**Retirement Benefit Notes**

Current Health Insurance Premiums:



Notes: 1) If you cancel Health Insurance, you lose it for life

 2) At age 65 take Medicare Parts A and B premium reduced as City’s Health Insurance

 becomes secondary. If eligible to enroll in Medicare Parts A & B and elect not to

 City has authority to only pay 20% of the claim(s). Generally this is for any

 employee hired after April 1986 when the City started the Medicare deduction. Any

 deductible and Co-insurance you pay under Medicare Parts A and/or B does credit toward

 your Secondary insurance under the City’s Health Plan. If you remain working at age 64 you

 don’t have to enroll until you retire. However, be sure to enroll either 3 months prior to

 retirement and/or before turning age 65 to avoid any penalties.

 months

 3) The City’s Pharmacy Plan under UHC Optum Rx is your plan so you don’t have to

 Enroll in Part D.

 4) Spouse must be on plan 1 year prior to retiring to maintain insurance into retirement

 5) Flexible Spending Account stopped as not available for retirees

 6) All benefits after tax upon retirement

 7) Retirees hired prior 2003, will receive $5.00 per month for every year of service up to 30 years.

 The maximum subsidy is $150.00 a month which the retiree will receive even if the Health

 Insurance is cancelled. Hired after January 1, 2003, the retiree will have to use the funds in the

 ICMA account. ICMA cannot be used until the employee retirees and must complete a form

 requesting reimbursement for items such as premiums and/or co-payments on medical, dental,

 or vision expenses.

 8) Healthstat not available for retirees

 **Pharmacy Benefit:**

 The benefit is the same no matter which Health Plan you select

 $100 per person annual deductible and up to $300.00 maximum for family.

 Co-payments after deductible is met:

 Tier 1 – Generic $12.50 for 30 day supply

 Tier 2 – Brand $31.25

 Tier 3 – Non-Formulary $62.50

 Note: 1) 90 day supply available and is equal to 3 monthly co-payments.

 2) If covered by Medicare Parts A & B the City is considered Part D for the retiree and no

 Gap or “donut hole”

**Dental Premiums** not paid by the City so the retiree may elect to come in and out of the plans on an annual basis.



**Vision Premiums** not paid by the City so the retiree may elect to come in and out of the plans on an annual basis.

**Vision Semi-Monthly**

 **Retiree Only Retiree + One Retiree + Two or More**

 $3.02 $6.05 $8.50

Co Pays:

Lens = $15.00

Doctor Examination $10.00

Frames go for the wholesale frames and can get every 2 years

In lieu of above, you can elect to receive a $105.00 voucher for contract lenses but this amount would have to cover the provider visit too.

**Note: Since the Dental and Vision Plans are considered fully insured plans, you may drop the benefit one year and enroll back in the plan the following year.**

**Life Insurance Highlights**.

* A retiree can maintain their supplemental life insurance upon retirement. The retiree can only take up to 5 times his annual salary and this must be in place prior to retirement.
* You are not allowed to change your insurance once retired.
* At age 70 the coverage amount is reduced by half along with the premium.
* Upon retirement you must elect to pay either quarterly, semi-annually, or annually and the premium is actually cheaper than the active premium. This payment must be received within 30 days from your retirement date. The price is $.17 per $1,000 per month and this rate is generally only guaranteed for a year and subject to change based on age, experience, and loss claims. This is subject to change after you retire but generally is in place for up to year.
* The premium includes Accidental Death and Dismemberment too.
* I would suggest after the insurance company has processed your first payment to call and request it be drafted out of your savings or checking account so you do not forget and the policy is cancelled.
* This is also considered an individual policy once you retiree, it is between the retiree and the insurance carrier.
* The Basic Life Insurance the City pays for while your active is terminated but you can take $10,000 out on this coverage which will come out of your pension check. The cost for this is $2.58 per $1,000 per month so I don’t recommend you take this unless the retiree has a terminal illness as your supplemental insurance should be sufficient.
* If the retiree has dependent life coverage, this is also terminated. It could be converted to whole life but this could cost up to $100 a month for a very small amount so recommend that a replacement policy be sought through another carrier i.e. AARP.
* There is a Survivor Benefit that equals one times the retirees’ annual pension to the surviving spouse not to exceed $150,000.

**Volunteer Benefits (Accident, Critical Illness, and Hospital Indemnity):**

If you want to maintain the coverage for accident and critical illness, you must contact Trustmark at 1-800-514-3446 if you want to maintain after you retire. If it is on the Hospital Indemnity you

must contact Unum at 1-866-822-0716.