

Group Insurance Regulations Administration Supplement No. 17

Annuitant Medical and Dental Coverage as Defined Under the One Time Service Credit Allocation Program

This Administrative Supplement provides rules for adjustment of University contributions to health (medical and dental) premiums of annuitants affected by the One Time Service Credit Allocation Program ("The Program") adopted by the Regents effective in 2001.

Background

Under this program, certain "casual" employment at the University may result in additional retirement plan service credit.

Retirement plan service credit is one factor used to determine whether a separating member or his survivors may continue medical and dental coverage as an annuitant, and if so, the level of contribution to those plans that will be provided by the University. (Administrative Supplement No 8 – Annuitant Medical and Dental Eligibility)

Under the One Time Service Credit Allocation Program, automatic allocations of 1.0000 or 2.0000 years of service credit were made in May, 2001 to UCRP members who satisfied the conditions of The Program. Moreover, UC employees who were active on January 1, 2001 and who received no allocation, or who believe their allocation was in error, may apply for an allocation and or/detailed review of their "casual" employment. Application may cause an increase in final service credit that counts toward eligibility for medical and dental benefits. Application can be made until July, 2002.

Annuitants whose retirement, disability, or survivor status is effective after January 1, 2001, and which was initiated before the May, 2001 automatic allocation, as well as those who appeal, may be credited with more service credit than shown in the UCRS database. Consequently some members may first qualify for annuitant health coverage based on new service credit, or some members may become entitled to a larger University contribution than originally provided. However, continuation will be limited to the plan(s) in effect and family members enrolled at the time of retirement or initial eligibility.

Enrollment / Effective Dates

To provide a consistent process for these changes, The Plan Administrator, Office of the President will start health coverage and/or contributions on a prospective basis only. Changes will become effective the first day of the month after the member is notified of the

Group Insurance Regulations Administration Supplement No. 17

new service credit. If added service credit creates a new eligibility or a higher contribution rate, enrollment or increased contributions will be prospective from the individual's notification. If an appeal results in disqualification or reduction in contributions, such changes will be made prospectively from the notice of reduced service credit.