Overview of Retiree Medical Benefits

Employee Benefits Department
December 12, 2019
Agenda

- Retiree Medical Benefits
- How to Qualify
- Medicare Overview
- Medicare Part B Reimbursement
- Cost of Retiree Medical
- Options for Retirees Living Out-of-State
- Retiree Medical Enrollment Session
- Retirement Planning Checklist
- Questions
▪ Retiree Medical Benefits

- County of Santa Clara provides a premium contribution equivalent to 100% of the Kaiser plan for retiree-only (single) coverage.

- Executive Managers benefit is equivalent to 100% of the lowest cost plan.

- Retirees pay the difference for enrollment in a higher cost plan.

- Retirees pay the premium cost for coverage for spouse and/or children.
### Qualifying for Retiree Medical Benefits

<table>
<thead>
<tr>
<th>Hire Dates</th>
<th>Years/ Days of Service Required</th>
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<tbody>
<tr>
<td>Before 08/12/1996</td>
<td>5 years / 1,305 days</td>
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<tr>
<td>Between 08/12/1996 and 06/18/2006</td>
<td>8 years / 2,088 days</td>
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<tr>
<td>On or after 06/19/2006*</td>
<td>10 years / 2,610 days</td>
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<tr>
<td>*Refer to your MOU if hired in 2013 or later</td>
<td>15 years / 3,915 days</td>
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Qualifying for Retiree Medical Benefits

- Must retire from CalPERS and the County on the same date.

- Enrollment in retiree medical coverage is not automatic.

- Schedule and attend a Retiree Medical Enrollment Session 30 – 60 days prior to your retirement date.
Medicare Overview

− Most individuals become eligible for Medicare when they turn 65
  − 7-month Initial Enrollment Period to sign up for Part A and/or Part B.

− Medicare covers services and supplies considered medically necessary to treat a disease or condition.
  − Medicare Part A covers hospital services
  − Medicare Part B covers physician services
  − Medicare Part D covers prescription drugs

− For information about Medicare
  − www.medicare.gov
  − 1-800-MEDICARE
**Medicare Overview**

- Retirees and/or their spouse eligible for Medicare parts A & B must enroll.

- Retirees and/or spouse must **NOT** enroll in the Medicare Part D – prescription drug program.

- Notify Employee Benefits as soon as enrolled in Medicare.
How to Enroll in Medicare

- Apply online through Social Security.
  - https://www.ssa.gov/medicare/apply.html

- Visit your local Social Security office.

- Call Social Security at 1-800-772-1213.
Medicare Part B Reimbursement

- Retirees who were Executive Managers or represented by UAPD as active employees are not eligible.

- Retirees are eligible if:
  - Elected medical plan costs less than the County benefit or retiree waived coverage.
Medicare Part B Reimbursement

- To be enrolled in the program, retirees must:
  - Provide a copy of their Medicare Card.
  - Provide documentation of Medicare Part B premium cost.
  - Complete a Statement of Understanding.
  - Enroll in a Medicare coordinating medical plan or waive medical coverage.
Cost for Retiree Medical

- See Retiree Premium Rate Sheet handout
- Premium payment is made via a monthly deduction from your CalPERS pension check
Options for Coverage Out-of-State

- Health Net
- Payment In-Lieu Program
Payment In-Lieu Program

- Available to retirees permanently residing outside of California or the U.S.
- Must waive enrollment in a County sponsored medical plan
- Must provide proof of enrollment in any other medical plan
Payment In-Lieu Program

- Payment issued quarterly
- Benefit amount is equivalent to 100% of the County benefit for medical coverage
- Amount is taxable
  - 1099 form is issued after the end of each calendar year
Changing Medical Plans After Retirement

- Qualifying events
- Open Enrollment
  - May 1st – 31st
- **Survivor Coverage**
  
  - The County offers survivor coverage under the following conditions:
    - Spouse/child(ren) covered on the retiree’s medical plan at the time of death
    - Spouse/child(ren) must pay 100% of the premium cost in a timely manner
  
  - The County does not contribute to survivor coverage
Options for Benefits NOT Provided by the County

- Dental
- Vision
- Life
- Accidental Death & Dismemberment
- Long-Term Disability
Retiree Medical Enrollment Session

- Session provides:
  - Overview of retiree medical benefits
  - Completion of County forms
  - Completion of medical plan forms
  - COBRA information
  - Deferred Compensation information
Retirement Planning Checklist

Submit Retirement Application to CalPERS. 120 days before retirement.

Attend Exit Interview. 1-2 months before retirement.

Schedule appointment to attend Retiree Exit Interview. 1-2 months.

Inform your Supervisor/Manager of your retirement date. 1 month - 2 weeks.

Inform your department Employee Service Center. 1 month - 2 weeks.

Apply for Medicare A & B, if you are over age 65. 1-2 months.
▪ Contact Us

– Employee Benefits Department

– Address:
  400 Race St, Suite 201
  San Jose, CA 95126

– Phone:
  (408) 970-2600 or
  (800) 541-7749 – toll free

– Email:
  benefits@esa.sccgov.org