

CHAPTER 19
EMPLOYEE BENEFITS
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CHAPTER 19

EMPLOYEE BENEFITS

1. POLICY. This chapter provides an overview of the various employee benefit programs available to employees and their eligible dependents.

2. BENEFIT ASSISTANTS. Each field and headquarters office shall designate an employee as their benefit assistant to assist employees and initiate enrollment actions as covered in the California Public Employees' Retirement System (CalPERS) Health Benefits Procedure Manual and the Benefits Administration Manual (BAM). An alternate employee may be designated if the commander deems it necessary. Commanders shall keep Human Resources Section (HRS), Employee Benefits Services (EBS), informed of the names of the benefits assistants in their command.

3. ACCOUNTABILITY. Government Code (GC) Section 20128 of the California Public Employees' Retirement Law grants CalPERS authority to require information it deems necessary to determine the benefit entitlement of a member or beneficiary. As such, HRS is responsible for requiring additional information and supporting documentation, as necessary, to substantiate dependent eligibility for health benefits. Similar authority is granted to the California Department of Human Resources (CalHR) under GC Sections 22843.1 and 22959 relating to vision and dental benefits.
 - a. Departmental Responsibility. The Department is responsible for requesting additional information and supporting documentation, as necessary, to substantiate dependent eligibility.

 - b. Employee's Responsibility. Employees may be held accountable if any documentation is determined to be inaccurate or fraudulent, or for failure to promptly notify HRS, EBS, of changes to dependent eligibility. This may include reimbursing the Department and the benefit plans for expenditures incurred for claims, processing fees, administrative expenses, attorney fees on behalf of any ineligible family member, and disciplinary action.

 - c. Dependent Reverification Process. California Public Employees' Retirement System and CalHR are mandated under GC Sections 22843.1 and 22959 to reverify the eligibility of spouses, domestic partners, children, stepchildren, and domestic partner children (family members) for their continued enrollment for state health, premier vision, and dental benefits. The dependent reverification process is administered through CalPERS and CalHR. The reverification period is initially based on the employee's birth month and eligibility of family members shall be reverified once every three years thereafter.

(1) Employees are responsible to complete a CalHR 781, Dependent Eligibility Verification Checklist, and to provide all documentation to their benefit assistant as required on the form. Employees are responsible for redacting sensitive information, not necessary for dependent reverification purposes, from any applicable documents (such as tax returns).

(2) Benefit assistants shall promptly forward the completed CalHR 781 along with the supporting documentation to their personnel specialist in HRS, EBS, for review and to enter the dependents' eligibility status into the CalPERS system. When transmitting material which contains classified information, the material, or assembled package of documents containing classified information, shall be covered by a CHP 26, Classified Document Notice. (Refer to Highway Patrol Manual [HPM] 11.1, Administrative Procedures Manual, Chapter 26, Classified Materials, Annex B.) The "Indicate Category of Document" section of the CHP 26 shall reflect the highest classification level of information contained anywhere within the material or assembled package as specified by the author. (Refer to HPM 11.1, Chapter 26.)

(3) If employees do not respond or do not provide the required documents during their reverification cycle, CalHR and CalPERS will remove the employee's dependents from their health, dental, and premier vision benefits effective the first of the month after the employee's birth month.

d. Dissolution of Marriage or Domestic Partnership. Ex-spouse and ex-domestic partners are not eligible to be enrolled and are not permitted to remain as dependents for health benefits under any circumstances. If an employee is court-ordered to provide coverage for an ex-spouse or ex-domestic partner, it is the obligation of the employee, not the state, to provide that coverage.

(1) It is the obligation of the employee to inform HRS, in writing, within 60 days of the dissolution of the marriage or domestic partnership and to submit enrollment cancellation of the ex-spouse or ex-domestic partner.

e. Parent-Child Relationship. In a Parent-Child Relationship (PCR), the employee has intentionally assumed parental status or parental duties for a child who is not the natural, adopted, step, or domestic partner child of the employee. A PCR dependent must be under age 26 to be eligible for health, vision, and dental benefits.

(1) For all initial PCR enrollments, the employee must complete and submit the CalPERS HBD-40, Affidavit of Parent-Child Relationship, the CalHR 781, and the required verification documents. Human Resources Section will determine if a PCR exists as evidenced by the assumption of parental status or

duties and upon review of documents provided by the employee to substantiate their relationship with the dependent.

(2) Employees must recertify each PCR dependent annually by submitting a new, signed, and dated CalPERS HBD-40, CalHR 781, and the required verification documents to substantiate a continuance of the PCR to HRS, EBS, prior to the expiration of the PCR (employee's birth month).

4. GENERAL.

a. Policy. The state's contribution to the cost of the various benefit plans is established through the collective bargaining process. Some plans sponsored by the state, as well as plans sponsored by an exclusive representative, may require an employee premium contribution. Double or split-family coverage is not permitted under state-sponsored health or dental programs. However, under the state-sponsored vision program, spouses/domestic partners and their dependents may have double coverage.

b. Administration. The Health Benefits Branch of CalPERS administers the CalPERS Health Program. The state dental and vision programs are administered by CalHR.

c. Affordable Care Act. The state is subject to the Affordable Care Act (ACA) Employer Shared Responsibility provision which requires the Department to offer minimum essential health coverage to at least 95 percent of its full-time employees and their dependent children to avoid a penalty assessment. The health coverage offered must meet the ACA affordability and minimum value standards. Failure to comply with the ACA Employer Shared Responsibility provisions could result in significant penalties to the state.

(1) Health coverage is deemed "affordable" if the employee's share of the premium for self-only coverage, for the lowest cost plan available to the employee that provides minimum value, does not exceed 9.5 percent (subject to annual inflation adjustment) of the employee's monthly salary, wages, or the annual federal poverty level, divided by 12 for a single-member household (for the applicable calendar year).

(2) Health coverage is deemed to provide "minimum value" if the plan covers 60 percent of the total allowed costs of benefits provided under the plan. The health coverage provided by the state meets the ACA minimum value standards.

d. Program Information.

(1) Information on policies, enrollment eligibility, processing procedures, and premium rates is provided in the BAM and the CalHR Manual, which are available through the employee's benefit assistant or can be found on the CalHR Web site at www.calhr.ca.gov.

(2) Information regarding the various benefit plans is disseminated by departmental Communications Network (Comm-Net) messages, memorandums from CalHR, circular letters from CalPERS, and notices sent directly to the employee's home.

(a) Association Membership. Membership in an employee association is not a requirement for enrollment in a state-sponsored plan with the exception of the California Association of Highway Patrolmen (CAHP) Health Benefits Trust Plan. Uniformed members who desire to enroll in the CAHP plan must be members of CAHP at the time of enrollment and maintain membership in good standing to continue eligibility for the health plan.

(b) Domestic Partner Coverage.

1 Government Code Section 22818 entitles eligible employees to enroll their domestic partner in their health, dental, and vision plans. The domestic partner must be registered with the Secretary of State.

2 Eligible departmental employees include represented and excluded employees who meet specific criteria. Specified same-sex domestic partnerships between persons who are both at least 18 years of age, and specified opposite-sex domestic partnerships when 1 person is over the age of 62 are eligible to register with the Secretary of State.

3 Once the employee has registered their domestic partnership, the employee may enroll the partner as an eligible family member in state-sponsored health, dental, and vision plans, and receive the increased employer contribution for that coverage.

4 The federal government does not recognize domestic partnerships for tax purposes. Therefore, the value of the additional benefits received by a domestic partnership is required to be added to the employee's taxable gross. If the domestic partner qualifies as a dependent for tax reporting requirements under the Internal Revenue Code (IRC), the value of the additional benefits will be exempt from the imputed tax upon certification from the employee. If an

employee's domestic partner qualifies as a dependent for tax reporting and wishes to claim the tax exemption, a CalHR 680, Domestic Partner Affidavit, must be completed and signed by the employee.

5 An employee may add their domestic partner's children to the health, dental, and vision plans if they reside in the employee's home and meet the definition of economic dependents.

6 Persons who register a domestic partnership must meet the conditions specified by the Secretary of State. This includes filing a notice of Termination of Domestic Partnership if the relationship is terminated. At the time of the termination of the relationship, the employee must also cancel benefit coverage of the domestic partner.

(c) Same-Sex Marriage.

1 The June 26, 2013, ruling by the United States Supreme Court made the designation of marriage available to same-sex couples and allowed the same-sex spouse and eligible dependent children to be enrolled into the health, dental, and vision plans. As a result, all Public Employees' Medical and Hospital Care Act-covered employers were required to accept valid marriage certificates for same-sex marriages issued after 1700 hours (Pacific Time) on June 16, 2008.

2 On August 29, 2013, the Internal Revenue Service (IRS) issued Revenue Ruling 2013-17, which states that individuals of the same sex will be considered to be lawfully married under the IRC as long as they were married in a state whose laws authorized the marriage of two individuals of the same sex. Under this new ruling, same-sex couples will be treated as married for all federal tax purposes. Additional information is available on the IRS Web site at www.irs.gov.

(d) Effective Date of Coverage. Employees may use the employee copy of the enrollment document to verify coverage; however, if difficulties are encountered, employees should contact their command's benefit assistant to verify enrollment with HRS, EBS.

1 The effective date will either be a mandatory or standard effective date. A mandatory effective date is the first of the month following the event. A standard effective date is the first of the month following the date the PERS-HBD-12, Health Benefits Plan Enrollment for Active Employees, and/or the STD. 692, Dental Plan Enrollment Authorization, and the CalHR 781 were processed.

2 Vision coverage will be effective the first of the month following the pay period in which the employee's earnings statement shows the employer contribution.

3 All active state employees, with the exception of rank and file Bargaining Unit (BU) 6 employees, are eligible to enroll in the Premier Vision Plan. To enroll, a CalHR 774, Premier Vision Plan Enrollment, and the CalHR 781 must be completed. The effective date is the first of the second month after the permitting event.

(e) Benefits Calculator. Employer contribution rates are found on the Benefits Calculator on the CalHR Web site at <http://eservices.calhr.ca.gov/BenefitsCalculatorExternal>. This calculator allows employees to compare health care premiums and see the employer contribution rates based on their BU. Employees can also see the amount that will be deducted from or added to their pay warrant based on the health coverage they choose.

e. Open Enrollment. The CalPERS schedules an annual "open enrollment" period at which time employees may become newly enrolled or change plans. Advance notification of open enrollment periods is provided through direct mailing to the employee's home and via Comm-Net message.

5. HEALTH. Each health carrier publishes evidence of coverage booklets that describe in detail the benefits, provisions, exclusions, and limitations of their plan. The booklets are available through individual carriers.

a. Benefit assistants are provided with current addresses and telephone numbers of each carrier, as well as current enrollment procedures.

b. Human Resources Section, EBS, is available to assist employees with information and to answer questions concerning enrollment procedures.

6. DENTAL.

a. Dental Plans and Restrictions.

(1) All newly hired departmental employees represented by BUs 1, 4, 5, 9, 12, 13, 14, 15, and 20 are required to select their dental plan coverage from 1 of the state-sponsored prepaid dental plans with one of the following carriers: DeltaCare USA, SafeGuard, Premier Access, and Western Dental. Impacted employees are required to remain in a prepaid plan until they have completed 24 months of state service without a permanent break in service during the 24-month qualifying period. At the end of the 24-month period, employees will

have 60 days to elect to enroll in or change their enrollment to Delta Dental Preferred Provider Organization (PPO) or Delta Dental PPO plus Premier Basic. Employees in BU 5, members of the CAHP, may elect to enroll in their union-sponsored indemnity dental plan, CAHP Blue Cross, or a prepaid plan. Employees in BU 13 may continue to receive benefits through their union-sponsored trust.

(2) Reinstated employees who previously had 24 months of state service without a permanent break in service may enroll in one of the Delta Dental Plans.

(3) Newly hired departmental employees in BUs 2, 7, and 16, and excluded employees may elect dental coverage in a state-sponsored prepaid plan or one of the Delta Dental plans.

b. Designation Change-Dental Plan Enrollment.

(1) Uniformed Employees.

(a) Officers who promote to sergeant and are enrolled in a state-sponsored plan may elect to remain in that plan or enroll in the Delta Dental PPO plus Premier Enhanced plan or Delta Dental PPO. Officers enrolled in SafeGuard will automatically receive enhanced benefits when they promote to sergeant if they elect to remain in SafeGuard. If changing dental plans, an STD. 692 must be submitted within 60 days of promotion.

(b) Officers enrolled in the CAHP Blue Cross dental plan who promote to sergeant are required to change to a state-sponsored plan. They will automatically be placed in the Delta Dental PPO plus Premier Enhanced plan; however, they have up to 60 days from the date of promotion to elect another state-sponsored dental plan.

(2) Nonuniformed Employees.

(a) Represented nonuniformed employees who move to a nonrepresented designation may elect to enroll in the Delta Dental PPO plus Premier Enhanced plan or SafeGuard Enhanced plan.

(b) Represented nonuniformed employees enrolled in the SafeGuard plan who move to a nonrepresented designation will automatically receive the SafeGuard Enhanced plan that is offered to nonrepresented employees. Conversely, nonrepresented nonuniformed employees who move to a represented designation will automatically lose the enhanced coverage. This enrollment change will occur within 60 days of the change of designation.

c. Training and Development Assignments. Employees who accept a Training and Development (T&D) assignment are not eligible to change their dental coverage based on the T&D assignment.

7. VISION. Enrollment in the state's Basic Vision Plan is automatic for all employees and eligible dependents, except for retired annuitants and permanent intermittent employees.

a. All active state employees, with the exception of rank and file BU 6 employees are eligible to enroll in the Premier Vision Plan. Those enrolled in this plan will be required to pay a minimal premium.

8. SAVINGS PLUS PROGRAM.

a. Policy. The Savings Plus Program (SPP) permits state employees to defer receiving part of their salary, thereby, postponing the payment of federal and state income taxes on the amount deferred. The deferred amount is deducted from the salary, disbursed by the state to the employee's investment choice, and then later paid to the employee, generally upon retirement or separation. The payments are subject to income taxes at a time after retirement when most retirees expect to be earning a lower taxable income and would qualify for lower tax rates.

b. Administration. The program is administered by CalHR.

c. Program Information. Information regarding SPP is included in the new employee hiring packages and can also be found on the CalHR Web site at www.calhr.ca.gov and the SPP Web site at www.savingsplusnow.com. Employees may also contact SPP by telephone at (855) 616-4776 or by e-mailing SPP at AskSavingsPlus@nationwide.com. Additional information is also available in the BAM.

9. STATE GROUP LIFE INSURANCE PROGRAM.

a. Policy. The state provides an employer-paid group life insurance program for all designated managers, supervisors, confidential, and excluded employees.

b. Administration. The program is administered by CalHR.

c. Retiring employees may continue their basic and/or supplemental coverage by converting to an individual policy(ies). Employees may contact Metlife at (800) 252-8524, 30 days prior to retirement to ensure premiums are deducted from their retirement benefit checks.

d. Employees who separate from state service may convert their basic/supplemental coverage to an individual policy(ies) without proof of insurability. Employees should contact Metlife at (800) 252-8524, within 30 days of termination of group coverage to request a conversion authorization form.

e. Program Information. Eligible employees, as described above, will personally receive information describing the basic life insurance program and additional options that are available through voluntary payroll deductions directly from the carrier.

(1) The CalHR provides the guidelines for enrollment in the employer-paid basic life insurance program. Additional information is available in the BAM.

(2) If you have additional questions, CalHR may be contacted by writing to: Department of Human Resources, 1515 S Street, North Building, Suite 500, Sacramento, CA 95811.

10. LONG-TERM DISABILITY PROGRAM.

a. Policy. The state offers nonrepresented employees a group long-term disability program to protect against the loss of income due to a long-term disability.

b. Administration. The program is administered by CalHR.

c. Program Information. Information is available in the BAM. The HRS, EBS, shall assist and coordinate the enrollment of nonrepresented employees.

d. Open Enrollment. The CalHR will announce open enrollment periods to allow for initial enrollment or for changing levels of coverage.

11. GROUP LEGAL SERVICES PROGRAM.

a. Policy. The state offers a Group Legal Services Program for excluded and represented departmental employees and annuitants of CalPERS. The program is a voluntary employee-paid benefit. It provides an opportunity for eligible employees, annuitants, and their family members to meet their legal needs for an attorney in such matters as completing a will, buying a home, representing an employee or their family members in court, traffic matters, and various domestic situations.

b. Administration. The program is administered by ARAG Insurance Company. The CalHR will charge an administration fee for participation in the Group Legal Services Program.

- c. Program Information. The HRS, EBS, shall assist and coordinate the enrollment of employees.
- d. Open Enrollment. The annual open enrollment is conducted during the months of March through April. ARAG Insurance Company will mail marketing materials to the home addresses of eligible employees not currently enrolled in the plan.

12. LONG-TERM CARE PROGRAM.

- a. Policy. The state offers a Long-Term Care (LTC) insurance program to assist with care for active and retired members and annuitants of CalPERS, their spouses, their parents, their adult siblings, and their spouse's parents who have chronic long-term physical and/or mental conditions that require physical assistance in performing the activities of daily living. Insurance premiums will be fully paid by the enrollee. Costs are based upon the plan chosen and the age of the enrollee at the time of enrollment.
- b. Administration. The CalPERS, in conjunction with CalHR, offers this program to represented and nonrepresented active and retired employees.
- c. Program Information. Information is available by visiting the CalPERS LTC Web site at www.calperslongtermcare.com, or by calling (800) 908-9119.
- d. Open Enrollment. The CalPERS will announce open enrollment periods to allow for initial enrollment or for changing levels of coverage.

13. FLEXELECT PROGRAM.

- a. FlexElect is a voluntary, annual flexible benefits program provided to employees in accordance with regulations under the IRC and administered by CalHR. Advance notification of open enrollment periods is provided. FlexElect offers significant tax advantages and can increase the employee's take-home pay.
- b. FlexElect includes the following options:
 - (1) Cash Option. Employee receives cash in lieu of their own medical and/or dental insurance.
 - (2) Medical Reimbursement Account. Employee is reimbursed for out-of-pocket medical care expenses already deducted from the employee's paycheck before taxes are deducted.

(3) Dependent Care Reimbursement Account. The employee is reimbursed for out-of-pocket dependent care expenses already deducted from the employee's paycheck before taxes are deducted.

c. Additional information and eligibility criteria are provided in the BAM. California Department of Human Resources also offers a FlexElect Handbook which can be located by clicking on the following link:
<http://www.calhr.ca.gov/benefits/Documents/flexelect-handbook-2019.pdf>.

14. CONSOLIDATED BENEFITS.

a. Consolidated Benefits (CoBen) is part of the state's FlexElect program for nonrepresented employees and employees represented by BUs 2, 7, 8, 16, and 19. It is administered by CalHR. The CoBen allows employees to offset their total benefit costs by choosing a low-cost health and/or dental plan. Employees eligible for the CoBen Cash Option are not eligible for the FlexElect Cash Option and cannot cancel their state-sponsored vision coverage.

b. Under CoBen, the state provides a combined employer contribution amount (benefit allowance) for the employee's health, dental, and vision benefits. From this amount, the full premium cost for the health, dental, and vision plans is deducted.

c. Additional information is available through CalHR and the employee's benefit assistant.

15. CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT.

a. Federal legislation entitled Consolidated Omnibus Budget Reconciliation Act (COBRA) requires employers to offer an opportunity to continue health, dental, vision, and medical reimbursement coverage to separating employees and their dependents, and to dependents who are losing coverage.

b. The state does not contribute to COBRA coverage. The entire premium plus a 2 percent administrative fee must be paid by the enrollee and must be paid each month in accordance with the carrier's requirements.

c. Human Resources Section, EBS, shall provide an election form to an employee who is separating or to an eligible dependent of the employee. Additional information is available in the CalPERS Health Benefits Procedure Manual and the BAM.

d. The Department of Health Care Services (DHCS) may pay COBRA premiums in certain cases for persons eligible for Medi-Cal through Health Insurance

Premium Payment. For more information, employees may contact the DHCS by e-mail at HIPP@dhcs.ca.gov or by fax at (916) 440-5676. This provision will only apply to COBRA premiums to pay for medical insurance.

16. FAMILY AND MEDICAL LEAVE ACT/CALIFORNIA FAMILY RIGHTS ACT.

a. Federal Regulations entitled Family and Medical Leave Act (FMLA) and state law entitled California Family Rights Act (CFRA) provides for a continuation of the state's contribution for health, dental, and vision coverage when an employee is on a leave of absence covered by the provisions of FMLA/CFRA. (Refer to Chapter 45, Family And Medical Leave Act/California Family Rights Act, of this manual.)

17. STATE DISABILITY INSURANCE.

a. State Disability Insurance (SDI) provides for a continuation of the state's contribution for health, dental, and vision coverage for employees on an approved SDI leave. (Refer to Chapter 8, Leave Of Absence, of this manual.)

18. NONPAY STATUS.

a. Continuation of Coverage. Employees on nonpay status lose coverage unless they pay the full premium directly to the carrier during the period of the nonpay status. The state's contribution is not provided if the employee is off payroll for a full pay period (temporary disability, emergency military leave, SDI, and FMLA/CFRA are the only exceptions). State-paid coverage in the plan is automatically restored effective the first day of the month following the employee's return to pay status.

(1) Direct Payment Authorization. Direct payment is required to continue health, dental, and vision coverage when the employee leaves pay status or if the pay is insufficient to cover the premiums. The total premium (including the state's contribution) must be paid each month in advance, directly to the carrier. Payments are required during each month while off pay status, including the month in which the employee returns to pay status. The state's contribution will resume and be effective the first day of the month following the employee's return to pay status.

(2) Coverage While on Temporary Disability. Benefit coverage while on temporary disability (TD), will continue for health, dental, and vision. If the employee chooses to supplement TD, the employee's share of the premium will be deducted from the supplementation as long as there is enough pay to do so. If TD supplementation is not chosen, or if pay is insufficient to deduct

the premium, upon return to pay status, the employee will be required to pay their share of the premium payments that were applicable during the TD leave.

(3) Coverage While on Leave Under The Family and Medical Leave Act/California Family Rights Act. To continue benefit coverage while on FMLA/CFRA, a CHP 30, Employee Request for Medical, Family and/or Military Family Leave of Absence Pursuant to the FMLA/CFRA, is required indicating the employee's desire to continue coverage. Employees will be required to pay their share of the premium payments applicable during the leave. An accounts receivable will be established by HRS, EBS. Upon the employee's return, the employee will be notified of the accounts receivable amount via a CHP 456N, Notice of Accounts Receivable.

(4) Coverage While on Leave Under State Disability Insurance. To continue benefit coverage while on SDI leave, employees shall complete a CHP 737, Leave of Absence Request, to indicate the employee's desire to continue coverage. (Refer to Chapter 8 of this manual.)

b. Typical Nonpay Situations. The following are the types of situations in which the employee may pay direct and/or pay under COBRA in order to continue coverage.

- (1) Leave of absence (other than Nonindustrial Disability Leave and SDI).
- (2) Appeal of dismissal (COBRA provisions apply to medical reimbursement, dental and vision, and direct payment provisions for health benefits).
- (3) Suspensions concerning a full pay period or longer, or if there is insufficient money to cover the cost.
- (4) Nonpay status while off-duty pending a State Fund decision on a workers' compensation claim.
- (5) Permanent Intermittent employee who is off for a full pay period or longer.
- (6) Nonpay status while a retirement request is pending.
- (7) Employees who are receiving salary advances to cover a full pay period.
- (8) Death of an employee (120-day death benefits apply; COBRA provisions are applicable after CalPERS' determination of survivor benefits).

19. BENEFITS AFTER SEPARATION.

a. Termination of Coverage. Every separated employee's coverage ceases at midnight on the last day of the month following the month in which employment ceased, unless action is taken depending on the specific instances discussed below.

b. Dismissal. Upon dismissal, an employee shall receive a written statement of status of benefits.

(1) The employee has the eligibility to appeal the dismissal and has the right to continue basic health coverage under the Direct Payment Program.

(2) The employee has the eligibility to appeal the dismissal and has the right to continue dental and vision coverage by making COBRA payments to the carrier.

(3) If the employee forfeits the appeal or the employee's appeal is denied, the employee may elect to convert coverage by contacting the carriers directly to request a conversion plan.

(4) Request to continue coverage must be made within 60 days of termination of coverage.

c. Resignation. Upon resignation, an employee is eligible to continue coverage through the provision of COBRA for up to an 18-month period. The state does not contribute to coverage under COBRA. The entire premium cost (plus a 2 percent administrative fee) must be paid in accordance with the carrier requirements each month. When COBRA coverage ceases, the employee may request a conversion policy through the carrier.

d. Retiring Nonuniformed Employees.

(1) If an employee is enrolled in a health plan, the enrollment will be automatically continued into retirement.

(2) If an employee is enrolled in a dental plan, HRS, EBS, will initiate an STD. 692 and mail it to the retiree for completion.

(3) Vision coverage information will be sent to the employee from HRS, EBS, and may be continued through the provisions of COBRA for up to an 18-month period and/or by enrollment in the Retiree Vision Program. If there are insufficient funds in the retiree's allowance to pay the premium, Vision Services Plan (VSP) will bill the retiree directly.

e. Retiring Uniformed Employees.

(1) If an employee is enrolled in a health plan, the enrollment will be automatically continued into retirement.

(2) An employee enrolled in the CAHP Dental Trust plan must make an irrevocable election to either remain in the CAHP indemnity plan for the duration of the employee's retirement or select one of the state-sponsored plans. A new STD. 692 will be initiated by HRS, EBS, and mailed to the retiree for completion. The option to enroll in the CAHP plan is also available to a retiring manager or supervisor who is designated as M05 or S05.

(a) If an employee elects one of the state-sponsored plans, the employee may only change to another state-sponsored plan during the normal dental open enrollment period for the duration of retirement. The CAHP membership must be in good standing for the employee to enroll or continue enrollment in the CAHP Dental Trust plan.

(3) Vision Coverage information will be sent to the employee from HRS, EBS, and may be continued through the provision of COBRA for up to an 18-month period or by enrollment in the Retiree Vision Program. If there are insufficient funds in the retiree's allowance to pay the premium, VSP will bill the retiree directly.

f. Continuation of Benefits Upon an Employee's Death. Legislation requires employers to continue to pay the employer contribution for a covered employee's spouse and/or other eligible family members for up to 120 days following an employee's death. This is to provide the family a grace period while CalPERS determines if the spouse and/or other family member(s) are eligible for a survivor's benefit. If CalPERS determines the spouse and/or other eligible family members are not eligible for a continuation allowance, the Department shall notify the eligible spouse or family members of COBRA eligibility.

20. FINANCIAL ASSISTANCE.

a. CHP 11-99 Foundation. The CHP 11-99 Foundation (Foundation) is a private, nonprofit organization comprised of public members. The Foundation is not a part of, nor does it receive public funding from, the Department. The Foundation may provide, at their sole discretion, support services to employees of the Department. Support services may include scholarships, death benefits relating to line-of-duty deaths, and other services deemed appropriate by the Foundation. An employee in need of such services should notify their commander who will assist them in contacting the Foundation. More information about the Foundation can be found at www.chp11-99.org.

b. Designee of Deceased Excluded or Bargaining Unit 5 Employee.

(1) Purpose. This benefit provides direct financial assistance through the conversion of leave credits to the designee of an excluded or BU 5 employee who, while on pay status, died due to an illness or injury that was not incurred in the line of duty.

(2) Criteria for Eligibility. Excluded employees and represented employees in BU 5 are eligible for this benefit. Eligible leave credits may be donated when the following criteria are met:

(a) Upon written request from the deceased employee's designee as documented on an STD. 243, Designation of Person(s) Authorized to Receive Warrants.

(b) Upon determination by the command of the need for financial assistance for the deceased employee's designee.

(c) The deceased employee died while on pay status due to an injury or illness that was not incurred in the line of duty.

c. Eligible Leave Credits.

(1) Excluded Employee. Eligible leave credits include compensating time off, annual leave, vacation, personal leave, holiday credits, or excess leave.

(2) Bargaining Unit 5 Employee. Refer to the BU 5 agreement.

d. Request Process.

(1) If the eligibility criteria have been met, the deceased employee's command shall submit a written request through channels for approval to the Office of the Commissioner. If approved, the request will be forwarded to the Office of Employee Relations (OER) and to HRS, Personnel Transactions Unit (PTU), for processing.

(a) Excluded Employees. The maximum compensation allowed shall be determined by the Commissioner, but shall not exceed \$50,000. Donations will only be accepted for 30 days following approval of the request.

(b) Bargaining Unit 5 Employees. The maximum compensation allowed and open period during which donations can be made shall be determined by the Commissioner.

(c) The OER will notify the command and send a Comm-Net message to all commands providing the name of the deceased employee, open donation period, and maximum compensation allowed.

(2) If not approved, the request will be sent to OER and returned through channels to the deceased employee's command.

e. Tax Liability to Donors. The IRS has determined that the value of any leave transferred by a donating employee to the designee of a deceased employee will be reported on the donating employee's Form W-2, Wage and Tax Statement, and is subject to Federal Insurance Contribution Act, Federal Unemployment Tax Act, and income tax withholding. Hours donated will be converted to a dollar amount at the donor's current rate of pay.

f. Donation of Leave Credits. Donations must be in one-hour increments and will be accepted only during a specified open period.

(1) Excluded Employees. The designee of a deceased excluded employee may receive donations from excluded employees and nonuniformed represented employees unless precluded by a BU agreement. The designee of a deceased, uniformed, excluded employee may also receive donations from BU 5 employees.

(2) Bargaining Unit 5 Employees. Refer to the BU agreement.

(3) Process for Donation of Credits.

(a) An eligible employee who would like to donate leave credits must complete sections A and B of a CHP 207, Financial Assistance Authorization. The donor must ensure all information is complete and accurate.

(b) The donor shall forward the CHP 207 to HRS, PTU.

(c) Section C of the CHP 207 will be completed by HRS, PTU. After completion, HRS, PTU, will distribute copies as indicated on the form

(d) When donations are used, they will be processed based on the date and time received (first in, first used), until the maximum amount is received. The HRS, PTU, will notify the donor's command so the attendance clerk will know to adjust the donor's credits appropriately.

(e) The CHP 207 for employees whose credits were not used will be returned unprocessed to the employee's command on a last received, first returned basis.

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