POLICY

CITY OF ST. PETERSBURG
RETIREE GROUP INSURANCE PROGRAM
JANUARY 2019

1. Eligibility:

To qualify for the City of St Petersburg Retiree Group Insurance Program, an employee must meet the retirement eligibility criteria of the City retirement plan in which they are enrolled at the time they leave employment. The plans are:

- Employees’ Retirement System – Eligible for Service Retirement Income or Disability Retirement Income
- 1984 Supplemental Police Officer’s Retirement System – Eligible for Service Retirement, Early Retirement or Disability Benefits
- Supplemental Firefighter’s Retirement System – Eligible for Normal Retirement, Early Retirement or Disability Benefits
- 401a Management Plan – Eligible for Normal Retirement, Eligible for Disability Benefits under the City’s Group Long Term Disability Insurance Program

(NOTE: Employees eligible a future Vested Retirement Benefit or receiving a Vested Retirement Benefit from any of the plans shown above are not eligible for participation in the Retiree Group Insurance Program. See the respective plan document for eligibility requirements)

2. At the Time of Retirement or Disability Retirement:

a. Employees enrolled in any group health, dental, vision or AD&D plan who retire will be eligible to continue coverage as determined by the guidelines established by the applicable insurance carrier and/or by the City. Group health, dental, vision and AD&D coverage for retirees and any covered dependents can be continued after retirement if the employee is enrolled in the respective plan on the day before their retirement or disability retirement date. Covered dependents include a spouse and dependent children who meet the respective plan’s eligibility requirements and are enrolled on the day before the employee’s retirement or disability retirement date.

b. Employees or their covered dependents who are eligible for Medicare at the time of retirement may stay in the plan in which they are currently enrolled, or they may choose to enroll in the City’s Choice Plus Retiree Base Option Plan, Medicare HMO or Medicare PPO, either at the time of retirement or at any time thereafter.

c. Non-management employees enrolled in the City’s group basic life insurance plan who retire will be eligible for $5,000 of continued coverage subject to the rules and guidelines of the insurance carrier. Premiums are fully paid by the retiree.

d. Management employees may choose to continue basic life insurance coverage of $50,000, $25,000 or $10,000. Premiums are fully paid by the retiree. The coverage that
is chosen will decrease by 50% at age 70, subject to the rules and guidelines of the insurance carrier.

e. Supplemental Life Insurance coverage cannot be continued under the group program after retirement but may be converted to an individual policy with the insurance carrier, subject to the rates and guidelines of the carrier. Note: Per carrier rules, Individuals retiring at age 65 or over are not eligible to continue Supplemental Life Insurance coverage.

3. **During Retirement:**

   a) Retirees do not have an annual open enrollment period, and generally remain enrolled in the plan(s) selected at the time of retirement.

   **Exceptions to this include:**

   1) At the time of eligibility for Medicare, the Retiree and/or covered dependent may make certain changes in their health plan coverage (see #3 below).

   2) If the City makes a significant change in a plan the City may, but is not required to, offer retirees a special election period. As special election periods are offered at the City’s discretion, any special election period is subject to City restrictions and the rules and guidelines of the respective insurance carrier(s), if any.

   3) A retiree may change to a lower tier group health plan at any time. (Exception - only Medicare eligible retirees may enroll in the City’s Choice Plus Retiree Base Option Plan, Medicare HMO or Medicare PPO). Retirees and/or their covered dependents who elect to move to a lower tier plan will be permitted to return to their former plan if the request is made more than 90 days after the new plan coverage effective date and prior to one year from the new plan coverage effective date, provided that the former plan (or similar plan) is available. The former coverage will be reinstated as soon as reasonably possible and will not be retroactive. This option is only available one time for pre-Medicare eligible retirees.

   The hierarchy of group health plans is as follows:

   - Choice Plus Plan
   - Choice Plan
   - Choice HDP
   - HDP Basic
   - Choice Plus Retiree Base Option Plan – (if Medicare eligible)
   - Humana Medicare PPO (if Medicare eligible)
   - Humana Medicare HMO (if Medicare eligible)

   b) The City may, but is not required to, contribute to the premium cost for retiree group health coverage. The amount and method of determining any such contribution will be determined by the City and may be changed or discontinued at any time at the discretion of the City. Premiums for life, dental, vision and AD&D are fully paid by the retiree.
c) Any premium or portion of a premium paid by the City and/or the retiree will be adjusted whenever the premium rate changes.

d) Retirees may terminate their participation in the City’s group health, dental, vision life and/or AD&D insurance plans at any time after retirement. **Re-enrollment is not permitted.**

e) Retirees may make changes in their coverage based on qualifying events but only when the change is requested within 31 days of the qualifying event. (Contact the Benefits Division for a list of qualifying events).

f) Retirees and covered dependents not eligible for Medicare must all be covered under the same group health plan.

4. **Group Health Plan – Medicare Eligibility:**

When a retiree or a covered dependent becomes eligible for Medicare it is important for the retiree or covered dependent to **enroll in Medicare Parts A & B at the time of initial Medicare eligibility.** The City’s group health insurance automatically becomes a secondary payor at the time of Medicare eligibility. This means that **the plan will not pay claims that would otherwise be covered by Medicare, even if the Retiree or covered dependent does not enroll in Medicare Parts A & B.**

Retirees and covered dependents who become eligible for Medicare may:

a) remain in their current plan;

b) elect a Medicare HMO or Medicare PPO plan at any time; or

c) enroll in the Choice Plus Retiree Base Option Plan at any time.

After choosing to enroll in another plan, retirees may not return to their previous plan, except as provided for as follows:

Retirees and/or their covered dependents who are eligible for Medicare and elect to move to the Medicare HMO or Medicare PPO plan will be permitted to return to their former plan as long as the request is made **more than 90 days after the new plan coverage effective date** and prior to **one year from the new plan coverage effective date,** provided that the former plan (or a similar plan) is available. The former coverage will be reinstated as soon as reasonably possible and will not be retroactive. After one year from the effective date of enrollment in a Medicare Plan the retiree and/or covered dependent may not enroll in a non-Medicare coordinated plan.

If a retiree is eligible for Medicare and a covered dependent is not (or vice versa) each of the members may enroll in a different plan. For instance, a Medicare eligible retiree may be enrolled in the Choice Plus Retiree Base Option Plan and a non-Medicare eligible dependent may be enrolled in the Choice Plan. Each will be charged the applicable premium for single coverage in the respective plan.

5. **Cost of Coverage:**

a) **Health** - The cost of coverage amount depends on the plan selected, the number of dependents enrolled, the retiree’s date of retirement and the City’s contribution, if any.

1) For employees who were hired before January 1, 2009 and subsequently retire the City will share in the cost of group health coverage by contributing 75% of the Choice Plus Retiree
Base Option Plan monthly premium until the City’s subsidy amount exceeds 150% of the rate subsidy that was in effect as of January 1, 2010. Under this formula the maximum amount the City will contribute is as follows:

- Single coverage – $297.72
- Two-person coverage - $601.37
- Family coverage - $833.58.

2) The retiree is responsible for any monthly premium amounts in excess of the City’s contribution. All premiums are paid on an after-tax basis.

3) Employees hired on or after January 1, 2009 who subsequently retire will pay the full cost of the Plan coverage. The City will not share in the cost of the monthly premiums. All premiums are paid on an after-tax basis.

b) Dental, Vision, Life and AD&D – Retirees are responsible for the full cost of coverage. All premiums are paid on an after-tax basis.

c) Premiums are paid monthly, generally as a deduction from the retiree’s pension payment. Premiums are due and payable prospectively, for instance, the premium for coverage for the month of May is due the last business day of April.

5. **Death of the Retiree:**

Surviving dependents who were insured for health, dental and/or vision insurance on the date of the retiree’s death will be eligible to continue coverage dependent upon the date of the former employee’s date of retirement, as follows:

a) **If the employee retired prior to March 1, 1978:**

1) Surviving covered dependents can continue to be covered until the end of the period for which the surviving dependent receives pension benefits. For example, if the retiree chose lifetime benefits for the surviving spouse at the time of retirement, the spouse could continue group insurance coverage for his/her lifetime.

2) If the pension benefits for the surviving dependent end prior to the dependent’s death, the dependent(s) may continue enrollment in group insurance through COBRA for the balance of the 36-month COBRA entitlement period, if any.

b) **If the employee retired during the period March 1, 1978 through March 31, 1988**

1) Surviving covered dependents can continue coverage for up to 12 months after the retiree’s death, or the end of the period for which pension benefits are received, whichever is shorter.

2) After pension benefits for the surviving dependent end, the dependent(s) may continue enrollment in group insurance through COBRA for the balance of the 36-month COBRA entitlement period, if any.
c) If the employee retired on or after April 1, 1988:
   Surviving covered dependents may continue coverage under COBRA for up to 36 months.

Note: Continuation of coverage elected under a) above runs concurrently with any COBRA continuation entitlement. Surviving dependents are responsible for the full cost of coverage plus a 2% administrative charge. There is no City premium contribution for the group health plan when a surviving dependent is receiving coverage due to COBRA.

6. Other Provisions:

a) Only dependents meeting the qualifications contained in the respective plan documents will be eligible for coverage under any group insurance plan.

b) Retirees and dependents are responsible for notifying the Benefits Division of qualifying events that affect the eligibility for coverage, such as marriage, divorce, death, birth, etc. The Benefits Division must be advised in writing and receive any required documentation within 31 days of any event(s) to make changes.

c) Benefit plan provisions are governed by the applicable insurance certificates of coverage and/or the respective plan documents. The respective insurance carriers or administrative service providers and the City are responsible for plan administration. All questions and concerns regarding claims and services should be directed to the insurance carrier or administrative service provider.

d) The City reserves the right to change plans, insurance carriers or administrative service providers and to add, change or terminate any plan or any coverage at any time.

e) For Sworn Police and Fire employees who become disabled or die in the line of duty, the City will provide health insurance benefits to the employee and/or dependents who meet the eligibility requirements of any applicable federal or state statute which may apply and is in effect at the time.