



# RETIREE FRINGE BENEFITS HANDBOOK

*This booklet is not a substitute for actual insurance policy provisions. In case of dispute, the actual policy will prevail. Insurance policy provisions are subject to change.*

# **TABLE OF CONTENTS**

<b>SECTION</b>		<b>PAGE</b>
PART I:	Eligibility for Retiree Fringe Benefits (Current District Policy): <i>Magic 75, Eligibility for Retiree Benefits</i>	3, 4
PART II:	The CalPERS Health Plan System: <i>Open Enrollment, Health Fair, General Plan Information</i>	5, 6
PART III:	Medicare Benefits: <i>District Reimbursement</i>	7
PART IV:	Retiree Dental Insurance	8
PART V:	Monthly Retirement Check Deduction and District Quarterly Advancement: <i>Employer Share, District Advancements, Notification of Changes</i>	9
PART VI:	Life Insurance	10
PART VII:	Vision Insurance	10
PART VIII:	COBRA Benefits: <i>Definition, Qualifying Events, Cost, Payments</i>	11, 12
PART IX:	General Information: <i>Web sites and telephone numbers</i>	13
APPENDIX	1) Retiree Health Benefits Eligibility Sheets	14-19
	2) Not Eligible for District Fringe Benefits Sheet	20
	3) Frequently Asked Questions	21-23

## **PART I: ELIGIBILITY FOR RETIREE FRINGE BENEFITS**

Employees of the San Mateo County Community College District may be eligible for Retiree Fringe Benefits upon retirement. The combination of age and years of service should equal at least 75 (often called "Magic 75") to qualify for Retiree Fringe Benefits. However, depending on the original hire date the eligibility criteria and type of benefits may be different (See Appendix'). The Office of Human Resources will conduct Exit Interviews to discuss the details with each individual and answer any questions. Employees are encouraged to contact our office prior to making a decision on their retirement date to be informed of all the available options.

Negotiated changes to active employee fringe benefits can affect retiree fringe benefits.

The Retiree Fringe Benefits Program is administered by the Office of Human Resources. For the purpose of administering the Program, the following categories have been created.

### **CATEGORY I: Retirees Who Receive Regular Monthly Retirement Checks**

Under current contract with CalPERS, retirees who have met the "Magic 75" criteria and receive a monthly retirement check from either PERS or STRS may see a monthly deduction on their checks. This deduction is processed by the retirement system on a monthly basis for part of the "premiums" of the medical insurance provided through the CalPERS Health Plan System.

An explanation of the monthly "deduction", the "Employer Share", and the District "advancement" is detailed in **Part V** of this Handbook.

Dental insurance premiums, included as part of the Retiree Fringe Benefits Program for both retiree and eligible spouse/domestic partner and for single, surviving spouse/domestic partner, are directly paid by the District to the carrier on a monthly basis.

### **CATEGORY II: Retirees Who Have Chosen the "Unmodified" Option/Withdrawn Their Contributions**

Category III includes those retirees who have met the "Magic 75" criteria and either have chosen the "Unmodified" option or withdrawn their contributions.

- The "Unmodified" Option in STRS does not provide for a monthly Survivor Continuance Allowance following the retiree's death, and the surviving spouse/domestic partner in this Category will not receive monthly retirement checks. Therefore, CalPERS is not able to deduct the applicable premiums from the retirement check if the retiree predeceases his/her spouse. The Office of Human Resources will make arrangements with CalPERS to place the eligible surviving spouse/domestic partner on the active employee list and the District will pay the full premiums.

For school members, the "Unmodified" Option in PERS provides for a monthly Survivor Continuance Allowance following the retiree's death. Based on the amount of the

allowance and applicable premiums to be deducted, medical coverage will continue for the surviving spouse/domestic partner, either through the retiree or active employee list.

- Retirees who have met "Magic 75" and have elected to withdraw all of their contributions upon retirement, either single or married, are no longer considered members in STRS/PERS and medical coverage through CalPERS will be terminated. However, retirees in this category can choose alternative medical insurance plans that accept individual coverage, pay for the monthly premiums, and receive reimbursement from the District for the amount paid. The Office of Human Resources will provide assistance in finding the appropriate available plans.

Dental insurance premiums for the retiree and spouse/domestic partner and for the single surviving spouse/domestic partner are directly paid by the District to the carrier on a monthly basis.

### **CATEGORY III: Retirees *Not Eligible* for District Retiree Benefits**

Employees who do not meet the qualifying criteria ("Magic 75") for District retiree fringe benefits but qualify to retire from STRS/PERS, may continue their group medical benefits through the CalPERS Health Plan System upon retirement from STRS/PERS. The cost of the monthly premiums for retirees in this category are partially offset by the monthly amount that is charged to the District by CalPERS, called the "Employer Share" and the remaining portion will be deducted from their retirement check. However, the monthly deduction from their retirement check will not be advanced to them by the District (section V & Appendix).

**Note: Effective July 1, 2015, all employees who retire through the District and are not eligible for District retiree benefits (category III), will not be eligible for the "Employer Share" amount. The Board of Trustees, at its June 10, 2015 Board meeting, approved resolutions establishing vesting schedules with CalPERS. These schedules are based on the hire date, required years of District service and benefit amount negotiated with each Collective Bargaining Unit (please see appendices I, II and III).**

### **CATEGORY IV: Dependent Children of Retirees**

Under current District policy, District paid fringe benefits are not available for the dependent children of SMCCCD retirees.

CalPERS allows the employees to continue group medical coverage for their eligible dependent children following the retirement effective date or extend the coverage for over age children through COBRA. However, the District will only cover the cost of medical premiums for the eligible retiree and spouse/domestic partner, or for the eligible single surviving spouse/domestic partner.

District paid dental coverage for eligible children will be terminated on the last day of the month the employee retires. However, children under the age of 26 may elect to continue their coverage through COBRA (see COBRA benefits part VIII). The plan will be administered by the District.

## **PART II: THE CALPERS HEALTH PLAN SYSTEM**

Based on a contract signed by the District and CalPERS in 1989, CalPERS has been the broker for all medical plans for active employees and retirees.

As with active employees, eligible SMCCCD retirees are covered by medical plans offered through the Public Employees' Retirement Health Plan System. The System provides a choice of Preferred Provider Organizations (PPO) and Health Maintenance Organizations (HMO).

Annually, CalPERS mails a card to the residence of each active employee and retiree. The card includes a summary list of available health plans for the following calendar year and Open Enrollment information. If you require detailed information on any of the following, contact CalPERS at the number stated on the card and request a complete package to be mailed to you:

- ◇ New health plans offered by CalPERS for the coming year
- ◇ Plans terminated by CalPERS
- ◇ Health benefits information; premium changes
- ◇ Medicare and how it supplements and coordinates with the various CalPERS health plans.

Health plan Evidence of Coverage booklets and a copy of the CalPERS Health Plan Guide can be obtained by going to the CalPERS web site, [www.calpers.ca.gov](http://www.calpers.ca.gov), calling CalPERS at 888-225-7377, or contacting Human Resources at (650) 358-6775.

### **CHANGE OF MEDICAL COVERAGE:**

#### **1) OPEN ENROLLMENT**

Every year during "Open Enrollment" period, all active and retired participants of the CalPERS Health Plan System have an opportunity to change their medical plans. The effective date for all changes made within the Open Enrollment period is January 1<sup>st</sup> of the following calendar year. During "Open Enrollment," members are provided with information pertaining to:

- any plan modifications for the upcoming contract year
- new premium rates
- the opportunity to select another medical plan without the need for a qualifying event.
- adding eligible dependents

***An enrollment change form for retirees is included in every Open Enrollment packet and contains the CalPERS contact number. Retirees are required to request the change directly through CalPERS either by calling or mailing the completed form to them.***

***It is important to inform SMCCCD of the changes so that the requested change(s) can be documented on a timely manner. This will allow the District to process the payments accurately and eliminate the possibility of overpayment/underpayment.***

Information about Open Enrollment procedures and forms may be obtained from the CalPERS web site at: [www.calpers.ca.gov](http://www.calpers.ca.gov) or by calling the Office of Human Resources at (650) 358-6775.

#### **SMCCCD OPEN ENROLLMENT HEALTH FAIR**

During Open Enrollment, the Office of Human Resources hosts a "Health Fair" to provide medical and dental insurance information to interested employees and retirees. The Health Fair includes representatives from the current medical and dental plan providers, and provides an opportunity for attendees to learn about coverage details and enrollment procedures. A representative from the Office of Human Resources attends the Health Fair to assist employees and retirees in completing enrollment change forms.

The Office of Human Resources will notify all eligible employees and retirees of the Health Fair, anticipated plan modifications, new premium rates and other related issues, prior to the event.

## **2) OTHER EVENTS**

In addition to Open Enrollment, the following are qualifying events that may also allow a change in health plans. The effective date for the change is the first day of the month following the date that the change request is received and processed in the CalPERS system.

- 1) retirement will allow a change in medical plan
- 2) move will allow a change in medical plan. Retirees may select any medical plan that is available within their new residence ZIP Code.
- 3) enrollment in Medicare Parts A (Hospital) and B (Medical) will allow a change in medical plan.

## **PART III: MEDICARE BENEFITS**

CalPERS requires retirees and/or spouses/domestic partners who become eligible for Medicare premium free part A and Part B, to apply for the benefits. Failure to do so will result in cancellation of the medical benefits and can only be reinstated by submitting a Medicare card to CalPERS.

As part of the Retiree Fringe Benefits Program, the District reimburses Medicare Part B premiums to retirees and their eligible spouse/domestic partner, and to surviving spouse/domestic partner who are eligible for both Medicare Part A and Part B. *Retirees must be enrolled in both Parts A and B of Medicare in order to qualify for the District reimbursement.*

At the time of retirement, a retiree and/or spouse/domestic partner already enrolled in Medicare Part A and B must change their medical plan to the Supplement to Medicare plan or enroll in the Managed Medicare portion of their medical plan. This can be accomplished by completing a CalPERS enrollment form and by providing a copy of the Medicare card.

In order to be included in this benefit, retirees, their eligible spouse/domestic partner, and surviving spouse/domestic partner who qualify for Medicare any time after retirement must:

- apply for Medicare benefits at least three (3) months prior to their 65th birthday
- forward a copy of the Medicare card, showing enrollment in both Part A and Part B (with effective date) to: SMCCCD Office of Human Resources, 3401 CSM Drive, San Mateo, CA 94402. Failure to notify the District may result in delay in processing reimbursement checks.
- notify CalPERS and forward a copy of the Medicare card to them in order to change the primary insurer to Medicare and make the CalPERS Basic Health Plan the secondary insurer. CalPERS usually sends the necessary forms to the retirees prior to their 65<sup>th</sup> birthday and it is highly recommended to respond to them in a timely manner and inform them of the actions taken.

Medicare Part B reimbursements are processed every June and December and cover the preceding 6-month period.

## **PART IV: RETIREE DENTAL INSURANCE**

Eligible retirees may continue one of the two dental plans available and enjoy the same level of benefits offered to active employees. Our dental plans are the following:

- **DELTA DENTAL PLAN OF CALIFORNIA**
  - **(888) 335-8227**
  
- **DELTA CARE (PMI)**
  - **(800) 422-4234**

The District pays dental premiums for the eligible retiree and spouse/domestic partner and for surviving spouse/domestic partner.

Effective January 1997, the Delta Dental Plan offers a variety of dental services with an annual calendar year maximum of \$2,200 (for DPO) and \$2000 (for Non-DPO). The Delta Dental Plan is the more widely used of the two dental plans due to the large number of providers that participate.

PMI is a Health Maintenance Organization (HMO) and does not have an annual maximum for dental coverage, but has fewer providers.

For details concerning covered treatments and services, retirees should consult the "Evidence of Coverage" booklet for each of these plans.

Retirees who are covered by the Delta Dental Plan and move out of State (called, "service area") may use DDP services by obtaining "out of State" claim forms which are available in the Office of Human Resources.

The Delta Dental Plan has a limited number of service areas outside of California. Retirees may obtain information about them by calling Delta Dental directly and by referring to their "Evidence of Coverage" booklet.



## **PART V: MONTHLY RETIREMENT CHECK DEDUCTION and DISTRICT QUARTERLY ADVANCEMENT**

CalPERS covers the Retiree's Health Premium amount through: Billing the District for the "Employer Share" part and deducting the remaining balance, if any, from the retirement check.

### **1) "EMPLOYER SHARE" – A RETIREE PREMIUM "OFFSET"**

Pursuant to CalPERS regulations, the District is charged a monthly amount called "Employer Share" for every PERS/STRS retiree in the CALPERS Health Plan System. This will include those retirees who retired from PERS/STRS but were not eligible for the District Retiree Fringe Benefits Program.

The monthly Employer Share started at \$1.00 per retiree per month in 1989 and it is annually increased by 5% of the current active employee only "cap" on medical benefits. When the active employee "cap" is modified through the collective bargaining process, a resolution is submitted to CalPERS. Accordingly, CalPERS increases the District "Employer Share" by 5% of the new cap, and bills the District for this amount each month until the cap changes again. When there is no change to the District medical cap during a particular year, the Employer Share is still increased by 5% of the *current* cap at the beginning of the calendar year. Effective January 1, 2008, CalPERS changed the calculation method and now the "Employer Share" must equal the current active employee only cap.

### **2) DEDUCTIONS FROM RETIREMENT CHECK / DISTRICT ADVANCEMENTS**

The monthly amount that is deducted from the retiree's check represents the full monthly premiums *less* the Employer Share.

On a quarterly basis, eligible retirees are "advanced" for the amount of money that will be deducted from their retirement checks for medical premiums. *It is very important that retirees notify the Office of Human Resources immediately with any changes to their mailing address so that the advancement checks will be mailed to the correct address.*

In case the Employer Share exceeds the monthly premiums for a retiree/surviving spouse/domestic partner, there will be no deduction on the retirement check.

**It is imperative that the Office of Human Resources be notified immediately of the death of a retiree and/or spouse/domestic partner to make the appropriate changes in billing and quarterly advancement checks.**

The amount of the quarterly advancement check will vary every calendar year due to the changes in Employer Share amount and the monthly premiums. Other factors for additional changes are the following:

- change to a different medical plan;
- change in medical plan from basic to Medicare Supplement/Managed Medicare;
- death or deletion of a dependent;

Please contact the Office of Human Resources at (650) 574-6775 for any questions regarding your advancement checks.

## **PART VI: LIFE INSURANCE**

Life insurance coverage is a District paid benefit that will terminate on the last day of employment with the District. However, retirees may elect to continue the coverage at the time of retirement at their own expense.

At the time of the Exit Interview, the Office of Human Resources will provide a Notice of Continuation of Coverage notice. Employee questions can also be directed to the Hartford Life Insurance Company at 877-320-0484.

## **PART VII: VISION INSURANCE**

Vision care through VSP is another District paid benefit that will terminate at the end of the calendar month in which the employee retires. Upon retirement, employees may elect to continue vision coverage for themselves and/or all eligible family members enrolled in accordance with COBRA law as described in Part VIII of this booklet. Information and cost of vision COBRA coverage may be obtained from the Office of Human Resources.

## **PART VIII: COBRA BENEFITS**

Upon retirement, retirees may elect to continue the following benefits through COBRA:

- 1) Dental coverage (Children)
- 2) Vision coverage (Retiree, Spouse/Partner, Children)

District paid coverage terminates on the last day of the calendar month in which the employee retires. Such retirees will be advanced by the District ONLY for the portion of the deduction that applies to the retiree and eligible spouse/domestic partner's premiums. Additional cost for coverage of dependent children is the responsibility of the retiree.

Retirees who have dependent children that have not reached the maximum age for coverage by Delta Dental or PMI, or vision care by Vision Service Plan, may elect to continue dependent benefits pursuant to COBRA laws. Eligible dependent children may elect or decline to enroll in the COBRA plan at the time of the employee's retirement. Retirees may also continue vision coverage for self and/or spouse/domestic partner and/or eligible dependent children at the time of retirement.

### **WHAT IS COBRA?**

"COBRA" is an abbreviation for the Consolidated Omnibus Budget Reconciliation Act of 1986, signed into law on April 7, 1986, by President Reagan. COBRA provides that certain employees, retirees and dependents, have the option to purchase continued medical, dental and vision coverage as an extension of their current health plans. This option is available when a "qualifying event" takes place that would have previously terminated their coverage.

### **WHO IS ELIGIBLE, AND HOW LONG CAN THEY REMAIN ON COBRA?**

- (QUALIFYING EVENTS)
  - Individuals and their dependents who lose coverage as a result of termination of employment (resignation, retirement, termination) OR as a result of reduction in work hours, other than for misconduct: **Maximum of 18 months.**
  - Dependents that lose coverage due to the death of the employee or retiree, or due to divorce or legal separation from the employee or retiree: **Maximum of 36 months.**
  - Dependent children who reach maximum age and no longer qualify as dependents under the employee's or retiree's coverage: **Maximum of 36 months.**
  - Qualified beneficiaries who are disabled when a covered employee terminates employment or has a reduction in working hours (a reduction that causes a loss of fringe benefits eligibility): **Maximum of 29 months.**

- Dependents of retirees who are covered under the COBRA plan when the retiree becomes entitled for Medicare may elect COBRA coverage for at least **36 more months** after the date of Medicare entitlement.
- Qualified beneficiaries are eligible to remain on COBRA benefits even after coverage begins on another group medical plan if that new group medical plan contains pre-existing condition limitations.

**COBRA participants may change health plans during Open Enrollment Periods without affecting the number of months remaining in their COBRA eligibility.**

### **WHAT DOES COBRA COST?**

The cost of this coverage is 102 percent of the applicable group premium rate (i.e., premium rate plus 2 percent).

### **HOW ARE THE COBRA PREMIUMS PAID?**

#### **1) Dental**

If individuals are interested in maintaining dental coverage after qualifying under any of the events listed in this section, they must complete the required form and pay the monthly premiums by personal check to the District. Checks must be made payable to SMCCCD, and mailed directly to: **SMCCCD Office of Human Resources, 3401 CSM Drive, San Mateo CA 94402.**

All payments should be received in the Office of Human Resources **by the 1<sup>st</sup> of the month.** The Office of Human Resources welcomes larger payments to cover multiple months.

#### **2) Vision**

If individuals are interested in maintaining vision coverage after qualifying under any of the events listed in this section, they must complete the required form and pay the monthly premiums by personal check to the District. Checks must be made payable to SMCCCD, and mailed directly to: **SMCCCD Office of Human Resources, 3401 CSM Drive, San Mateo CA 94402.**

All payments should be received in the Office of Human Resources **by the 1<sup>st</sup> of the month.** The Office of Human Resources welcomes larger payments to cover multiple months.

### **TERMINATION OF COBRA FOR NON-PAYMENT**

Participants *WILL BE DROPPED* from the Dental & Vision COBRA program if they fail to make the payments on a timely manner or checks are returned due to insufficient funds. As a courtesy, prior to dropping a participant, the Office of Human Resources will contact the retiree to inform them of the possibility of losing COBRA coverage if they don't act quickly.

## **PART IX: GENERAL INFORMATION**

As a retiree, the Office of Human Resources will no longer be able to assist you in personal issues regarding your medical and dental coverage. You are always welcome to call our office for assistance and we will try our best to help. However, you need to contact the medical /dental carriers directly for questions and clarification regarding plan coverage, claims, providers, quality of services, eligibility, Medicare coordination of benefits, payments, medical referrals, hospital and physician directories, brochures, and other printed information.

For More info:

- CalPERS
  - [www.calpers.ga.gov](http://www.calpers.ga.gov)
  - 888-225-7377
- Delta Dental
  - [www.deltadental.com](http://www.deltadental.com) (Both Delta Dental and PMIpalns)
  - Delta Dental - 888-335-8227; PMI – 800-422-4234

### **NEED ADDITIONAL *DISTRICT* RETIREE INFORMATION? E-MAIL OR CALL US**

Please E-mail or call the Office of Human Resources for any questions or concerns. If there is a need to make an appointment, we will make every effort to meet with you at the earliest possible date. However, we are aware that it is not always easy or possible for the retirees to come to the District Office and we will try our best to accommodate retirees by phone and email.

Contact Info:

Jim Vlahos  
(650) 358-6804  
vlahosjames@smccd.edu

Appendix I

**RETIREE FRINGE BENEFITS: CSEA, CONFIDENTIAL, & CLASSIFIED SUPERVISOR**

Name: \_\_\_\_\_

Hire Date (with eligibility for District fringe benefits): \_\_\_\_\_

Retirement Date: \_\_\_\_\_

Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the “**Magic 75**” which is employee’s Age plus Years of District service, will qualify for retiree benefits as indicated in their union contract. Retiree Benefits package may differ depending on hire date. Please see table below. **The years of District service required are 10 years if hired prior to 7/1/1992 and 20 years if hired on or after 7/1/1992.**

There are certain requirements that the retirees should follow after retirement in order to continue their benefits with the District without interruption. It is important that you retire from your retirement system within **120** days from the date of separation from employment “**120 Day Rule**” to be eligible for continued health benefits into retirement through CalPERS. If you are retiring within more than 30 and less than 120 days, it is your responsibility to request to continue coverage of your health benefits since the coverage will not continue automatically.

For clarification purposes, the Office of Human Resources has prepared this summary to inform you of the type of your benefits and your obligations after retirement. Please read, sign, and date the document. We will provide you a copy for your future reference.

**1) Type of coverage (the appropriate box for your coverage has been checked):**

Hire Date	Description of Retiree Fringe Benefits Package	Spouse/Domestic Partner Coverage
<b>Hired prior to 5-1-87</b>	<input type="checkbox"/> District-paid, lifetime medical and dental coverage (choice of any plan provided for active employees) <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premiums	Same as retiree. If retiree dies first, lifetime coverage will continue for the un-remarried survivor.
<b>Hired 5-1-87 through 6-30-92</b>	<input type="checkbox"/> Medical: lifetime maximum monthly premium paid by the District is equivalent to current cost of the Kaiser Plan for the Bay Area ONLY. <input type="checkbox"/> District-paid, lifetime dental coverage (same plan choice as provided to active employees) <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premium	Same as retiree. If retiree dies first, lifetime coverage will continue for the un-remarried survivor.
<b>Hired on or after 7-1-92</b>	<input type="checkbox"/> District pays same amount as single active cap towards health insurance until retiree becomes eligible for Medicare Part B. With Medicare Part B, District then pays for the lowest cost medical plan available. <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premium	Included in the single active cap retirement benefits paid to retiree with the same terms and conditions.
<b>Hired on or after 7-1-94</b>	<input type="checkbox"/> District pays same amount as single active cap towards health insurance until retiree becomes eligible for Medicare Part B. With Medicare Part B, District then pays for the lowest cost medical plan available for the <b>Retiree ONLY</b> . <input type="checkbox"/> <b>Retiree only</b> lifetime reimbursement for Medicare Part B monthly premium	Included in the single active cap retirement benefits paid to retiree. However, when retiree becomes eligible for Medicare part B, medical benefits will no longer be available to spouse/domestic partner.

**Important Note: Retirees with restrictions on their benefits eligibility will be responsible for the difference if they choose a more costly plan.** Initial: \_\_\_\_\_

**Medicare:**

When you are enrolled in a CalPERS sponsored health plan and you are eligible for Medicare benefits when your age is 65, State Law prohibits your continued enrollment in the basic plan. If you do not enroll in a timely manner, your coverage will be cancelled by the plan and it will only be reinstated when you submit your Medicare card to CalPERS.

When spouse is eligible for Medicare, the other party will also be eligible upon reaching the age of 65 and **MUST** apply for Medicare.

**Important Note: The District will reimburse the qualified retirees (check your type of benefits) for Medicare Part B premiums. However, if you do not apply in a timely manner, you will be penalized by Social Security and may have to pay a higher premium. The District will not be responsible for payment of any additional amount and will reimburse you for regular rate announced by Social Security ONLY.**

**2) Adding spouse/domestic partner after retirement:**

If you retire with eligibility for health benefits for you and your spouse/domestic partner at the time of retirement (check your type of benefits), the coverage will continue as long as you stay in the relationship. Upon divorce or separation, your coverage will change to party of **ONE** and will continue.

**Important Note: If you re-marry/start a domestic partnership after your retirement, the District will not be responsible for the additional cost for changing the coverage to party of **TWO** or **MORE**.**

**4) Informing the District of any change:**

The District should be notified of any change such as move or eligibility for Medicare on a timely manner. Failure to notify the District, may result in unnecessary overpayment/underpayment.

When the District should be reimbursed for any of the above, the Office of Human Resources will make the adjustments on a case by case basis:

- Adjust Medical Advancement if applicable
- Adjust Medicare Reimbursement if applicable
- Send an invoice to the retiree

If you fail to fulfill your obligations as a District retiree, you may jeopardize your benefits.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Name & Title of Authorized Human Resources Staff

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Appendix II

**ACADEMIC RETIREE FRINGE BENEFITS**

**Name:** \_\_\_\_\_

**Hire Date** (with eligibility for District fringe benefits): \_\_\_\_\_

**Retirement Date:** \_\_\_\_\_

Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the “**Magic 75**” which is employee’s Age plus Years of District service, will qualify for retiree benefits as indicated in their union contract. Retiree Benefits package may differ depending on hire date. Please see table below. **The years of District service required are 10 years if hired prior to 9/8/1993 and 20 years if hired on or after 9/8/1993.**

There are certain requirements that the retirees should follow after retirement in order to continue their benefits with the District without interruption. It is important that you retire from your retirement system within **120** days from the date of separation from employment “**120 Day Rule**” to be eligible for continued health benefits into retirement through CalPERS. If you are retiring within more than 30 and less than 120 days, it is your responsibility to request to continue coverage of your health benefits since the coverage will not continue automatically.

For clarification purposes, the Office of Human Resources has prepared this summary to inform you of the type of your benefits and your obligations after retirement. Please read, sign, and date the document. We will provide you a copy for your future reference.

**1) Type of coverage (the appropriate box for your coverage has been checked):**

<b>Hire Date</b>	<b>Description of Retiree Fringe Benefits Package</b>	<b>Spouse/Domestic Partner Coverage</b>
<b>Hired prior to 1-1-87</b>	<input type="checkbox"/> District-paid, lifetime medical and dental coverage (choice of any plan provided for active employees) <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premiums	Same as retiree. If retiree dies first, lifetime coverage will continue for the un-remarried survivor.
<b>Hired 1-1-87 through 9-7-93</b>	<input type="checkbox"/> Medical: lifetime maximum monthly premium paid by the District is equivalent to current cost of the Kaiser Plan for the Bay Area ONLY. <input type="checkbox"/> District-paid, lifetime dental coverage (same plan choice as provided to active employees) <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premium	Same as retiree. If retiree dies first, lifetime coverage will continue for the un-remarried survivor.
<b>Hired on or after 9-8-93</b>	<input type="checkbox"/> District pays a flat monthly maximum total of \$450 toward health insurance until retiree becomes eligible for Medicare Part B. With Medicare Part B, District then pays for the lowest cost medical plan available for the <b><u>Retiree ONLY</u></b> . <input type="checkbox"/> <b><u>Retiree only</u></b> lifetime reimbursement for Medicare Part B monthly premium	Included in the \$450/month retirement benefits paid to retiree. However, when retiree becomes eligible for Medicare part B, medical benefits will no longer be available to spouse/domestic partner.

**Important Note: Retirees with restrictions on their benefits eligibility will be responsible for the difference if they choose a more costly plan.**

**Initial:** \_\_\_\_\_



**2) Medicare:**

When you are enrolled in a CalPERS sponsored health plan and you are eligible for Medicare benefits when your age is 65, State Law prohibits your continued enrollment in the basic plan. If you do not enroll in a timely manner, your coverage will be cancelled by the plan and it will only be reinstated when you submit your Medicare card to CalPERS.

When spouse is eligible for Medicare, the other party will also be eligible upon reaching the age of 65 and **MUST** apply for Medicare.

**Important Note: The District will reimburse the qualified retirees (check your type of benefits) for Medicare Part B premiums. However, if you do not apply in a timely manner, you will be penalized by Social Security and may have to pay a higher premium. The District will not be responsible for payment of any additional amount and will reimburse you for regular rate announced by Social Security ONLY.**

**3) Adding spouse/domestic partner after retirement:**

If you retire with eligibility for health benefits for you and your spouse/domestic partner at the time of retirement (check your type of benefits), the coverage will continue as long as you stay in the relationship. Upon divorce or separation, your coverage will change to party of **ONE** and will continue.

**Important Note: If you re-marry/start a domestic partnership after your retirement, the District will not be responsible for the additional cost for changing the coverage to party of **TWO** or **MORE**.**

**4) Informing the District of any change:**

The District should be notified of any change such as move or eligibility for Medicare on a timely manner. Failure to notify the District, may result in unnecessary overpayment/underpayment.

When the District should be reimbursed for any of the above, the Office of Human Resources will make the adjustments on a case by case basis:

- Adjust Medical Advancement if applicable
- Adjust Medicare Reimbursement if applicable
- Send an invoice to the retiree

If you fail to fulfill your obligations as a District retiree, you may jeopardize your benefits.

\_\_\_\_\_

Employee Signature

\_\_\_\_\_  
Name & Title of Authorized Human Resources Staff

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Appendix III

**AFCSME RETIREE FRINGE BENEFITS**

Name: \_\_\_\_\_

Hire Date (with eligibility for District fringe benefits): \_\_\_\_\_

Retirement Date: \_\_\_\_\_

Employees of the San Mateo County Community College District, upon meeting the years of District service requirement and the “**Magic 75**” which is employee’s Age plus Years of District service, will qualify for retiree benefits as indicated in their union contract. Retiree Benefits package may differ depending on hire date. Please see table below. **The years of District service required are 10 years if hired prior to 7/1/1992 and 20 years if hired on or after 7/1/1992.**

There are certain requirements that the retirees should follow after retirement in order to continue their benefits with the District without interruption. It is important that you retire from your retirement system within **120** days from the date of separation from employment “**120 Day Rule**” to be eligible for continued health benefits into retirement through CalPERS. If you are retiring within more than 30 and less than 120 days, it is your responsibility to request to continue coverage of your health benefits since the coverage will not continue automatically.

For clarification purposes, the Office of Human Resources has prepared this summary to inform you of the type of your benefits and your obligations after retirement. Please read, sign, and date the document. We will provide you a copy for your future reference.

**3) Type of coverage (the appropriate box for your coverage has been checked):**

Hire Date	Description of Retiree Fringe Benefits Package	Spouse/Domestic Partner Coverage
<b>Hired prior to 2-1-88</b>	<input type="checkbox"/> District-paid, lifetime medical and dental coverage (choice of any plan provided for active employees) <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premiums	Same as retiree. If retiree dies first, lifetime coverage will continue for the un-remarried survivor.
<b>Hired 2-1-88 through 6-30-92</b>	<input type="checkbox"/> Medical: lifetime maximum monthly premium paid by the District is equivalent to cost of lowest plan available. <input type="checkbox"/> District-paid, lifetime dental coverage (same plan choice as provided to active employees) <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premium	Same as retiree. If retiree dies first, lifetime coverage will continue for the un-remarried survivor.
<b>Hired on or after 7-1-92</b>	<input type="checkbox"/> District pays same amount as single active cap towards health insurance until retiree becomes eligible for Medicare Part B. With Medicare Part B, District then pays for the lowest cost medical plan available. <input type="checkbox"/> Lifetime reimbursement for Medicare Part B monthly premium	Included in the single active cap retirement benefits paid to retiree with the same terms and conditions.
<b>Hired on or after 7-1-95</b>	<input type="checkbox"/> District pays same amount as single active cap towards health insurance until retiree becomes eligible for Medicare Part B. With Medicare Part B, District then pays for the lowest cost medical plan available for the <b>Retiree ONLY</b> . <input type="checkbox"/> <b>Retiree only</b> lifetime reimbursement for Medicare Part B monthly premium	Included in the single active cap retirement benefits paid to retiree. However, when retiree becomes eligible for Medicare part B, medical benefits will no longer be available to spouse/domestic partner.

**Important Note:** Retirees with restrictions on their benefits eligibility will be responsible for the difference if they choose a more costly plan. Initial: \_\_\_\_\_

**Medicare:**

When you are enrolled in a CalPERS sponsored health plan and you are eligible for Medicare benefits when your age is 65, State Law prohibits your continued enrollment in the basic plan. If you do not enroll in a timely manner, your coverage will be cancelled by the plan and it will only be reinstated when you submit your Medicare card to CalPERS.

When spouse is eligible for Medicare, the other party will also be eligible upon reaching the age of 65 and **MUST** apply for Medicare.

**Important Note: The District will reimburse the qualified retirees (check your type of benefits) for Medicare Part B premiums. However, if you do not apply in a timely manner, you will be penalized by Social Security and may have to pay a higher premium. The District will not be responsible for payment of any additional amount and will reimburse you for regular rate announced by Social Security ONLY.**

**4) Adding spouse/domestic partner after retirement:**

If you retire with eligibility for health benefits for you and your spouse/domestic partner at the time of retirement (check your type of benefits), the coverage will continue as long as you stay in the relationship. Upon divorce or separation, your coverage will change to party of **ONE** and will continue.

**Important Note: If you re-marry/start a domestic partnership after your retirement, the District will not be responsible for the additional cost for changing the coverage to party of **TWO** or **MORE**.**

**4) Informing the District of any change:**

The District should be notified of any change such as move or eligibility for Medicare on a timely manner. Failure to notify the District, may result in unnecessary overpayment/underpayment.

When the District should be reimbursed for any of the above, the Office of Human Resources will make the adjustments on a case by case basis:

- Adjust Medical Advancement if applicable
- Adjust Medicare Reimbursement if applicable
- Send an invoice to the retiree

If you fail to fulfill your obligations as a District retiree, you may jeopardize your benefits.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Name & Title of Authorized Human Resources Staff

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

## Appendix V

### **Most Frequently Asked Questions**

Employees of the San Mateo County Community College District may retire from CalPERS, CalSTRS, and/or Social Security with or without eligibility for District benefits.

- 1) Contact CalSTRS/CalPERS to obtain information on your eligibility to receive pension.  
**NOTE:** As part of CalPERS School Benefits, the surviving spouse of a PERS retiree may be eligible for “Survivor Continuance”. This benefit consists of a monthly allowance that automatically continues for an eligible survivor following the death of the retiree, regardless of the option selected at the time of retirement. However, for eligibility purposes the parties should have been married for at least one year prior to the retirement date and remained married until the date of the retiree’s death.
- 2) Contact Social Security Office to obtain information on your eligibility to receive Social Security retirement.
- 3) Contact the Office of Human Resources to inquire about your eligibility for benefits upon retirement.

#### **Q) When will I be eligible to retire from PERS/STRS?**

A) See the following (additional requirements may apply):

##### **STRS:**

- 1) Age 50 with 30 years of service credit.
- 2) Age 55 with at least 5 years of service credit. If also eligible to retire from certain other California Public Retirement Systems, you may retire with fewer than five years of CalSTRS service credit if retiring from both systems at the same time.
- 3) Retirement date must be later than the last day of employment with the District.

##### **PERS:**

- 1) Age 50 with at least 5 years of service credit.
- 2) Retirement date must be later than the last day of employment with the District.

#### **Q) When should I file with STRS/PERS for my retirement?**

A) See below:

- 1) STRS recommends the completed application to be received no earlier than six months prior to retirement date and no later than the last business day of the month in which you retire.
- 2) PERS recommends the completed application to be submitted no earlier than 90-days prior to your retirement date.

#### **Q) How will I get service credit for my unused Sick Leave upon retirement ?**

A) Sick Leave is reported by days to STRS/PERS. See below for days per year that is the equivalent of one year for each classification:

- 1) 175 days for faculty
- 2) 260 days for classified

- 3) 218 days for academic supervisory. Supervisors in this category earn 16.88 hours of vacation per month/27 days per year and there are 16 holidays. When the two figures are added to the 175 base for faculty, the total will be 218 days.

However, the District only reports sick leave. Calculation of service credit is done by the retirement system. Depending on each individual's situation, the retirement system will determine the amount of additional service credit that will be granted.

**Q) Can I work after retirement? What is my earning limit?**

A) You need to study your retirement system member handbook for work after retirement in order to avoid jeopardizing your status as a retiree. Effective January 1, 2013 the Public Employees' Pension Reform made significant changes to both the CalPERS and CalSTRS working after retirement provision. A retiree must wait 180 days prior to work after retirement in a public institution covered under CalPERS/CalSTRS. After the 180-day period, there are earnings/hours limitations.

- 1) For CalSTRS retirees the FY14-15 earnings limitation is \$40,173.00.  
**EXCEPTION:** Check the CalSTRS Member Handbook for exemptions from the above earnings limit. If applicable, retiree may earn up to the maximum above plus the amounts earned under Exemptions.
- 2) CalPERS retirees may work for a school employer on a temporary basis for a maximum of 960 hours in a fiscal year.

**Q) How will I be eligible for District paid benefits? Will my spouse be eligible for benefits as well and continue his/her benefits if I die?**

A) See below:

- 1) You must meet the requirements of your Union contract.
- 2) In order for your spouse to be eligible for benefits when you retire, you must have been married at the time of your retirement. Upon your death, the District will continue the coverage for the surviving spouse/partner.
- 3) If you re-marry due to divorce/death, your new spouse will not be eligible for the District benefits.

**Q) If I meet the requirements to retire from the District, will I automatically continue my health benefits?**

A) **No**, see below:

- 1) You must retire from your retirement system within **120** days from the date of separation from employment "120 Day Rule" to be eligible for continued health benefits into retirement. If you are retiring within 30 days of separation from employment, the health coverage will continue automatically. If you are retiring within more than 30 and less than 120 days, it is your responsibility to request to continue your coverage since the coverage will not continue automatically.
- 2) You must receive a retirement allowance from your retirement system.
- 3) You must have been eligible for enrollment on the date of separation.

- 4) Under special conditions if you are only retiring from the District and not from the retirement system, the District may continue paying for your premiums on the active employee list until you retire.

**Q) Do I have to apply for Medicare when I turn 65?**

- A) You must apply if you meet the eligibility requirements or you are eligible through your spouse. If you are eligible and do not apply for Medicare, CalPERS will cancel your coverage and you will not be reinstated unless you provide a copy of your Medicare card.