



Policy and Procedures for Madison County Retiree Benefits

1. GENERAL PURPOSE OF THE POLICY

The County offers retirees and their eligible dependents a suite of benefit plans, including healthcare, dental and vision coverages. For more information and specific plan descriptions for each benefit, visit the Personnel Department's website.

2. ABBREVIATIONS USED IN THE POLICY

LGHIP: Local Government Health Insurance Plan
UHC: United Healthcare
County: Madison County

3. ELIGIBILITY REQUIREMENTS FOR RETIREMENT

Below are the requirements established by the Retirement Systems of Alabama (RSA) that a member must satisfy in order to qualify for retirement:

Tier 1: Members who were hired prior to January 1, 2013 are eligible to receive retirement benefits under the following conditions:

- ◆ He or she has at least ten (10) years of service credit and has attained the age of 60.
- or**
- ◆ After accumulating twenty-five (25) years of service credit at any age.

A tier 1 member is eligible to retire the first day of the month following attainment of either of the above requirements. Members can only retire the first day of any month upon eligibility.

Tier 2: Members who were hired on or after January 1, 2013 are eligible to receive retirement benefits when:

- ◆ He or she has at least ten (10) years of service credit and has attained the age of sixty-two (62).

A tier 2 member is eligible to retire the first day of the month after meeting the service credit and age requirement. Members can only retire the first day of any month upon eligibility.

Disability Retirement: at any age with a minimum of ten (10) years of service with RSA and approval of the Retirement Systems Disability Board.

Monthly retirement benefit checks are paid by the Employees Retirement System (ERS) managed by the Retirement Systems of Alabama.

Questions regarding vesting, purchasing of service credit, or withdrawals should be directed to:

- ◆ Online: <http://www.rsa-al.gov/index.php/members/ers/>
- ◆ Phone: 877.517.0020 or 334.517.7000

Policy and Procedures for Madison County Retiree Benefits

4. HEALTH INSURANCE COVERAGE OPTIONS

Retirees and their eligible dependents may continue participating in the health care options offered by the County if they meet the following requirements:

Employed prior to January 1, 2018

- ◆ Ten (10) continuous years of full time service **and**
- ◆ Enrolled in LGHIP for ten (10) years while employed at the County **or**
- ◆ Covered through Madison County since January 1, 2013.
- ◆ Retiree and covered dependents that are Medicare eligible could be entitled for coverage through UHC.

Employed on or after January 1, 2018

- ◆ Twenty (20) continuous years of full time service **and**
- ◆ Enrolled in LGHIP for ten (10) years
- ◆ Retiree and covered dependents that are Medicare eligible could be entitled for coverage through UHC.

Health care plan options for eligible retirees:

- ◆ **Non-Medicare Eligible Retirees:** Retirees who satisfy the above requirements and their eligible dependents both of which do not yet meet the age qualifications for Medicare, may continue participating in the LGHIP until both the retiree and the covered dependent reach Medicare eligibility.
- ◆ **Medicare Eligible Retirees:** At the time the retiree and covered dependents reach Medicare eligibility, they will be enrolled or transition to UHC. Retirees who transition from LGHIP to UHC will be provided ample notice of the change of healthcare providers. Medicare eligible retirees must enroll and maintain Medicare Part A and Part B and present the Medicare Card to the County's Personnel Office prior to the Medicare coverage going into effect.

Retirees will not be able to add dependents to the UHC coverage for any reason, including family status changes.

If the retiree and eligible dependents are covered under the LGHIP coverage, it will be the retiree's responsibility to contact the County's Personnel Department when they or their dependents are eligible for Medicare.

The retiree is responsible to maintain current contact information including home address and phone numbers with the Personnel Department and their health care provider.

Retirees who voluntarily cancel or decline healthcare coverage will not be allowed to enroll or re-enroll in any County benefit offering in the future.

Policy and Procedures for Madison County Retiree Benefits

5. VISION INSURANCE COVERAGE

Retirees must be enrolled in the vision benefit plan offered by the County at the time of retirement in order to qualify for the coverage. Retirees who are not enrolled at the time of retirement will not qualify for future enrollment. To maintain coverage, the retiree must make monthly premium payments directly to the County using automatic bank draft.

6. LIFE INSURANCE COVERAGE

All life insurance coverages offered by the County terminate at the time of retirement. Portability and conversion provisions are available to transition the coverage to an individual policy within 30 days of retirement. The retiree must apply for portability or conversion, and be responsible for paying the premiums directly to the insurance provider.

7. FLEXIBLE SPENDING ACCOUNTS

All flex accounts are deactivated on the last day of employment. Any remaining flex balance will need to be expensed at the time of retirement and any outstanding claims must be processed with the flex vendor within 30 days of retirement. An extension of benefits may be requested through COBRA. COBRA premiums are paid directly to Madison County.

8. RETIREE PREMIUM CONTRIBUTIONS

Retirees and the County share the costs of healthcare coverage with the County paying the largest portion of the total costs. The County contributes toward a portion of the premium costs based on the following:

- ◆ Premiums for active retirees that were employed by the County prior to January 1, 2018 will be based on length of service as a full-time employee for the County.
- ◆ Premiums for active retirees that were employed by the County on or after January 1, 2018 will be established based on current market value regardless of length of service.

Required premium contributions, health insurance providers, and plan design changes are subject to change. The County will notify retirees at least thirty (30) days in advance of changes to premiums and plan design and at least sixty (60) days in advance of a change to their health care provider.

Retiree premiums are due and payable at the beginning of every month. Retirees enrolled in the LGHIP are required to pay their monthly premium payments via automatic bank draft directly to the County. Retirees enrolled in UHC will pay their monthly premium payments directly to UHC. Retirees are responsible for paying a \$30.00 fee for each returned insufficient funds on a bank draft. Payments for fees and health care coverage after an insufficient funds occurrence, must be made in person using a credit or debit card on the seventh floor of the Madison County Courthouse.

Policy and Procedures for Madison County Retiree Benefits

9. CANCELLATION OF HEALTHCARE AND VISION BENEFITS

The County will cancel benefit coverages for the reasons listed below for the retiree and all covered dependents:

- ◆ Death of the retiree.
- ◆ Upon written request by the retiree.
- ◆ Failure to pay two (2) monthly premium payments or when two (2) automatic bank drafts are returned as insufficient funds in a twelve (12) month period.
- ◆ The retiree is convicted in a court of law for a felony offense leading to incarceration.
- ◆ Failure to complete and return enrollment or required documentation to the Personnel Department by the designated date.
- ◆ Failure to present Medicare cards and proof of Medicare enrollment after becoming eligible for the Medicare plan.

Retirees whose benefit coverages are canceled will **not** be eligible for reinstatement of coverage at any point in the future.

10. CONTACT INFORMATION

If you have questions or need assistance, please contact one of the following providers:

Madison County HR Department:

Phone: 256.532.3614

Website: www.madisoncountyal.gov/personnel

VSP:

Phone: 800.877.7195

Website: www.vsp.com

United Healthcare:

Phone: 877.714.0178

Website: www.uhretiree.com

Local Gov. Health Ins. Plan:

Phone: 866.836.9137

Website: www.lghip.org

Benefits Strategies:

Phone: 888.401.3539

Website: www.benstrat.com

Lincoln Financial Group (Life):

Phone: 800.423.2765

Website: www.lfg.com

Retirement Systems of Alabama:

Phone: 877.517.0020

Website: www.rsa-al.gov

**Madison County reserves the right to modify, revoke, suspend, supplement, or rescind any policies or portion of this policy and or the benefits described herein.*

Policy and Procedures for Madison County Retiree Benefits

ACKNOWLEDGEMENT FOR RECEIPT OF POLICY

My signature below indicates that I am in receipt of and agree to read the Madison County Retiree Benefits Policy and Procedures. I further agree to comply with the policy, and any and all associated revisions that may be made.

Retiree's Name (printed) _____

Signature _____ Date _____