



Frequently Asked Questions For the 2018 New Voluntary Plan for Disability and Paid Family Leave Benefits

Overview

California law requires that California employees participate in the State Plan (State Disability Insurance [SDI] and Paid Family Leave [CA PFL]) program which replaces a portion of the employee's lost earnings if an employee becomes disabled and cannot work or to care for a seriously ill family member or bond with a new child.

There is an excellent legal alternative to this State Program. California law allows employers to adopt their own self-insured Voluntary Disability & Paid Family Leave Benefit Plan, as long as the benefits provided are better than those provided by the State Plan.

VOLUNTARY PLAN

Who is eligible?

California Utility employees who are eligible to contribute to the State Plan are eligible for coverage under PG&E's Voluntary Plan. This includes: management, administrative & technical and ESC-, IBEW- and SEIU-represented employees.

Additional information about benefit amounts depending on your employee classification can be found [here](#).

When is it effective?

January 1, 2018.

How did I become covered under the Voluntary Plan?

Management and administrative & technical employees working in California completed the enrollment process in September 2017 to submit their choice via the SharePoint enrollment site. Employees on a leave of absence were mailed the enrollment form.

Union-represented employees submitted their choice via ratification of the negotiated 2016 Table Agreements between the Company and the Unions. Therefore, there was no action to take during the enrollment period in August.

HINT:

Use the hyperlinks in this document to link to the Intranet site for more information about how opting in or out of Voluntary Plan affects your overall Short-Term Disability and Paid Family Leave benefits (select the FAQ's in the Toolkit).

For additional details on the new policies, please click [here](#).

Note: you will need to be logged onto the network to view this material.

During the annual 2017 Benefits Open Enrollment, all eligible employees were given an option to reject coverage effective January 1, 2018 and remain covered under the State Plan.

For eligible employee on an unpaid leave of absence that began in 2017 and continued into 2018, coverage under the Voluntary Plan becomes effective upon your return to work.

Please visit the [Voluntary Plan page](#) on mypgbenefits to see a comparison of benefits between the Voluntary Plan and the State Plan.



Can I choose not to pay (or have deductions) for any disability insurance plan?

No. All California employees are required to pay into either the State Plan or a State-approved VP. Your contribution rate for the VP can never be more than the cost of participating in the State Plan.

What happens if I elect to not be covered under PG&E's VP?

You will remain covered under the State Plan.

For more information on how rejecting or opting out of the VP affects other STD and PFL benefits, including understanding the relationship with PG&E wage continuation benefits, [click here](#). In the Toolkit, you will find a comprehensive look at your overall STD and PFL benefits (FAQ's and comparison charts).

Can I change my mind and later either elect coverage or withdraw from coverage?

Yes. Beginning in January 2018, if you decide to opt-out of the VP, the change in coverage will take effect the first day of the next calendar quarter after you have given reasonable written notice to withdraw from the Voluntary Plan. In other words, if you make the request to opt-out on January 15th, it will become effective April 1st.

If you previously rejected coverage and later opt-in to the VP, the change in coverage will take effect the first day of the second calendar quarter after you have given reasonable written notice. In other words, if you make the request to opt-in on January 15th, it will become effective July 1st. Additional information, including the schedule of how future changes work, can be found [here](#).

How will I be able to later change my election?

Your enrollment and coverage under the VP will be managed through Mercer Benefits Central—the same place you go to make other benefit changes.

Could I ever receive a lesser benefit from PG&E's VP than from the State Plan?

No. Under all circumstances, you will always receive **at least as much as you would have received from the State Plan**.

How do I file a claim for benefits under PG&E's VP?

You must file a claim with our leave and disability claims administrator, Sedgwick. This includes claims submitted in writing, via telephone or electronically. Along with that claim, you must file a medical certificate or, in the case of a leave to bond with a new child, other appropriate supporting documentation. Additional information on how to request a new leave and VP benefits with Sedgwick can be found [here](#) on the mypgebenefits page.

If I work for more than one company during the year or leave PG&E for employment elsewhere before the end of the year, will I have to also pay into the California State Plan at the other company without any credit for the amount paid into PG&E's VP?

Yes. This is true regardless of whether we have a Voluntary Plan or the State Plan. However, if, at the end of the year, you have paid more than the maximum required by the State Plan because you worked for more than one employer during the year, you may be entitled to a refund of the amount overpaid. For more information, please consult with a tax professional.

What happens if I leave PG&E and have been covered under the VP?

If you leave PG&E to work for another company, you will be covered by the State Program or your new employer's Voluntary Plan, if applicable. Meaning, your coverage under the VP counts towards your coverage under the State Plan, and you will be paid at the same weekly benefit level and period that you would have received if you declined the Voluntary Plan. In some cases, you may



PHYSICAL



EMOTIONAL



FINANCIAL

be eligible for benefits from the State Program even if you are unemployed. PG&E's Voluntary Plan will pay an assessment to the State Program to provide this seamless coverage to you at all times.

Note: If you are no longer covered by PG&E's Voluntary Plan, you will need to separately file a claim with the State Plan for your State Disability Insurance or Paid Family Leave benefits and file a leave of absence claim with Sedgwick, the leave and disability administrator.

What defines Basic Wage Rate?

For the purpose of benefit determination, it's your regular pay (excluding overtime, premium pay, bonuses, commissions, upgrades or other pay in effect) immediately prior to the commencement of a period of Disability or Paid Family Leave, as applicable.

What Plan will I be covered under if I started a disability or family care leave in 2017?

You will be covered under the State Plan. You will need to have started your period of disability or have a new qualifying event to care for a family member with a Serious Health Condition or to bond with a new child on or after January 1, 2018 to be eligible under PG&E's VP.

For information on how other STD and PFL benefits will work during this transition year, [click here](#) for additional FAQ's in the Toolkit.

If you are an eligible employee on an unpaid leave of absence beginning in 2017 that continues into 2018, coverage under the Voluntary Plan will become effective upon your return to work.

My spouse also works for PG&E. Are we both covered separately under PG&E's VP?

Yes.

Do I contribute to both Disability and PFL in order to be covered under both benefits?

No. There is one contribution for coverage under the Voluntary Plan. The Voluntary Plan provides benefits for both disability and PFL as there is one Plan.

Is my job protected while receiving benefits under the Voluntary Plan?

Maybe. Most of our employees are eligible for leave of absence under federal, state or company policy (including STD and PFL wage continuation), which does offer job protection. Please see the [leaves of absence section](#) on [mypgebenefits.com](#) for additional information on leaves you may qualify for.

Just like the State Plan, the VP is not a leave of absence and does not provide job protection. It provides partial wage replacement when you cannot work due to disability, or need time off to care for an eligible family member or to bond with a new child. Most employees are eligible for a leave of absence while receiving benefits from the Voluntary Plan. However, you are not automatically approved for a leave of absence if eligible for these benefits.

Can I itemize my contributions made to the Voluntary Plan or State Disability Plan?

Since each taxpayer's situation is unique and tax laws change regularly, a number of factors must be considered. For information on individual tax filing issues, please contact your tax professional

What happens to the monies paid into the state?

The amount you contributed to the state fund during the time you were covered under the CA SDI benefit remain in the state fund. Beginning January 1, 2018, if you have elected to be covered under the PG&E Voluntary Plan, your contributions would go to the Voluntary Plan. There would be seamless coverage when moving from the state plan to the Voluntary Plan. The plan from which benefits will be paid will depend on the date of disability or family leave begins.