

CITY PROPOSAL – MEDICARE PART A AND B ENROLLMENT

Proposed Language:

Effective January 1, 2012, a member who is eligible for retiree healthcare benefits in the Federated City Employees' Retirement System shall be required to enroll in Medicare Part A and B at the age of 65. Additionally, the plan member shall be required to enroll in a Medicare Plan provided by the Federated City Employees' Retirement System and assign Medicare Part A and B to the Medicare Plan if required by the healthcare provider.

If a plan member was hired before March 1986 and is not eligible for Medicare Part A at no cost, the plan member shall be required to provide such verification from the U.S. Social Security Administration to the Department of Retirement Services within 6 months from the date the plan member becomes age 65. Plan members shall be required to enroll in a Medicare Plan provided by the Federated City Employees' Retirement System within 6 months from the date the plan member is age 65.

If a plan member fails to meet the requirements set forth above within 6 months from the date the member becomes age 65, the plan shall cease to provide retiree healthcare benefits until the plan member completes such requirements. This means that the member and qualifying dependents (if applicable) shall not receive retiree healthcare benefits. The Plan member and qualifying dependents shall be re-enrolled in retiree healthcare benefits beginning the 1st day of the following month after such requirements have been completed.

If the Plan member dies during the period which the plan member failed to complete the requirements set forth above, the eligible spouse or domestic partner and child(ren) shall be re-enrolled in a health insurance plan. When the spouse or domestic partner is age 65, the same requirements must be fulfilled, otherwise retiree healthcare coverage will cease until such requirements are completed, as set forth above.