

Retiree Insurance Fact Sheet

General Eligibility:

- Retirees have the option to continue their state group health and life insurance at retirement and have **31 days** from their last day on payroll to elect continuation of this coverage.
- Retirees will pay premiums for state retiree health coverage based on their eligibility for Medicare. Early retirees and their spouses (under age 65) will pay higher premiums for state health coverage until they become eligible to enroll in Medicare.
- Please see the following link for applicable premium rates: [2016 State Employees Group Health Insurance Premium Rate Table](#). These rates are subject to change each year by the Legislature.
- The state retiree health plan includes hospital, medical, and prescription drug coverage and is offered to retirees enrolled in the State PPO Plan as well as the state HMO plans through AVMED, United Healthcare, Aetna, Capital Health Plan, and Florida Healthcare¹.
- Retirees have the option of converting their \$25,000 basic state life insurance into one of two policies:
 - A \$10,000 life policy for \$19.33 per month, or
 - A \$2,500 life policy for \$4.83 per month
- Retirees interested in continuing their optional state life insurance will be required to contact Minnesota Life directly to convert to a private whole life policy at: 1-888-878-0038.
- Retirees may continue their state dental and vision coverage through COBRA and will automatically receive a COBRA packet from People First, if enrolled in the coverage at the time of retirement. People First is required to mail the COBRA packet **within 14 days** of the notice of termination (or the date the PAR is processed in the system). ***Retirees must ensure that their correct mailing addresses are in People First.***
- Any other pre-tax or post-tax supplemental policies will need to be continued by contacting the company directly to convert to a private policy. Contact information for Supplemental Provider Companies: [Pre-tax Supplemental Providers](#) and [Post-tax Supplemental Providers](#).

¹ This is a list of current state-contracted healthcare providers as of January 1, 2016. Please note that these providers are subject to change by the Legislature.

Retiree Insurance Fact Sheet

Pension Plan Retirees:

- Pension Plan members will **automatically** receive the [New Retiree Benefits Packet](#) from People First once the Personnel Action Request (PAR) has been processed by JAC.
- For the purposes of determining eligibility for the continuation of state benefits as a retiree, DMS will consider a Pension Plan member “retired”, upon termination of employment and the receipt of a monthly benefit.
- The PAR for a Pension Plan member should be coded as a “termination” with a reason code of “56” for “retirement”. See [DMS Management Advisory 14-005](#)
- Pension Plan retirees (including DROP retirees) may elect to have premiums deducted directly from their monthly Pension check. *Pension Plan retirees will still be required to submit a personal check, however, for the first month of retiree premiums. Thereafter, the Division of Retirement can set up an automatic deduction of premiums from the member’s monthly Pension check.*

Investment Plan Retirees:

- Investment Plan members are required to take a distribution before they are considered “retired” under the Florida Retirement System and thus eligible for continuation of state health and life insurance as a retiree.
- The PAR for an Investment Plan member should therefore be submitted to JAC as a “termination” with the reason code of “53” for “other”. See [DMS Management Advisory 14-005](#)
- Investment Plan members interested in continuing their state group coverage as a retiree should be advised of the following:
 - The Investment Plan retiree will need to elect to continue their state health insurance coverage under COBRA, immediately upon termination.
 - This will ensure the Investment Plan retiree has seamless health coverage as well as establish their eligibility to later enroll in state retiree coverage once they have taken a distribution.
 - The member will **automatically** receive a COBRA Packet from People First once JAC has processed the termination PAR. *Again, it is important that members have their correct mailing address listed in People First in order to receive this packet.*

Retiree Insurance Fact Sheet

- The member may also contact People First for additional information regarding COBRA at 1-866-663-4735, option 2, for the Retiree/COBRA Section.
 - The final step will be for the retiree to initiate a distribution or rollover from their Investment Plan account by contacting the FRS Plan Administrator at 1-866-446-9377.
- People First will receive notification of all distributions taken each month from the FRS Plan Administrator. Once notified of a member's distribution, People First will update the member's records to indicate they are officially "retired" and will mail the member the [New Retiree Benefits Packet](#).
 - Investment Plan members may also contact the People First Service Center directly, once they have taken a distribution, to enroll in retiree health and life coverage at 1-866-663-4735.
 - Investment Plan retirees will be required to submit their health and life premiums by personal check each month or they may submit payments up to six months in advance. No other payment options are available at this time.
 - Investment Plan retirees will submit their personal check or money order, payable to **DSGI, to: The People First Service Center, P.O. Box 863477, Orlando, Florida 32886-3477**. Premiums are due by the **10th each month** prior to the month of coverage. *** For example, premiums for June 2016 retiree coverage must be received by the People First Service Center, no later than **May 10, 2016**.
 - Investment Plan retirees do have the option of requesting payment coupons from People First as a helpful reminder of when premiums are due each month. Coupons can be requested by contacting the People First Service Center at 1-866-663-4735, option 2, for the Retiree/COBRA Section.
 - **Medicare:**²
 - Employees become eligible for Medicare at age 65, or upon receipt of disability benefits from Social Security. Employees have the following options for enrolling in Medicare:
 - Employees may visit their local Social Security Office,
 - Employees may contact the Social Security Administration to request forms at: 1-800-772-1213, or
 - Employees may enroll online at: [Apply for Medicare online](#)

² JAC staff cannot provide specific guidance with regard to Medicare or Social Security.

Retiree Insurance Fact Sheet

- The initial eligibility period to enroll in Medicare begins three months prior to your 65th birthday and ends three months after.
- Employees and their spouses who are covered under employer group coverage, have the option of deferring enrollment in Part B of Medicare, until a Special Enrollment Period. See the following [Special Enrollment Period](#) provisions.
- Employees and their spouses with active state group coverage, may defer enrolling in Part B of Medicare until **one** of two dates, **whichever occurs first**:
 - The date their active state group coverage ends or
 - The date they or their spouse elects to retire
- Medicare eligible employees electing to continue their state group health coverage as a retiree, should be aware of the following:
 - Part A is free for most people and provides inpatient care at a hospital, skilled nursing facility, and hospice care. See [Medicare Part A coverage](#)
 - Part B requires the payment of a monthly premium and covers doctor and health care provider services, outpatient care, and durable medical equipment. See [Medicare Part B costs](#).
 - Part D requires the payment of a monthly premium and the cost will vary based upon the drug plan chosen. See [Costs for Medicare Drug Coverage](#).
 - Employees continuing their state group health plan as a retiree will have prescription drug coverage as part of their health plan benefits. See [Special Notice about the Medicare D Drug Program](#)