

BENEFITS ELIGIBILITY

OVERVIEW/PURPOSE

This material describes basic eligibility requirements for health and welfare benefit packages (Full, Mid-level, and Core), outlines the Benefits Eligibility Level Indicators (BELIs) that control enrollments, and gives examples of initial employment appointments and the effects of appointment extensions, transfers and rehires on UC sponsored health and welfare benefits.

Once eligibility is determined, a BELI code is assigned to the employee. These codes range from 1-5 and are entered into the payroll system. It is the Assigned BELI that controls access to benefits. The payroll system also *derives* a BELI code and produces edit reports that compare the Assigned BELI and Derived BELI. Derived BELI codes range from 1-9, although the derived codes 5-9 have all been incorporated into Assigned BELI 5. The Service Center reviews these reports and ensures that any discrepancies are adjusted.

It is very important that an employee's BELI is correct, since it determines the benefits for which an individual is eligible. The Service Center is responsible for ensuring that an employee has an appropriately assigned BELI. A change in BELI may be required because of changes in the employee's conditions of employment such as the ending of an appointment, a change in percent time, or the extension of an appointment. Whenever a change to an employee's appointment is made, the BELI and any assigned Status Qualifier code should be reviewed to ensure they are still appropriate.

BELIS AND ASSOCIATED HEALTH & WELFARE BENEFITS

Full Benefits (BELI 1)	Full Benefits include: <ul style="list-style-type: none">▪ Medical▪ Dental▪ Vision▪ Basic Life▪ Supplemental Life▪ Basic Dependent Life▪ Expanded Dependent Life▪ AD&D▪ Business Travel Accident▪ Short-Term Disability▪ Supplemental Disability▪ Legal▪ Automobile & Homeowner/Renter▪ DepCare▪ HCRA▪ TIP
Mid-level Benefits (BELI 2, 3)	Mid-level Benefits include: <ul style="list-style-type: none">▪ Medical▪ Core Life▪ Supplemental Life▪ Basic Dependent Life▪ Expanded Dependent Life▪ AD&D▪ Business Travel Accident▪ Legal▪ Automobile & Homeowner/Renter▪ DepCare▪ HCRA▪ TIP
Core Benefits (BELI 4)	Core Benefits include: <ul style="list-style-type: none">▪ Medical - Core▪ Core Life▪ AD&D▪ Business Travel Accident▪ Legal▪ DepCare▪ HCRA▪ TIP
No Benefits (BELI 5)	No Benefits

ELIGIBILITY REQUIREMENTS

Initial eligibility for new or current employees

In order to become *initially eligible* for benefits, the *newly hired or current employee's* appointment is evaluated using the following three factors: percentage, duration, and appointment type. All three factors are entered into the payroll system upon hire. Initial and continuing eligibility for a particular BELI code is defined in the "BELI Codes and Requirements" chart.

The "appointment type code" is resident in the payroll system and is defined as follows:

- Appt. Type 1: Contract
- Appt. Type 2: Regular/Career
- Appt. Type 3: Limited
- Appt. Type 4: Casual/Restricted
- Appt. Type 5: Academic
- Appt. Type 6: Per Diem
- Appt. Type 7: Partial Year/Career
- Appt. Type 8: Floater

Some appointment types (Casual/Restricted and Per Diem) are never eligible for benefits. Appointments of any type in which employees are paid solely on a stipend, "by agreement", or are appointed without salary are also not benefits eligible appointments. In addition, academic titles reserved for students are not benefits eligible.

Initial eligibility for rehired employees

Initial eligibility for a *rehired employee* is evaluated using the three factors (percent, duration, appointment type), as well as considering the number of hours the employee has accumulated in the "Hours Towards Benefits Eligibility" field. If the employee has an eligible appointment, which would normally not qualify for benefits due to the percent and duration of the appointment (e.g., 40% for 12 months) but has 1,000 hours as of the beginning of the month of rehire, assign a BELI 1. Note that employees rehired into positions covered by the Unit 18 contract need only have 750 hours in "Hours Towards Benefits Eligibility" to qualify for Full Benefits - see "Employees in Unit 18 (i.e. Lecturers)".

EXAMPLE 1						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%	12 months	7/1/03 to 6/30/04	Full	BELI 1
New Appointment (following break in service)	Yes	40%	12 months	8/1/04 to 7/31/05	Full	If 1,000 hours on 8/1/04, then BELI 1 until average paid hours reduce below 17.5 for 2 consecutive months

Continuing eligibility

To **continue eligibility** at the assigned benefit level, an employee must maintain an average regular paid time of at least 17.5 hours per week. If the employee falls below 17.5 hours average regular paid time for two consecutive months, the employee must be changed to a BELI 5 which will de-enroll the employee from benefits with continuing requirements. (This differs from UCRP eligibility where membership continues until there is a break in service, regardless of number of hours worked. Note that eligibility for membership in UCRP is defined in UCRP Documents and Regulations and may differ from Health & Welfare benefits eligibility rules as defined here.)

SPECIAL EMPLOYMENT SITUATIONS

Rehired Retirees

Due to Medicare Secondary Payer laws, retirees with Medicare who are rehired should carefully consider their appointment levels and the impact of those appointments on their eligibility for employee benefits. If you are rehiring a retiree into a benefits eligible appointment (including CORE), have the retiree contact the Health Care Facilitator in the Benefits Office to determine the impact this appointment may have on the retiree's benefits.

Contract Employees

A "Contract" appointment is an Appointment Type (Code 1) that is eligible for health and welfare benefits (and eligible for membership in UCRP). It is different than an independent contractor or independent consultant or non-employee consultant, which are not eligible for benefits. For benefit purposes, this employee is treated the same as any other eligible employee. Evaluate the three factors: percentage, duration, and appointment type to decide which BELI to assign.

Attaining 1000 Hours Towards Benefits Eligibility

Employees in limited, contract and certain academic appointments become UCRP members after accumulating 1,000 hours on pay status during a consecutive 12-month period. Because eligibility for health and welfare benefits is based in part on UCRP membership, employees who enter UCRP under this provision are also be eligible for Full Benefits. The payroll system will automatically assign a BELI 1 effective the first of the month following attainment of 1,000 hours. Note that employees holding Unit 18 lecturer appointments need only 750 hours to qualify for Full Benefits - see "Employees in Unit 18 (i.e. Lecturers)".

EXAMPLE 2						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%	3 months	7/1/04 to 9/30/04	Mid-level	BELI 3
1st Extension	Yes	100%	1 month	10/1/04 to 10/31/04	Mid-level	BELI 3
2nd Extension	Yes	100%	6 months	11/1/04 to 4/31/05	Mid-level	BELI 3. If reaches 1000 hrs (in approximately December), then BELI 1

Employees in Unit 18 (i.e. Lecturers)

An employee represented by Unit 18 may achieve membership in UCRP by:

- An appointment of 50% or more for 12 months or more
- Accumulation of **750 hours** in a 12-month period

For example, a lecturer is appointed 60% from 10/1/04 – 6/30/05. He should be assigned BELI 4 on 10/1/04. However, as of the month of May 2005, he has accumulated 750 hours. On the first of the next month (6/1/05), his BELI will change to a BELI 1.

EXAMPLE 3						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	60%	9 months	10/1/04 to 6/30/05	Core	BELI 4 (Until 6/1/05, when reaches 750 hours, then BELI 1)

ADDITIONAL BENEFITS ELIGIBILITY RULES

The special rules below apply to all levels of BELI code.

A. Ending Date for Funding or Visa Purposes only: If an appointment is intended to be indefinite or last for at least 12 months, but has an end date to reflect funding or visa restrictions, assign an Appointment Duration Code “B” or “V.” This will instruct the payroll system to ignore the end date of the appointment and treat this appointment as indefinite when determining the derived BELI. The BELI should be assigned as though the appointment were indefinite.

EXAMPLE 4						
	Is the Appointment Type Eligible for Benefits?	Appointment Percent	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%	6 months (Duration code “B”)	1/01/04 to 6/30/04 (ending date for funding purposes only)	Full	BELI 1 (Assign duration indicator “B”)

B. Multiple Concurrent Appointments: If the employee is given multiple appointments that run concurrently, add the appointment percentages together to determine which BELI to assign the employee. (Appointments should never total more than 100%.) For example: Employee has two appointments – both from 01/01/04 through 12/31/04 at 40%. A BELI 1 is assigned because the two appointments total 80% and the duration is for at least a year.

EXAMPLE 5						
	Is the Appointment Type Eligible for Benefits?	Appointment Percent	Duration	Dates	Benefits Level	BELI
1 st Appointment	Yes	40%	1 year	1/01/04 to 12/31/04	Full	BELI 1
2 nd Appointment	Yes	40%	1 year	1/01/04 to 12/31/04		

C. Multiple Consecutive Appointments: If the employee is given multiple appointments that run consecutively without a break in service, and you know about both appointments at the time of hire, combine the appointments to determine the BELI code. For example: Employee has two appointments, both at 100%. The first starts 01/01/04 and ends 05/31/04. The second starts 6/01/04 and ends 12/31/04. When you add the two appointments together they add up to 1 year. Since they are both 100%, the employee can be assigned a BELI 1 on 1/1/04.

EXAMPLE 6						
	Is the Appointment Type Eligible for Benefits?	Appointment Percent	Duration	Dates	Benefits Level	BELI
1 st Appointment	Yes	100%	5 months	1/01/04 to 5/31/04	Full	BELI 1
2 nd Appointment (Known & approved on 1/1/04)	Yes	100%	7 months	6/01/04 to 12/31/04		

D. Multiple Consecutive Appointments: If the employee is given multiple appointments that run consecutively without a break in service, but the second appointment is added after the first, add the time together to determine the new BELI code **at the time the second appointment begins**. For example: Employee has one appointment at 100% from 01/01/04 until 05/31/04. Assign a BELI 3 on 1/1/04. The second appointment is later approved and is 100% from 6/01/04 to 12/31/04. On 6/1/04, add the two appointments together and determine the BELI. In this case, employee can be assigned a BELI 1 on 6/1/04.

EXAMPLE 7						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%	5 months	1/01/04 to 5/31/04	Mid-Level	BELI 3
2 nd Appointment (effective 6/1/04)	Yes	100%	7 months	6/01/04 to 12/31/04	Full	BELI 1 (effective 6/1/04)

E. Appointment Extended: If the employee is given an appointment that is later extended, consider the total appointment to determine the new BELI code at the time the extension is granted. For example: Employee has one appointment at 100% from 01/01/04 until 05/31/04. Assign a BELI 3 on 1/1/04. An extension of the appointment is approved on 3/1/04, with a new end date of 12/31/04. On 3/1/04, consider the entire appointment (1/1/04 – 12/31/04) and re-determine the BELI. In this case, employee can be assigned a BELI 1 on 3/1/04.

EXAMPLE 8						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%	5 months	1/01/04 to 5/31/04	Mid-Level	BELI 3
Appointment Extension (approved 3/1/04)	Yes	100%	7 months	1/01/04 to 12/31/04	Full	BELI 1 (effective 3/1/04)

F. Transfer to positions “ineligible for benefits”: If an employee is transferred from a position with benefits to a position that no longer meets percentage and duration requirements (but is still an eligible Appointment Type), the employee maintains the benefits level as long as 17.5 hours of average regular paid time is maintained.

EXAMPLE 9						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%, ___ Asst	12 months	7/1/03 to 6/30/04	Full	BELI 1
New Appointment	Yes – appointment is “eligible”	20%, ____ Asst	6 months	7/1/04 to 12/31/04	Full	BELI 1. If falls below 17.5 hours average regular paid time for two consecutive months, must be de-enrolled from benefits with continuing requirements.

G. Transfer to positions “ineligible for benefits”: If an employee is transferred, with or without a break in service, from a position with benefits to a position with an Appointment Type that is “ineligible” for benefits, then the employee becomes a BELI 5 and all health and welfare benefits stop.

EXAMPLE 10						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%	3 months	7/1/03 to 9/30/03	Mid-level	BELI 3
New Appointment	No – Casual/ Restricted is an ineligible appointment type	50% Casual/ Restricted (student)	12 months	10/1/03 to 9/30/04	No Benefits	BELI 5 (effective 10/1/03)

EXAMPLE 11						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%, Clinical Nurse	12 months	7/1/03 to 6/30/04	Full	BELI 1
New Appointment	No -- Per Diem is an ineligible appointment type	100%, Clinical Nurse – Per Diem	12 months	7/1/04 to 6/30/05	No Benefits	BELI 5 (effective 7/1/04)

EXAMPLE 12						
	Is the Appointment Type Eligible for Benefits?	Appointment Percentage	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	100%, Professor	12 months	7/1/03 to 6/30/04	Full	BELI 1
New Appointment	No – WOS is an ineligible appointment type	Emeritus Professor – WOS (Without Salary)	12 months	7/1/04 to 6/30/05	No Benefits	BELI 5 (effective 7/1/04)

H. Unit 18 Lecturer, Appointment Averaging: A Lecturer with variable appointments by quarter may attain eligibility for health & welfare benefits only (not UCRP) by averaging the appointments and determining the BELI based on the average. Status Qualifier Code 20 should be used

EXAMPLE 13						
	Is the Appointment Type Eligible for Benefits?	Distribution	Duration	Dates	Benefits Level	BELI
Initial Appointment	Yes	Fall: 33% Winter: 100% Spring: 67% (Average appointment percent is 67%)	12 months	7/1/03 to 6/30/04	Mid-level	BELI 2 (effective 7/1/03)

STATUS QUALIFIER CODES

Status Qualifier Codes are assigned in circumstances where there is not sufficient information in the payroll system to determine an employee's BELI accurately. Use of an SQC prevents employees in qualified status situations from being reported as ineligible for benefits and from appearing on "Out of Compliance" Reports. In rare circumstances more than one SQC may apply. The system will allow entry of up to two SQCs. In this situation the SQC that will last longest should be entered first. When the situation that created the need for the SQC ends, the SQC must be manually removed from PPS.

SQC	Reason for Use
20	Average Appointment Percent Employee (Academic)
30	Extended Sick Leave
40	Stay at Work/Return to Work
60	Seasonal Employee
90	Sabbatical/Leave for Professional Renewal

20 AVERAGE APPOINTMENT PERCENT EMPLOYEE (Academic)

An Academic year appointment (July 1 through June 30) with different levels of percent time (greater than zero) in each quarter should be treated as a variable time appointment with benefits eligibility based on the *average percent time for the total year's appointment*. Averaging the appointment does not affect UCRP eligibility. If the appointment is made for two or more years, each year should be averaged individually with benefits for the year based on the average for that year. The service center should assign a BELI consistent with the average level of the appointment for the academic year.

If an employment commitment is made on a quarter-by-quarter basis, the initial appointment for the fall quarter must be evaluated separately, with additional appointments subject to on-going requirements.

30 EXTENDED SICK LEAVE RECIPIENT

While on extended sick leave (ESL) at 80% of regular pay for a work-related disability covered by Workers Compensation, an employee's benefits will continue for up to the six-month maximum period for ESL. If 80% of the employee's normal pay status results in an appointment below 43.75% time, the SQC 30 should be assigned. It should be deleted at the end of six months ESL, or when the employee's appointment returns to 43.75% time or more - whichever is earlier.

40 STAY AT WORK/RETURN TO WORK

Benefits may continue during a period of rehabilitation (or partial disability) for up to 6 months. This situation refers to an employee who is reduced to less than 43.75% as a part of a rehabilitation plan or partial, non-industrial, disability. To prevent loss of benefits while the employee is reduced below 43.75%, the SQC of 40 should be assigned at the beginning of the period, and deleted at the end.

Note: Continued benefits for both extended sick leave and rehabilitation cannot exceed a combined total of six months.

60 SEASONAL EMPLOYEE

Individuals who work seasonally each year for less than three months (e.g. agricultural workers) may be excluded from CORE benefits. The seasonal employee category does not apply to someone who has a series of short-term appointments, with or without breaks in service, during the year. The special status code should be deleted if the employee transfers to a non-seasonal position.

90 SABBATICAL/LEAVE FOR PROFESSIONAL RENEWAL

Faculty or staff enrolled in medical, dental, vision and/or University-paid Basic or Core life insurance, who go on sabbatical leave –or leave for professional renewal- at reduced pay may continue this coverage for up to 24 months so long as their paychecks cover any required deductions. This applies when the appointment will be reduced below 43.75% time. In this case SQC 90 should be entered at the beginning of the leave and removed at the end of the leave –or at the end of 24 months from the date the leave originally began, whichever is earlier.

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APPOINTMENT END DATE FOR BUDGETARY PURPOSES ONLY

NO SQC exists for this situation. Instead, the appointment coding itself must be correct. When an employee is appointed for at least 50% time, but the ending date is for budgetary or funding purposes only, a BELI of 1 or 2 should be assigned, as well as a “B” code in the Duration field of the appointment. The employee must meet the ongoing requirements of average paid time to remain eligible. The “B” code should be removed if the employee is appointed to an indefinite period, or for one year or more, or if an end date is assigned which reflects the termination of the appointment.

OUT OF COMPLIANCE BELIS

It is very important that an employee's BELI is correct, since it determines the benefits for which an individual is eligible. The Service Center is responsible for ensuring that an employee has an appropriately assigned BELI. A change in BELI may be required because of changes in the employee's conditions of employment such as the ending of an appointment, a change in percent time, or the extension of an appointment. Whenever a change to an employee's appointment is made, the BELI and any assigned Status Qualifier code should be reviewed to ensure they are still appropriate. The Service Center is responsible reviewing BELI compliance reports and making adjustments as necessary to resolve situations that report as out of compliance.

Out-of-Compliance Reports

The grid below shows BELI conflicts that must be resolved by the location (indicated by a "yes" in the block). Conflicts may be resolved by adjusting:

- the assigned BELI (to match the derived BELI), or
- the appointment percentage (to more accurately reflect the employee's actual schedule), or
- the employee's schedule (to more accurately reflect the appointment)

If the block is shaded, you do not need to resolve the discrepancy, since either the Assigned BELI and Derived BELI match, or the combination of Assigned BELI and Derived BELI does not affect underlying benefits eligibility.

Assigned BELI	Derived BELI								
	1	2	3	4	5	6	7	8	9
1		yes	yes	yes	yes	yes	yes	yes	yes
2	yes			yes	yes	yes	yes	yes	yes
3	yes			yes	yes	yes	yes	yes	yes
4	yes	yes	yes		yes	yes	yes	yes	yes
5	yes	yes	yes	yes					

Occasionally, letters or symbols will appear as the Derived or Assigned BELI, indicating the following:

- X = May appear in the Derived BELI field.
Indicates that no appointment is entered into the system at the time the derived BELI is determined and the average hours worked is zero. Generally, a BELI should not be assigned until the appointment is determined. Compliance discrepancy could be resolved by entering complete appointment data.
- U = May appear in the Derived BELI field.
Indicates that the average hours worked is zero and the appointment is not 50% or more for 12 months or more. This discrepancy will generally resolve itself once the employee receives pay, so it may only indicate a compliance problem if it continues to appear on the report for more than one month. In those cases, if no time has been worked, the employee may not be eligible for benefits.
- ? = May appear in the Assigned BELI field. Indicates that the employee has been terminated.

BELI CODES AND REQUIREMENTS

Initial Benefits Eligibility

ASSIGNED BELI CODE	DERIVED BELI CODE	Combined Appointment % & Duration	UCRP Membership Required?	Continuing Requirements*	Comments	Examples
1	1	50% or more & 12 months or more Accumulation of 1,000-eligible hrs (or 750 hrs for Unit 18) in a rolling 12-month period.	YES	Minimum 17.5 hours average regular paid time	<ul style="list-style-type: none"> Appointment type must be eligible for benefits Title(s) must be eligible to participate in UC-sponsored retirement plan (UCRP or another defined benefit plan to which UC contributes) 	“__” Assistant I, appointed indefinitely at 75% time Lecturer, 7/1/03 to 6/30/04 at 75% time
2	2	50% or more & 12 months or more	NO	Minimum 17.5 hours average regular paid time	<ul style="list-style-type: none"> Appointment type must be eligible for benefits Title not eligible for UCRP membership (e.g. Visiting Titles) 	“Visiting” Post Doc, 7/1/03 to 6/30/04 at 50% time Lecturer, appointed variably by quarter with at least one quarter below 50%, but appointment averaging used
3	3	100% & 3 months or more, but less than one year	NO	Minimum 17.5 hours average regular paid time	<ul style="list-style-type: none"> Appointment type must be eligible for benefits 	CRS II appointed at 100% from 9/2/03 to 12/1/03 (3 months) Lecturer, 10/1/03 to 12/31/03 (3 months) at 100% “__” Assistant I, 1/1/04 to 12/15/04 (11.5 months) at 100%
4	4	43.75% or more but does not satisfy % and duration for BELI 1, 2, or 3	NO	Minimum 17.5 hours average regular paid time	<ul style="list-style-type: none"> Appointment type must be eligible for benefits Seasonal employees may be blocked from Core benefits (See SQC Codes for more information on seasonal employees) 	Senior Clerk, one month, 100% Employee appointed at 49% indefinitely Lab Assistant 9/2/03-11/30/03 at 100% (less than 3 months)

* Applies only to Medical, Dental, Vision, Basic Life, Short-term Disability and Supplemental Disability; other benefits continue as long as employee continues in an eligible position.

BELI CODES AND REQUIREMENTS

Not Eligible for Benefits

ASSIGNED BELI CODE	DERIVED BELI CODE	Combined Appointment % & Duration	UCRP Membership Required?	Comments	Examples
5	5	Less than 43.75% at any duration	NO	May have an appointment type which is eligible for benefits, but the percentage and duration do not meet requirements	“__” Assistant I, 30% from 1/1/04 – 12/31/04 “Post Graduate Researcher, 40% from 7/1/03 – 6/30/05
5	6	Ineligible appointment	NO	Casual/Restricted position (students only) Academic title code (Class Title Outline – CTO of 400-499) which is restricted to students but may be filled by non-students based on need	Assistant I, 49% time, indefinitely (student title)
5	7	Ineligible appointment	NO	Per Diem	Nurse, Per Diem, 90% indefinitely
5	8	Ineligible appointment	NO	Salary Rate Indicator is “By Agreement” with pay not related to time on pay status	
5	9	Ineligible appointment	NO	Salary Rate Indicator is “Without Salary”	Emeritus Professor, WOS