

HEALTH & WELFARE BENEFITS UPON RETIREMENT

A health benefit (including medical, dental and vision) will be available upon retirement from Monterey County Office of Education (MCOE) for a period of up to ten (10) years in accordance with the following schedule:

<u>Years of Continuous MCOE Service*</u>	<u>Years of Medical Benefits</u>
5 Years	5 Years
7 Years	6 Years
9 Years	7 Years
11 Years	8 Years
13 Years	9 Years
15 Years or More	10 Years

*(Continuous service includes approved leaves of absence.)

Eligibility:

To be eligible for this management retiree benefit, the employee must meet the following criteria:

- Years of continuous service must be at the .5 FTE level or above.
- The retiree must be below the age of Medicare eligibility, current law is 65 years of age, to receive benefits. Employees eligible for Medicare, who have less than five years of continuous, uninterrupted service in the employ of the County Superintendent, may buy into the medical plan at the group rate.
- For those employees who are eligible for 10 years of benefits at retirement and reach the age of Medicare eligibility before exhausting the 10 years of benefits, MCOE will provide reimbursement for one of the Municipalities, Colleges, Schools Insurance Group (MCSIG) offered Medicare Supplement Plans purchased by the retiree. The reimbursement by MCOE will be at a cost not to exceed the current medical benefit cap at the highest plan or the actual cost of the Medicare Supplement Plan, whichever is less.
- For those employees eligible for the additional years of medical benefits and are not Medicare age, they will receive the active employee's single rate cap for benefits. Once the employee reaches Medicare age, MCOE will provide reimbursement for one of the MCSIG offered Medicare Supplement Plans at a cost not to exceed the current medical benefit cap at the highest plan or the actual cost of the Medicare Supplement Plan, whichever is less.

- Dental and vision coverage will be provided by MCOE at the active employee's single rate until the MCOE paid medical benefits are exhausted.
- The employee shall be eligible for retirement at fifty (50) years of age or older and shall be enrolled in the MCSIG health and welfare benefit plan at the time of retirement.

Dependent Coverage:

In order for dependents to be eligible, they must have been participants in the medical, dental, and/or vision plan(s) at least one month prior to the retiree's last date of active service.

Dependent coverage may be continued if the retiree makes direct payment to the MCOE.

If the management retiree or spouse is in arrears in payment by 30 days or more, the MCOE may cancel coverage.

Survivor Benefits:

Upon the death of a management retiree of Medicare age, any non-Medicare spouse, domestic partner, disabled adult child, or dependent participating in the plan at the time of the retiree's death may continue to buy into the group plan by paying the full premium directly to MCOE until they become eligible for Medicare or becomes ineligible due to the rules of the plan. This benefit is in lieu of the rules relating to the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Upon the death of a management retiree that is not of Medicare age, the surviving spouse may buy into the group plan by paying the premium to MCOE until the spouse becomes Medicare eligible or no longer eligible for survivor benefits under the rules of the plan. This benefit is in lieu of COBRA.

When the retiree reaches the age of Medicare eligibility, or when the medical benefit period expires, the retiree, if not yet Medicare eligible, and dependents may remain in the group plan by paying the premium.

It is important to note that when the management retiree dies while covered under the MCSIG plan offerings, the surviving spouse or eligible children who are covered under the plan are entitled to enroll. This enrollment is required to take place within 31 days after the date of the retiree's death. This provision is in lieu of COBRA.

Benefit Deferral:

Eligible management employees may defer access to the Retiree Medical Benefit Program for a period of up to five (5) consecutive years if they satisfy all of the following provisions:

- In order to apply for this benefit deferral, employees must be age eligible for retirement from either the PERS or STRS system. By the end of the five-year deferral period the employee must have applied for retirement benefits from either PERS or STRS in order to be eligible for retiree medical benefits.
- Employees must have achieved at least ten (10) years of continuous, uninterrupted service with the County Office of Education.
- Upon retirement or separation from the MCOE, an eligible employee must declare his/her intention to defer eligibility for Retiree Medical Benefits no later than ten (10) working days after the date of separation.
- In order to participate in the 5-year medical benefit deferral program, management retirees shall maintain continuous primary health insurance coverage with MCSIG and make the appropriate payment to MCOE. The premium contribution for employees participating in this program during the deferral will be the same as the MCOE contribution for single active employees.
- Retirees participating in the program who maintain primary health insurance coverage with MCSIG shall be able to continue coverage for eligible dependent(s), provided that the retiree makes the appropriate premium contribution to the MCOE.
- Retirees may move to a lower cost plan during the deferral period, and may re-enroll in any plan under the current MCSIG open enrollment guidelines.

Adopted: Prior to 1987
Reviewed: 8/87; 11/14; 10/16
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