

ALEXANDER COUNTY RETIREE HEALTH BENEFITS

1.0 PURPOSE:

To provide medical insurance benefits for eligible qualified retirees as defined herein. This policy supersedes former policy Medical Insurance/Continuation at Retirement. Alexander County reserves the right to amend, modify, or terminate this policy at any time without consent or notice to any employee or beneficiary or other person who may have a beneficial interest under this policy. Those who qualify for benefits according to this policy may continue to be covered. For purposes of this policy, Alexander County is referred to as "the County" throughout the document.

2.0 POLICY:

The County shall continue medical insurance benefits to employees hired before July 1, 2009 upon retirement to qualified retirees. This benefit is not available under any terms for hires on or after July 1, 2009. In order to be a qualified retiree, the employee must meet all of the following:

- (a) At the date of retirement, the employee either:

Occupies a full-time or a part-time with benefits budgeted position (50% or greater), was hired before July 1, 2008, and has completed a minimum of twenty (20) consecutive years of employment with Alexander County; or

Occupies a full-time position, was hired between July 1, 2008 and June 30, 2009, and has completed a minimum of thirty (30) consecutive years of employment with Alexander County.

All part-time budgeted employees with or without benefits hired on or after July 1, 2008 are ineligible for retiree health benefits.

Employment with other North Carolina Retirement System employers does not count towards eligibility for Alexander County retiree health benefits. Retirees are ineligible for lifetime dental benefits; however, dental may be elected under the COBRA provisions.

- (b) The employee must retire through the Local Government Employee Retirement System (LGERS).

3.0 ORGANIZATION AFFECTED:

All Departments.

4.0 PROCEDURES/RULES:

4.1 For qualified retirees who occupy a full-time position at retirement as set forth in section 2.0 (a) above, the County will continue to provide individual medical insurance benefits on the same basis in which the County contracts for all regular employees. However, if at any time the County requires active full-time employees to pay a pro-rated share of their individual medical insurance costs, qualified retirees will also be required to pay the same pro-rated share as active employees.

4.2 For qualified retirees who occupy a part-time with benefits budgeted (50% or greater) position at retirement as set forth in section 2.0 (a) above, the County will continue to provide individual medical benefits on the same basis in which the County contracts for all regular employees with the County and qualified retiree paying the same pro-rated shares each paid at the conclusion of active employment.

4.3 These above stated individual medical insurance benefits to qualified retirees will be with the same company which the County contracts with for the employee group plan.

4.4 When the qualified retiree becomes eligible for Medicare, the County will provide retiree health benefits by supplemental medical insurance only.

4.5 Dependents of the qualified retiree may continue medical insurance only through the COBRA provisions for eighteen months.

4.6 Qualified retirees who receive disability retirement benefits with LGERS will be provided individual medical insurance benefits by the County in accordance with this policy.

5.0 REDUCED RETIREE HEALTH BENEFITS

Alexander County shall make available individual medical insurance benefits to the following eligible retirees. The full cost thereof will be paid by the retiree at no cost to the County. In order to be eligible, the employee must meet all of the following criteria:

- (a) At the date of retirement, the employee occupies a full-time or part-time with benefits budgeted position (50% or greater), was hired before July 1, 2008, and has completed a minimum of fifteen (15) consecutive years of employment with Alexander County;

Employees hired on or after July 1, 2008 are ineligible for this benefit;

Original Approval : 4-21-08

Revised Effective Date: 07-01-09

Employment with other North Carolina Retirement System employers does not count towards eligibility for Alexander County retiree health benefits.

- (b) The employee must retire through the Local Government Employee Retirement System (LGERS).
- (c) The employee's separation from employment must be voluntary.
- (d) The entire premium is paid monthly by the 25th of each month by the retiree.
- (e) Participation in the County's Group Health Plan will cease at age 65 when said employee becomes eligible for Medicare under the Social Security Act.

The County will continue to provide individual medical benefits on the same basis in which the County contracts for all regular employees.**5.1** Dependents of the retiree may continue medical insurance only through the COBRA provisions for eighteen months.