California Department of Human Resources Memorandum

TO: Personnel Management Liaisons (PML)

SUBJECT:	REFERENCE NUMBER:
2014 Health and CoBen Contributions	PML 2013-029
DATE ISSUED: 9/3/2013	SUPERSEDES:

This memorandum should be forwarded to:

- TO: Employee Relations Officers Personnel Officers Personnel Transaction Supervisors
- FROM: California Department of Human Resources Labor Relations Division
- CONTACT: Michelle Garbato Health Policy Analyst (916) 323-0862 Email: <u>Michelle.Garbato@CalHR.ca.gov</u>

The following employer health benefits and CoBen contributions are effective January 1, 2014 (December 2013 pay period). The collective bargaining process is fluid and changes may subsequently be agreed to which could alter these amounts. CalHR will notify departments if there are any subsequent changes to these rates.

Represented Employees

Health Contribution - Bargaining Units (BUs) 1, 3, 4, 6, 10, 11, 12, 14, 15, 20, and 21

Employee:	\$512
Employee plus 1 dependent:	\$1,024
Employee plus 2 or more dependents:	\$1,328

Dependent Health Vesting Schedules-

Employees Subject to a 12-month Dependent Health Vesting Schedule – BUs 1, 3, 4, 11, 14, 15, 20, and 21 (Effective with August 2013 pay period)

	Dependent Contribution Level 75%	
Employee:	\$512	
Employee plus 1 dependent:	\$896	
Employee plus 2 or more dependents:	\$1,124	

Employees Subject to a 24-month Dependent Health Vesting Schedule – BUs 10, and 12^*

	Dependent C 50%	Contribution Level 75%
Employee: Employee plus 1 dependent: Employee plus 2 or more dependents:	\$512 \$768 \$920	\$512 \$896 \$1,124
Health Contribution – BUs 5, and 9		
Employee: Employee plus 1 dependent: Employee plus 2 or more dependents:	\$544 \$1,056 \$1,360	
Health Contribution – BU 13		
Employee: Employee plus 1 dependent: Employee plus 2 or more dependents:	\$495 \$992 \$1,288	
Dependent Health Vesting Schedule—		

Employees Subject to a 24-month Dependent Health Vesting Schedule - BU 13

	Dependent Contribution Level	
	50%	<u>75%</u>
Employee:	\$495	\$495
Employee plus 1 dependent:	\$744	\$868
Employee plus 2 or more dependents:	\$892	\$1,090

^{*}Effective July 1, 2014, employees represented by BU 12 or 19, who first become eligible for health benefit enrollment or are receiving 50% of the normal employer dependent portion of the health contribution, shall be subject to a 12-month dependent health vesting schedule. Employees will receive 75% of the employer contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service.

Implementation of the 12-month dependent health vesting schedule for BUs 12 and 19 is subject to the economic trigger provision described in their MOUs; Section 2.2 *Salaries* for BU 12 and Section 7.1 *Adjusted Pay Ranges* for BU 19.

CoBen Allowance – BUs 7, 16, 17, 18, and 19*Employee:\$557Employee plus 1 dependent:\$1,096Employee plus 2 or more dependents:\$1,429

Dependent Health Vesting Schedules-

CoBen Allowance for Employees Subject to a 12-month Dependent Health Vesting Schedule – BU 17

	Dependent Contribution Level
	75%
Employee:	\$557
Employee plus 1 dependent:	\$968
Employee plus 2 or more dependents:	\$1,225

CoBen Allowance for Employees Subject to a 24-month Dependent Health Vesting Schedule – BUs 7, 16, 18, and 19^{*}

	Dependent Contribution Level	
	50%	<u>75%</u>
Employee:	\$557	\$557
Employee plus 1 dependent:	\$840	\$968
Employee plus 2 or more dependents:	\$1,021	\$1,225

^{*}Effective July 1, 2014, employees represented by Bargaining Unit 12 or 19, who first become eligible for health benefit enrollment or are receiving fifty percent (50%) of the normal employer dependent portion of the health contribution, shall be subject to a 12-month dependent health vesting schedule. Employees will receive 75% of the employer contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service.

Implementation of the 12-month dependent health vesting schedule for BUs 12 and 19 is subject to the economic trigger provision described in their MOUs; Section 2.2 *Salaries* for BU 12 and Section 7.1 *Adjusted Pay Ranges* for BU 19.

CoBen Allowance - BU 2

Employee:	\$544
Employee plus 1 dependent:	\$1,073
Employee plus 2 or more dependents:	\$1,402

Dependent Health Vesting Schedule ----

CoBen Allowance for Employees Subject to a 24-month Dependent Health Vesting Schedule – BU 2

	Dependent Con	tribution Level
	<u>50%</u>	<u>75%</u>
Employee: Employee plus 1 dependent: Employee plus 2 or more dependents:	\$544 \$825 \$1,006	\$544 \$949 \$1,204
CoBen Allowance – BU 8		
Employee: Employee plus 1 dependent: Employee plus 2 or more dependents:	\$589 \$1,128 \$1,461	
CoBen Allowance – Excluded Employees		
Employee: Employee plus 1 dependent:	\$590 \$1,140	

\$1,474

Employee plus 1 dependent:	
Employee plus 2 or more depen	dents:

Health Plan Information

For information on State health benefits and programs, please visit the California Public Employees Retirement System's (CalPERS) Open Enrollment section, found on their homepage: <u>www.calpers.ca.gov</u>. You may also contact or refer employees to any of the following health plans directly or visit their CalPERS-specific member websites for information regarding provider participation, service areas, benefits, exclusions, and Evidence of Coverage (EOC) booklets. Not all of the CalPERS-specific websites and EOCs are available on the date of publication; however, they should be available by mid-September:

Health Plan	Phone Number	Website
Anthem Blue Cross	(855) 839-4524	www.anthem.com/ca/calpers/HMO
Blue Shield of California	(800) 334-5847	www.blueshieldca.com/calpers
California Association of Highway Patrolmen (CAHP)	(800) 759-5758	www.thecahp.org
California Correctional Peace Officers Association (CCPOA)	(800) 257-6213	www.ccpoabtf.org
Health Net of California	(888) 926-4921	www.healthnet.com/calpers
Kaiser Permanente	(800) 464-4000	www.kp.org/calpers
PERS Choice, PERSCare, PERS Select	(877) 737-7776	www.anthem.com/ca/calpers
Peace Officers Research Association of California (PORAC)	(800) 937-6722	www.porac.org
Sharp Health Plan	(855) 995-5004	www.sharphealthplan.com/calpers
UnitedHealthcare	Actives Member Services (877) 359-3714 Retiree Member Services	www.uhc.com/calpers
	(888) 867-5581	

Dependent Vesting FAQs

What is dependent health vesting?

Dependent health vesting provides new employees a reduced employer health benefits contribution toward dependent coverage during their first 12 or 24 months of service.

New employees in BUs 1, 3, 4, 11, 14, 15, 17, 20, and 21, not previously eligible for health benefits under State civil service, receive:

- 75 percent of the employer contribution for dependent health coverage during the first 12 months of service.
- After completing 12 months of service, new employees receive the full employer contribution for dependent health coverage.

New employees in BUs 2, 7, 10, 12*, 13, 16, 18, and 19* not previously eligible for health benefits under State civil service, receive:

- 50 percent of the employer contribution for dependent health coverage during the first 12 months of service.
- 75 percent of the employer contribution for dependent health coverage during months 13 through 24.
- After completing 24 months of service, new employees receive the full employer contribution for dependent health coverage.

*Effective July 1, 2014, employees represented by BU 12 or 19, who first become eligible for health benefit enrollment or are receiving 50 percent of the normal employer dependent portion of the health contribution, shall be subject to a 12-month dependent health vesting schedule. Employees will receive 75 percent of the employer contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service.

Implementation of the 12-month dependent health vesting schedule for BUs 12 and 19 is subject to the economic trigger provision described in their MOUs; Section 2.2 *Salaries* for BU 12 and Section 7.1 *Adjusted Pay Ranges* for BU 19.

What prior State service exempts new employees from dependent health vesting?

A new employee must meet <u>all</u> of the following criteria to be exempt from dependent health vesting:

- Previous appointment date prior to <u>January 1, 2007</u> for employees in BUs 1, 3, 4, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21 and <u>July 1, 2006</u> for employees in BUs 2 and 7;
- Must be a State civil service appointment (UC and CSU appointments are not State civil service); and
- Employee must have been <u>eligible</u> for State health benefits (it does not matter whether or not the employee actually enrolled in health benefits, as long as they were <u>eligible</u> to enroll).

What counts as a month of "service" for dependent health vesting?

The vesting period begins with the month an employee is first eligible for State health benefits. The vesting period is a continuous 12 or 24 months, unless the employee permanently separates from State service. Upon reinstatement following a permanent separation, the employee must serve the remainder of their vesting period.

For Permanent Intermittent (PI) employees, the vesting period begins following the completion of a control period; at the point the PI becomes eligible for health benefits. For example, if a PI meets the required hours in the July 1 through December 31 control period, they first become eligible for health benefits on February 1. The vesting clock starts on February 1 and continues to run unless the PI permanently separates or loses health eligibility. Upon reinstatement or resumption of health eligibility, the employee must serve the remainder of their vesting period.

If an employee from a non-vesting bargaining unit or an excluded employee transfers to a bargaining unit subject to dependent health vesting during their first 12 or 24 months of service, are they subject to dependent health vesting?

A State employee already receiving the 100 percent employer health contribution remains at the 100 percent contribution level.

If an employee from a bargaining unit subject to dependent health vesting transfers to a bargaining unit not subject to dependent health vesting during their first 12 or 24 months of service, must they continue to serve out their vesting period?

The employee begins receiving the 100 percent employer health contribution upon appointment to the non-vesting bargaining unit.

Please refer to the appropriate collective bargaining agreement for the specific criteria for determining if an employee is subject to dependent health vesting.

If you have any questions regarding the information provided above, please contact Michelle Garbato at (916) 323-0862.

/s/Pam Manwiller

Pam Manwiller, Chief Labor Relations Division