



Retirement 101

An Overview of Lifetime Health Benefits, Explanation of
Other Options, & Breakdown of Rates

For Clovis Unified Employees

Board Policy 4154, 4254, 4354

- Located at:
<https://tinyurl.com/CUSDHealthBenefitsBP>
- Outlines the policies set forth by the CUSD Governing Board and the changes made over the years regarding the District's Health & Welfare Benefits Plan and the Retiree Lifetime Health Agreement.

Board Policy

No. 4154, 4254, 4354

CLOVIS UNIFIED SCHOOL DISTRICT

1. Eligibility Criteria

Hire/Rehire Date	Work Experience/Age	Benefit
Prior to March 1, 1985	<ul style="list-style-type: none"> • Employed for 15 years in public education (inclusive of time served with CUSD) Proof of enrollment in the District's and/or previous employer's <u>Health Plan</u> for 15 years 55 years of age except in the case of disabilitants	Medical for retiree and eligible dependents Dental and Vision for retiree and eligible dependents for 5 years or until retiree reaches age 65, whichever comes first
March 1, 1985 through August 31, 2007	Employed for 15 years in CUSD Enrolled in the District's <u>Health Plan</u> for 15 years 55 years of age except in the case of disabilitants	Medical for retiree and eligible dependents Dental and Vision for retiree and eligible dependents for 5 years or until retiree reaches age 65, whichever comes first
March 1, 1985 through August 31, 2007	<ul style="list-style-type: none"> • Employed for 15 years in CUSD Enrolled in the District's <u>Dental and Vision Plan</u> for 15 years 55 years of age except in the case of disabilitants	Dental and Vision for retiree and eligible dependents for 5 years or until retiree reaches age 65, whichever comes first
NOTE: If hired before September 1, 2007, eligibility is further determined by both the retiree and/or dependent(s) enrolling in Medicare Part "A" when first qualified for such coverage through Social Security eligibility. Additionally, it is required that all retirees and/or dependent(s) enroll in Medicare Part "B" upon becoming eligible. The cost of Medicare Part "B" shall be paid by the retiree and/or dependent(s). The retiree must provide the District with evidence of enrolling in both Medicare programs.		
September 1, 2007 through present	Employed for 30 years in CUSD Enrolled in the District's <u>Health Plan</u> for 30 years. 62 years except in the case of disabilitants	Medical for retiree and eligible dependents Dental and Vision for retiree and eligible dependents until retiree reaches age 65
September 1, 2007 through present	Employed for 30 years in CUSD Enrolled in the District's <u>Dental and Vision Plan</u> for 30 years 62 years except in the case of disabilitants	Dental and Vision for retiree and eligible dependents until retiree reaches age 65
NOTE: For employees hired on or after September 1, 2007, eligibility is further determined by both the retiree and/or dependent(s) enrolling in any Medicare program offered when first qualified for such coverage through Social Security eligibility. The cost of all Medicare programs shall be paid by the retiree and/or dependent(s). The retiree must provide the District with evidence of enrolling in all Medicare programs offered.		

Board Policy 4154, 4254, 4354 : Rate Determination

“If the health insurance claims paid for retirees and retiree dependents (certificated and classified) exceed ten percent (10%) of the total claims paid in any year (July through June), and the retiree desires to continue in the District’s Health and Welfare Benefits Plan, the District will assess retirees a monthly fee to be based on the amount exceeded by all retirees divided into twelve (12) equal payments August through July of the following year.”

- Fiscal Year – July 1st – June 30th
- Final claims amount received by July 15th
- Rates Calculated & letter to Retiree by 1st week in August
- New rates effective September 1st

Premium Calculations



MEDICARE REQUIREMENTS

- Retiree and eligible dependents enrolled on the Retiree plan must enroll into Medicare Part A and Part B when eligible (65 years old or sooner if disabled).
 - Medicare Part A = Hospitalization services
 - Medicare Part B = Professional services such as office visits, laboratory, x-ray, etc.
 - Medicare Part B Premiums vary based on individual/joint income.
 - \$174.70 standard reduction in CUSD premium once a retiree/spouse goes on Medicare
- The cost of Medicare Part A & B are paid for by the Retiree/Dependent.
- Medicare will become effective for the Retiree/Dependent on the 1st of the month in which the Retiree/Dependent turns 65. At that time, Medicare will become the primary insurance, and the Clovis Unified School District Health Plan will become secondary. The retiree's monthly premium will be adjusted accordingly.



Lifetime Health Agreement Eligibility

1. Required years of service WITH benefits
2. Age requirement
3. Retiring with calSTRS or calPERS

See the table to the right to see your requirements for eligibility based on your hire date.



<u>Hire Date</u> Prior to September 1, 2007	Employed 15 years with Clovis Unified WITH benefits Retirement with STRS/PERS 55 years of age except in the case of disability retirement with PERS/STRS
<u>Hire Date</u> After September 1, 2007	Employed 30 years with Clovis Unified WITH benefits Retirement with STRS/PERS 62.5 years of age except in the case of disability retirement with PERS/STRS

BENEFITS OF THE LIFETIME HEALTH AGREEMENT

- ✓ Same primary insurance coverage as active employees for the retiree and eligible dependents that are enrolled at the time of retirement until eligible for Medicare (65 years old or sooner if disabled).
- ✓ Coverage available for life with paid premiums.
- ✓ Lifetime coverage extended to the Spouse should Retiree pre-decease Spouse
- ✓ Secondary/supplemental insurance coverage for the retiree and eligible dependents once Medicare eligible.
- ✓ For qualifying retirees: 5 years continued coverage under Dental and Vision plans OR until the Retiree turns 65, whichever comes first.

2024/25 District Paid Retiree Rates	
CLASSIFICATION OF RETIREE	DISTRICT RATE
Retiree Only – Without Medicare	\$452.99
Retiree Only – With Medicare	\$278.29
Retiree + 1 Dependent – Zero on Medicare	\$905.98
Retiree + 1 Dependent – One on Medicare	\$731.28
Retiree + 1 Dependent – Two on Medicare	\$556.58
Retiree + 2 or More Dependents – Zero on Medicare	\$1,358.97
Retiree + 2 or More Dependents – One on Medicare	\$1,184.27
Retiree + 2 or More Dependents – Two on Medicare	\$1,009.57
Retiree + 2 or More Dependents – Three on Medicare	\$834.87

Other Options:

Self Paid Participant Plan

Bridging the gap for an employee retiring before qualifying age (55 or 62) or has not yet retired with STRS/PERS

If an employee meets the years of service with benefits requirement but has not met the age requirement and/or has not retired with PERS/STRS, they may elect to enroll into the **Self Paid Participant Plan** until all requirements are met making them eligible for the District Paid Lifetime Health Agreement.

See the next slide for further eligibility criteria.



Hire Date

Prior to
September 1, 2007

Employed 15 years with Clovis Unified WITH benefits

Retirement with STRS/PERS

55 years of age except in the case of disability retirement with PERS/STRS

Hire Date

After
September 1, 2007

Employed 30 years with Clovis Unified WITH benefits

Retirement with STRS/PERS

62.5 years of age except in the case of disability retirement with PERS/STRS

Self Paid Participant Plan Eligibility

Enrollment eligibility is contingent upon the Member meeting the requirements set forth in **Board Policies 4154, 4254, 4354.**

Two categories of participants:
Those ***hired prior to*** and those ***hired after***
7/1/2024.

For Members ***hired prior to*** 7/1/2024:

- Eligible to participate in the Self Paid Plan even if they do not qualify for future lifetime benefits
- Grandfathered into Self Paid Health Plan and subjected to provisions outlined in the CUSD Self Paid Health Benefits Plan Agreement
- Required to enroll in Medicare A, B, C, and D when eligible

For Members ***hired after*** 7/1/2024:

- Members may participate in Self Paid Plan until eligible for Medicare or at the time of retirement from STRS/PERS, whichever comes last
- On the last day of the month prior to the first effective date for Medicare coverage, the Member's Self Paid Health plan will terminate
- Upon that termination, eligible Members may transfer to the District Paid Retiree Plan provided they meet the requirements of eligibility, such as additional age requirements outlined in Board Policies 4154, 4254, and 4354 (see previous slide) and are retiring with STRS and/or PERS

OTHER OPTIONS: SELF PAID PARTICIPANT PLAN

- ✓ Same primary insurance coverage as active employees for the eligible retiree/participant and eligible dependents enrolled at time of retirement until eligible for Medicare (65 years old or sooner if disabled).
- ✓ Coverage available to bridge gap between separation of employment and enrollment in Lifetime Health Agreement Plan
- ✓ Secondary/supplemental insurance coverage for the eligible retiree/participant and eligible dependents once Medicare eligible.
- ✓ While bridging the gap, 5 years of dental and vision is offered until retiree/participant reaches 65, whichever is longer

2024/25 Self Paid Participant Rates	
Classification of Participant	Self Pay Rate
Member Only - Without Medicare	\$723.45
Member Only - With Medicare	\$624.75
Member + 1 Dependent – Zero on Medicare	\$1,459.50
Member + 1 Dependent – One on Medicare	\$1,348.20
Member + 1 Dependent – Two on Medicare	\$1,298.85
Family Coverage	\$2,016.00

COBRA (Consolidated Omnibus Budget Reconciliation Act)

- Coverage available for 18 months with paid premiums
- COBRA Rate is Composite – Covers employee and all eligible dependents on plan when the plan terminates.
- Premiums processed by HealthNow Administrative Services (HNAS)
- Payment may be made by Payment Coupon or with Automatic Withdrawal

COBRA vs. Self Paid Rates Comparison



2024/25 COBRA RATES

HEALTH	Employee Only - \$485.00 Employee + 1 or More Dependents - \$1,270.00
DENTAL	Employee + 1 or More Dependents - \$94.35
VISION	Employee + 1 or More Dependents - \$17.85

2024/25 Self Paid Participant Rates

Classification of Participant	Self Pay Rate
Member Only - Without Medicare	\$723.45
Member Only - With Medicare	\$624.75
Member + 1 Dependent – Zero on Medicare	\$1,459.50
Member + 1 Dependent – One on Medicare	\$1,348.20
Member + 1 Dependent – Two on Medicare	\$1,298.85
Family Coverage	\$2,016.00



Questions?

Contact the Clovis Unified Benefits
Department at 559-327-9125