



Frequently Asked Questions

Q. I have heard a little about the 403(b) & 457(b) Plans. What does the District offer- what's new?

A. Since January 2006, the District has offered financial planning through Keenan Financial Services. You are invited to make a personal appointment to review your retirement plan with a non-commissioned professional who is familiar with

- Tax-deferred savings through tax advantage plans,
- STRS & PERS, and
- Social Security as income

A variety of tax-deferred savings options are available through Peralta Community College District employment. Make an appointment to model your financial future. Call 800 343 0694 x4261.

On July 26, 2007, the Internal Revenue Service published final 403(b) Regulations. Enclosed is a summary of these changes for your review. (See page for the complete announcement of changes)

Q. Cash in lieu of benefits- What are they?

A. Employees now have the opportunity to decline medical and dental coverage through Peralta Community College District and receive \$30 per month in-lieu of medical and dental insurance with PCCD. To be eligible, the Benefits office must receive written proof or other comparable group medical and dental insurance. Medicare, COBRA and Individual Health Plans do NOT qualify as other medical insurance coverage.

To enroll in the cash in lieu benefit:

1. Obtain written proof of current health care coverage. The required proof is a letter verifying insurance and a copy of the plan(s) evidence of coverage or Summary Plan Description (SPD);
2. Submit the written proof to the Benefits Office;
3. Complete and submit the Waiver of Medical and Dental Insurance Form; and
4. Agree to notify the district within 30 days of loss of coverage under the other plan.

This waiver option is unavailable to retirees or surviving spouses.

Q. How do I change my address with my medical or dental plan?

A. Change of Address forms are available on the Peralta website at www.peralta.edu/addresschange or you may pick up a copy in the Office of Human Resources. The forms are available in either Word or PDF format. After completing the form, you may return it in one of three ways:

1. Drop it off at the front desk in Human Resources at the District Administrative Center;
2. Fax it to Human Resources at (510) 466-7280 or (510) 466-7397; or
3. Mail it to The Peralta Colleges, Human Resources, Attn: Lakshmi Kerner, 333 East Eighth Street, Oakland, CA 94606.

Once your address change is processed, the Benefits Office will then update your address with the medical and dental plan vendors.

Q. What determines my eligibility for medical and dental benefits as an active employee?

A. Benefits eligibility is determined by the contract and the number of hours you are expected to work in a permanent or temporary assignment. Full-Time Equivalency (FTE) determines the range of benefits for which the employee is eligible. To be eligible for 100% of the District cost for medical and dental insurance, the employee should have a 1.0 FTE as assigned by the department. See Benefit Eligibility Matrix on page 9.

Q. What happens if I claim an ineligible dependent on my benefits?

A. If the District, its representatives or benefit carriers suffer any loss because of a false statement contained in any benefit enrollment/change forms or failure to notify the District of the termination or change of any dependent status (i.e., divorce, termination of domestic partnership, overage dependent), they may bring a civil action to recover their losses, including reasonable attorney fees.

Q. Who is eligible as a dependent under my benefit plan(s)?

A. Your eligible dependents are as follows:

1. Your spouse
2. Your domestic partner (please check with the benefits administrator, as you may be required to complete an affidavit of domestic partnership.)
3. Your dependent children up to age 25 (including adopted children, and children of your spouse or domestic partner)

Q. What events qualify me (and/or my dependents) for COBRA?

A. The following list of events is the general provisions which will qualify you and/or your eligible dependents for continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA):

18-Month Qualifying Events*

- Voluntary Termination
- Involuntary Termination (excluding gross misconduct)
- Reduction of work hours

36-Month Qualifying Events*

- Death of employee
- Employee’s Medicare entitlement
- Divorce or legal separation
- Dependent child ceasing to be a dependent

When you experience one of the qualifying events listed above, your employer has 14 days to notify the COBRA administrator of your qualifying event*. Within 30 days of the notification, the COBRA administrator will send you and/or your eligible dependents (now referred to as “qualified beneficiaries”) a COBRA Qualifying Event Notice. Each qualified beneficiary has 60 days from the later of: a) the date of the qualifying event, or b) the date of receipt of the COBRA Qualifying Event Notice, to elect COBRA continuation coverage.

**Your employer is responsible for knowing all of the above-mentioned qualifying events EXCEPT for divorce or legal separation and dependent child ceasing to be a dependent (and sometimes the death of the employee when the employee has already experienced a COBRA qualifying event). You are responsible for notifying Peralta of these two events [three events] within 60 days, or any COBRA rights will be forfeited and you may be subject to premiums paid by the district for ineligible dependents.*

Q. What happens to my coverage if I get married, have a child or adopt a child?

A. If you experience any of the following events, you have a special enrollment right under the Health Insurance Portability & Accountability Act (HIPAA). You are entitled to elect or change your benefit plans with no late entrant penalties. You must notify the benefits administrator within 30 days of the event.

- Marriage, divorce or legal separation
- Birth, adoption or placement for adoption
- Moving outside of an HMO service area
- Loss of other group coverage

Q. Domestic Partners & Imputed Income-If I add a domestic partner, how is my paycheck affected?

A. You can add a domestic partner to your medical and dental insurance. However, the IRS requires that you be taxed on the value of the premium attributable to the domestic partner. In other words, your gross taxable income is increased by the amount of the insurance premium paid on behalf of the domestic partner. Still confusing? Here is an example of imputed income for an employee covering a domestic partner on the Kaiser HMO plan:

Two party premium	Single party premium	Amount of imputed income added monthly gross	Amount added to W-2
812.40	406.20	406.20	4874.40