

## DEPARTMENT OF PERSONNEL ADMINISTRATION

OFFICE OF THE DIRECTOR

1515 "S" STREET, NORTH BUILDING, SUITE 400

POST OFFICE BOX 944234

SACRAMENTO, CA 94244-2340



(916) 322-5193

April 1, 1989

Dear State Employee:

The enclosed check is a rebate on your health benefits premiums.

This rebate is the result of Governor Deukmejian signing Assembly Bill 1903 (Chap. 974, Stats. of 1988) which allocated \$1,000,000 to temporarily offset the increase in premiums for those employees/retirees who live in areas where only a fee-for-service health plan option is available. The legislation required that there be an agreement between the Administration and employee/retiree representatives on the manner in which the legislation was to be implemented.

The agreement worked out between the parties is to provide a lump sum payment which represents 30% of the average out-of-pocket premium expense for six months for those employees who reside in areas where there is no Health Maintenance Organization option available. To be eligible, an employee's home address must be in an eligible area as determined by the Public Employees' Retirement System and as reflected by the State Controller's Office records on January 31, 1989.

This rebate represents a one time offset for your health benefit premium increases and no further offsets are anticipated. This rebate is not subject to State and Federal taxes or retirement contributions.

If you have any questions regarding the criteria used to determine which employees received this rebate, please contact your Personnel Office.

Sincerely,

A handwritten signature in cursive script that reads "David J. Tirapelle".

David J. Tirapelle  
Director

JENA258

State of California

MEMORANDUM

To: PERSONNEL MANAGEMENT LIAISONS

Date: March 2, 1989  
Reference Code: 89-08

**THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:**

Personnel Office Staff

From: **Department of Personnel Administration**  
Office of the Director

Subject: Health Benefit Premium Rebate Checks

As you know, employees in certain geographic locations are eligible for a partial rebate of their health benefit premiums. This program was described in detail in a memorandum dated January 23, 1989 from the Controller's Office.

Attached is a copy of a letter to employees who will be receiving a rebate check. This letter provides an explanation of what the rebate is, the criteria used to determine which employees are eligible, and who they should contact if they have questions regarding the rebate. The checks and letters will be sent to departments for distribution on or around April 1, 1989.

Employee eligibility for the rebate was identified based on home addresses in the Controller's Office records. A copy of the eligible zip codes was provided to your department by the Controller's Office on January 23, 1989. It is possible that additional employees are eligible for the rebate who were not identified through this process because of outdated records. You are encouraged to use your normal communication processes to bring the program to the general attention of other employees who may have been eligible for the rebate. If an employee feels he/she is eligible for the rebate and does not receive a check, it will be necessary for them to prove to their department that they lived in an eligible zip code on January 31, 1989. The department would then prepare a Form 674 (Request for Payroll Adjustment) and submit it to the SCO and a rebate check will be prepared.

If you have any questions regarding this memo, please contact Ann McWherter, DPA, at (916) 324-9367 or ATSS 454-9367.

Thank you for your assistance.



Lillian Rowett  
Deputy Director

Attachment

JENA315

