

GUIDELINES FOR NEW UCRP AND H&W POLICIES
UC HR/BENEFITS
FEBRUARY 2001

The University has added a new set of criteria to those already established to provide eligibility for benefits. Starting January 1, 2001, most UC employees who are not eligible upon hire for Retirement Plan (UCRP) membership or full Health and Welfare benefits (Full Benefits) will become eligible for those benefits if they work at least 1,000 hours in twelve months.

The following guidelines are meant to help UC administrators understand and implement the new policies.

Two Paths to Eligibility for UCRP and Full Benefits

There are now two ways for employees to become UCRP members and eligible for Full Benefits:

1. **Eligibility based on appointment at hire:** an employee is eligible immediately if appointed to work at least 50% time for one year or longer.
2. **Eligibility based on hours worked:** an employee appointed for less than a year or at less than 50% time will become a UCRP member and eligible for full benefits after accumulating 1,000 hours on pay status in a rolling 12-month period (which starts January 1, 2001, or later).

Once in UCRP, an employee continues to be a UCRP member until there is a break in service. However, to maintain eligibility for health and welfare benefits, hours worked must be maintained at an average of 17.5 hours per week averaged over a rolling 12-month period.

How the 1,000-hour count works for UCRP Eligibility:

- An employee will become a UCRP member after accumulating 1,000 hours on pay status during a rolling 12-month period. A rolling 12-month period is any consecutive 12 calendar months (starting January 1, 2001, or later) with the oldest month dropping off as the new month is added.
- The effective date of UCRP membership will be no later than the first day of the month following the month in which the employee accumulates 1,000 hours on pay status within a 12-month period. From that point forward, the employee will accumulate UCRP service credit and will be entitled to benefits in accordance with the Plan.
- The earliest an employee will become a UCRP Member based on the 1,000-hour rule is July^o1, 2001.

Implementing UCRP and H&W benefits under the 1,000-hour rule

- The Payroll/Personnel System (PPS) began tracking hours in January 2001.
- A new EDB Inquiry screen, IHR2, Hours Toward Eligibility, displays hours that count toward the 1,000-hour requirement for UCRP membership; this screen also displays hours the count toward career status. See Attachment 1 for an example of the IHR2 screen. (The screen Hours on Pay Status continues to display the number of hours on pay status and the average number of hours worked per month.)
- Using the data displayed in IHR2, PPS will produce two monthly maintenance reports for departments and/or central offices to alert managers about the status of temporary employees:
 1. *"Employees Approaching 1,000 Eligible Hours"*
 2. *"Employees with 1,000 Eligible Hours - Retirement set to U"*

See Attachment 2 for descriptions and examples of these reports.

- If an employee continues to work after reaching the 1,000-hour threshold, PPS **automatically** makes the following changes in the employee's record:
 - Changes retirement code from DCP Safe Harbor (H) to UCRP with Social Security (U)
 - Changes FICA code from Medicare only (M) to Medicare and OASDI (E)
 - Sets the **assigned** benefits eligibility level indicator (BELI) to 1
- The period of initial eligibility (PIE) for the H&W plans starts when the employee becomes a UCRP member.
- **There is no automated process to notify these employees about their expanded eligibility for benefits and the start of their PIE. Notification must be handled locally.**
- After initial eligibility for health and welfare benefits is reached, an employee must maintain an average of 17.5 work hours to maintain eligibility. PPS measures this average based on regular paid time hours per week over a rolling 12-month period.

What Hours Are Included in the 1,000 Count for UCRP Eligibility?

In addition to regular work hours, the hours count includes

- paid sick leave
- holidays
- vacation time
- administrative leave with pay
- paid jury duty
- military leave with pay

The hours count **DOES NOT** include:

- paid overtime
- shift differential
- on-call hours

The hours carry forward from one department to another department via the PPS system. For transfers from location to location, the hours must be tracked manually.

Employees Excluded from UCRP

The following groups of UC employees are excluded from UCRP membership regardless of appointment or hours worked. These employees may or may not be eligible for H&W benefits (see *Your Group Insurance Plans* for eligibility information):

- An employee who is at the University primarily for education or training
- An employee who receives pay under a special compensation plan but receives no covered compensation
- An employee who is an active member of CalPERS
- Any employee appointed in a per diem classification
- An employee who is appointed as a Regents' Professor or Regents' lecturer
- An employee who is hired after August 1, 1989 as a visiting appointee
- An employee working in a floater appointment

Re-employment

If an eligible employee terminates and is rehired within a 12-month period, PPS will automatically review the number of hours the employee worked during the rolling 12-month period immediately prior to the re-employment date. Any hours worked within the 12-month period will count toward satisfying the benefits eligibility rules. If the employee has worked the required hours for UCRP membership, the employee will be eligible to participate in UCRP upon rehire. If no hours were accumulated during the prior 12-month period, the employee will begin a new accumulation period.

Rehired Retirees

- A retiree refers to a participant who is receiving retirement benefits from UCRP. Retirees cannot simultaneously receive retirement payments from UCRP and earn additional service credit from UCRP.
- An option to waive future retirement benefits will be available for this group of rehired retirees. The waiver will permit retirees to waive future participation in UCRP in order to continue receiving retirement benefits. See the administrative guidelines for Rehired Retirees for more information.

Attachment 1 — IHR2 Hours Toward Eligibility

PPIHR20-Irrrrr	EDB Inquiry	07/17/00
15:23:24		
	Hours Toward Eligibility	Userid: PAYPCW
ID: 000050020	Name: ABSENT, MARCUS	SSN: 555-55-5020
Hm Dept: 804918	CHAN OFFICE	Emplmt Status: A Pri Pay: MO
Hours Toward Benefits Eligibility		Hours Toward Career Status
Total Hrs at Month Begin: ____996.00		Total Hrs at Month Begin: ____520.00
Current Month: ____20.00		Current Month: ____20.00
Jan: ____100.00	Jul: _____	Jan: ____100.00
Feb: ____110.00	Aug: _____	Feb: ____130.00
Mar: ____180.00	Sep: ____160.00	Mar: ____180.00
* Apr: ____110.00	Oct: ____160.00	* Apr: ____110.00
May: _____	Nov: ____176.00	May: _____
Jun: _____	Dec: _____	Jun: _____
Next Func:	ID:	Name:
		SSN:
===>		
F: 1-Help	3-PrevMenu	4-Print
		5-GenDoc
F:	9-Jump	12-Exit

Screen Level Help Text For IHR2 Screen

Function: IHR2 displays hours toward benefits and career status eligibility for the current month and each of 12 prior months.

Nature of Information: IHR2 displays hours toward benefits and career status eligibility for each month in which earned, as well as total hours for the previous twelve months. All hours toward benefits and career status eligibility fields are system derived.

Field Level Help Text for IHR2 Screen

HOURS TOWARD BENEFITS ELIGIBILITY-TOTAL: The total number of hours that qualify toward eligibility for retirement and benefits. This excludes overtime, differential, hours worked as casual restricted, per diem, etc.

HOURS TOWARD BENEFITS ELIGIBILITY-CURRENT MONTH: The number of hours in the current month that qualify toward eligibility for retirement and benefits. This excludes overtime, differential, hours worked as casual restricted, per diem, etc.

HOURS TOWARD BENEFITS ELIGIBILITY-JANUARY: The total number of hours reported in January that qualify toward eligibility for retirement and benefits. This excludes overtime, differential, hours worked as casual restricted, per diem, etc.

Attachment 2 — Monthly Maintenance Report Samples

EMPLOYEES APPROACHING 1000 HOURS TOWARD BENEFITS ELIGIBILITY

PPP1383/PPP138/mmddy
RETN: SEE RPTS DISP SCHEDULE/DIST.

UNIVERSITY OF CALIFORNIA – SYSTEMWIDE
PAYROLL PROCESSING
EMPLOYEES APPROACHING 1000 HOURS TOWARD BENEFITS ELIGIBILITY

PAGE NO. 0001
RUN DATE 12/13/99

DEPARTMENT: 345608 Department of English

EMP ID	NAME	HRS TOWARD ELIGIBILITY	EMP STATUS	HIRE DATE	RETIREMENT/FICA CODES	ASSIGNED BELI	DERIVED BELI
888777902	DOUGLAS,FREDERICK	999	ACTIVE	02/01/01	H/M	5	5
674321888	GRANT,ULYSSES	885	ACTIVE	04/01/01	H/M	4	4
321987445	LEE,ROBERT E	976	INACTIVE	03/01/01	N/M	5	5
321444334	LINCOLN,ABRAHAM	917	ACTIVE	02/01/01	H/M	3	3
332112123	TRUTH,SOJOURNER	950	LV W/O	03/17/00	H/M	4	4

TOTAL EMPLOYEES FOR DEPARTMENT: 5

EMPLOYEES WITH 1000 HOURS - ELIGIBLE FOR BENEFITS

PPP1382/PPP138/mmddy
 RETN: SEE RPTS DISP SCHEDULE/DIST.

UNIVERSITY OF CALIFORNIA – SYSTEMWIDE
 PAYROLL PROCESSING
 EMPLOYEES WITH 1000 HOURS - ELIGIBLE FOR BENEFITS

PAGE NO. 0001
 RUN DATE 12/13/99

DEPARTMENT: 345608 Department of English

EMP ID	NAME	HRS TOWARD ELIGIBILITY	EMP STATUS	HIRE DATE	RETIREMENT/FICA CODES BEFORE	AFTER	ASSIGNED BELI BEF/AFT	DERIVED BELI
888777901	ADAMS,JOHN	1020	ACTIVE	02/01/01	H/M	U/E	5/1	5
674321887	HENRY,PATRICK	1000	ACTIVE	04/01/01	H/M	U/E	4/1	4
321987444	JEFFERSON,THOMAS	1007	INACTIVE	03/01/01	H/M	U/E	5/1	5
321444333	ROSS,BETSY	1008	ACTIVE	02/01/01	H/M	U/E	3/1	3
332112121	WASHINGTON,MARTHA	1019	SEPARATED	03/17/00	H/M	U/E	4/1	4

TOTAL EMPLOYEES FOR DEPARTMENT: 5