

**California Department of Human Resources
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Dependent Health Vesting Adjustments in Bargaining Units 12 and 19	REFERENCE NUMBER: PML 2014-016
DATE ISSUED: 7/1/2014	SUPERSEDES:

This memorandum should be forwarded to:

**TO: Personnel Officers
Personnel Transactions Supervisors
Personnel Transactions Staff**

FROM: California Department of Human Resources
Benefits and Training Division

CONTACT: Michelle Garbato
Health Policy Analyst
(916) 323-0862
michelle.garbato@calhr.ca.gov

The purpose of this memorandum is to inform personnel officers, transactions supervisors and staff regarding the following changes to dependent health vesting provisions and adjustments to employee payroll deductions for employees in Bargaining Units 12 and 19.

New Hires

Employees in Bargaining Units 12 and 19 who first become eligible for health benefits on or after July 1, 2014, should be placed in the 75 percent dependent health vesting contribution tier for the first 12 months of service.

Upon completion of 12 months of service, these employees should begin receiving the full state contribution in effect at that time.

Existing Employees

Effective July 1, 2014:

- The State Controller's Office will place Bargaining Unit 12 and 19 employees who were receiving a 50 percent dependent health contribution on July 1, 2014, in the 75 percent contribution tier, until they have completed 12 months of service since first becoming eligible for health benefits.
- The State Controller's Office will place employees who were receiving a 75 percent dependent health contribution on July 1, 2014, in the 100 percent contribution tier, if they have completed 12 months of service since first becoming eligible for health benefits.

These adjustments will first appear in the August master payroll warrant. For employees who are paid semi-monthly, benefit deductions are taken from the second pay warrant for the month.

Tracking and Reporting

Departments should continue their current processes regarding tracking and reporting of employee vesting status. Any changes in vesting status for Bargaining Unit 12 and 19 employees, including Permanent Intermittents, must continue to be reported to the State Controller's Office.

If employees have questions regarding their union agreement, they should contact their union representative directly. If personnel officers, transactions supervisors, or staff have any questions or need additional clarification, please contact Michelle Garbato at (916) 323-0862 or michelle.garbato@calhr.ca.gov.

/s/Darlene Schell

Darlene Schell, Chief
Benefits and Training Division