

El Camino Real Charter High School

Retirement Resources Guide

This document is not a Summary Plan Description or official plan document. The benefits discussed here are governed by the plan contracts and policies, El Camino Real policies, and applicable state and federal Laws.

El Camino Real reserves the right to alter, amend or terminate any of the benefits described in the booklet at any time. If this happens, ECRA will notify affected employees and plan participants.

Introduction

To qualify for retiree health care benefits you must meet certain requirements. This section summarizes how to qualify as an official retiree.

When do I become eligible for Lifetime Benefits? This depends on when you were hired.

Retiring Before Age 63:

- Hired by LAUSD prior to April 1, 2009, and assigned to ECRCHS on or before July 1, 2011; rule of eighty (80) with at least fifteen (15) consecutive qualifying years of service; (*combination of age and years of service equal eighty (80) or more*) **OR**
- Hired after April 1, 2009: rule of eight-five (85) with at least twenty-five (25) consecutive qualifying years of service. (*Combination of age and years of service equal eight-five (85) or more*)

Retiring Age 63+:

- Pre-charter employees hired by LAUSD and assigned to ECRCHS on or before July 1, 2011, must have, ten (10) consecutive qualifying years of service; from ECRCHS/ ECRA; **OR**
- Post-charter employees (July 1, 2011 – July 1, 2016): must have at least ten (10) consecutive qualifying years of service; from ECRCHS/ECRA; **OR**
- New hires after July 1, 2016, until June 30, 2018: must have at least fifteen (15) consecutive qualifying years of service.

Employees hired on or after July 1, 2018:

- For all employees hired on or after July 1, 2018, in order to qualify for retiree benefits, the employee must retire on or after the age of 62 with a minimum of twenty-five (25) consecutive years of service at ECRA.

Who is covered? Children are not covered under lifetime benefits. Lifetime Benefits only cover the retired employee and their spouse.

Can I enroll my children? If the retired employee wishes to enroll any dependents other than a spouse or qualified domestic partner under the retired employee's health care plan, they must notify ECRA HR of this desire in writing. Retirees may elect to insure their children up to 26 years of age but must pay the difference in coverage cost between them and their children.

When there is a difference in the cost as a result of continuing health benefits coverage for one (1) or more qualified dependents (other than spouse and domestic partner), the retired employee must pay the additional cost on or before the fifteenth (15) day of the month prior to the month in which the payment is being made. Should the retired employee fail or refuse to pay said difference in cost, then, and in the event, ECRA shall provide coverage only pursuant to Section 18.4.5 of the CBA, and any coverage provided to the dependents shall be terminated.

18.4.5 Notwithstanding any provision herein to the contrary, retiree benefits will be limited to the retired employee and spouse or qualified domestic partner.

Medicare Eligible

All Medicare-eligible retirees and dependent (spouse/domestic partner) are required to enroll in Medicare Part A and B to enroll in any El Camino Real Charter High School Plan.

Retiree Health Care Options

- Elect coverage before you leave ECRA so your health benefits begin right away.
- Enroll in your retiree health care benefits during Open Enrollment or at the point of retirement.
- If you terminate coverage for any reason, you can not re-enroll and you/your eligible dependents lose all future eligibility for El Camino Real Charter High School.

Is Medicare Required for Retiree Enrollment? Yes. Retirees and their spouses/domestic partners that are 65 years of age or older are required to provide proof of Medicare Parts A and B. A copy of the retiree's and spouse's/domestic partner's Medicare card must be sent to ECR HR prior to the first of the month in which they turn 65 (or the first of the prior month if their birthday is on the 1st). Retirees must have continuous enrollment in Medicare Parts A and B while enrolled in an ECRA retirement plan. Failure to maintain continuous coverage in Medicare Part A and B, our enrollment in any Medicare plan outside of SISC may result in permanent loss of coverage. Members cannot assign their Medicare to a health and/or prescription drug plan outside of SISC.

How Will I Know When a Retiree and/or Spouse/Domestic Partner are Turning 65? As a courtesy, SISC or the group covering at the time will notify employees turning age 65 by mailing a letter to them. This letter will explain to them about Medicare and when they must enroll.

What if the Retiree does not Provide Proof of Enrollment in Medicare Parts A and B? If proof of Medicare is not provided to ECRA, the following illustrates the non-refundable surcharge that will be applied to the monthly premium of the under-65 groups. The surcharge will be applied on the first of the month on which the member turns 65 until the Medicare card is produced. This charge comes directly from the third-party administrator, not ECRA.

2023-2024 Surcharge	*Rates may change each year
Missing Part A	\$625
Missing Part B	\$625
Missing Part A and B	\$1,250
*Only members enrolled in Medicare Parts A and B can be moved to an over-65 retiree plan	

What if the Retiree and/or Spouse/Domestic Partner is Missing a Part of Medicare? If the retiree or spouse/domestic partner is under 65 and the other person is over age 65 and is missing one or both parts of Medicare, the above surcharge will be added to the two-party under-65 rate.

If both parties are 65 years of age or older and missing a part of Medicare, the surcharge will be applied for each member to the two-party under-65 rate. **The two-party contract will not be moved to an over-65 group number until all applicable Medicare cards are received.**

If the retiree is single and missing one or both parts of Medicare, the surcharge will be applied to the single under-65 rate until the retiree obtains the missing parts of Medicare and is moved to the appropriate over-65 group.

What are the Options for Retiree and/or Spouse/Domestic Partner When One is Over Age 65 and One is Under Age 65?

- In the case of a retiree two-party contract where one person is over the age of 65 and one is under the age of 65, the following (excluding Kaiser and HMOs) enrollment options are available:
- Both parties remain enrolled on the group suffix for retirees under age 65 (until both parties turn 65); or
- Split the enrollment: the under age 65 person enrolls on an under age 65 group number and the overage 65 person enrolls on an over age 65 group number (different group numbers, same benefits); or
- The age 65 person with both parts of Medicare can enroll on a Retiree Group Medicare Plan (if offered by the district) and the under age 65 person can remain on the under age 65 group suffix.

All of the above scenarios require the person who is age 65 or older to provide proof of Medicare enrollment to ECRA. A separate enrollment form completed by the spouse or domestic partner is required if they are enrolling on a separate group number as they then become a subscriber.

If the spouse/domestic partner is age 65 and actively working elsewhere and does not enroll in Medicare, the third-party health administrator will require proof of other coverage. In certain circumstances, a surcharge may be avoided if the spouse/domestic partner is employed and enrolled in other coverage.

Is There Dental and/or Vision Coverage for Retirees? Yes. Retirees may enroll at the time of retirement if the district offers dental and/or vision benefits through the third-party administrator. All retirees, regardless of age, may have the option of the same dental and/or vision benefit as active employees with a three-tier rate structure

Can a Retiree Decline District Coverage? Yes. Retirees who decline a benefit will not be eligible to enroll in that benefit in the future. Dependents of the retiree would not be eligible to continue coverage. COBRA benefits would be offered to retirees and dependents that decline coverage.

If I am an active employee, does my spouse need to enroll in Medicare when they turn 65?

No, if the employee is still working, the spouse does not have to enroll until the employee gets ready to retire. At the time of the employee's retirement, the spouse will have to show proof of Medicare enrollment.

Most people sign up for both Part A (Hospital Insurance) and Part B (Medical Insurance) when they're first eligible (usually when they turn 65). Generally, there are risks to signing up later, like a gap in your coverage or having to pay a penalty. However, in some cases, it may make sense to sign up later.

- Most people don't have to pay a premium for Part A (Hospital Insurance). So, you may want to sign up for Part A when you turn 65, even if you or your spouse are still working.
- You'll pay a monthly premium for Part B (Medical Insurance), so you may want to wait to sign up for Part B.

It's best to apply for Medicare no later than a month before you plan to retire.

When are Retirees Allowed to Make Plan Changes? Retirees are allowed the same Open Enrollment period as active employees. When an employee retires, they may also elect another plan offered by the district at the time of retirement. If the retiree is required to pay more out of pocket, SISC would allow a plan change when turning age 65. The only exception to this would be if the retiree is choosing to enroll in the PPO Retiree 65+ (EGWP), CompanionCare Medicare Supplement plan, or the Medicare Advantage Plans. These plans require 45 days' advance notice for enrollment per CMS guidelines. They can enroll in these plans once they turn age 65 and do not have to wait until Open Enrollment.

When Can a Retiree Terminate Coverage for a Dependent? Benefits for a covered dependent may be terminated at Open Enrollment or with any HIPAA qualifying event.

Can a Dependent Remain Enrolled in a Plan from which the Retiree is Terminated? No. COBRA is generated and expensive. You would have to pay the third party directly.

When Can a Covered Retiree Terminate Coverage? A retiree can voluntarily terminate coverage on the first of the month following a written request to terminate benefits. Once retiree benefits are terminated, they cannot be reinstated at a future date.

- Retiree Group Medicare Plans require 45- calendar-day advance notice for enrollment.
- Retiree Group Medicare Plans require 45- calendar-day advance notice for termination.
- Retiree Group Medicare Plans do not allow retroactive terminations.

What Happens in the Event of a Retiree's Death? A retiree who passes away while enrolled on a PPO plan must be terminated from benefits the first of the month following the day of passing. The third party will allow a termination back to the date of passing, not to exceed 12 months retro credit. If the aforementioned event pertains to an HMO enrollment, the third party will only allow the current month plus two additional months of retro credit.

Are there benefits for the surviving spouse? Benefits are offered and available but will *not* be paid by the ECRA. The surviving spouse will need to enroll in COBRA. Once the status has been changed, they will receive information regarding COBRA via mail from the third party. The COBRA letter is typically sent within 14 days of the termination date.

MEDICARE PARTS A, B, AND D

Members should refer to the “Medicare and You” booklet for complete information
www.medicare.gov

What is Medicare Part A? Hospital Insurance: Medicare Part A helps cover inpatient care in hospitals, including critical access hospitals. It also covers skilled nursing facilities, hospice, and home health care. You must meet certain conditions to get these benefits.

Is There a Cost to Part A? You usually don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working. Some members will have a cost if they do not meet the requirements for premium-free Part A. If a late enrollment penalty is assessed on the member, that fee would have to be paid by the member. For more information, please contact the Social Security office at 1-800-772-1213.

What is Medicare Part B? Medicare Part B helps cover medical services like doctors' services, outpatient care, and other medical services Medicare Part A doesn't cover if those services are medically necessary. Qualified members must enroll in Part B and pay a monthly premium.

Is There a Cost to Part B or is it Premium-Free? There is a monthly premium based on your income. For questions regarding Part B premium, members can call Social Security at 1-800-772-1213 or refer to the “Medicare and You” booklet

Is There a Premium Surcharge for Medicare Part B? If your modified adjusted gross income as reported on your IRS tax return from two years ago (the most recent tax return information provided to Social Security by the IRS) is above a certain amount, you may pay more. It is the member's responsibility to contact Social Security and/or Medicare to discuss this surcharge.

What is Medicare Part D? Prescription Drug Coverage through Medicare.

Do I Need to Enroll in Medicare Part D? Members are automatically enrolled in Medicare Part D through the current SISC Retiree Plans.

Is There a Premium Surcharge for Medicare Part D? If your modified adjusted gross income as reported on your IRS tax return from two years ago (the most recent tax return information provided to Social Security by the IRS) is above a certain limit, you may pay a Part D income-related monthly adjustment amount (Part D- IRMAA) in addition to your monthly plan premium. This extra amount is paid directly to Medicare by the member. For questions regarding Part D premium surcharges members can call Social Security at 1-800-772-1213 or refer to the “Medicare and You” booklet.

What Do Members Need to Know About Medicare Part D during the Enrollment Process?

Members are automatically enrolled in Medicare Part D on the current Retiree Plans. During the enrollment process into Medicare Part D, the Centers for Medicare and Medicaid Services (CMS) may send members information and communications that require action on the member's part. The member is responsible for reading the materials and responding to communications from CMS. If a member fails to respond to communications from CMS, their enrollment may not be processed.

ECRA cannot advise members regarding Medicare eligibility, premiums, and surcharges. Members are responsible for contacting Medicare and/or Social Security to address their specific concerns.

RETIREE GROUP MEDICARE PLANS (RGMP) 65+

These are available to retirees turning age 65 enrolled in Medicare Parts A and B when offered by the district.

Members are required to maintain continuous coverage of Medicare Parts A and B while enrolled in an over-65 retiree plan. Members are automatically enrolled in Medicare Part D on current Retiree Group Medicare Plans.

- **Blue Shield 65 Plus HMO Medicare Advantage Plan (BSMA):** Must reside in the California service area
- **CompanionCare Medicare Supplement Plan (COC):** Must reside within the United States
- **Kaiser Medicare Senior Advantage Plan (KPSA):** Must reside in California service area
- **Anthem PPO 100-A \$0 Plan (EGWP):** Must reside within the United States

Why is a 45-Calendar-Day Advance Notice Required for Enrollments and Disenrollments?

Centers for Medicare and Medicaid Services (CMS) require advance notice for enrollments and dis-enrollments in order to set up the account. If the enrollment and/or dis enrollment form is not submitted in advance the retiree may not get the effective and/or termination date that was requested. Members may not have their Medicare restored with the requested effective date due to an untimely submission of the dis enrollment form.

BLUE SHIELD 65 PLUS HMO MEDICARE ADVANTAGE PLAN

What is Blue Shield 65 Plus HMO Medicare Advantage? Blue Shield 65 **Plus** HMO is a Medicare Advantage Plan that is offered through a Health Maintenance Organization (HMO) in lieu of Medicare benefits. The HMO contracts with the Centers for Medicare and Medicaid Services (CMS) to provide a wide variety of benefits. Retirees cannot use their Medicare benefits while enrolled in this plan.

Who Can Enroll? This plan may be offered to retirees over the age of 65 with Medicare Parts A and B (see www.medicare.gov for information on Medicare).

Is There Dependent Coverage? No. Blue Shield 65 Plus HMO Medicare Advantage Plan is an individual enrollment. If a spouse/domestic partner qualifies for enrollment in Blue Shield 65 Plus HMO Medicare Advantage they would enroll on their own contract.

How Does a Member Enroll? A Blue Shield 65 Plus HMO Medicare Advantage enrollment form *must* be completed and submitted to SISC along with a copy of the member's Medicare card. A 45-calendar day advance notice and proof of enrollment in both Medicare Parts A and B are required.

What if the Member is Missing a Part of Medicare or Does Not Assign Their Medicare to Blue Shield? The member would not be eligible. Members enrolled in this plan must have continuous Medicare Parts A and B coverage.

Does the Member Need to Enroll in Medicare Part D? No. Retirees enrolling in Medicare Advantage Plans will be automatically enrolled in Medicare Part D for prescription drug coverage. This automatic enrollment in Medicare Part D through the Medicare Advantage Plan will cause the retiree to be automatically disenrolled from Medicare Part D coverage through other plans.

Where Does a Member Find a Provider? Members can contact customer service.

How Do I Find out if I Live in a Blue Shield 65 Plus HMO Medicare Advantage (GMA-PD) Service Area? Although the HMO coverage for Active employees may be offered in the city/county and ZIP Code of the retiree's permanent residence, the Medicare Advantage Plan may not be available in that ZIP Code area. Members must live in an approved ZIP Code of the Blue Shield of California GMA-PD service area. Please contact the SISC office to make certain that this benefit is offered in the ZIP Code where the retiree resides. Medicare Advantage Plans are not available through SISC outside the State of California.

COMPANIONCARE MEDICARE SUPPLEMENT PLAN

What is CompanionCare? CompanionCare Plan is a supplement to Medicare. The plan is "claim free" only when a provider accepts the assignment of Medicare Benefits. When the member uses a provider who does not accept the assignment of Medicare Benefits, the provider of service or member must file the claim twice; once for the Medicare payment and then again for the plan payment.

How Does CompanionCare Coordinate with Medicare? The provider will need to submit claims to Medicare for payment and to Anthem Blue Cross for CompanionCare to pay. Medicare pays 80% of allowable charges and CompanionCare will pay for the other 20% of allowable charges.

Who Can Enroll? This plan may be offered to retirees over 65 with Medicare Parts A and B (see www.medicare.gov for information on Medicare) and retirees **under age 65 with Medicare for the disabled**. In order to be eligible, the member must be retired and enrolled in both Medicare Parts A and B. No Exceptions.

When Can a Retiree Enroll? A retiree with Medicare Parts A and B may enroll at any time. They do not need to wait for Open Enrollment.

Is There Dependent Coverage? No. CompanionCare is an individual enrollment. If a spouse/domestic partner qualifies for enrollment in CompanionCare they would enroll on their own contract.

How Does a Member Enroll? A CompanionCare enrollment form must be completed and submitted to SISC with a copy of the member's Medicare card. If the card is not available, enrollment in CompanionCare will be delayed until the card is received.

Does The Member Need to Enroll in Medicare Part D? No. SISC will automatically enroll CompanionCare members in Medicare Part D for prescription medications. CompanionCare

members already enrolled in non-SISC Medicare Part D plans will be automatically disenrolled from those plans.

What Happens if a Member Enrolls in a Medicare Part D Plan Outside of SISC? The Centers for Medicare and Medicaid Services (CMS) does not allow a member to be enrolled in two Medicare Part D plans. The SISC medical and prescription drug benefits will be terminated.

Where Does a Member Find a Provider for CompanionCare? Any provider that accepts Medicare will accept CompanionCare.

Are There Benefits Outside of California with CompanionCare? Yes. Medicare is the primary insurance and as long as the provider accepts Medicare, CompanionCare will pay on allowed charges.

KAISER SENIOR ADVANTAGE (KPSA) MEDICARE ADVANTAGE PLAN

What is Kaiser Senior Advantage? Kaiser Senior Advantage is a Medicare Advantage Plan that is offered through a Health Maintenance Organization (HMO) in lieu of Medicare benefits. The HMO contracts with the Centers for Medicare and Medicaid Services (CMS) to provide a wide variety of benefits. Retirees are required to assign their Medicare Parts A and B over to Kaiser while enrolled in this plan and cannot use their Medicare benefits while enrolled.

Who Can Enroll? This plan may be offered to retirees over the age of 65 with Medicare Parts A and B (see www.medicare.gov for information on Medicare).

Is Dependent Coverage Different? Yes. If the retiree has a dependent under the age of 65, their dependent may continue to participate in the same HMO plan that they are currently enrolled. However, the retiree's coverage will be the Senior Advantage benefits which could be different from the district's benefit (see the "Retiree" section of this manual).

How Does a Member Enroll? A Kaiser Senior Advantage Election Form **must** be completed and submitted to SISC along with a copy of the member's Medicare card showing proof of enrollment in Medicare Parts A and B. It is now **required** that the Kaiser Election form be date stamped (top of page one on the form) by the district when the completed and signed form is received from the member. A District could incur a surcharge if the form is not date stamped when received. This provides proof of receipt by the district in a timely manner (45- calendar days advance notice).

What if the Member is Missing a Part of Medicare or Does Not Assign Their Medicare to Kaiser? The member would not be eligible. If a member is missing a part of Medicare or does not assign their Medicare a surcharge will be assessed and added to the district's next monthly SISC invoice. Members enrolled in this plan must have continuous Medicare Parts A and B coverage.

Does the Member Need to Enroll in Medicare Part D? No. Retirees enrolling in Medicare Advantage Plans will be automatically enrolled in Medicare Part D for prescription drug coverage. This automatic enrollment in Medicare Part D through the Medicare Advantage Plan will cause the retiree to be automatically disenrolled from Medicare Part D coverage through other plans. There is no donut hole on the SISC KPSA pharmacy plans.

Where Does a Member Find a Provider? Members can contact customer service.

How Do I Find out if I Live in a Kaiser Service Area? Although the HMO coverage for Active employees may be offered in the city/county and ZIP Code of the retiree's permanent residence, the Medicare Advantage Plan may not be available in that ZIP Code area. Please contact the SISC office to make certain that this benefit is offered in the ZIP Code where the retiree resides. Medicare Advantage Plans are not available through SISC outside the State of California.

Additional Information:

What is the OPEB account? Related to ECRA retirement healthcare benefits, any post-employment benefit other than pension plan benefits, including but not limited to medical, prescription drug, dental, and vision insurance.

The long-term investment objective of the Trust is to serve participants in providing for their retirement healthcare benefit needs. The goal of the Trust is to use both active and passive management strategies to invest in funds and individual securities.

The Trust will seek to achieve growth equal to the actuarial return on assets assumption while preserving capital. Each investment transaction shall seek to avoid losses from securities defaults or erosion of market value. Fixed income securities will be utilized to assist in a mitigating sequence of return risk of equities. Duration and credit risk will be monitored amongst fixed-income investments.

Liquidity concerns will be addressed such that the investment portfolio shall maintain sufficient liquidity to meet all cash requirements reasonably anticipated over the upcoming 12 months.

The investment portfolio shall be designed to attain the assumed actuarial rate of return over a full market cycle (120 months). The portfolio will consider the Trust's investment risk, liquidity needs, and costs. Recognizing that occasional losses due to market volatility are inevitable, each investment must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been achieved.

Health plans for retirees under 65:

Anthem Blue Cross (Fullnetwork) PPO

Ret<65 (90-G \$20; Rx 7-25) (High PPO)

Ret<65 (80-G \$20; Rx 200/10-35) (Low PPO)

CaliforniaCare Anthem HMO (Select Network) HMO

Ret<65 (Premier 20/200 Select; Rx 7-25) (High HMO)

Ret<65 (Value 30/40/500/day Select; Rx 200/10-35) (Low HMO)

Kaiser Permanente

Ret<65 (\$10 OV, \$10 Rx) (High)

Ret<65 (\$20 OV, \$10-30 (30) Rx) (Low)

Health Plans for Retirees 65+

*** Note, if the more expensive plans are chosen, the retiree must prepay the total (annual) cost difference for the entire plan during open enrollment prior to the beginning of the plan year/period.**

Anthem Blue Cross PPO

Ret 65+W/A&B (100-A \$0; Rx 0-20 EGWP)

Blue Shield 65 Plus HMO

Ret 65+ W/A&B (OV \$20,Rx 10/30/50)

CompanionCare

Ret 65+ WA&B (Medicare Supp; Rx 9-35 EGWP)

Kaiser Permanente

Ret 65+ W/A&B (KPSA \$10)

Delta Dental

DHMO

DD 2000

DD 1000

Vision Service Plan (VSP)

Signature B \$10/\$25

Who needs to complete a Verification of Employment from LAUSD? Any pre-charter employees hired by LAUSD and assigned to ECRCHS on or before July 1, 2011.