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ARIZONA DEPARTMENT OF ADMINISTRATION

HUMAN RESOURCES DIVISION

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MEMORANDUM

TO: Agency HR Managers

FROM: Kathy Peckardt, Human Resources Director *CP Johnson for*

DATE: July 20, 2011

SUBJECT: Health Insurance Benefit and Retirement Participation Waiting Periods

As you know, the Legislature passed House Bill 2024 in the last Regular Session, which, in addition to other provisions, states that a new state employee hired on or after July 20, 2011 who:

- Is in a benefits-eligible position will be subject to a 90-day waiting period for state employee health insurance benefits; and,
- Meets membership criteria under the Arizona State Retirement System (ASRS) statutes will be eligible for ASRS membership on the 27th week of employment.

The 90-day waiting period for state employee health insurance benefits applies to ALL new employees. Please note that the 27-week retirement participation waiting period is specific to only ASRS. Employees who are eligible for other state retirement plans, e.g., the Public Safety Personnel Retirement System (PSPRS), the Corrections Officer Retirement Plan (CORP), and the Elected Officials' Retirement Plan (EORP), are not subject to the retirement participation waiting period.

We believe it will be critical to properly communicate to new employees that, depending on their health insurance benefit elections, their net pay will be reduced at approximately three months, and, if ASRS eligible, they will see another reduction to their net pay at approximately six months. To assist agencies with this communication process, the standard appointment letter has been revised for your use, copy attached. In addition, the Arizona Department of Administration (ADOA) recently hosted several information sessions; the materials from the sessions have been posted on the Benefit Services Division's web site at: <http://www.benefitoptions.az.gov/liaison/default.asp>. As discussed in these sessions, ADOA has been working with ASRS on strategies and processes to implement the retirement participation waiting period for new ASRS members. Additional information and materials will be issued once they are finalized.

If you should have any questions, please contact my office at (602) 542-7290.

c: Marie Isaacson, Human Resources Deputy Director

Attachment

Offer Letter
For Appointments Effective On or After July 20, 2011
(COPY TO AGENCY LETTERHEAD)

Date

Name

Address

City, State, Zip Code

Dear Mr./Ms. *(Last Name)*:

This letter is to confirm our offer and your acceptance of the *(classification title)* position with the *(agency)*. In connection with this appointment, we have agreed that your start date will be *(date)*. Your starting wage will be $\$(amount)$ per *(hour, pay period, or year)*.

*(*Add appropriate paragraphs from last page)*

(New state employees only - Add this paragraph if appointee is not currently a state employee in either the appointing agency or another state agency) In compliance with the Immigration Reform and Control Act of 1986 and the Legal Arizona Workers Act of 2007, the State of Arizona is required to verify your employment authorization in the United States. As required by law, on or before your first day of employment, please complete Section 1 of the Form I-9, which can be found online at <http://arizona.i9servicecenter.com>. As a New Employee, you will need to enter your start date and your work information. Select the following item(s) from drop down menus on that website's log-in page:

Agency: _____ *(Fill in the appropriate information as it is listed and required for the automated I-9 system.)*
Department: _____
Section: _____

On your first day of work, please be prepared to provide original documentation verifying your identity and authorization to work in the United States. A list of acceptable documentation is available on the above-mentioned website.

*(New state employees only - Add **ONLY ONE** of the paragraphs below, as applicable - if there are any questions about which paragraph applies, please verify with the agency's Human Resources Office)*

(Option 1 - Add this paragraph if the employee will be eligible to participate in state employee health and disability plans, but will NOT meet membership criteria for the Arizona State Retirement System; e.g., positions that participate in another state retirement plan, such as the Correctional Officer Retirement Plan) You will be eligible to participate in the state employee health and disability insurance plans. Insurance benefits for new state employees hired on or after July 20, 2011 are subject to a 90-day waiting period. On or shortly after your first day of work, you will be provided with additional information about the available insurance plans,

enrollment instructions, submission deadlines, the effective date of coverage, and when payroll deductions for insurance premiums will begin.

- OR -

(Option 2 - If the employee will be eligible to participate in state employee health and disability plans AND will meet membership criteria for the Arizona State Retirement System) You will be eligible to participate in the state employee health/disability insurance plans and required to participate in the Arizona State Retirement System (ASRS). New state employees hired on or after July 20, 2011 are subject to waiting periods. The waiting period for insurance benefits is 90 days and your membership in ASRS will begin on your 27th week of employment. On or shortly after your first day of work, you will be provided with additional information about the available insurance plans, enrollment instructions, submission deadlines, effective dates, and when payroll deductions for insurance premiums and retirement contributions will begin.

Welcome to our team! I look forward to working with you. If you have any questions, please do not hesitate to contact me.

Sincerely,

Manager

*Additional paragraph(s), depending on position:

Uncovered position:

As an uncovered employee, you serve at the pleasure of the State of Arizona and have no recourse under the State Personnel Rules.

Background Check (ADOA):

This offer is contingent upon satisfactory results of a criminal history investigation.

Post Offer Physical Examination *(Click here [\[INSERT HYPERLINK TO PDF\]](#) to view the list of job classifications that require post-offer physical examinations):*

Your employment is contingent upon passing a medical/physical evaluation. The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers and other entities covered by GINA Title II from requesting or requiring genetic information of an individual or family member of the individual, except as specifically allowed by this law. To comply with this law, we are asking that you not provide any genetic information when responding to this request for medical information. 'Genetic information' as defined by GINA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.