

This checklist explains what happens to the benefits of full-time or part-time, partial-year Career employees when on a furlough. Partial-year Career employees are appointed to work for less than 12 months each year. A furlough is the regularly scheduled period off work for these employees. Each furlough can last up to three months in a calendar year. A furlough is not considered a separation from UC employment.

A furlough is different from a leave without pay or a temporary or indefinite layoff. If you are going on leave without pay or if you have been laid off, see the appropriate checklist. If you are appointed to a full-year Career position but work part-time, this checklist does not apply to you.

You may wish to go over this information with your Benefits Office to be sure you have taken all necessary actions.

Need Help?

General information, UC publications and forms, detailed plan booklets, as well as answers to frequently asked questions, are available on UC's HR/Benefits website (<http://atyourservice.ucop.edu>); for your plan enrollments, select "Your Benefits Online," log on, and then select "View your Enrollments."

You can also get answers to your questions, detailed plan booklets, forms, and UC publications from the person in your department who handles benefits and from your local Benefits Office.

Furlough

Benefits Checklist

While on Furlough

When you are on an approved furlough, you may be eligible to continue some of your UC-sponsored benefits. The chart on page 2 explains your benefits options in detail.

UC contributions continue for some plans. For others, you must arrange in advance to pay any required premium(s) directly to your Benefits or Payroll Office. If you choose not to continue your UC-sponsored coverage, or if you do not pay your premium(s) on time, your coverage will end on the last day of the last month for which premiums or contributions are paid.

If your UC-sponsored coverage lapses, you may re-enroll when you return to work at UC with an eligible appointment.

Note: A 12-month payment plan, which allows partial-year Career employees to receive twelve paychecks throughout the year, is available. If your pay status continues, generally your payroll deductions and contributions continue. Your benefits procedures may or may not be the same as those shown in this checklist. Please see your local Benefits Office for information.

Moving Out of a Plan Service Area:

If you continue UC-sponsored medical or dental coverage and you move during your furlough, please note the following:

- If you are enrolled in a health maintenance organization (HMO) or Blue Cross PLUS and you will

be out of the plan's service area for more than two months, UC regulations allow you to transfer to a UC-sponsored medical plan that provides service in your new location. You must transfer within 31 days of the date you leave the service area. Contact your local Benefits Office.

You and/or your eligible family members may also need to select a new primary care physician(s). Contact your medical carrier.

Tax-Deferred 403(b) Plan Loan

Program: If you have an outstanding loan when you go off pay status, you must arrange one of the following options with Fidelity Investments Tax-Exempt Services Company (FITSCo, 1-866-682-7787) within 90 days of your last day on pay status:

- Make monthly payments.
- Make full payment in advance for the period you will be off pay status.
- Repay the outstanding amount in full.

If you do not elect one of these options within the 90-day period, the outstanding amount will be reported as a taxable distribution. It may also be subject to federal and state early distribution penalties.

Service Credit Buyback: If you have a UCRP service credit buyback in progress, your payroll deductions will stop when you go off pay status. You do not make payments during your furlough; you can resume payments when you return to work.

(continued on page 3)

While on Furlough

Benefit Plan	Benefits Options
Health and Welfare Plans	
Medical Dental Vision Legal	You may continue coverage for up to four months after the month your furlough begins. UC's contributions continue for up to three months in a calendar year beginning after your last paycheck with plan contributions. You must arrange in advance to pay the monthly premium(s) for the legal plan and your medical plan contributions (if applicable) directly to your local Benefits or Payroll Office. Also see "Moving Out of a Plan Service Area" on page 1 and "Additional Continuation Options" on page 3.
Basic Life Short-Term Disability	Your coverage continues (at no cost to you) for up to four months after the month your furlough begins. You cannot receive disability benefits during your scheduled furlough. However, your Short-Term disability coverage will protect you if you are disabled during furlough and unable to return to work when scheduled.
Accidental Death & Dismemberment (AD&D) Supplemental Life Basic Dependent Life Expanded Dependent Life	You may continue coverage for up to four months after the month your furlough begins by arranging in advance to pay the monthly premium(s) directly to your local Benefits or Payroll Office. If you are enrolled in Basic Life only, you may continue Basic Dependent Life for up to four months. If you are enrolled in and continue Supplemental Life, you may continue Basic Dependent Life or Expanded Dependent Life for up to four months.
Supplemental Disability	You may continue coverage for up to four months after the month your furlough begins by arranging in advance to pay the monthly premium(s) directly to your local Benefits or Payroll Office. You cannot receive disability benefits during your scheduled furlough. However, continuing your coverage will protect you if you are disabled during furlough and unable to return to work when scheduled.
Business Travel Accident Workers' Compensation	Coverage stops your last day actively at work before your furlough begins.
UC Retirement Plan, Retirement Savings Program and Other Savings Options	
University of California Retirement Plan (UCRP)	Contributions stop when you go off pay status. Your UCRP contributions and any Capital Accumulation Provision (CAP) balance remain on deposit and you may not withdraw them. You remain eligible for any UCRP benefits for which you were eligible when your furlough began. Currently, full-time, partial-year Career employees (who work 100% time during a 9-, 10-, or 11-month appointment) receive one year of service credit for each plan year. Part-time, partial-year Career employees receive prorated service credit. You may be able to establish service credit for furloughs taken before August 1, 1992. See your Benefits Office for details.
Retirement Savings Program (Defined Contribution Plan Pretax Account Tax-Deferred 403(b) Plan 457(b) Deferred Compensation Plan)	Contributions stop with your last paycheck. You remain eligible to borrow from your 403(b) Plan account, if you have a balance of \$1,000 or more. While usually you are not eligible to take a distribution, in some cases you may be able to take a distribution from your 403(b) Plan or 457(b) Plan. For more information, contact Fidelity Investments Tax-Exempt Services Company (FITSCo) at 1-866-682-7787 or see the FITSCo website (www.netBenefits.fidelity.com).
Defined Contribution Plan After-Tax/Rollover Account	Contributions stop with your last paycheck. You may take a distribution at any time. To request a distribution, see the FITSCo website (www.netBenefits.fidelity.com) or call 1-866-682-7787.
Social Security Other Retirement Plans	If your furlough is without pay, neither you nor UC contributes while you are on furlough. If you are a member of another retirement plan—such as CalPERS—contact that plan directly for information.
U.S. Savings Bonds	Deductions stop with your last paycheck. Contact any bank for information on your options.
Other Benefits	
Vacation Leave Sick Leave	You do not accrue vacation or sick leave during your furlough. For details, see the personnel policy or collective bargaining agreement that applies to you.
Dependent Care Reimbursement Account (DepCare)	Contributions stop when you go off pay status. Eligible expenses incurred through the end of the pay period in which you made the last contribution are eligible for reimbursement. SHPS, Inc. must receive your claims by the filing deadline of the following year; you forfeit funds left in your account after that date.
Health Care Reimbursement Account (HCRA)	Contributions stop when you go off pay status. Eligible expenses incurred through the end of the pay period in which you made the last contribution are eligible for reimbursement unless you continue participation under COBRA. See "Additional Continuation Options," on page 3. SHPS, Inc. must receive your claims by the filing deadline of the following year; you forfeit funds left in your account after that date.
Tax Savings on Insurance Premiums (TIP)	TIP contributions stop when you go off pay status. Monthly health premium payments to continue coverage during your furlough are made on an after-tax basis.

While on Furlough

Benefit Plan	Benefits Options
Other Benefits (continued)	
Automobile and Homeowner/ Renter	You may continue coverage to the end of the contract year by paying premiums directly to the insurance company or you may cancel your coverage. Call the insurance company for information.
California Unemployment Insurance Program	UC coverage stops on the last day you are actively at work. You may be eligible for Unemployment Insurance benefits. However, if you are on furlough between academic terms and have reasonable assurance that you will be rehired, you are generally <i>not</i> eligible for benefits.

Address Changes: While on furlough, please keep UC advised of your correct *permanent* address. Changes in your permanent address may affect your eligibility for health plans that have a service area or for benefits under Blue Cross PLUS or UnitedHealthcare plans. In addition, UC needs a correct, current address to keep you informed about your benefits. Notify your Benefits or Payroll Office or the appropriate person in your department of any address changes.

Enrolling and De-enrolling Family Members: If you continue UC-sponsored coverage while on furlough, you may enroll newly eligible family members in your plans within 31 days of the date they become eligible to enroll. For other opportunities to enroll in UC-sponsored plans, see *Your Group Insurance Plans*.

You are also responsible for de-enrolling family members who lose eligibility to participate in UC-sponsored plans. Failure to do so within required deadlines may affect continuation rights and/or result in liability for any expenses incurred by UC or the plan due to the ineligible enrollment.

If you do not continue UC-sponsored coverage during your furlough, you may not enroll yourself and your eligible family members in your plans until your new 31-day period of initial eligibility (PIE) that begins on

Additional Continuation Options

Once UC continuation ends, there are additional options for continuing coverage. Note that these options are generally more costly. Conversion policies may also provide fewer benefits than continuing coverage through UC.

COBRA Continuation: Instead of continuing UC-sponsored medical, dental, and/or vision coverage through your Benefits or Payroll Office, or if you do not return to UC employment, you and/or your eligible family members may be eligible to continue UC-sponsored group health coverage under COBRA (the Consolidated Omnibus Budget Reconciliation Act of 1985). You have 60 days from the date you lose coverage by reason of a qualifying event (furlough), or 60 days from the date you receive notice of your continuation rights (whichever is later), to apply for COBRA continuation. Your COBRA continuation period runs concurrently with, and is not in addition to, any continuation provisions under UC's Group Insurance Regulations, except for FMLA.

If you are enrolled in the Health Care Reimbursement Account (HCRA) and you leave UC employment during the plan year, SHPS, Inc., the plan administrator, will send you a "Qualifying Event Notice" explaining the procedure for continuing your participation under COBRA. With COBRA, you can continue your participation through the end of the current plan year (December 31) by making direct, after-tax payments to your account.

Conversion: Within 31 days after UC-sponsored coverage ends (if your participation has been continuous), you may be able to convert your group insurance coverage to individual policies for these plans: Legal, Basic Life, Supplemental Life, Basic Dependent Life, Expanded Dependent Life, and AD&D. For medical coverage, you have 31 days after your UC-sponsored or COBRA continuation coverage ends to apply for conversion if available.

For details about COBRA continuation and conversion for UC-sponsored health coverage, see the UC HR/Benefits website (atyourservice.ucop.edu). For life and AD&D coverage, see the appropriate plan booklet.

the date you return from furlough. Upon request, you will need to provide documentation to verify the relationship of your enrolled family members.

When You Return to Work

When you return to work, records must be updated, benefits must be activated, and forms must be processed. If you continued coverage during your furlough, at some locations coverage continues automatically. At other locations you must re-enroll. **Because procedures vary by location, it is very important that you review your benefits with your local Benefits Office soon after you return to work.**

The chart on page 5 explains your benefits options when you return to work at UC with an eligible appointment. For some plans, you have a new period of initial eligibility (PIE) in which to enroll, re-enroll, or make changes. If you miss the PIE, some plans allow you to enroll during Open Enrollment, usually held in November. Other plans may require you to submit a statement of health to the insurance company; doing so, however, is no guarantee that you will be accepted. To be sure you get the coverage you want, sign up during your PIE.

Period of Initial Eligibility (PIE)

This is a time during which you and/or your eligible family members may enroll in UC-sponsored plans. The PIE starts on the first day of eligibility (for example, the day you return to work or pay status). For internet transactions, it ends 31 days later. For paper transactions, it ends 31 days later or on the last working day of the 31-day period, whichever comes first. UC defines a working day as a normal business day—Monday through Friday, excluding holidays—for your local Benefits or Payroll Office.

In addition, you must meet all eligibility requirements when you return to work. If your appointment changes when you return to work, your new appointment will determine the benefits in which you may enroll. If you have family members eligible for coverage, contact your Benefits Office to enroll them within your new 31-day PIE.

Benefits Transactions and Deadlines:

When making benefits changes, it is your responsibility to complete your transactions within UC deadlines.

Although UC makes every effort to ensure your enrollment transactions are completed accurately, you should review your paycheck stub or direct deposit statement carefully to be sure it matches your benefits choices. *It is your responsibility to promptly notify your local Benefits or Payroll Office of any errors.*

Returning to a Plan Service Area:

If you are returning to your previous medical or dental plan service area, you may transfer back to your previous plan within 31 days of your

return to the plan's service area. You and/or your eligible family members may also need to select a primary care physician(s) or a PMI dentist. Contact your Benefits Office to transfer plans and your medical carrier or PMI to change providers.

Service Credit Buyback: If you have a previous UCRP service credit buyback in progress, tell your Payroll Office to resume payments. Your payment period will be extended, but your monthly payroll deduction amount will not change.

For more information, see *The UCRP Buyback Booklet*.

If You Do Not Return to UC Employment

Contact your Benefits Office if you end UC employment while on furlough, and read the *Termination of Employment* checklist. Ask your Benefits Office for more information about continuing group coverage.

If you decide to retire while on furlough, see the *Retirement Handbook* for information. Because a furlough may affect your retirement benefits, be sure you discuss your options with your local Benefits Office *before* you elect to retire.

California Unemployment

Insurance Program: UC coverage stops the last day you are actively at work. Depending upon your circumstances, you may or may not be eligible for Unemployment Insurance benefits. You can get details and apply for benefits at your local office of the California State Employment Development Department (EDD). If you work outside California, contact the comparable state agency for your location.

When You Return to Work

Benefit Plan	New PIE	Benefits Options
Health and Welfare Plans		
Medical* Dental* Vision* Legal Supplemental Life Basic Dependent Life Expanded Dependent Life Supplemental Disability	YES	<i>If you continued coverage during your furlough:</i> Your coverage continues. <i>If you did not continue coverage:</i> When you return to work, during your new 31-day PIE you may re-enroll in the same plans (with the same level of coverage) you were enrolled in before you left. Upon request, you will need to provide documentation to verify the relationship of your enrolled family members. See “Returning to a Plan Service Area” on page 4.
Basic Life Short-Term Disability	N/A	Your coverage, based on your appointment, continues automatically when you return to pay status.
Accidental Death & Dismemberment (AD&D)	N/A	<i>If you continued coverage during your furlough:</i> Your coverage continues. <i>If you did not continue coverage or if you were not previously enrolled:</i> You may enroll at any time.
Business Travel Accident Workers’ Compensation	N/A	Coverage resumes automatically on your first day actively at work.
UC Retirement Plan, Retirement Savings Program and Other Savings Options		
Retirement plan contributions and retirement savings deductions resume automatically when you return to pay status. At some locations, deductions for a Tax-Deferred 403(b) Plan loan or a UCRP service credit buyback in progress resume automatically. At other locations you must reactivate them. See “Service Credit Buyback” on page 4.		
Other Benefits		
Vacation Leave Sick Leave	N/A	When you return to pay status, you start accruing vacation and sick leave. For details, see the personnel policy or collective bargaining agreement that applies to you.
Dependent Care Reimbursement Account (DepCare)	YES	If you choose to re-enroll for the remainder of the plan year, your monthly contribution must be the same as before your furlough.
Health Care Reimbursement Account (HCRA)	YES	If you choose to re-enroll for the remainder of the plan year, your annual contribution must be the same as before your furlough.
Tax Savings on Insurance Premiums (TIP)	YES	TIP contributions resume automatically when you return to pay status. You may opt out of TIP during your new PIE. See the <i>TIP Summary Plan Description</i> for details.
Automobile and Homeowner/Renter	N/A	<i>If you continued coverage during your furlough:</i> You may resume payroll deductions when you return to pay status. <i>If your coverage lapsed:</i> You may re-enroll at any time. Call the insurance company directly.
California Unemployment Insurance Program	N/A	Coverage resumes automatically when you return to pay status.

* For other opportunities to enroll in UC-sponsored plans, see *Your Group Insurance Plans*.

By authority of the Regents, University of California Human Resources and Benefits, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC's contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California's annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

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