

Frequently Asked Questions – Retiree Health Plans

Population – Active Employees*	
Question	Answer
1. I'm turning 65 and I'm still actively working – what do I need to do?	Since you will be age 65 and still working, you need to contact Social Security, set up your online Medicare account and sign up for Medicare Part A. Since you are still working, you can delay enrollment in Medicare Part B. Approximately 3 months before you retire, you need to sign up for Part B.
2. What City plans are available to retirees?	You can find under age 65 and Medicare retiree plan comparisons and rates on the SCERS web page at http://www.seattle.gov/retirement/retired-members/health-care .
3. I'm 65, actively working and have enrolled in Medicare Parts A & B, can I waive coverage in the City's medical plan?	Consider waiving coverage on Medicare Part B while you are still working and have coverage with the City. When you retire, you can re-enroll in Part B. Consider purchasing a Medicare Advantage or Medigap & Medicare Part D plan at that time..
4. I'm 65, actively working and have enrolled in Medicare Parts A & B and I'm enrolled in an active employee plan. How will my claims be paid?	The employer plan will pay as the primary insurance and Medicare will pay as the secondary plan. There is not a true coordination of benefits, but a maintenance of benefits when you have coverage through an employer and Medicare.
5. I'm retiring in 2 – 3 months and would like to start the enrollment process for a retiree plan. Please send me a packet of information.	<p>Congratulations! Health care information packets are distributed at your meeting with the SCERS Retirement Specialist. Individuals can only enroll in a City-sponsored retiree medical plan if they are eligible to retire from the City's retirement system. SHR Benefits cannot make that determination therefore the packet is distributed by SCERS.</p> <p>Consider attending a <i>Health Options for Retiring Employees</i> seminar before you retire. Dates are posted on Cornerstone.</p>

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<p>6. I'm 65 or close to 65 and plan on retiring in the next few months. What do I need to do?</p>	<ol style="list-style-type: none"> 1. Set up your online Medicare account. 2. Sign up for Medicare Parts A & B immediately. Parts A and B are required to enroll in a City plan. 3. Contact the Retirement Office ASAP for an appointment. You will receive a health plan information packet at your meeting.
<p>7. I'm 65 and I will have several (two or more) dependents under the age of 65 at the time I retire. Am I eligible for COBRA?</p>	<p>Yes, at age 65 you are eligible for COBRA for 18 months; however, you must have Medicare Parts A & B in place before electing COBRA. Be sure to also compare prices of the other retiree plans.</p>
<p>8. How soon do I need to start if I retire next year?</p>	<p>You can start planning and reviewing your options now.</p> <ol style="list-style-type: none"> 1. Attend a Health Care Options for Retiring Employees class; register through Cornerstone. 2. Review the City-sponsored plan and rates at http://www.seattle.gov/retirement/retired-members/health-care to get a sense of what coverage will cost when you retire. 3. Contact the Retirement Office at least sixty (60) days before your proposed retirement date to schedule a retirement appointment. You will receive information about health plan options at your retirement appointment..
<p>9. What are the differences between COBRA and retiree health?</p>	<p>COBRA plans are limited to 18 months of coverage and one rate (composite) covers you and all your eligible dependents. COBRA is continuation of your active plan. You may choose either medical only; dental and vision only or medical, dental and vision. You may not choose other plans when you elect COBRA.</p> <p>The under 65 retiree medical plans mirror the COBRA plans, except under 65 retiree Aetna plans have additional limited vision exam coverage. The under 65 and Medicare retiree plans are tiered rates, unlike the COBRA plan, which is a composite rate.</p>

10. Are retiree plans exactly the same as active plans?	As noted above the under age 65 retiree plans mirror the active plans, except the under age 65 Aetna plans have additional limited vision exam coverage. The Medicare plans are completely different from the City's active medical plans.
11. My spouse is turning age 65. What do they need to do?	Assuming you are still working and your spouse will remain covered on the City's plan when they turn 65, they may <ol style="list-style-type: none"> 1. Set up their online Medicare account. 2. Sign up for Medicare Parts A three months before, the month of, or three months after turning 65.
12. Do I have coverage options other than the City's when I retire?	You have coverage options other than the City-sponsored plans when you retire. If you are under age 65 when you retire, you may choose a plan through the Washington Exchange, contact the insurance carriers directly or work with a Statewide Health Benefits Advisors (SHIBA) volunteer who can help you find a plan. If you will be age 65 or older when you retire, the Exchange isn't an option for Medicare plans; however, you may contact the insurance carriers or SHIBA.
13. I am retiring soon and have worked for the City for two years. Can I go on the City's retiree plans?	It depends. As long as you are eligible to retire and are an active City employee at the time of retirement, you are eligible to go on one of the City's retiree medical plans. For those SCERS members who are active King County or Metro, please see your retirement specialist for eligibility.
14. My domestic partner turns age 65 soon. Can they remain on the City's coverage and delay Part B? (State versus City)	Your domestic partner who will be turning age 65 can stay on the City's coverage and delay Part B; HOWEVER, the federal government does not recognize domestic partnership and your partner is not eligible for a delayed Part B special enrollment. Late enrollment in Part B will result in a life-time late enrollment penalty. If your partner does stay on the City's coverage, consider enrollment in Parts A & B to avoid a penalty.
15. Do my spouse and I need to be on the same plan?	You and your spouse do not need to be on the same retiree medical plan. If you continue working, you must be on the same plan.

*If you are a LEOFF member, please contact the Benefits Unit at (206) 615-1340 or Benefits.Unit@seattle.gov about your retiree health plan options.

Population – COBRA and Retirement	
Question	Answer
1. I elected COBRA to cover me and my family at the time of my retirement. I'm about to turn 65. When I enroll in a Medicare plan, can my family remain on COBRA	<p>Yes, family members can remain on COBRA for the remainder of the 18 months. This is not a 2nd qualifying event for the family.</p> <p>Note: The City's plans comply with the working aged Medicare Secondary Payer provisions of the Social Security Act by not treating a current employee or the employee's spouse differently because either of them has attained age 65 or is entitled to Medicare benefits by reason of the attainment of age 65. See attachment</p>
2. I'm currently on COBRA and one of my children is turning 26 before the end of my COBRA period. Can the child remain on my plan?	No, the child (If a qualified beneficiary) has experienced a 2 nd qualifying event and is eligible for an additional 18 months for a total of 36 months of COBRA coverage. If the child was covered because the parent became eligible for an additional 11 months due to Social Security Disability, the child can remain on the plan for an additional 7 months. Coverage cannot extend beyond 36 months.
3. My spouse and I are divorcing, and I am required to provide health insurance. Can he remain covered under my COBRA plan?	Yes, the spouse (If a qualified beneficiary) has experienced a 2 nd qualifying event and is eligible for a total coverage period of 36 months. However, you will pay a COBRA premium and your former spouse will pay a COBRA premium. You cannot continue to cover your former spouse as a dependent.
4. I retired from the City and elected COBRA. I've almost reached my 18-month COBRA period. What are my options?	You are eligible to enroll in a City retiree plan and you can change medical plans at this time. Please give me an email in which a letter and form can be sent to make your retiree medical plans election.
5. When we elect COBRA and I (or my spouse) turns age 65, must I drop off and elect the Medicare plan?	Yes, whichever individual is turning is turning 65, that person must enroll in a Medicare Advantage plan. Other individuals covered on the plan can remain on the plan for a total of 18 months.
6. When can I move from COBRA to a retiree plan?	You can end COBRA prior to the full 18-month period and enroll in a retiree plan. However, you cannot have a break in coverage
7. Can I cancel my COBRA coverage prior to 18 months?	You can end COBRA prior to the full 18-month period and enroll in a retiree plan. However, you cannot have a break in coverage.

8. If I'm age 65 or over when I retire, can I still elect COBRA?	If you are age 65 and over when you retire, you can still elect COBRA, but you are required to have Medicare Parts A & B.
9. What happens to my COBRA coverage if I get a job with insurance?	If you get a job with insurance, you are no longer eligible to purchase COBRA coverage unless there is a pre-existing condition clause on the new plan.

Population - Retirees	
Question	Answer
1. My spouse and I are currently on a retiree medical plan with the City. I'm turning 65 and my spouse will not be 65 for a few more years. What do I need to do?	You will need to enroll in City-sponsored Medicare Advantage plan or in another Medicare plan no later than the month prior to you 65 th birthday. Information on the City's Medicare plans can be found on: (link to City's website). Or, you can check directly with the carrier or go to the AARP website for other medical plans. Your Under 65 spouse can stay on the City's plan until the month before their 65 th birthday.
2. I want to drop my coverage on the City's retiree plan. What do I need to do?	Please send an email stating the date you want the coverage to end. Termination of medical coverage must prospective and cannot be retroactive. Note: This is true in most cases but if the individual covered by the insurance was not eligible for the plan, retroactive termination may be possible.
3. My spouse and I are divorcing, and I am required to provide health insurance. Can she remain covered on the medical plan?	Your ex-spouse can continue coverage on the City's plan through COBRA for a period of 36 months if she pays the premium plus 2% for administrative cost. At the end of the 36 months, she will need to find other coverage. Your ex-spouse's premiums cannot be deducted from your pension check.
4. My spouse and I are both receiving pension checks from the City. I retired, and my spouse is considered a "term-vested" retiree. I'm going to cover him as a dependent on my plan, but can his premium be deducted from my pension check?	Term-vested retirees are not eligible to purchase medical insurance through the City. Only spouses of service-retirement employees are eligible to participate in the City sponsored plans. Premiums must be deducted from the service retirement pension check.

5. If I move out of the service area, can I switch plans?	If you are enrolled in Kaiser Permanente or United Health Care and move out of the service area, you can change to an Aetna plan.
6. If I leave the City retiree plan, may I come back?	If you leave the City's retiree plan, you may come back if you are enrolled in a continuous employer-sponsored medical plan. If you leave the City's retiree plan, you may not come back if you have a break in coverage on an employer-sponsored health plan.
7. When can I change my plan?	You can change plans during an open enrollment period
8. Can my spouse and I be on different retiree plans?	Yes, you and your spouse can be on different retiree plans