

## **FAQ's Regarding .75 FTE Benefits Update**

1. **Q.** What does .75 FTE mean?
  - A. The employee has a regular (not temporary) budgeted assignment of 75% of a full-time position (either 28 hours per week for non-exempt positions, which normally work 37.5 hrs per week; or 30 hours for exempt positions normally working 40 hrs per week).
  
2. **Q.** Is the Hospital included?
  - A. Yes, effective January 9, 2005, Hospital Administration announced that regular, hospital employees with a full-time equivalency (FTE) of .75 or greater will be eligible for full-time benefits as of January 9, 2005. This change enables the hospital to further enhance recruitment and retention efforts while further aligning the hospital policies with the recommendations submitted to President Todd by the Work-Life Task Force.
  
3. **Q.** Can departments increase an employee's FTE up to .75 FTE? If so, how is this accomplished?
  - A. Departments must change their budget line for the position, HRS FTE assignment, and obtain approval from the appropriate administrators. All positions that are increased to be "benefits eligible" at 0.75 FTE or greater must then be posted through the Employment department and filled appropriately.
  
4. **Q.** What happens if a department reduces an employee's FTE from full time (1.0 FTE) to .75 FTE; how will it affect the employee?
  - A. Employees who participate in the health plan will continue to receive a full health credit (University contribution).
    - Employees would continue to receive the basic life insurance coverage of \$10,000. The amount of the supplemental life insurance coverage (1, 2 or 3 times salary) would be reduced, since it is based on a budgeted salary.
    - Retirement contributions would continue and be reduced and based on actual hours worked (excluding overtime).
    - Sick and vacation days, as well as holidays earned would be prorated based on the FTE.
    - Employees would remain eligible for the long-term disability plan and the employee education program.
  
5. **Q.** How is retirement calculated for eligibility on years of service?

- A. Years of service will be calculated by an employee's regular FTE status. For example, if a regular employee (not temporary) is budgeted for .75 FTE, the employee will accrue 75% of one year of regular full-time service (12 mos X .75 = 9 mos.). An employee who is in a position budgeted for .75 FTE for his or her entire career will need to work 20 years to accrue 15 years of full-time service (20 yrs. x .75 = 15yrs).
6. Q. How will the 5% retirement be pulled from each paycheck when hours may differ?
- A. Retirement contributions are based on actual hours worked and will vary if the actual hours vary. This will be calculated on 5% of **base pay (excludes overtime hours)**.
7. Q. I have a STEPS employee who is working 40 hours a week; why can't they have the .75 benefit?
- A. There is no budget for benefits in temporary positions.
8. Q. Are employees who are in .75 FTE regular positions eligible for Long-Term Disability? If yes, are they eligible immediately if they have worked for the University Of Kentucky for a year or do they have a one-year waiting period?
- A. Employees in a .75 regular position would be eligible for Long-Term Disability, however, the one-year waiting period would apply. The change in eligibility is viewed the same as any other change in status, therefore, the same waiting period applies.
9. Q. If employees move into a regular .75 FTE position during the year, will they be eligible for benefits immediately and what would be the time frame to turn in forms?
- A. Employees who become eligible for benefits based on a position change must complete benefit enrollment forms within 30 days of status change. The effective date of any coverage selected will be the date of the employee's change in status.
10. Q. During the Special .75 FTE Open Enrollment, may employees change health plans if they are currently enrolled in a plan?
- A. Employees may not change plans, however they may add dependents to their plans.

11. Q. In November, an employee goes from .50 FTE (without benefits credit) to .75 FTE (with benefits credit). This employee was on a UKHMO single plan without the health credit. (Remember, the position must be posted and the candidate selected before any changes in benefits occur.)

A. Can the employee:

a) Switch to PPO? **NO**

b) Add family members: **YES**

c) Drop their plan to go combined credit on spouses plan? **YES**

d) If already on a family plan, can they go to family combined credit? **YES**

e) Drop dependent(s)? **NO**

12. Q. Are Faculty members who work in positions budgeted at .75 FTE eligible to receive benefits?

A. NO, this benefit is available for staff in regular .75 FTE positions.