

**California Department of Human Resources
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: 2015 Health and CoBen Contributions	REFERENCE NUMBER: 2014-024
DATE ISSUED: 09/09/2014	SUPERSEDES:

This memorandum should be forwarded to:

**TO: Employee Relations Officers
Personnel Officers
Personnel Transaction Supervisors**

FROM: California Department of Human Resources
Benefits and Training Division

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

The following employer health benefits and CoBen contributions are effective, January 1, 2015 (December 2014 pay period). The collective bargaining process is fluid and changes may subsequently be agreed to which could alter these amounts. CalHR will notify you if there are any changes.

Represented Employees

Health Contribution – Bargaining Units 1, 3, 4, 6, 10, 11, 12, 14, 15, 20, 21

Employee:	\$524
Employee plus 1 dependent:	\$1,050
Employee plus 2 or more dependents:	\$1,368

Dependent Health Vesting Schedules—

Employees Subject to a 12-month Dependent Health Vesting Schedule –
Bargaining Units 1, 3, 4, 11, 12, 14, 15, 20, 21

Dependent Contribution Level
75%

Employee:	\$524
Employee plus 1 dependent:	\$919
Employee plus 2 or more dependents:	\$1,157

Employees Subject to a 24-month Dependent Health Vesting Schedule –
Bargaining Unit 10

	<u>Dependent Contribution Level</u>	
	<u>50%</u>	<u>75%</u>
Employee:	\$524	\$524
Employee plus 1 dependent:	\$787	\$919
Employee plus 2 or more dependents:	\$946	\$1,157

Health Contribution – Bargaining Unit 13

Employee:	\$495
Employee plus 1 dependent:	\$992
Employee plus 2 or more dependents:	\$1,288

Dependent Health Vesting Schedules—

Employees Subject to a 24-month Dependent Health Vesting Schedule –
Bargaining Unit 13

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

Health Contribution – Bargaining Units 5, 9

Employee:	\$557
Employee plus 1 dependent:	\$1,083
Employee plus 2 or more dependents:	\$1,401

CoBen Allowance – Bargaining Units 2, 7, 16, 17, 18*, 19

Employee:	\$569
Employee plus 1 dependent:	\$1,123
Employee plus 2 or more dependents:	\$1,469

* Effective July 1, 2015, employees represented by Bargaining Unit 18, who first become eligible for health benefit enrollment or are receiving 50 percent of the normal employer dependent portion of the contribution, shall be subjected to a 12-month dependent vesting schedule.

Dependent Health Vesting Schedules—

CoBen Allowance for Employees Subject to a 12-month Dependent Health Vesting Schedule – Bargaining Units 17, 19

	<u>Dependent Contribution Level</u>	
	<u>75%</u>	
Employee:	\$569	
Employee plus 1 dependent:	\$992	
Employee plus 2 or more dependents:	\$1,258	

CoBen Allowance for Employees Subject to a 24-month Dependent Health Vesting Schedule – Bargaining Units 2, 7, 16, 18*

	<u>Dependent Contribution Level</u>	
	<u>50%</u>	<u>75%</u>
Employee:	\$569	\$569
Employee plus 1 dependent:	\$860	\$992
Employee plus 2 or more dependents:	\$1,047	\$1,258

CoBen Allowance – Bargaining Unit 8

Employee:	\$602
Employee plus 1 dependent:	\$1,156
Employee plus 2 or more dependents:	\$1,502

CoBen Allowance – Excluded Employees

Employee:	\$604
Employee plus 1 dependent:	\$1,167
Employee plus 2 or more dependents:	\$1,515

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 Bargaining Units 1, 3, 4, 11, 12, 14, 15, 17, 19, 20, and 21 not previously eligible for health benefits under state civil service, receive:

* Effective July 1, 2015, employees represented by Bargaining Unit 18, who first become eligible for health benefit enrollment or are receiving 50 percent of the normal employer dependent portion of the contribution, shall be subjected to a 12-month dependent vesting schedule.

- 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 Bargaining Units 2, 7, 10, 13, 16, and 18* 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, 2015, employees represented by Bargaining Unit 18 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 health contribution for dependent health coverage during the first 12 months of service and the full employer health contribution after completing 12 months of service.

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

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

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