

**CALHOUN COUNTY  
BOARD OF COMMISSIONERS  
POLICY STATEMENT**

<b>SUBJECT:</b>  <b>RETIREMENT</b>	<b>DATE APPROVED:</b>  <b>10/12/04</b>	<b>EFFECTIVE:</b> <b>10/22/04</b>	<b>POLICY NO.</b> <b>361</b>
		<b>REPLACES:</b> <b>750,360,361 approved 2/4/99</b>	

This policy only applies to retirees prior to 1/1/2016.  
Retirees after 1/1/16 are covered under Policy #362 - Retiree Health

Upon the retirement, disability or death of Calhoun County or Court employees, continued participation in the County's group medical and/or dental insurance program(s) shall be permitted subject to the provisions of this policy:

1. **Eligibility to Participate.** Certain former employees, and certain surviving spouses of certain former employees, are eligible to participate in the Group health insurance plans as provided in this section.

A. **Former Employees.** A former employee is eligible to participate after the former employee's termination of employment if

- (1) the former employee's employment was terminated as a result of retirement and, at the time of the termination of employment,
  - (a) the former employee was covered by the plan,
  - (b) the former employee had attained age 50,
  - (c) the former employee had completed at least 10 years of service,
  - (d) the sum of the former employee's age and years of service was at least 75, and
  - (e) the former employee is not covered by a collective bargaining agreement which provides for any type of health insurance coverage for employees whose employment terminates (or former employees whose employment has terminated) as a result of retirement; or
  
- (2) the former employee's employment was terminated as a result of total and permanent disability and, at the time of the termination of employment,
  - (a) the former employee was covered by the plan,
  - (b) the former employee had attained age 50,
  - (c) the former employee had completed at least 10 years of service,
  - (d) the sum of the former employee's age and years of service was at least 65, and
  - (e) the former employee is not covered by a collective bargaining agreement which provides for any type of health insurance coverage for employees whose employment terminates (or former employees whose employment has terminated) as a result of disability.

**CALHOUN COUNTY  
BOARD OF COMMISSIONERS  
POLICY STATEMENT**

<b>SUBJECT:</b>  <b>RETIREMENT</b>	<b>DATE APPROVED:</b>	<b>EFFECTIVE:</b> <b>10/22/04</b>	<b>POLICY NO.</b> <b>361</b>
	<b>10/12/04</b>	<b>REPLACES:</b> <b>750,360,361 approved 2/4/99</b>	

B. **Surviving Spouses.** The surviving spouse of a former employee is eligible to participate after the former employee's death if

- (1) the former employee's employment was terminated as a result of death and, at the time of death,
  - (a) the spouse was covered by the plan,
  - (b) the former employee has attained age 50,
  - (c) the former employee had completed at least 10 years of service,
  - (d) the sum of the former employee's age and years of service was at least 65, and
  - (e) the spouse is not covered by a collective bargaining agreement which provides any type of health insurance coverage for surviving spouses of employees whose employment terminates (or former employees whose employment has terminated) as a result of death; or
  
- (2) the former employee dies after termination of employment and, at the time of death,
  - (a) the former employee and the spouse are covered by the plan under the provisions of this policy, and
  - (b) the spouse is not covered by a collective bargaining agreement which provides for any type of health insurance coverage for surviving spouses of employees (or former employees) who die after termination of employment.

2. **Election to Participate.** Former employees and surviving spouses who are eligible to participate in the plan may elect to continue their coverage under the plan as provided in this section.

A. **Coverage Available.** A former employee who is eligible to participate may elect to continue the former employee's coverage after the termination of employment; and, if the former employee's spouse was already covered by the plan at the time of termination of employment, the former employee may also elect to continue the spouse's coverage after the termination of employment. A surviving spouse who is eligible to participate may elect to continue the spouse's coverage after the former employee's death. If the plan provides different types or levels of coverage, the former employee or surviving spouse may choose among the different types or levels of coverage as provided in the plan. However, in any case, the availability of continued coverage is subject to the underwriting standards of the plan and any insurer or reinsurer who provides insurance coverage involving the plan, and is also subject to the willingness of the insurer or reinsurer to provide coverage with respect to the person whose coverage is to be continued.

B. **Time for Making Election.** In the case of retirement or disability, the former employee must make the election no later than 14 days after the date of termination of employment. In the case of death, the surviving spouse must make the election no later than 60 days after the date of death.

**CALHOUN COUNTY  
BOARD OF COMMISSIONERS  
POLICY STATEMENT**

<b>SUBJECT:</b>  <b>RETIREMENT</b>	<b>DATE APPROVED:</b>	<b>EFFECTIVE:</b> <b>10/22/04</b>	<b>POLICY NO.</b> <b>361</b>
	<b>10/12/04</b>	<b>REPLACES:</b> <b>750,360,361 approved 2/4/99</b>	

C. **Manner of Making Election.** The election must be made in writing on a form established by the Human Resources Department. The election will be deemed to have been made only when personally received by an employee working under the direct supervision of the Human Resources Department. It shall be the responsibility of the former employee or surviving spouse to ensure that the election is received in time.

D. **Failure to Make Election.** If an election to continue coverage for a former employee or spouse is not made in time after the event of retirement, disability, or death, as the case may be, an election to continue (or resume) coverage for that person may not be made at any later time, even if the plan otherwise provides for occasional or periodic enrollment of persons who are not covered by the plan.

E. **Termination of Coverage.** If an election to continue coverage for a former employee or spouse is made, and the coverage is later terminated, an election to resume coverage for that person may not be made, even if the plan otherwise provides for occasional or periodic enrollment of persons who are not covered by the plan.

3. **Payment for Continued Coverage.** Former employees and surviving spouses who elect to continue must pay the cost of the coverage.

A. **Cost of Coverage.** If benefits under the plan are provided entirely through one or more contracts of insurance with a fixed premium for a specified period of coverage, the cost of the coverage for any period of coverage will be the premium charged by the insurer for that period of coverage. If the benefits under the plan are fully or partially self-insured by the County, or are provided through contracts of insurance funded on a minimum premium or other variable premium basis, the cost of the coverage for any period of coverage will be the amount estimated by the County, in its complete discretion by any manner whatsoever, to be the total cost of the coverage for that period of coverage. The cost of the coverage may change from one period of coverage to another.

B. **Discount For Certain Former Employees and Their Spouses.** A former employee who is eligible to participate (SEE FORMER EMPLOYEE - SECTION 5.B) and who at the of the termination of employment,

- (1) had completed at least 20 years of service,
- (2) where the sum of the former employee's age and years of service was at least 85, and
- (3) had attained at least the age listed in the following table,

will receive a discount equal to a monthly amount, per below, multiplied by the number of full years of service completed by the former employee, but not more than the cost of the coverage. This discount will also apply to the surviving spouse of such a former employee for a period of one year after the date of the former employee's death. However, this discount will not apply during times when the former employee or spouse is eligible for paid coverage from another

**CALHOUN COUNTY  
BOARD OF COMMISSIONERS  
POLICY STATEMENT**

<b>SUBJECT:</b>  <b>RETIREMENT</b>	<b>DATE APPROVED:</b>  <b>10/12/04</b>	<b>EFFECTIVE:</b> <b>10/22/04</b>	<b>POLICY NO.</b> <b>361</b>
		<b>REPLACES:</b> <b>750,360,361 approved 2/4/99</b>	

source. The full monthly discount of \$10 applies only to former employees whose employment terminates on or after January 1, 1992. The reduced credit applies to former employees whose employment terminates on or after January 1, 2005.

<u>Age at Retirement</u>	<u>Monthly Credit</u>
At least 60	\$ 8.00
At least 61	\$ 9.00
At least 62	\$ 10.00

Consistent with section 6 of this policy, the County reserves the right to amend or terminate this section based upon subsequent actuarial studies or other factors as deemed necessary.

(County Commissioners and employees who work less than 1,040 hours per year are not eligible for the group health insurance credit for retirees. Amended by Board Resolution 363-1993 on August 5, 1993)

C. **Time for Making Payment.** Payments for the cost coverage must be made on a monthly basis, and will be due each month on the date specified by the Human Resources Department from time to time. There will be a 30 day grace period for late payments; but if any payment is not made within 30 days after the due date, the coverage may be terminated.

D. **Manner of Making Payment.** Payments must be made by personal check payable only to the County, or by other methods (if any) approved in advance by the Human Resources Department. A payment will be deemed to have been made only when personally received by an employee working under the direct supervision of the Human Resources Department. It shall be the responsibility of the former employee or surviving spouse to ensure that payments are received on time.

4. **Medicare.** Former employees and spouses who are eligible for Medicare must enroll in Medicare, including Part B, in order to continue coverage under the plan. Medicare will be the primary payor for persons whose coverage under the plan is being continued, and the plan will be a secondary or lower priority payor according to the provisions of the plan regarding coordination of benefits.

5. **Definitions and Special Rules.** The following definitions and special rules apply to this policy.

A. **Employment.** The term “employment” means full time common law employment within the County, the 37<sup>th</sup> Circuit Court, the County Probate Court, or the 10<sup>th</sup> District Court, except that it also includes service as an elected or appointed official of the County or the Court even if that service may not be otherwise considered to have been common law employment.

**CALHOUN COUNTY  
BOARD OF COMMISSIONERS  
POLICY STATEMENT**

<b>SUBJECT:</b>  <b>RETIREMENT</b>	<b>DATE APPROVED:</b>  <b>10/12/04</b>	<b>EFFECTIVE:</b> <b>10/22/04</b>	<b>POLICY NO.</b> <b>361</b>
		<b>REPLACES:</b> <b>750,360,361 approved 2/4/99</b>	

B. **Former Employee.** The term “former employee” means a person who was a full time common law employee of the County, the 37<sup>th</sup> Circuit Court, the County Probate Court, or the 10<sup>th</sup> District Court, except that it also includes former elected and appointed officials of the County or the Court even if those officials may not otherwise be considered to have been common law employees. (County Commissioners and employees who work less than 1,040 hours per year are not eligible for the retirees group health insurance. Amended by Board Resolution 363-1993 on August 5, 1993).

C. **Multiple Plans.** If the County maintains more than one group of health insurance plans (for example, different plans for different groups of employees, or separate plans for medical and dental expenses), this policy will apply separately to each plan.

D. **Spouse.** A person will not qualify as a former employees spouse or surviving spouse for purposes of this policy unless the person had been married to the former employee throughout the one-year period ending on the date of the former employee’s termination of employment.

E. **Termination of Employment.** If the former employee has had more than one termination of employment, this policy will be applied by reference to the last termination of employment.

6. **Amendment and Termination.** The County may, in its complete discretion, amend or terminate, any provision of this policy, or completely terminate this policy, at any time, with respect to some or all former employees or spouses or both, including (but not limited to) former employees and spouses who are already continuing their coverage under the provisions of this policy at the time of the amendment or termination.
7. **Relationship to COBRA Continuation.** Coverage continuation provided under this policy is an alternative to coverage continuation rights provided under the Public Health Service Act as amended.