



Retirement

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Rancho Santiago Community College District
2323 N. Broadway, Santa Ana, CA 92706
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Retirement — General Information

Retirement from the District is defined as an employee’s termination from full-time District employment which is concurrent with his/her retirement under PERS or STRS.

When you meet the requirements stated in your collective bargaining group’s agreement (see page 3 & 4), you will be eligible to receive the same medical/dental benefits that you currently receive as an active employee. However, if you are enrolled in PPO Dental, the District will contribute towards the PPO Dental premium through the end of the year of your 65th birthday. Thereafter, you will have the option to continue the PPO Dental plan by paying the full premium, or you can elect to enroll in HMO Dental. The Employee Benefits department will be in contact with you to accommodate this transition.

It is advisable to contact PERS or STRS prior to retirement. They will advise you of their criteria that must be met in order to retire. They can also advise you the best time to retire in order to maximize your monthly compensation upon retirement.

Once you have made a decision on your retirement date, notify your supervisor in writing of your upcoming retirement. HR will then be notified and your retirement will be placed on Docket for approval by the Board. Once on Docket the Employee Benefits Department will be notified and will mail you the retiree health packet.

PERS	STRS	Medicare	Social Security Administration
<p>(888) 225-7377 www.calpers.ca.gov</p>	<p>STRS (800) 228-5453 www.calstrs.com</p>	<p>(800) 633-4227 www.medicare.gov</p>	<p>800) 772-1213 www.socialsecurity.gov Social Security FAQ Social Security Administration Website</p>

Retiree Benefit Eligibility per Bargaining Groups

CSEA 579: Article 19.6

- For salaried employees hired after July 1, 1986 with 15 years of service to the District shall receive retiree benefits to age seventy (70) only.
- For salaried employees 50 years of age retiring with less than 15 years of service, but with 10 or more years of service may participate in medical/dental benefits at their own expense.
- For salaried employees hired after July 1, 1990, who qualify for the 15 year retiree benefit, the District will provide the same contribution as provided for current employees.
- Surviving dependents may continue coverage at their own expense.

CSEA 888: Article 11.8

- For all contract employees retiring on or after July 1, 1990, with 15 or more years of service to the District, The District will pay toward retiree's insurance premium the base figure in Section 11.5 for the 1999/2000 school year. The portion of the premium paid by the District will be referred to as the District's actual cost.
- For all contracted employees retiring on or after July 1, 1992, with less than 15 years of full time service, but with ten years or more may participate in medical/dental benefits by paying their own premiums.
- For employees whose first paid date of contract service is on or after May 31, 1986, who subsequently qualify for the foregoing fifteen (15) year retiree service benefit, the District will pay its portion of the insurance premium until the retiree reaches age 70, after which such retirees may continue coverage at their own expense.

FARSCCD: Article 5.3

- For employees whose first paid date of contract service is prior to May 31, 1986, who have 15 years of service, the District will pay its portion of the insurance premium for life.
- For employees whose first paid date of contract services is on or after May 31, 1986, who subsequently qualify for the foregoing 15 years retiree service benefit, the District will pay its portion of the insurance premium until the retiree reaches age 70, after which such retirees may continue coverage at their own expense.
- Employees retiring on or after July 1, 1975, with less than 15 but with 10 or more years of service to the District may participate in medical/dental benefits by paying their own premiums.
- Surviving dependents may continue coverage at their own expense

Retiree Benefit Eligibility per Bargaining Groups

Management/Supervisory/Confidential: BP 7132

- Managers whose first date of full-time service was prior to May 31, 1986 15 years of full time service with the District shall receive the same District-paid medical Insurance coverage as is provided to active management employees for life.
- Managers whose first date of full-time service as on or after May 31, 1986 and who serve as a manager for at least 15 years shall receive the same District-paid medical insurance coverage as is provided to active management employees until age 70. After which such retirees may continue coverage at their own expense.
- Managers employed under individual administrative contracts retiring on or after July 1, 1975, with less than 15 years but with 5 or more years of service to the District may participate in medical/dental benefits by paying their own premiums.
- Surviving dependent spousal benefits will continue at District expense for administrators hired prior to July 1, 1989, and for supervisory/confidential employees hired prior to April 11, 2005.
- Surviving dependent spouses of those employees hired on or after these respective dates (and having five or more years of service with the District) may continue surviving dependent spousal benefits at their own expense.

How Medicare works with Retiree Benefits

- **If Neither You nor Your Spouse are Eligible for Medicare:** The District retiree coverage will be your only plan until one of you becomes Medicare eligible
- **If You or Your Spouse are Eligible for Medicare:** When one of you becomes Medicare eligible and enrolled in Medicare Part A or B, Medicare will be the primary form of coverage for the Medicare-eligible family member. This means Medicare pays benefits first; your coverage through the District will be secondary. District Benefits will continue to be the primary for the other family member until he or she is Medicare eligible.

To avoid claim processing delays, you are required to tell your health care provider that your primary health care coverage is through Medicare. This means that Medicare pays for your medical care first. Notifying your provider of this change will help ensure that your claims are submitted correctly and processed in a timely manner.

	Medicare Part A	Medicare Part B
What does it Cover?	Inpatient care (hospitalization, Skilled nursing, hospice)	General medical services (physician visits, diagnostic and lab, durable medical equipment), preventative care
What does it cost?	Free for those who are age 65 and older or those who are disabled	Monthly premium is subject to change each year, based on income
Do I need to enroll?	Yes, it is important that you enroll in these benefits as soon as you are eligible. Remember, it's a good idea to request your Medicare enrollment package three months before your 65th birthday.	You must actively enroll when you become eligible to avoid a potential cost increase for these benefits. If you're unsure if this coverage is right for you, consult a Medicare Representative.
How does Medicare coordinate with my current benefits?	Medicare part A pays first, then District Benefits pays for eligible care not paid by Medicare, up to the amount allowed under the district plan	Medicare Part B pays first, then District Benefits pays for eligible care not paid by Medicare, up to the amount allowed under the district plan.

Medicare details and when to apply

The Districts retiree health benefits coordinate with Medicare to give you comprehensive medical coverage.

Individual situations vary and you need to determine what is best for you. Please confirm your enrollment eligibility with Medicare @ (800) 633-4227.

· **Part A** - Hospitalization

- Hospital insurance that helps cover inpatient care in hospitals, skilled nursing facilities, hospice and home health care.
- RSCCD requires all eligible employees to sign up for Part A when turning 65.
- Sign up 3 months before the month of your 65th birthday @ www.Medicare.gov.
- Cost: You won't pay a premium if you paid Medicare taxes while working.
 - Those not eligible for free part A can elect to enroll in part A at \$422 per month (2018).

Part B - Doctor Visits, hospital outpatient care and home health care

- There is a monthly charge for Part B
- If you don't sign up when you are first eligible, you will be assessed a 10% penalty for each year you did not sign-up.
- If an employee is turning 65 and is still actively working and covered by the Districts group health plan, they may decline Medicare part B without a penalty. This is also true for your spouse if they are covered under your current plan. It's important to note that COBRA and retiree coverage does not count towards this exception.
- Retirees with lifetime benefits do not need Medicare Part B, however there could be advantages such as no pre-authorization for certain procedures, reduction or elimination of out of pocket expenses by coordinating benefits between Medicare and your District plan.
- If the retiree passes away before their spouse, their spouse may need to purchase Part B and they would be assessed the 10% penalty when they sign-up. This could be a significant cost. The surviving spouse can continue the RSCCD benefits by paying the full premium.
- Once you retire you will have 8 months to enroll in Part B without incurring a penalty. To apply for Part B, go to www.Medicare.gov, click on "I have employer or union coverage" and download the application for enrollment in Part B.

· **Part C** - Medicare Advantage

- This is a supplemental plan that you would enroll in thru a private insurance company. There is a monthly charge in addition to the Part B premium. This plan is not needed if enrolled in District coverage. In General, a Medicare Advantage (Part C) plan supersedes any other medical plan, such as your District plan.

Medicare details and when to apply

Part C (continued)

- **If you choose to enroll in a Medicare Advantage plan, you agree to forfeit your benefits coverage through the District.** We urge you to think carefully and be fully informed about your benefits before you seek or enroll in coverage other than, or in addition to, the District coverage.
- For additional information about Medicare Advantage plans, please visit www.medicare.gov

Part D, Prescription Coverage

- Prescription drug coverage is included in your retirement benefits offered through the District and your coverage is considered to be comparable to or better than the prescription drug coverage that is offered through Medicare Part D. Therefore, you do not need to enroll in Medicare Part D
- You may defer this coverage as long as you have District provided drug coverage which is considered "Creditable Coverage" to Medicare. Keep a copy of the documentation that advised the coverage is creditable, as it may be needed when you do sign up later.
- [Creditable Coverage Disclosure Notice for Medicare- Part D Prescription Coverage](#)

Working after Retirement PERS/STRS Impact

Many RSCCD Employees elect to return to work, after retiring from full time service, but there are limitations on the amount of money you may earn before your PERS/STRS benefit will be affected.

Please call to Confirm: **CALSTRS @ 800-228-5453**

CALPERS @ 888-225-7377

Both PERS and STRS have a 180 *calendar* day waiting period before you can return to PERS or STRS employment. You can continue to receive your full retirement benefit, with no earnings limitation, if you take a job outside of PERS or STRS covered employment.

There is a different earning limit on PERS/STRS, which is adjusted each year, be sure to check with them for details.

Working after Retirement Social Security Impact

If you decide to continue working once you begin collecting Social Security benefits, there is a maximum amount you can earn if you have not reached full retirement age.

If you are younger than full retirement age during the entire calendar year, there is a maximum you can earn. For each \$2 earned over the maximum, \$1 will be deducted from your benefit.

If you reach full retirement age *during* the calendar year, there is a maximum you can earn. For each \$3 earned over the maximum, \$1 will be deducted from your benefit until the month you reach full retirement age.

To help determine the amount of your benefit you can use Social Security's online Retirement Estimator at

www.socialsecurity.gov/estimator .

To begin collecting your benefit, you can apply online at www.socialsecurity.gov or call 1-800-772-1213. You can also make an appointment at your local Social Security office.

Voluntary Plan Conversions

Optional voluntary plans that can be continued after retirement are as follows:

Life Insurance Conversion - As an active employee, RSCCD has provided Basic employee Life insurance coverage at no cost to you. The amount is 1-times your annual salary (\$50,000 min). When you retire you will have the opportunity to convert this coverage to an individual plan. If you enrolled in Spouse and Child Life insurance, your dependents will also have the option to convert coverage. A "Notice of Group Life Insurance Conversion Privilege" will be included in your retirement packet.

Voluntary Employee Life insurance Portability— This coverage is portable for the Employee coverage only. An "Election of Portable Coverage Form for Group Life Insurance Coverage" will be included in your retirement packet.

Hyatt Legal Plan - MetLaw - If you wish to continue your legal plan benefit after retiring or terminating employment with RSCCD you must enroll for portable enrollment within **30 days** of your date of employment termination. To apply for portable enrollment contact Hyatt's client service center at 800-821-6400.

AFLAC - If you are interested in continuing your voluntary plans, please call Customer Service at (800) 992-3522.

American Fidelity—If you are interested in continuing your voluntary plans, please call Customer Service at 800-323-3748

United Pet Care - This program is portable when you leave RSCCD. Simply call United Pet Care at (949) 916-7374 to let them know you would like to continue at the same low payroll deduction rate you had with the district. Provide them with a credit/debit card so you can continue to receive all your veterinary savings.