

Chapter 13: Benefits

Benefit Programs

Affordable Care Act (ACA)

Employer Shared Responsibility Requirements

Beginning 01/01/16, all UC employees working an average of 30 hours per week for three months or more during a measurement period are required to be offered at least a Core Benefits Package. The offer applies to the following appointment types: per diem employees, students in casual/restricted appointments, seasonal workers, and those compensated solely by agreement (flat-dollar compensation). The UC Office of the President will contact eligible employees by December 31 to offer them Core Benefits and inform them of a special enrollment period in January.

While the Affordable Care Act (ACA) requires that full-time employees are offered coverage, it does not require that the employee enroll in a plan.

While the changes will take effect January 1, 2016, the determination of eligibility is based on a calculation of hours worked during a 12-month look-back measurement period which started in November 2014. Consequently, employees in the ineligible categories may qualify for UC insurance in 2016, based on their 2015 employment history. The retrospective calculation and determination of eligibility will occur annually and will be administered automatically in the Payroll Personnel System (reflected as a change from BELI code 5 to 4). This group will also be measured for ongoing eligibility during the look-back period, but they must work on average 30 hours per week to continue coverage.

The changes may result in an increase in benefits costs to departments in calendar year 2016 and beyond if employees in the eligible job categories meet the benefits eligibility criteria during subsequent measurement periods. When considering a future budget plan, departments should keep in mind that going forward, benefits eligibility for employees may continue for a longer period of time.

- Complete details on the new provisions impacted by the ACA regulations, including UC employer shared responsibility requirements, can be accessed at the UC Net website: <http://blink.ucsd.edu/go/aca>.
- Additional information is provided in the Frequently Asked Questions section at: <https://ucnet.universityofcalifornia.edu/compensation-and-benefits/health-plans/medical/affordable-care-act/faq.html>.

Defined Contribution Plan (DCP)

The following is a brief explanation of DCP for Graduate Students. See additional information on the GEPA website: <http://grad.ucsd.edu/financial/employment/benefits/student-fica.html>.

- For additional information, contact UCPATH directly
- For current balances in the DCP program, contact Fidelity Retirement Services at: 1-(866)-682-7787 or <https://netbenefits.fidelity.com/>

Requirements

The requirements listed below do not apply to students receiving fellowship stipends or the salaried checks of international students (F-1 and J-1 visas) who are non-resident aliens.

- Academic Year (September – June): Under IRS guidelines, a student employee (non-career) who is a U.S. citizen, permanent resident or resident alien must be registered a minimum of half-time (six units at UC San Diego) and be employed less than 80% for at least one day of the month to remain exempt from DCP/Medicare deductions. During the academic year, a graduate student who has advanced to Ph.D. candidacy is not subject to the unit requirement.
- Summer Months (July and August): Most graduate students are subject to deductions during July and August. For these months, a graduate student must be registered in Summer Session for at least one day of the pay period and be employed less than 80% time to remain exempt. The minimum unit requirement is six units if registered in a ten-week summer session and three units if registered in a five-week summer session.

A graduate student who does not meet the above criteria will have 8.95% taxes withheld from the entire paycheck. The 8.95% consists of 7.5% into the Defined Contribution Plan (DCP) and 1.45% for Medicare.

Please Note: The IRS requirements for FICA exemption should not be confused with UC San Diego graduate student support guidelines requiring full-time registration (minimum of 12 units) for funding on fellowships, traineeships, scholarships and academic appointments greater than 25% time or the UC San Diego rules that limit employment to 50% (unless an exception has been approved by the Dean of the Division of Graduate Education and Postdoctoral Affairs).

Student Employee Benefit Charges

The PPM is updated annually and shows the Worker's Compensation and Employee Support percentages. Supplement 1, found on the PPM website show the Schedule of Employer Matching Contribution Rates.

[UC San Diego Policy & Procedure Manual: 395 - Payroll](#)

Student Benefit Charges Effective 01/01/19

[PPM 395-10, Supplement 1, updated 01/01/2019](#): Please note that the 01/01/20 395-10 Supplement 1 was rescinded, making the 01/01/19 version the most current.

September-June (if registered in at least 6 units and employed less than 80%)

- 0.75% = Worker's Compensation
- 0.23% = Employee Support Program
- Total for September-June: 0.98% = Total (\$0.98 per \$100 wages)

July and August (unless registered in minimum units and employed less than 80%)

- 0.75% = Worker's Compensation
- 0.23% = Employee Support Program
- 1.45% = Medicare
- Unemployment = 0.00% (Gen. Funds); 0.25% (Fed. Funds); 0.10% (Other Funds)
- Total for July and August: 2.43% = General Funds (ex. \$2.43 for \$100 salary); 2.68% = Federal Funds (ex. \$2.68 for \$100 salary); 2.53% = Other Funds (ex. \$2.53 for \$100 salary)

COVID-19 Leaves

Academic Student Employees are eligible for Emergency Paid Sick Leave (EPSL). Read more on the [Return to Learn](#) website.

[Back to Chapter 12](#)

[Graduate Student Employment Policy & Procedures](#)

[Forward to Chapter 14](#)