

New Option for the 90-day Wait for Healthcare Coverage

Announcing a new option for newly hired benefits-eligible employees subject to the 90-day waiting period:

Eligible employees hired after September 1st now have TWO options to choose from. As of September 1, 2011, eligible employees will be able to select either a voluntary Fixed Benefit Plan OR transition allowance. Details of these options and enrollment instructions are below and will also be included in the New Hire Packet. Please visit http://www.hr.arizona.edu/forms#new_hire for updated New Hire Packet forms.

Newly hired benefits-eligible employees have a 90-day waiting period prior to becoming eligible for participation in healthcare benefits. These benefits include medical, dental, vision, life, and short term disability insurance plans as well as flexible spending accounts.

Some employees are exempt from the 90-day waiting period. Exempt employees include those newly hired benefits-eligible employees who worked in either a benefits or non-benefits eligible capacity within the past two years at:

The University of Arizona
Arizona State University
Northern Arizona University
Arizona Board of Regents
Any Arizona state agency

New employees should contact Human Resources at 520-621-3662, option 3 if they have prior service with an Arizona state agency.

Newly hired benefits-eligible employees subject to the 90-day waiting period have two options to help bridge the wait for healthcare benefits if hired on or after September 1, 2011, subject to program availability. Eligible employees have thirty-one (31) days from the date of hire to select one of the options below. This selection is irrevocable.

OPTION 1: A \$1,000 Transition Allowance

The allowance will be distributed over three (3) months and is considered taxable income.

TO ELECT THE TRANSITION ALLOWANCE: Employees should complete the “Transition Allowance Declaration Form” found in their new hire packet and return the form to the home department for processing of a payment request. Instructions for processing the payment request can be found at http://www.hr.arizona.edu/recruitment_and_hiring.

OR

OPTION 2: A voluntary, “Fixed Benefit Plan”

Unlike state-sponsored major medical coverage available to benefits eligible employees after 90- days, the Fixed Benefit Plan is an indemnity plan which pays a fixed amount per healthcare service. The Plan has limits on the type and frequency of services covered and is designed to offset a small portion of incurred healthcare costs.

Elections may be made for the employee, employee plus one and/or family. Premiums are 100% employer paid. The employer contribution is considered imputed income and carries a nominal increase to taxable gross income. Coverage under the Fixed Benefit Plan automatically terminates at the end of the 90-day waiting period. More information, including a summary of benefits and frequently asked questions, may be found on the Human Resources website at http://www.hr.arizona.edu/health_benefits.

New Option for the 90-day Wait for Healthcare Coverage

TO ELECT THE FIXED BENEFIT PLAN: Employees must call Human Resources, Benefits at 520-621-3662, option 3 and indicate that they would like to enroll in the Fixed Benefit Plan. An online enrollment event will be opened for them in UAccess Employee.

Only one option may be selected. If dual options are submitted, the employee is responsible for repaying the Transition Allowance. The Fixed Benefit Plan enrollment will remain in place.

QUESTIONS?

Department	Topic	Contact Information
HR Benefits	Eligibility and Fixed Benefit Plan	benefits@email.arizona.edu 621-3662, option 3
HR Employment	Hiring and hiring forms	626-7657
Payroll - Operations	Payment requests	621-9097
Office of the Provost Administration	Transition allowance central funding	taylorm@email.arizona.edu 621-3876