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Date: April 23, 1997
To: Benefits Officers
Payroll Directors
From: Cathy Robinson, Senior Director
Human Resources Administration
Subject: "GRANDFATHERED" BENEFITS ELIGIBILITY

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PERS health and CSU dental, vision, life and long term disability plans all provide special "grandfathered" eligibility rules for all academic year lecturers and coaches who, during the 1991/92 academic year, were appointed to teach at least six weighted teaching units and who were enrolled in benefits at that time. Please refer to Benefits Technical Letter 94-03, Supplement #1, for a complete description of the current "grandfathered" eligibility rules.

It is becoming more and more critical that "grandfathered" employees have the appropriate payroll code reflected in Item 962 of the employment history record of every currently active or on leave position for the following class codes:

2308	2334	2378
2331	2335	2381
2332	2358	2384
2333	2375	

Currently, we are experiencing instances of "lost" vision, life and long term disability coverage for grandfathered employees whose 962 code is missing. As PERS prepares to implement its new California Health Benefits Eligibility Linkage (CAHBEL) system for health and dental enrollments, the problem will become critical.

In preparing for the new health and dental enrollment process, we have verified that our current Employment History database will automatically carry forward the 962 code within a given position sequence. However, if the 962 code has not yet been entered, it must be added to a current transaction to ensure carry forward.

(Over)

Distribution:

Presidents
Interim Senior Director, Human Resources
Associate Vice Presidents/Deans of Faculty
Personnel Directors

To assist campuses in determining the appropriate 962 coding, HR-PIMS has produced two reports available on the CIRS Compendium:

- 1) H48 (Systemwide Detail Report, cycle 9704) -- This is a non-confidential alphabetical report of grandfathered employees who had health, dental, or automated benefits (vision, life and long term disability) coverage in 1991/92. It displays the full name, the last four digits of the Social Security Number, the birthdate, and the employee's 1991/92 position number and campus. It can be used to confirm grandfathered status for any employee, but may be especially useful for new hires at your campus who may have achieved grandfathered status at another campus.
- 2) H49 (Campus Detail Report, cycle 9704) -- This lists "grandfathered" employees with active or on-leave positions at your campus in one or more of the eligible class codes who do not have a 962 code on an eligible position.

The appropriate 962 code varies according to the employees' types of benefit enrollments in 1991/92 (refer to CSU PIMS Manual, page 3.84):

<u>Enrollment</u>	<u>962 Code</u>
Automated benefits only	1109
Dental only	1110
Health only	1111
Both dental and health	1112

During this data clean-up process, we are suspending the current instructions which limit Item 962 processing to deletes only. To add a 962 code to indicate grandfathered status, please process a transaction code 215 effective with the current month and note "Ben TL 97-07" in remarks. The code does not need to be added to employee records which are not currently active. However, when such an employee returns from leave or if the employee is subsequently rehired in one of the eligible class codes, the 962 code should be completed on the return/appointment transaction.

If you have coding and keying questions, please contact your State Controller CSU Audits representative. Other questions may be directed to systemwide benefits at (562) 985-2669. Thank you.

CR/pb