Disability Training

University of California San Francisco

Who is eligible?

- Employee must be a member of a Defined Benefit Retirement Plan to which the University contributes (UCRP/PERS).
- Employee must maintain average regular paid time equal to 17.5 hours or more per week averaged over a 12-month rolling period.
- BELI 1

Types of Disability Coverage

- **Short-Term Disability Plan**
  - Employer paid (automatic if eligible)
- **Supplemental Disability Plan**
  - Employee paid (voluntary)
- **UCRP Disability**
  - Eligible, vested Members
- **Workers Compensation**
  - Qualified Injured Workers
- **HSC Faculty Disability**

Short Term Disability Plan

University-Paid

- Enrollment is automatic
- Administered by Liberty Mutual
- UC pays monthly premium
- 7 day waiting period
- Must use all/30 calendar days of sick leave accrual
- Monthly benefit: 55% up to $800 monthly maximum
- 26 week disability period
- UC contribution toward medical plan continues
- Subject to taxes
- Does not include long term coverage

Supplemental Disability Plan

Employee-Paid

- Administered by Liberty Mutual
- Employee-paid monthly premium based on:
  - age
  - waiting period
  - full-time covered salary rate
- Enrollment without Statement of Health (SOH) only during PIE. All other times, SOH must be completed.
- 7,30,90 or 180 calendar day waiting period. The waiting period chosen will also apply to the Short Term plan. Note: This period applies to calendar days, so weekends do count.
- Must first use up to 30 calendar days of sick leave before benefits begin--regardless of waiting period chosen
- Not subject to taxes
- Short and long term coverage
  - Supplements other income up to 70%/max $10,000 per month
  - Temporary component = 52 weeks
  - Long Term component: begins with 53rd week of continuous disability.
- Stay-at-work/Return-to-work (SAW/RTW) (partial disability)

Supplemental Disability Beyond Week 52 of Benefits

Maximum Amount

- 50% of your eligible earnings
  - supplements other income; can maintain disability income at 70% of your pre-disability earnings
    - UCRP Disability Income
    - SSDB
- Maximum monthly supplemental benefit of $10,000
- There is also a minimum monthly LTD benefit of $100 per month

Maximum Time Period

If your age at disability is:

- Less than 60: To age 65, but not less than 5 years
- Age 60-69: The lesser of 5 years or to age 70
- 70 and over: One year

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Enrolled in

Short-term Disability

Enrolled in

Supplemental Disability

UCRP Disability Income

- Only available to vested UCRP Members
- Must meet UCRP disability criteria as outlined in Plan
- Once approved, medical separation from department is routine
- Includes continuation of medical, dental and legal coverage to Member and eligible family members
- **"Disabled"** Member may accrue service credit toward future retirement while receiving UCRP Disability Income (or may elect **"Retired"** status, if eligible)
- Coordinated with other sources of income, such as Liberty Mutual and Social Security Disability income Benefits
- May eventually "cross over" and elect regular UCRP benefits

Workers Compensation

- No-fault system for injuries & illnesses that arise out of and in the course of employment
- All employees are covered
- Administered by Sedgwick CMS
- Provides temporary & permanent disability benefits, medical care, vocational rehabilitation services, and death benefits
- May provide extended sick leave for eligible employees
- Coordinates with other disability income sources (Liberty Mutual, Social Security, etc.)
- Contact: UCSF HR/DMS
- Resources: Presentation--WCTD

Faculty Disability

- HSC or “Y” component of salary
  - Health Sciences Compensation Plan Members only
  - Long term disability coverage only
  - 365 Day waiting period
  - Provides 60% of HSC compensation
    - Description of service (DOS) = HSC
  - To age 65
  - Refer to OLPPS/HSDS screen
- HSC Life Coverage
  - May qualify for Waiver of Premium
  - Guaranteed Conversion option
  - http://ucsfhr.ucsf.edu/benefits/dbrs/info.html?x=49265
- REG or “X” component of salary
  - Eligible for short term and supplemental disability
  - Coordinate with department’s salary continuation arrangement

FMLA

- Family and Medical Leave Act of 1993
- Intended for
  - Care of newborn or adopted child
  - Care for spouse, domestic partner, child or parent who has a serious health condition
  - For your own serious health condition
- Employee's job is protected for up to 12 weeks per calendar year
- To qualify, employee must have at least 12 months of service and worked at least 1,250 hours during the 12 months prior to the requested leave
- UC contributions for health (med/dent/opt) plans continue during 12-week period
- Generally, leave is unpaid unless sick leave, vacation or extended sick leave is used
- Requires 30 day advance notice if leave is foreseeable
- Request must be in writing (FMLA form)
- PPSM Employees eligible for FMLA entitled to an additional 12 weeks of supplemental family and medical leave
  - **Job protection continues; UC contribution ends**
- Contact: UCSF HR/Labor & Employer Relations

FMLA Procedures

- Department sends the employee the following documents within two days of the initial notice:
  1. Provisional Designation Letter
  2. “Your Rights and Obligations under the Family and Medical Leave Act of 1993”
  3. Leave of absence request form
  4. Family and Medical Leave Certification
  5. Family and Medical Leave Return to Work Certification
  6. Family and Medical Leave Benefits Checklist
  7. http://ucsfhr.ucsf.edu/policies/managers/info.html?x=240

See **Exchange for all documents and guidelines*

CFRA

- California Family Rights Act of 1991
- Only used for the care of a newborn/adopted child
- Provides up to 12 weeks of leave with reinstatement rights
- Employee must first qualify for FMLA
- CFRA begins when pregnancy disability leave ends
- CFRA continues to provide job protection
- May run concurrent with FMLA
- No forms to complete

Health and Welfare Plans While on Disability

Medical, Dental, Vision, Legal, Life, AD&D, Disability and COBRA

Medical, Dental & Vision

- UC health contributions (medical, dental, optical) continue during FMLA.
- UC medical plan contribution (only) may continue for up to 6 months while employee is receiving short-term disability income. This may run concurrent with FMLA.
- Once the employee's *Short-term* disability benefits and/or FMLA leave ends, UC contributions stop. If not on pay status, employee will have to pay gross monthly premiums directly to the UCSF Payroll Department.
- For employees who remain on an approved leave, coverage can continue for up to 24 months, but the employee must pay the gross premium (UC contribution PLUS employee net cost).

Life Insurance

- *Basic Life:* Coverage automatically continues for up to 4 calendar months during any approved leave-of-absence
  - Guaranteed conversion option
  - Extended Death Benefit
- *Supplemental Life:* May make personal premium payments to local payroll office for up to 24 months while on approved leave-of-absence.
  - Employee may also qualify for Waiver of Premium
  - If separation occurs, coverage may continue (at normal group rates) for up to 6 months if a Waiver of Premium application has been filed.
  - Guaranteed conversion option
- *Basic or Expanded Dependent Life*: May make personal premium payments to local payroll office for up to 24 months while on approved leave-of-absence.

COBRA

- If employee loses UC sponsored medical, dental or vision coverage, he/she may continue benefits under COBRA (36 months for medical, 18 months for dental & vision) under the following condition:
  - Employer must provide COBRA notice in a timely manner.
  - Employee must elect COBRA within 60 days of the coverage end date or 60 days from the date notice of COBRA rights is issued, whichever is later.
  - NOTE: COBRA Qualifying Event occurs when FMLA ends.
  - http://ucsfhr.ucsf.edu/benefits/dbrs/info.html?x=1318

Miscellaneous Benefits While on Disability

Retirement Plans, Vacation & Sick Leave, Legal and Other Insurance

Retirement Plans While on Disability

- *UCRP*: Employee does not accrue service credit during a leave without pay.
  - Buyback may be an option during the 3-year window upon employee's return to work.
- *DC Plans/403(b)/457(b) Plans*: Monthly contributions stop with employee's last paycheck. Access to funds may be available based upon disabled status. Refer to UCRS summary plan descriptions.
- During any leave without pay, if there is an outstanding 403(b) loan balance, repayments must still be made. Arrangements must be made directly with the loan office for personal monthly payments. Refer to loan document.

Vacation & Sick Leave

- Employee does not accrue vacation or sick leave during leave without pay (non-occupational disability).
- If separation occurs, unused vacation leave is paid directly to the employee.
- If applying for UCRP Disability Income—recommend that sick leave be exhausted.
- If applying for UCRP monthly retirement income—sick leave converts to additional UCRP service credit

HCRA/DCRA

- HCRA/DCRA: Contributions stop when employee goes off pay status. Employee can only submit for reimbursement of claims that occurred on or prior to last day of the month in which a contribution was made ***unless*** employee is approved under FMLA, in which case, the following applies to **HCRA only**:
  - Under FMLA, the employee can continue HCRA participation during his/her leave. In order for this to happen, employee must complete the UPAY 717 ***before*** the actual leave begins. This will allow medical expenses during FMLA leave to be reimbursed up to the HCRA limits
- COBRA Option: If employee wants to continue HCRA through remainder of the year and does not qualify for FMLA, he/she can apply for ***after-tax*** contributions through COBRA. Employee should contact SHPS for details

Other Insurance

- During Leave Without Pay:
  - Automobile,
  - Renters and
  - Homeowners Insurance
- Employee may continue coverage to the end of the contract year by paying premiums directly to the carrier (A+).

Filing a Disability Claim

Step by Step Instructions

http://ucsfhr.ucsf.edu/benefits/dbrs/info.html?x=1295

Initial Employee Contact

- Was this accident work related?
  - If so, follow for Workers Compensation claim procedures
  - If not, follow non-occupational disability claim procedures
  - If employee is unsure, follow both procedures
- Send or have supervisor complete appropriate forms
  - FMLA

IMPORTANT REMINDER!!!!!

Remind employee to keep copies of all completed forms!!!!!

Liberty Mutual Disability Approval or Denial

- Upon receipt of a complete claim:
  - Employee Statement
  - Attending Physician's Statement
  - UC Statement
- Liberty Mutual is generally able to make a determination on claims within 5 to 10 working days
- Approval is based upon physician's medical information and Liberty Mutual's plan requirements.

This is not a guaranteed benefit. Employee may or may not qualify, based on medical records and/or policy guidelines.

Liberty Mutual Disability Approval or Denial

- What can delay the review process?
  1. Physician or employee fails to submit the form
  2. Forms are incomplete or lost
  3. Payroll waiting for UC Statement from department
  4. Liberty Mutual waiting for UC Statement from Payroll
  5. Liberty Mutual requests additional information from the physician

Liberty Mutual Claim Denials

- Before any denial notice goes out, Liberty Mutual contacts the employee by phone.
- Liberty Mutual will notify the employee in writing within 90 days after the claim was filed.
- The denial notice shall include
  1. The specific reason or reasons for denial with reference to any applicable policy provisions
  2. The next steps to be taken if the employee wishes to have the denial reviewed

Appealing a Liberty Mutual Claim Denial

1. Appeal must be within 60 days of denial notice
2. Submit the request in writing
3. Include any issues or comments which the employee believes are pertinent to the claim
4. Employee has the right to review any documents Liberty Mutual used in its determination
5. Liberty Mutual will have given a description of any material that was not initially provided but needed to complete the claim
6. Liberty Mutual will respond within 60 days from the date the appeal is received

Occupational Disability Procedures

Workers Compensation

Occupational Disability
Step 1: Immediate actions

- Refer the employee to UCSF's designated medical provider if non-emergency
  - Employee Health Services (415) 885-7580
  - Personal Physician Pre-designation form
    - Must be completed before injury occurs
- Complete the Supervisor Report of Employee Injury (SRI) form within 24 hours and fax to DMS (Disability Management Services)
- Arrange for removal and storage of any broken equipment that may have caused the injury
  - Do not discard--might be needed during an investigation

Occupational Disability
Step 2: Forms

- Initiate Workers Compensation payroll procedures
- Send FMLA material to employee if he/she meets eligibility criteria
- Refer employee to DMS for discussion re: transitional/modified work.

Occupational Disability
Step 3: Explain Leave Types

- Sick Leave/Vacation Leave
  - Makes Election to utilize:
    - A: Sick leave
    - B: Sick leave and vacation leave
    - C: None of accrued leave
      - **ESL will not apply under this option**

  to supplement Workers Compensation (TD benefits) and remain at full/regular pay status
- Extended Sick Leave (ESL)
  - Starts when “A” or “B” election has been exhausted
  - Supplements WCTD benefits to 80% of full/regular pay status
  - May continue for up to 26 weeks
- Supplemental Disability Plan (Liberty Mutual)
  - May provide supplemental income up to 70% of pre-disability earnings provided that ESL has been exhausted

Occupational Disability
Step 4: Supplemental Disability Only

- As an injured worker approaches the end of Extended Sick Leave, it is important that they be referred to UCSF HR/Benefits to speak with a counselor about:
  - Supplemental Disability Claim
  - Other options that they may be eligible for
    - UCRP Disability Income
    - Social Security Disability Income
  - Continuation/conversion options for health and welfare benefits.
  - UCRS Distribution options
- DBR contacts UCSF HR/Benefits regarding Contingency Fund.

Leave Types

Paid Leave and Leave Without Pay

Insurance Coverage
Approved Leaves of Absence

- Leave with pay
  - All insurance contributions/deductions continue while on paid status.
- Disability leave without pay
  - Payroll issues letter to employee regarding personal payments.
- Personal leave without pay
  - Employee contacts Payroll to arrange personal payments.

Leave Without Pay
Insurance Coverage

- Medical, Dental, Vision and Legal Plans
  - Employee may continue coverage for up to 24 months by arranging to pay the ***gross premium*** directly to payroll
- Basic Life
  - Coverage automatically continues for up to 4 calendar months at no cost to the employee while on any approved leave of absence
  - Guaranteed conversion option
- Supplemental Life
  - Employee may continue coverage for up to 24 months by arranging in advance to pay monthly premium
  - Waiver of premium
  - Guaranteed conversion option
- AD&D and Dependent Life Plans
  - Employee may continue coverage for up to 24 months by arranging in advance to pay monthly premium
- Short Term/Supplemental Disability & Workers Compensation
  - Coverage ends the last day actively at work

Leave Without Pay
Retirement Plans

- UCRS: 403(b), 457(b), DC Plans, CAP
  - Contributions stop with employee's last paycheck
  - Distributions
    - Available upon separation
    - May also be available if permanently disabled
- UCRP
  - No service credit is earned, but buyback may be an option upon employee's return

Social Security Deductions/Payroll Taxes

- Stop when on leave without pay
- Begin again when back on pay status

Leave Without Pay
Other Benefits

- **Vacation/Sick Leave:** Does not accrue during leave
- **DCRA**
  - Contributions stop with last paycheck
  - Participation generally ends last day of month in which last contribution occurred
- **HCRA**
  - Contributions stop with last paycheck
  - Participation generally ends last day of month in which last contribution occurred
    - If FMLA eligible, participation may continue
    - See Summary Plan Description and UPAY 717
- **Automobile and Homeowners/Renters**
  - Employee may only continue coverage through the end of the contract year

Personal Premium Payments During Leave Without Pay

Payroll Insurance Desk

Initial Letter Regarding Personal Premium Payments During a Period of Disability

- Issued to employee when off of pay status for longer than 1 month
- Clearly outlines employee responsibility of premium payments
  - Med/dent/opt--employee pays net cost while on FMLA
  - Medical—employee pays net cost if receiving Short-term Disability Income from Liberty Mutual.
    - Runs concurrently with FMLA
  - Otherwise, employee pays gross premium
- Employee must check boxes for coverage he/she wants to continue
- Mailing address and payment instructions included

Personal Payments
Ongoing service

- Employee is responsible for making sure all payments are current
- UC contributions will continue to be paid provided that:
  - The claim remains open with Liberty Mutual
  - It has not been over 6 months since the date of disability
  - Employee net costs have been kept current

Personal Payments and UCRP Disability

- If employee is approved for UCRP disability income and the effective date is retroactive, adjustments may need to be made. UCSF HR/Benefits Counselor will reconcile.

Case Studies

Easy and not so easy!

Case Study 1

- On a bright Saturday afternoon, Mike was accidentally run over by an out of control tandem bike while walking through Golden Gate park. Luckily, he only broke both arms and suffered a minor concussion. He calls his boss on Monday morning to report what happened. He doubts he can work for at least a few months.

What should his department do?

Case Study 1 (Cont'd)
Mike's Questions

- "I have supplemental disability with a 7 day waiting period. When does the waiting period start?"
- "How long can I remain on disability?" (he has 3 years of service credit)
- "Does the University still pay for my health insurance?"
- "How much income will I receive?"
- What about service credit while I'm on leave?

Case Study 1 (Cont'd)
Injury relapse

- Mike comes back at 100% after 3 months of disability leave. Two days into his return, he realizes that this was too soon, as he is in severe pain. He goes out on leave again.
  - What happens to his waiting period?
  - Is he entitled to another 6 months of short term disability benefits?

Case Study 1 (Cont'd)
Supervisor's concerns

- With Mike out on another leave and his work starting to pile up, his supervisor is becoming frustrated.
  - Can he medically separate Mike?
  - Can he post for his job?

Case Study 2

- Carol has just come into your office complaining of extremely sore wrists and cramping in her hands. Prior to today, she occasionally complained of similar pain, but not to this extent . She also mentions that over the past weekend she took a bad fall and used both hands to absorb the shock.

How would you proceed?

Case Study 3

- Jerry is quite unhappy with the way his department is being run. He believes stress from work is causing him to have migraine headaches, ulcers, and insomnia. Before his health deteriorates any further, he wants to apply for disability benefits. He believes he is owed this benefit for putting up with such difficult working conditions the past few years.

How would you proceed?

Case Study 3 (Cont'd) Questions

- How is it determined if Jerry's current health problems are work related?
- What if his claim is denied?
- Is there anyone else he can go to for assistance?

Thank You for Your Participation!!!!