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RE: HEALTH AND WELFARE BENEFITS ELIGIBILITY FOR REHIRED RETIRED STAFF AND RECALLED ACADEMIC APPOINTEES

Dear Colleagues:

I am writing to inform you of some changes to UC's eligibility policy regarding health and welfare benefits for rehired staff retirees and recalled academic appointees (hereafter, "rehired retirees") enrolled in UC retiree medical plans. Below is detailed information about the policy changes and their implementation.

BACKGROUND

To ensure compliance with federal regulations, UC will require certain rehired retirees to change their medical plan upon re-employment with UC. The revised policy was developed by a multidisciplinary workgroup, including UC Legal, Systemwide Academic Personnel, HR Compliance, Retirement Programs, RASC, UCPath, Benefits Programs & Strategy and others, and shared with key stakeholders and constituents.

POLICY REVISION

UC benefits eligibility policy and administrative procedures will be revised as follows.

- Rehired retirees who are eligible for UC retiree health benefits and become eligible for employer-sponsored group medical coverage in accordance with federal requirements and UC eligibility policy will be offered Mid-level faculty/staff benefits, rather than Core. Mid-level faculty/staff benefits are more comparable to retiree coverage than Core, providing access to all medical plans and expanded life insurance options.

- Rehired retirees are free to accept or decline the offer of faculty/staff coverage. If they wish to enroll, they will be able to choose from any available faculty/staff medical plan for which they are eligible (for example, if in a UC Medicare plan, they are not limited to the partner plan of their Medicare plan).
- Rehired retirees who are offered a UC faculty/staff medical plan will not have the option to remain enrolled in a UC retiree medical plan. Enrollment in a UC retiree medical plan will be suspended.
- Upon future loss of eligibility for faculty/staff benefits (due to termination of employment or failure to meet the federally mandated average weekly hours of service during the annual measurement period), rehired retirees may re-enroll in the medical plan of their choice under the UC retiree health program.
- Full policy language will be incorporated into UC's benefits eligibility policy, the [Group Insurance Regulations](#), by April 1, 2025.

IMPACTS

- Any changes to medical plan enrollment will be prospective; no rehired retirees will have their medical plan changed retroactively. The one exception will be if a rehired retiree has been subject to a Medicare audit and their claims have been refused payment. In that case, RASC will work with the individual to correct their enrollment to ensure claims for covered services are paid.
- Rehired retirees who accept UC's offer of faculty/staff medical coverage will have their medical plan administered by UCPATH. In addition, any other benefits the rehired retiree accepts under the Mid-level benefit package will also be administered by UCPATH. Note that duplicate coverage under both benefit programs is not allowed.
- Rehired retirees will be allowed to continue any non-duplicative, non-medical plans offered under the retiree benefits program, such as dental and vision. Those plans will continue to be administered by RASC or the carrier, as applicable.

IMPLEMENTATION PROCESS AND TIMELINE

- The new policy will be applied to retirees rehired or recalled July 1, 2025, or later.
- Retirees rehired prior to July 1, 2025, will have their benefits eligibility evaluated by UCPATH when their appointment is next renewed, extended, changed or terminated, after July 1, 2025.
- A multi-disciplinary workgroup, including CUCRA and CUCEA representatives, has developed a communications plan that will cascade information to key stakeholder groups, employees and retirees in the next few weeks.
 - The group is also providing trainings for benefits professionals, academic personnel offices, retirement center directors and local faculty retirement liaisons so that those on the front lines of communication with and retirees are ready to respond to questions. RASC and UCPATH staff have already been trained.
 - Educational sessions for employees and retirees will be offered monthly. These sessions will be announced widely.
 - Individual counseling will be available for prospective and current retirees through RASC.
- Another workgroup is making the systems changes and creating the operational procedures to manage the data flow between UCPATH and Redwood and make the transactional changes necessitated by the new policy. Trainings will be held this spring for the groups listed above, as well as hiring managers and transactors, to provide detailed information about how plan enrollments and suspensions will be handled.

The attached Frequently Asked Questions provide additional details about how the policy change will be implemented. The FAQs are a living document that will be updated as new information becomes available. Please send your questions and feedback to healthandwelfarebenefits@ucop.edu.

As always, thank you for your partnership and please feel free to contact my office if you have any questions.

Sincerely,



Cheryl A Lloyd

Vice President, Systemwide Human Resources

cc: President Drake
Provost and Executive Vice President Newman
Executive Vice President - Chief Financial Officer Brostrom
Executive Vice President - Chief Operating Officer Nava
Executive Vice President – UC Health Rubin
Associate Vice President – Total Rewards Henderson
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Executive Director Tauber

Attachments:

FAQs