy of the medical group termination letter which indicates the effective date of the termination, with the their enrollment form. The PIE, if permitted, begins with the date of the announcement/letter or the effective date of the medical group termination, if later.

The effective date of the transfer is the first day of the month following enrollment, subject to payroll processing deadlines.

3. **Move Out of/Return to Plan Service Area – Service Area Restrictions** – – An Annuitant and/or eligible Family Member who moves out of the service area of a University-sponsored plan that does not provide benefits to individuals who no longer live in the service area, or who will be away from the service area for more than two months, must enroll him/herself and eligible Family Members in another University-sponsored plan available in the Annuitant's or eligible Family Member's new location. The PIE begins with the effective date of loss of coverage because of the move.

Upon return to the service area, the Annuitant will only have a PIE to reenroll him/herself and eligible Family Members in the same plan that he/she had at the time of the move out of area. The PIE begins with the effective date of the return to the service area.

4. **Acquisition of Eligible Family Member** –
- a. The PIE begins upon the acquisition of a newly eligible Family Member. An eligible Annuitant may enroll him/herself, the newly eligible Family Member and any other eligible Family Members in any University-sponsored plan for which they are eligible. If already enrolled in a University-sponsored plan, the Annuitant may add the newly eligible Family Member, and any other eligible Family Members not already enrolled, to that plan or enroll him/herself and all eligible Family Members in a different University-sponsored plan. The Annuitant and all enrolled Family Members must be enrolled in the same plans.
  - b. If a legally adopted child is not enrolled during the PIE beginning with the date of the child being placed for adoption with the Annuitant, or the date the Annuitant or the Annuitant's spouse/domestic partner has the legal right to control the child's health care, there is a second PIE beginning with the date the adoption is final.
5. **Eligibility for Medicaid or CHIP Premium Assistance Program** – If an eligible Annuitant and/or his/her eligible Family Member(s) who are not enrolled in a University-sponsored medical plan become eligible for premium assistance under a Medicaid or CHIP premium assistance program, the Annuitant may enroll him/herself and/or eligible Family Members in any University-sponsored plan. The PIE is 60 days.

6. **Insufficient Monthly Retirement Income** – If coverage will lapse because the monthly Retirement Income does not cover net deductions, the Annuitant may transfer to another, less costly medical plan. The PIE begins on the date the original coverage lapses. In addition, the annuitant may also direct pay the RASC.
  
7. **Medicare-eligible Annuitants Enrolled in Employee Medical Plans** - Annuitants who are enrolled as Family Members in the UC Health Coverage of an eligible employee, and who become eligible for all parts of Medicare as their primary coverage may discontinue their enrollment in UC Health Coverage and enroll in Annuitant Health Coverage during the first Open Enrollment period that follows the date of their Medicare eligibility.

---

## 6004. Enrollment/ De-enrollment

Clerical error, by itself, will not be the basis for including or excluding individuals.

### A. **Enrollment**

1. **Annuitant Health Coverage Election** – Annuitants must elect to continue, commence (if “other Health Coverage” requirements were met), suspend, or cancel Annuitant Health Coverage before the date that monthly payments from UCRP are to commence to a Retired Member or survivor or on or before the date by which a Disabled Member must apply for Annuitant Health Coverage, as provided in Section 6002.A.2.a.ii., above. Once the applicable enrollment form is processed, this election is irrevocable until there is an Open Enrollment period (OEP) or a new PIE as described in Section 6003 D.
  
2. **Other Enrollment Opportunities** – Annuitants may apply for coverage for themselves and/or eligible Family Members in the following situations, subject to the terms and conditions of these GIRs and of the applicable medical and dental plans,:
  - a. During the annual Open Enrollment Period (OEP) announced by the Plan Administrator. Annuitants may enroll subject to the continuous coverage rules; add or drop Family Members; transfer between Annuitant Health Coverage plans; or cancel a suspend election and enroll in Annuitant Health Coverage.

**Medical and Dental Plans  
Section 6004  
Enrollment/De-enrollment**

- b. Except as otherwise provided below, if an Annuitant does not enroll during a PIE or OEP, the Annuitant may enroll eligible Family Members in Annuitant Health Coverage subject to a 90-Day Waiting Period before coverage begins. The 90-Day Waiting Period begins on the date the enrollment form is received by the RASC and ends 90 consecutive calendar days from the date it begins.
- c. If an Annuitant who is enrolled in “self plus child(ren)” or “self plus adult plus child(ren),” (i.e., “family”) coverage wants to add another eligible child at a time other than during an OEP or a PIE described in Section 6003.D., he or she may do so without regard to the 90-Day Waiting Period, provided that the addition of such child(ren) does not change the cost to the Annuitant for Annuitant Health Coverage. Such coverage may be retroactive for a maximum of 60 days preceding the date the enrollment form is received by the RASC, or the date the child(ren) becomes eligible, whichever is later.
- d. If an Annuitant and/or Family Member has dropped Medicare B and/or D and has been de-enrolled from UC coverage, they may be re-enrolled at the point all parts of Medicare are back in place and required paperwork has been filed with the RASC.
- e. If the Plan Administrator has approved a financial hardship exception to the continuous coverage requirement for a Member who submitted an application for Disability Income, and the Member’s application is approved, the Disabled Member may enroll him/herself and/or eligible Family Members in Annuitant Health Coverage, effective as of the Disability Date or, if the Disability Date precedes the application approval date by more than 60 days, the date which is 60 days before the application approval date.
- f. An Eligible Family Member who was de-enrolled from Annuitant Health coverage as a result of a Family Member Eligibility Verification (FMEV) failure, as described in Section 6004.B.3., below, will be re-enrolled as soon as administratively feasible following the receipt by the Plan Administrator’s delegate of documentation that is determined in accordance with FMEV process requirements to be necessary and sufficient to verify that the de-enrolled individual is an Eligible Family Member.
- g. In the case of de-enrollment due to Misuse of the Plan, as described in Section 6004.B.4., below, re-enrollment is subject to Plan Administrator or medical/dental plan (as

applicable) approval. If re-enrollment is permitted, coverage will be effective as soon as administratively feasible after approval by the Plan Administrator or applicable plan.

**4. No Duplicate University-Sponsored Coverage**

- a. If both spouses or domestic partners are eligible for Annuitant Health Coverage or one spouse/partner is eligible for Annuitant Health Coverage and the other is eligible for UC-sponsored employee Health Coverage (including Core Medical), the following rules shall apply:
  - i. Each may enroll separately; in which event, neither may cover the other as a Family Member, and their eligible Family Members may be covered under either plan, but not under both; or
  - ii. One may enroll and cover the other as a Family Member. If an employee is covered as a Family Member under the Annuitant's coverage, he or she must submit the appropriate form to opt out of coverage as an employee; if an Annuitant is covered as a Family Member under the employee's coverage, he or she must suspend coverage as an Annuitant.
- b. A child who is eligible to be covered as a Family Member under his or her parent's Annuitant Health Coverage and who is also an eligible employee:
  - i. may enroll separately as an employee; in which event, the child may not be covered as a Family Member under his or her parent's Annuitant Health Coverage; or
  - ii. may be covered as a Family Member under his or her parent's Annuitant Health Coverage. If both parents are eligible for Annuitant Health Coverage or one parent is eligible for Annuitant Health Coverage and the other is eligible for UC-sponsored employee Health Coverage (including Core Medical), the child may be covered as a Family Member under either parent's coverage, but not under both. The child also must submit the appropriate form to opt out of coverage as an employee.
- c. Individuals eligible in more than one category (e.g., as an employee and as an Annuitant, as a Family Member under either an employee's coverage or an Annuitant's

coverage) may be covered under either employee or Annuitant coverage, but not under both.

- d. Where duplicate coverage has inadvertently occurred, benefits will be paid under the plan(s) with the earlier effective date unless there were claims submitted, in which case, benefits will be paid under the plan for which there were claims submitted. The Annuitant may be required to reimburse the University for any University-paid premiums resulting from the duplicate coverage.

**B. De-enrollment**

**1. Ineligibility**

- a. Ineligible individuals must be de-enrolled.
- b. The Plan Administrator or Medicare (if applicable) reserves the right to permanently de-enroll ineligible individuals.
- c. Ineligible individuals include but are not limited to:
  - i. an individual with duplicate University coverage both as an Employee or as an Annuitant and as a Family Member (may only have one or the other);
  - ii. an ineligible Annuitant and any enrolled Family Members;
  - iii. an ineligible Family Member;
  - iv. An enrolled Annuitant or Family Member who is eligible for premium-free Medicare Part A and who fails to maintain Medicare B and D. (Following 3 months of enrollment in Core non-Medicare)
- d. The Plan Administrator may work with the carrier to recover any paid premiums due to enrollment of ineligible individuals.
- e. Ineligible individuals are not entitled to COBRA continuation rights.

**2. Suspension of Annuitant Health Coverage**

- a. An annuitant may suspend his or her enrollment in Annuitant Health Coverage at any time, if:

**Medical and Dental Plans  
Section 6004  
Enrollment/De-enrollment**

- i. The Annuitant is already covered by other Health Coverage, including University-sponsored coverage, e.g., Annuitant covered as a dependent under another Annuitant or UC employee
    - ii. The Annuitant objects for religious reasons
  - b. Annuitants who have suspended Annuitant Health Coverage may enroll if one of the two situations described in Section 2 above occurs – either Open Enrollment or ILOC. The Annuitant and all eligible Family Members may be enrolled by completing the appropriate enrollment form. However, Annuitants who have cancelled University-sponsored Health Coverage for any reason and/or prior to the effective date of 1/1/2005 for medical or 1/1/2011 for dental may not re-enroll in Annuitant Health Coverage.
- 3. Family Member Eligibility Verification (FMEV) Failure.**  
Individuals enrolled by an Annuitant as the Annuitant's eligible Family Members will be de-enrolled from Annuitant Health Coverage if the Annuitant fails to provide documents specified under the FMEV procedures as necessary and sufficient to verify that the enrolled individual(s) is/are eligible for such coverage.
- 4. Misuse of the Plan** – The Plan Administrator reserves the right to de-enroll individuals who misuse the plan.

Misuse of the Plan is defined in the Definitions and Abbreviations section (Part I, Section 2) and includes, but may not be limited to, actions such as falsifying enrollment or claims information, intentionally enrolling individuals who are not eligible Family Members, allowing another individual to use the Annuitant's plan identification card, threats or abusive behavior toward plan providers or representatives.

The Plan Administrator may work with the University campus or lab location and the carrier to recover any University-paid premiums due to enrollment of ineligible individuals.

## 6005. Effective Date

Coverage for Annuitants begins on the date listed below. Coverage cannot begin before the first day of eligibility for Annuitant Health Coverage and requires that the appropriate enrollment transaction is processed during the PIE.

- A. During a Period of Initial Eligibility** – If the appropriate enrollment transaction is processed during the PIE, coverage is effective the date the PIE began for non-Medicare members and the first of the following month for Medicare members after submission of the appropriate eligibility forms.

A form (UBEN100) to suspend oneself or cancel a Family Member from coverage is effective the last day of the month in which the RASC receives it for non-Medicare members. Medicare members must complete an additional form (UBEN101) to suspend (or cancel a member) for the same end-of-month effective date.

- B. During an Open Enrollment Period** – The date announced by the Plan Administrator.
- C. 90-Day Waiting Period.** If the 90-day Waiting Period under Section 6004.A.2.b. applies the 91<sup>st</sup> consecutive calendar day after the enrollment form is received by RASC.

---

## 6006. University Contribution

The University may contribute toward the Medical and Dental Plan premium. The Plan Administrator sets the amount of the contribution. The amount may increase or decrease at any time. The Annuitant is responsible for any net premium amount.

The amount of the University contribution is based on the Annuitant's Health Eligibility Date as follows:

**A. Eligibility Group 1**

An Annuitant in Eligibility Group 1 will be eligible to receive 100% of the University's maximum contribution toward the cost of Annuitant Health Coverage for the Annuitant and the Annuitant's eligible Family Members.

**B. Eligibility Group 2**

1. An Annuitant in Eligibility Group 2 will be eligible to receive 50% of the University’s maximum contribution toward the cost of Annuitant Health Coverage for the Annuitant and the Annuitant’s eligible Family Members, plus an additional 5% of the University’s maximum contribution for each additional full year of Service Credit above 10 (ten) accrued by the Member, or – with respect to survivors – accrued by the deceased Member, as follows:

| Years of Service Credit | % of UC’s Maximum Contribution Amount (Not to Exceed 100%) |
|-------------------------|--|
| 10 or “Rule of 75”*     | 50%  |
| 11                      | 55%  |
| 12                      | 60%  |
| 13                      | 65%  |
| 14                      | 70%  |
| 15                      | 75%  |
| 16                      | 80%  |
| 17                      | 85%  |
| 18                      | 90%  |
| 19                      | 95%  |
| 20                      | 100%   |

\* “Rule of 75” means that age plus years of Service Credit equal at least 75.

2. Disabled Members with less than 10 years of Service Credit (or who fail to meet the “Rule of 75”) at the Disabled Member’s Disability Date will receive at least 50% of the University’s maximum contribution toward the cost of Annuitant Health Coverage until the point at which they “cross-over” into retirement, at which time their service is recalculated; however, at minimum, they will retain at least 50% of the University’s maximum contribution. Survivors of deceased Disabled Members who are eligible to retire are subject to these same rules. Survivors of deceased Disabled Members not eligible to retire are subject to pre-retirement survivor rules.

**C. Eligibility Group 3**

1. An Annuitant in Group 3 who is a Retired Member, a Postretirement Survivor, or an eligible Contingent Annuitant as described in Section 6002.A.3.a.iv is eligible to receive a percentage of the University’s maximum contribution toward the cost of Annuitant Health Coverage for the Annuitant and

**Medical and Dental Plans  
Section 6006  
University Contribution**

the Annuitant's eligible Family Members. This contribution is based on the age and Service Credit at Retirement of the Retired Member, or of the deceased Retired Member (with respect to the Postretirement Survivor or Contingent Annuitant), as set forth in the table below. Retired Members who retire between the ages of 50 and 55 are eligible to enroll in Annuitant Health Coverage but are not eligible for a University contribution.

2. Disabled Members will receive the greater of
  - a. 50% of the University's maximum contribution; or
  - b. the University's maximum contribution as set forth in the table below toward the cost of Annuitant Health until the point at which they "cross- over" into retirement, at which time their service is recalculated; however, at minimum, they will retain at least 50% of the University's maximum contribution. Survivors of deceased Disabled Members who are eligible to retire are subject to these same rules. Survivors of deceased Disabled Members not eligible to retire are subject to pre-retirement survivor rules.

| <b>Group 3 Graduated Eligibility Formula</b><br>(percentage of the University's maximum contribution) |             |              |           |           |           |           |           |           |           |           |           |           |
|---|-------------|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <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>   | 0%           | 5.0%      | 10.0%     | 15.0%     | 20.0%     | 25.0%     | 30.0%     | 35.0%     | 40.0%     | 45.0%     | 50.0%     |
|   | <b>11</b>   | 0%           | 5.5%      | 11.0%     | 16.5%     | 22.0%     | 27.5%     | 33.0%     | 38.5%     | 44.0%     | 49.5%     | 55.0%     |
|   | <b>12</b>   | 0%           | 6.0%      | 12.0%     | 18.0%     | 24.0%     | 30.0%     | 36.0%     | 42.0%     | 48.0%     | 54.0%     | 60.0%     |
|   | <b>13</b>   | 0%           | 6.5%      | 13.0%     | 19.5%     | 26.0%     | 32.5%     | 39.0%     | 45.5%     | 52.0%     | 58.5%     | 65.0%     |
|   | <b>14</b>   | 0%           | 7.0%      | 14.0%     | 21.0%     | 28.0%     | 35.0%     | 42.0%     | 49.0%     | 56.0%     | 63.0%     | 70.0%     |
|   | <b>15</b>   | 0%           | 7.5%      | 15.0%     | 22.5%     | 30.0%     | 37.5%     | 45.0%     | 52.5%     | 60.0%     | 67.5%     | 75.0%     |
|   | <b>16</b>   | 0%           | 8.0%      | 16.0%     | 24.0%     | 32.0%     | 40.0%     | 48.0%     | 56.0%     | 64.0%     | 72.0%     | 80.0%     |
|   | <b>17</b>   | 0%           | 8.5%      | 17.0%     | 25.5%     | 34.0%     | 42.5%     | 51.0%     | 59.5%     | 68.0%     | 76.5%     | 85.0%     |
|   | <b>18</b>   | 0%           | 9.0%      | 18.0%     | 27.0%     | 36.0%     | 45.0%     | 54.0%     | 63.0%     | 72.0%     | 81.0%     | 90.0%     |
|   | <b>19</b>   | 0%           | 9.5%      | 19.0%     | 28.5%     | 38.0%     | 47.5%     | 57.0%     | 66.5%     | 76.0%     | 85.5%     | 95.0%     |
|   | <b>20 +</b> | 0%           | 10.0%     | 20.0%     | 30.0%     | 40.0%     | 50.0%     | 60.0%     | 70.0%     | 80.0%     | 90.0%     | 100.0%    |

## 6007. Premiums

- A. Payment** – Premiums are paid in advance by deduction from the Annuitant's UCRP monthly payment. There is no charge for the first full or partial month's coverage as a result of an Annuitant's PIE or for the first full or partial month's premium difference, if any, when a Family Member is added to the plan. This provision does not apply to Open Enrollment transfers between plans.

Premiums will not be refunded retroactively if the Annuitant should have, but did not file a form to cancel coverage or delete a Family Member.

When the plan is canceled/suspended, a Family Member is deleted, or a transfer between plans is to be made, any premium adjustment is made on the effective date of the change if it falls on the first of the month; otherwise, it is made on the first of the following month.

- B. Rate Changes** are made when the contract is renewed, when required by contract amendments, or as otherwise determined by the Plan Administrator.

---

## 6008. Actions Which Affect Coverage

The following situations will result in a loss or termination of coverage as described in Section 6009. An Annuitant or Family Member may continue coverage as provided in Sections 6010 and 6011.

- A. Insufficient Annuity** – If premiums cannot be taken from the annuity for two consecutive months, coverage lapses retroactively to the first day of the first month for which a premium was missed unless the annuitant makes coverage changes and/or payment arrangements with the RASC.
- B. Loss of Eligible Family Member Status** – The Annuitant may not continue to cover a Family Member who loses eligibility. The Annuitant must delete the Family Member from the plan within 31 days of ineligibility.

Regardless of the date of deletion, Family Member eligibility stops at the end of the month in which the individual ceases to meet any one of the eligibility requirements described in Section 6002.B. and Part I, Section 3.C. **The University may recover from the Annuitant any premium cost incurred due to enrollment of ineligible individuals subject to the terms in Section 6004.B.**

**Medical and Dental Plans  
Section 6008  
Actions Affecting Coverage**

1. **Divorce/Legal Separation/Annulment** – Eligibility stops at the end of the month in which the divorce/legal separation/annulment is final.
  2. **Adult Dependent Relative/Domestic Partner** – For a covered adult dependent relative, eligibility ceases on the day the individual becomes eligible for Medicare.
  3. **Overage/Ineligible Child or Grandchild or Step Grandchild** – Eligibility stops at the end of the month in which the child reaches age 26 (18 for a Legal Ward), or ceases to meet any one of the eligibility requirements described in Section 1102.B. and Part I, Section 3. This age provision does not apply to qualifying disabled children.
- C. **Termination of Annuity** – Eligibility ends on the last day of the month in which the individual is last eligible for UCRP monthly payments.
- D. **Voluntary Suspension/Cancellation of Coverage** – An Annuitant may voluntarily suspend or cancel coverage for him/herself or eligible family members at any time in accordance with Section 6004.B. Coverage ends on the last day of the month of the requested date if the end-date is prospective. Otherwise, coverage ends on the last day of the month in which a form is received in the RASC.
- E. **Medicare** – Annuitants and/or their enrolled Family Members who are eligible for premium free Medicare Part A (Hospital Insurance) must enroll in Medicare Part B (medical insurance) and Part D (prescription drug coverage), must complete the appropriate form verifying their Medicare enrollment status and must enroll in the Medicare version of their medical plan, including assigning their Medicare benefit to their plan as appropriate unless:
1. The annuitants and/or family members were not eligible for premium-free Part A; or
  2. The annuitant was age 65 or older prior to July 1, 1991 and was not enrolled in Medicare at that time.

However, notwithstanding 1 and 2 above, if Annuitants become eligible or decide to enroll in Medicare, this group must notify UC of their Medicare status and change to the Medicare version of their plan.

Eligible annuitants who fail to enroll in Medicare remain in their non-Medicare plan for a period of up to three months, during which time a financial penalty is applied. Coverage ends on the last day of the month following the administrative penalty period.

If there is no Medicare version of the medical plan, the annuitant has a PIE as provided in section 6003.D.1.

---

## 6009. Termination of Coverage

**A. Termination Events** – Coverage ends on the earliest of the following dates:

- the last day of the month during which the Annuitant ceases to be eligible for coverage as an Annuitant, provided that premiums are paid for such month, and if premiums are not paid, the last day of the month for which premiums were paid;
- the last day of the month in which an enrolled Family Member ceases to be eligible for coverage or in the case of an adult dependent relative, the day the individual becomes entitled to Medicare.;
- the last day of the month in which a form to cancel/suspend coverage or delete an eligible Family Member is received by the RASC; or
- the day the group contract between the University and the carrier is terminated.

Clerical error, by itself, is not the basis for extension of coverage past the date it would otherwise end.

Annuitants may cancel/suspend a medical and/or dental plan or delete a Family Member from the plan at any time by submitting a cancellation/change form.

---

## 6010. Continued Group Coverage (COBRA)

Upon termination of Annuitant Health Coverage as described above, COBRA continuation coverage may be available in accordance with applicable provisions of the Public Health Service Act and COBRA regulations under the Internal Revenue Code.

## 6011. Conversion

**Medical Plans:** When coverage ends because of end of the COBRA continuation period, or other loss of eligibility, it may be converted to an individual plan offered by the carrier. The terms regarding availability of an individual plan are determined by each plan and may not be available in all cases. Conversion is not automatic; the Family Members must apply for conversion to continue coverage. A medical examination is not required. The carrier must receive the conversion application and the required premium within 31 days of the date the group coverage ends.

**Dental Plans:** There is no conversion option for the Dental Plan