

General Eligibility Rules for UC Health and Welfare Benefits

ELIGIBLE CHILD

You may enroll your eligible children up to age 26 in the same plans as those in which you enroll. A disabled child may be covered past age 26, if the carrier approves. You may also enroll your legal ward up to age 18 in the same plan(s) as those in which you enroll. The Family Member Eligibility chart on pages 13 and 14 gives the eligibility criteria for children, stepchildren, grandchildren, disabled children and legal wards. You may enroll your eligible domestic partner's child or grandchild, even if you do not enroll your partner.

In order to be eligible for UC-sponsored coverage, your grandchild, step-grandchild, legal ward or overage disabled child(ren) (see Family Member Eligibility chart) must be claimed as a tax dependent by you or your spouse. Your eligible domestic partner's grandchild must be claimed as a tax dependent by you or your domestic partner. Also eligible are children UC is legally required by administrative or court order to provide with group health coverage.

Your children (or legal ward) are eligible for only the plans for which you are eligible and in which you have enrolled (See "Benefits Overview," pages 13-14).

Except as provided in the following paragraph, application for coverage beyond age 26 due to disability must be made to the plan 60 days prior to the date coverage is to end due to the child reaching limiting age. If application is received within this timeframe but the plan does not complete determination of the child's continuing eligibility by the date the child reaches the plan's upper age limit, the child will remain covered pending the plan's determination. The plan may periodically request proof of continued disability, but not more than once a year after the initial certification. Disabled children approved for continued coverage under a University-sponsored medical plan are eligible for continued coverage under any other University-sponsored dental, vision or AD&D plan. If enrollment is transferred from one plan to another, a new application for continued coverage is not required; however, the new plan may require proof of continued disability, but not more than once a year.

If you are a newly hired employee with a disabled child over age 26 or if you acquire a disabled child over age 26 (through marriage, adoption or domestic partnership), you may also apply for coverage for that child. The child's disability must have begun prior to the child turning age 26. Additionally, the child must have had continuous group health coverage since age 26, and you must apply for University coverage during your Period of Initial Eligibility. The plan will ask for proof of continued disability, but not more than once a year after the initial certification.

TAX IMPLICATIONS OF ENROLLING A DOMESTIC PARTNER

In most cases, your domestic partner and his or her children do not automatically qualify as your dependents under the Internal Revenue Code (IRC). That means any UC contribution toward their medical, dental and vision coverage will be considered "imputed income" or taxable income for federal tax purposes. This income is reflected in your annual W-2 statement.

If your domestic partner and his or her children or grandchildren are your dependents as defined by the IRC, you are not subject to imputed income on UC contributions toward health coverage for these family members. In order for your payroll records to accurately reflect this tax dependency, complete form UPAY 886 (*Declaration of Tax Dependency*) and submit it to your local Payroll Office.

UC's contribution for medical, dental and vision coverage is not considered imputed income for California state income tax purposes if you and your domestic partner have registered your partnership with the state of California. Also, if your partner's child is considered your stepchild under state law, federal imputed income will not apply to UC's contribution toward the child's coverage.

You must notify your local Benefits Office that your partnership is registered with the state of California so that imputed income is not reported for state tax purposes. Use form UPAY 850 (*Enrollment, Change, Cancellation or Opt Out—Employees Only*), available online at ucal.us/UPAY850 or from your local Benefits Office. Also, if your domestic partner is covered as your family member, and the two of you marry, be sure to notify your local Benefits Office (use form UBEN 850 available at ucal.us/UBEN850) so that imputed income and state taxes no longer apply.

OTHER ELIGIBILITY RULES AND INFORMATION

NO DUPLICATE COVERAGE

UC rules do not allow duplicate coverage. This means you may not be covered in UC-sponsored plans as an employee and as an eligible family member of a UC employee or retiree at the same time.

If you are covered as an eligible family member and then become eligible for UC coverage yourself, you have two options:

- You can opt out of your own employee coverage and remain covered as another employee's or retiree's family member or
- You can enroll in your own coverage; before you enroll, though, you must make sure the UC employee or retiree who has been covering you disenrolls you from his or her UC-sponsored plan.

Family members of UC employees may not be enrolled in more than one UC employee's plan. For example, if spouses both work for UC, their children cannot be covered by both parents.

If duplicate enrollment occurs, UC will cancel the plan with later enrollment. UC and the plans reserve the right to collect reimbursement for any duplicate premium payments due to the duplicate enrollment.

ELIGIBILITY VERIFICATION

When you enroll anyone in a plan as a family member, you must provide documentation specified by the University verifying that the individuals you have enrolled meet the eligibility requirements outlined above. The plan may also require documentation verifying eligibility status. In addition, the University and/or the plan reserve the right to periodically request documentation to verify the continued eligibility of enrolled family members.

Secova, Inc., which administers the verification process, will send you a packet of materials to help you complete the verification process. If you fail to provide the required documentation by the deadline specified in these materials, your family member(s) may be disenrolled. Individuals whose eligibility has not been verified will be disenrolled until verification is provided. Individuals who are not eligible family members will be permanently disenrolled.

You also may be responsible for any UC-paid premiums due to enrollment of ineligible individuals.

WHEN COVERAGE BEGINS

The following effective dates apply provided the appropriate enrollment transaction (electronic or paper form) has been completed within the applicable enrollment period.

- If you enroll during a Period of Initial Eligibility (PIE), coverage for you and your family members is effective the date the PIE starts.
- If you enroll during Open Enrollment, the effective date of coverage is the date announced by the University. In most cases, it is the January 1 following Open Enrollment.
- If you complete a 90-day waiting period, coverage is effective on the 91st consecutive calendar day after the date the enrollment form is received.

FAMILY MEMBERS

When you have a family status change, coverage begins on the first day you have a new family member—such as a spouse, domestic partner, newborn or newly adopted child.

If you are already enrolled in adult plus child(ren) or family coverage, you may add additional children, if eligible, at any time after their PIE.

CONTINUING ELIGIBILITY

UC bases your ongoing eligibility for benefits on your average hours of service⁵ over a 12-month, standard measurement period (SMP). UC's SMP for monthly-paid employees is Nov. 1–Oct. 31; for bi-weekly paid employees, the SMP includes the pay periods inclusive of those same dates (for example, in 2018, it runs Nov. 5, 2017 until Nov. 3, 2018).

If your hours during the SMP meet the threshold to be offered coverage, then that coverage must be offered, and if accepted, will be provided during the subsequent stability period, regardless of your number of hours during the stability period (as long as you remain employed). UC's standard stability period for all employees is Jan. 1–Dec. 31.

If your hours during the SMP do not meet the threshold, then all coverage ends on Dec. 31.

The required average hours of service threshold is:

Appointment Type	Average Hours Threshold
Career, Academic, Limited, Partial-Year Career, Contract, Floater	17.5 hours per week
Per Diem, Casual/Restricted (students), By Agreement or other flat-dollar payments, Seasonal	30 hours per week

⁵ Defined as all hours on pay status (including hours on call, hours on paid vacation, paid holiday, paid sick leave, paid sabbatical, paid jury duty, or any other paid leave) as well as hours on unpaid leave protected by the federal Family & Medical Leave Act, unpaid jury duty, and unpaid leave protected by the Uniformed Services Employment & Reemployment Rights Act. May also include up to 501 hours during the SMP due to "employment break periods" of at least 4 consecutive weeks (e.g., academic breaks, etc.).

	Eligibility	Medical	Dental	Vision	Dependent Life	AD&D	Legal
ELIGIBLE FAMILY MEMBERS							
Legal Spouse¹	Eligible	•	•	•	•	•	•
<p>Domestic Partner (same gender/opposite gender) For opposite-gender domestic partners to be eligible for health and welfare benefits, either the employee or the domestic partner must be age 62 or older and eligible to receive Social Security benefits based on age or Supplemental Security Income for aged individuals.</p> <p>A domestic partnership is eligible if it is:</p> <ul style="list-style-type: none"> Registered with the state of California or A valid same-gender union, other than a marriage, entered into in another jurisdiction and recognized in California as substantially equivalent to a California registered domestic partnership or Unregistered, but meets all of the following criteria: <ul style="list-style-type: none"> Parties must be each other's sole domestic partner in a long-term, committed relationship and must intend to remain so indefinitely Neither party may be legally married or be a partner in another domestic partnership Parties must not be related to each other by blood to a degree that would prohibit legal marriage in the State of California Both parties must be at least 18 years old and capable of consenting to the relationship Both parties must be financially interdependent Parties must share a common residence 	Eligible	•	•	•	•	•	•
Biological or adopted child, stepchild, domestic partner's child²	To age 26	•	•	•	•	•	•
Grandchild, step-grandchild, domestic partner's grandchild²	To age 26	•	•	•	•	•	•
Legal ward	To age 18	•	•	•	•	•	•

¹ A legally separated or divorced spouse is not eligible for UC-sponsored coverage.
² Domestic partner must be eligible for UC-sponsored health coverage.