



Insurance Information Public School Retirees

Your Insurance Benefits

When you retire, you, your spouse, and your eligible dependents can enroll in the plan's health, prescription drug, dental, and vision insurances. You can enroll in Blue Cross Blue Shield of Michigan (BCBSM) with or without prescription coverage or one of several Health Maintenance Organizations (HMOs) which include prescription coverage.

For provider information and details about coverage, refer to *the Insurance Options Summary (R0379C)*.

You can also download vendor brochures from our website, www.michigan.gov/ORSschools, by clicking on *Insurance, Health, Prescription Drug, and Dental/Vision Insurance*.

To determine if you have the Personal Healthcare Fund or the Premium Subsidy benefit, log into miAccount at www.michigan.gov/orsmiaccount.

Premium Subsidy Eligibility

Hired before July 1, 2008. In most cases, if you have the Premium Subsidy benefit and retire while an active employee, the date you become eligible for your insurance premium subsidy will be your retirement effective date. However, your subsidy will be delayed if you purchased service credit on or after July 1, 2008 that allows you to qualify for your pension earlier than if you did not make the purchase.

If a delayed subsidy applies, you can still enroll in health, prescription, dental, and vision insurances but you will pay the entire premium until the subsidy begins. The subsidy will begin at age 60 or the age you would have been eligible to retire if you had not

made the service credit purchase, whichever happens first.

Hired on or after July 1, 2008. If you began working for a Michigan Public School on or after July 1, 2008, you must have at least 10 years of service to qualify for a subsidy, and your subsidy is graded. With 10 years of service, a 30 percent subsidy is available. The subsidy increases by an additional 4 percent for each additional year of service up to the maximum subsidy allowed by law. For more information on insurance subsidies, refer to the insurance section of the ORS website by clicking on *Insurance, Insurance Subsidy, and Eligibility*.

Personal Healthcare Fund

If you have the Personal Healthcare Fund, you are not eligible for subsidized health, prescription drug, dental, or vision insurances under the Premium Subsidy benefit through the retirement system.

You, your spouse, and your dependents may enroll in insurances if you enroll immediately when you retire but you will be responsible for the entire premium. If you disenroll from the plan at any time,

you, your spouse, and your dependents will not be able to re-enroll. If your spouse or dependents are disenrolled at any time, they will not be able to re-enroll.

For information about insurance eligibility and enrollment, contact ORS. For other information about your Personal Healthcare Fund, contact Voya Financial® at 800-748-6128.

Enrolling at the Time of Retirement

Insurance coverage always begins on the first day of a calendar month. For retirees who do not have Medicare, coverage can begin the first of the month after we receive your completed application and proofs. For retirees with Medicare, if we get your request and proofs by the 15th of the month, we will enroll you the first of the following month.

For example, if you submit your application and proofs on July 25th, for a retirement effective date of

August 1, your actual insurance effective date may be September 1. If we get the request and proofs later, but within 30 days of the qualifying event, you may not be enrolled until a month later.

Regardless of when you want your coverage to start, we must receive your application and proofs for everyone you want to enroll no later than 30 calendar days after your retirement effective date, or those with missing information will be subject to a

six month wait to enroll, starting from the date we received the new enrollment request and proofs. Insurance coverage for you and your dependents can begin on your retirement effective date or up to 90 days past your retirement date if you will have insurance coverage with your school employer after you retire. If you are a new retiree requesting a retroactive retirement effective date, your coverage can begin no earlier than the first day of the month

after the required applications and proofs are received, even if your retirement date is earlier than that. Check with your school employer to determine when your present insurance(s) will terminate so there won't be any break in your coverage and you won't be duplicating coverage. **Determining the correct effective date is important because we can't refund premiums once they have been withheld from your pension.**

Insurance Carrier Identification Cards

Each insurance carrier will mail insurance ID cards and materials directly to you. If you apply 3 months before your retirement, your cards will usually arrive by your retirement effective date.

If you need health services before your cards arrive, contact the insurance carrier directly to get your policy number or to verify coverage.

Enrolling in or Changing Insurance After Retirement

Premium Subsidy Benefit. If you have the premium subsidy benefit and initiate a new enrollment for yourself, your spouse, or another dependent in the retirement system's insurance after your retirement effective date, your coverage will begin on the first day of the sixth month after ORS receives your new insurance enrollment request and all required proofs.

For example, if we receive your request with the necessary proofs of eligibility on February 10, your coverage would begin August 1.

If you or a dependent has a qualifying event and ORS receives the request and proofs within 30 days of the qualifying event, your coverage can begin sooner. For retirees who do not have Medicare, coverage can begin the first of the month after the month we receive your completed application and proofs. For retirees with Medicare, if we get your request and proofs by the 15th of the month, we will enroll you the following month.

If we get the request and proofs later, but within 30 days of the qualifying event, you may not be enrolled until a month later.

Personal Healthcare Fund (PHF). If you have PHF, you cannot enroll in insurances after you have retired. You can only change plans.

Changing plans. To change your insurance plan, log in to miAccount and click on Insurance Coverage, or complete an *Insurance Enrollment/Change Request (R0452C)* and return it to ORS along with all required proofs. If you are currently enrolled in an HMO, you must remain in the HMO for at least six months, unless the coverage is no longer available in that coverage area.

Coverage will begin the first day of the month after ORS receives your materials if you are enrolling in BCBSM or moving out of an HMO coverage area. Coverage will begin the first day of the second month if you are voluntarily changing HMOs.

Survivor Coverage

Premium Subsidy Benefit. Your beneficiary may continue medical, prescription drug, dental and vision coverage after your death only if you choose a survivor pension option (100% Survivor, 100% Equated, 75% Survivor, 75% Equated, 50% Survivor or 50% Equated). Please refer to *Retirement Readiness (R0613C)*, *Survivor Options* section for more detailed information.

Straight Life. If you elect either Straight Life or Straight Life Equated, which do not provide a monthly pension to a beneficiary, enrolled dependents will have **no** subsidized group coverage after your death. Your enrolled dependents may be eligible for continuation of unsubsidized insurance coverage for a maximum period of 36 months. Refer to *Retirement Readiness (R0613C)*, *Straight Life Calculation* and *Equated Plan* sections.

Eligible Dependents

Coverage for your eligible dependents is the same as yours. Eligible dependents for health, drug, dental, and vision insurance plans include the following:

- Your spouse. If he or she is an eligible public school retiree, you will be covered under one contract.
- Your unmarried child by birth or legal adoption, through December 31 of the year in which he or she turns age 19.
- Your unmarried child by legal guardianship until age 18.
Your unmarried child by birth or legal adoption from age 19 through December 31 of the year in

which he or she reaches age 25, if a full-time student and dependent on you for support.

Note: The federal government has determined that the provision of the Affordable Care Act that extends coverage to adult children through the age of 26 does not apply to governmental retiree-only health insurance plans such as the one offered by ORS.

- Your unmarried child by birth or legal adoption age 19 or older who is totally and permanently disabled, dependent on you for support, and incapable of self-sustaining employment.
- Either your parent(s) or your parent(s)-in-law residing in your household—one set of parents or the other, but not both.

Proof of Eligibility

You must provide proof of eligibility for your enrolled dependents. To prove age and relationship, provide a copy of the birth certificate. To prove dependency, provide the first page of your most recent 1040 tax form listing the dependent. To prove legal guardianship, provide legal papers issued by a court. To prove school attendance, provide a current student transcript or tuition receipt documenting full-time attendance. To prove disability, provide a statement from the attending physician that the child is disabled and incapable of self-sustaining

employment and detailing the disability. The signed certification must be on the physician's letterhead and dated within the last six months. For parental coverage, provide your previous tax year's 1099 or 1098, a current voter's registration card, driver's license, or state-issued ID showing the parent lives with you.

You are responsible for immediately notifying ORS of any change in your status or that of your dependents. If ORS pays claims for an ineligible person, we will adjust your pension accordingly.

Medicare

As soon as you or anyone else covered by your health insurance becomes eligible for Medicare, that person must enroll in both Part A (hospital) and Part B (medical). You must have Medicare Parts A and B to enroll in retiree insurance and prescription drug programs. If you, your spouse, or your dependents don't enroll in Medicare Part B when first eligible, the insurance for that person will be canceled and there is a six month wait to re-enroll.

For most people, Medicare begins at age 65 or after 24 months of social security disability. If that happens before age 65, send ORS this form, and make sure ORS has your Medicare number.

Once you sign up for Medicare, we will enroll you in a Medicare Advantage plan. A Medicare Advantage plan is a private health plan that contracts with Medicare to provide you with all your Part A and Part B benefits.

Medicare Part D (prescription drug) is a federal program that is administered by your group insurance plan. When you enroll in a retiree prescription drug plan, we will automatically enroll you in Medicare Part D if appropriate. Don't sign up for a Medicare Part D prescription plan or any other supplemental prescription plan. Doing so will result in a loss of medical and prescription coverage through the retirement system's plan.



Deferred Applicants ONLY

You are deferred if you are vested but leave public school employment before you meet the age requirement for retirement, and did not take a refund. If you are a deferred member with the Premium Subsidy benefit, you may be eligible for an insurance premium subsidy. The amount of the subsidy depends on when you terminated your public school employment and how many years of credited service you have.

If you terminated public school employment **on or before October 31, 1980**, and are eligible to receive a deferred pension, you are eligible for the maximum subsidy allowed by law.

If you terminated public school employment **after October 31, 1980, with at least 21 years of service**, your subsidy will be 10 percent for each year of credited service you have over 20 years. With 21 years of service, you get 10 percent of the subsidy. With 25 years the subsidy increases to 50 percent. A retiree with 30 years of service is entitled to the maximum subsidy allowed by law.

If you terminated **after October 31, 1980, with less than 21 years of service**, you can enroll for the health, prescription drug, dental, and vision insurance but you must pay the entire premium.

Disability Applicants ONLY

If the board approves your disability retirement application and you have the Premium Subsidy benefit, your health, prescription drug, and/or dental/vision coverage can begin the first day of the following month your application is approved or you terminate employment, whichever is later. Continue your present insurance to ensure continued

coverage during the approval process. Indicate in the Insurance Options section of your application that you would like coverage through the Retirement System to begin the first day of the month following the Retirement System's Board approval of your retirement application.

