

MCSIG
RETIREE GUIDELINES
IMPORTANT INFORMATION FOR MCSIG RETIREES



What you need to know before you retire:

About MCSIG:

1. MCSIG allows retirees and their enrolled dependents to continue to participate in MCSIG coverage subject to all the conditions outlined in this document.
2. Should a retiree's former employer (or their bargaining unit) leave MCSIG coverage, all retirees will have to move with their former employer (or bargaining unit) to their new health carrier.
3. MCSIG cannot sell individual insurance plans to retirees.
4. MCSIG began offering a Medicare Exchange Program in 2014 to our Medicare retirees (available through Health Compare Retiree Services – formerly CONEXIS). Contact your Employer Benefit Representative or call MCSIG customer service for more information.

About the retiree subscriber*:

1. Retiree subscribers under age 65 (not yet eligible for Medicare) at the time of their retirement, may continue to participate in any MCSIG sponsored employee health plan until the retiree subscriber or their dependent spouse turns age 65 (or becomes eligible for Medicare otherwise). During the month prior to the retiree subscriber or spouse becoming eligible for Medicare, the retiree subscriber or spouse will be required to enroll in a Medicare Exchange program.
2. Retiree subscribers under age 65 (not yet eligible for Medicare) at the time of their retirement, may move up one plan level at retirement for the Medical, Dental and Vision plans. Note: If enrolled on the HMO plan – they must remain in an HMO plan.
3. Retiree subscribers under age 65 and not eligible for Medicare, along with their *enrolled* dependents may participate in the MCSIG annual open enrollment to *change* plans by one level higher plan or to any lower plan, as long as the employer offers that plan. Addition of dependents are limited for a HIPAA qualifying event.
4. Retiree Subscribers enrolled in a HMO plan who moves out of the HMO eligible area, may change to the PPO plan closest in coverage at the time of their move – coverage is effective the first of the month following the move out of the HMO area.
5. Retiree subscribers and dependents who drop MCSIG coverage cannot re-enroll.

Exception: A retiree subscriber simultaneously drops their MCSIG medical coverage and Medicare retiree medical coverage in favor of new employer provided active employee (i.e. temporary employment or elected Board Member) medical coverage, with no break in coverage, with a MCSIG member entity for a period of no less than twelve months. Under these circumstances the former retiree subscriber must re-enroll on their previous MCSIG medical or the Medicare Exchange program the first of the month following termination of the retiree's (current) employer provided coverage.

About dependent coverage:

1. Retiree subscribers may continue coverage for their eligible dependents provided those dependents are enrolled in the retiree subscriber's plan(s) *at the time of the retiree subscriber's retirement. Note: Employees contemplating retirement should add dependents during their active employment open enrollment in order to have them on their plan in retirement.*
2. Retiree subscribers may not thereafter add dependents (*exception: the HIPAA qualifying event of acquisition of a new eligible dependent by marriage, birth, adoption or placement for adoption*).
3. Retiree subscribers may drop dependent coverage at any time. Dropped dependents cannot be re-enrolled.
4. A MCSIG Medicare retiree subscriber* who enrolls in a Medicare Supplemental plan through the MCSIG Medicare Exchange Program may continue to cover their under-age-65 (non Medicare eligible) dependents in a MCSIG employee medical plan until dependent spouse turns age 65 or sooner if any dependent becomes eligible for Medicare and at that time any dependent *Children* will be offered COBRA.
5. At the same time the MCSIG Medicare retiree subscriber enrolls in a Medicare Exchange plan, the under age 65 dependent choosing to continue their MCSIG coverage may choose to enroll in a *lower plan*, at that time.
6. If a MCSIG Retiree subscriber drops MCSIG coverage (this includes either their MCSIG PPO plan or their Medicare Exchange plan through CONEXIS), their dependent coverage is also dropped and they may be eligible for continuation coverage through COBRA.

About MCSIG covered spouses*:

1. If a retiree subscriber's spouse has their own MCSIG coverage (is a subscriber), AND has a vested right to continue that coverage at retirement, a retiree subscriber may choose not to cover that spouse as a dependent when the retiree subscriber retires.
2. If a retiree subscriber's spouse has their own MCSIG coverage (is a subscriber), a retiree subscriber may be added to the spouse's coverage the month before the spouse retires. To avoid double coverage, the retiree subscriber may drop their retirement coverage at that point.
3. If a retiree subscriber and their spouse each have five years or more of separate MCSIG coverage (each as subscribers), and, one or both are eligible for district paid retiree medical benefits:
 - a. The first retiring spouse may choose not to carry the active MCSIG covered spouse as a dependent if the first retiring member has district paid retirement benefits.
 - b. When the first retiree's district-paid benefits end, or the active MCSIG covered spouse retires or is terminated, they may consolidate their MCSIG coverage.
4. When a retiree subscriber and their subscriber spouse both work for a MCSIG member district, the first one to retire should make certain that the continuing active employee spouse has vested rights to continue their own coverage(s) in retirement (based on each district's bargaining agreement). It is critical to confirm this information during the annual open enrollment prior to retiring if the first spouse to retire considers not adding coverage or continuing coverage for the active employee spouse. Once this choice is made it cannot be changed!

About order of coverage:

MCSIG coverage is primary for retiree subscribers under age 65 (and NOT eligible for medicare) and their dependents not on Medicare (regardless of age).

About payment:

1. A retiree's former employer may make a full or partial contribution toward retiree medical/dental/vision coverage; if not eligible for employer contribution, retiree may stay on at 100% self pay, if employer will allow.
2. If a retiree subscriber enrolls in a MCSIG Medicare Exchange Plan, the carrier will bill the retiree directly for the premium. For all other MCSIG coverage, MCSIG collects the retiree FULL premium from the employer. If a retiree's employer does not fully pay for retiree coverage, then the employer will collect the balance of any premium owed, directly from the retiree.
3. If a retiree's employer provides a retiree benefit and the retiree enrolls in a MCSIG Medicare Exchange Plan, the amount of the district's contribution may be deposited into a Health Savings Account (HSA) from which the retiree may submit a claim for reimbursement.

About delayed district retirement benefits:

1. Some employers offer a delayed retirement benefit which allows retirees to stay with MCSIG coverage on a self-pay basis until they are ready to utilize their employer's retiree benefit. To exercise this option, the retiree must remain continuously covered under MCSIG throughout their entire self-pay time.

What you need to do before you retire

1. Check with your employer to determine if they allow retirees to continue coverage in MCSIG plans.
2. Decide if you want to continue your medical/dental/vision coverage under MCSIG.
3. Decide which medical/dental/vision plan(s) you want to be in when you retire.
4. Determine if your employer provides a full or partial contribution toward retiree medical/dental/vision coverage.

Terms Used in these Guidelines

Subscriber:	A MCSIG covered active employee or a retiree who formerly participated as an employee.
Spouse:	The covered spouse or domestic partner dependent of a subscriber.
Dependent:	The covered spouse or child of a subscriber.
Retiree:	A MCSIG subscriber who is retired from active employment.
Early retiree:	A retiree subscriber who is less than 65 years of age (<u>and</u> <i>not</i> eligible for Medicare).
Medicare retiree:	A retiree subscriber or dependent spouse who is eligible for Medicare.