

1 **ARTICLE 18: MEDICAL COVERAGE FOR RETIREES**

2 **Section 18.1** Unit members who wish to retire prior to the age of 65 may receive up to two (2) party [employee
3 plus one eligible dependent(spouse or one child under age 26)] HMO medical coverage from the District. (The
4 PPO and/or family coverage will be available as a buy-up) Participation in the program shall be on a voluntary
5 basis on the part of the former employee. To be eligible to participate in the program the employee must:

- 6 a. Be under the age of 65 and at least 55 years of age at the time of retirement. Any changes in the terms
7 and conditions of eligibility and coverage applicable to participating employees shall also be applicable
8 to the retiree and dependent.
- 9 b. Have at least fifteen (15) years of service in the school district at the time of retirement. If a break in
10 service occurs, the final term of employment must be at least eight (8) continuous years of service.
- 11 c. Submit a letter of resignation for retirement by no later than February 15 of the year they plan to retire.
- 12 d. Opt for the program in writing prior to retirement.
- 13 e. If the retiree moves out of the District medical plan(s) service area, the District will reimburse the retiree
14 for the lesser of the actual cost to the retiree for a replacement medical plan or the average cost of the
15 existing District HMO single or two (2) party medical premiums. To be reimbursed, the retiree shall
16 show proof of coverage and payments acceptable to the District (cancelled check, bank transfer, or
17 credit card payment).

18 **Section 18.2** Upon termination of the retiree’s coverage, because of death or any other reason, the coverage of
19 the dependent shall automatically terminate at the end of the month of the occurrence.

20 **Section 18.3** Employees in this program are not eligible for employment under the terms of Article 17
21 (Employment After Retirement Plan).

22 **Section 18.4** Coverage for the employee and dependent will terminate the first day of the month in which the
23 retired employee reaches their 65th birthday or when the employee becomes eligible for Medicare benefits, or
24 at the end of a five (5) year period, whichever comes first. See also Section 18.8

25 **Section 18.5** If a husband and wife are both District employees, and both retire at the end of the same school
26 year, or during the same school year, the District will pay for only one family medical plan. Should one spouse
27 die, the eligibility for medical insurance coverage under this Article would automatically transfer to the surviving
28 spouse.

29 **Section 18.6** If an eligible early retiree opts to be covered by the District’s medical plan instead of the
30 Employment Plan, the retiree will be covered for a period of five (5) years or until age sixty-five (65), whichever
31 occurs first. If the unit member’s spouse becomes Medicare eligible, they must pledge both parts a. and b. of
32 their Medicare to the district’s medical plan.

33 **Section 18.7 Retired Unit Members.** The District also agrees to permit unit members who have retired (up to
34 age 65) to continue on the District hospitalization medical and dental plans in order that the unit member may
35 continue at the established group rate for that member’s age classification. Such hospitalization/medical and

1 dental coverage will be subject to any limitations imposed by the insurance carrier. The retired unit member
2 will be responsible for submitting payments for health plan premium coverage to the Business Office of the
3 District on the time schedule established by the District.

4 Failure of the retired unit member to meet the established premium payment schedule will result in the retired
5 unit member being terminated from the hospitalization/medical-dental plan.

6 The District shall make available to retirees a Medicare supplement plan at the retiree's cost when the benefits
7 provided in this Article expire.

8 Section 18.8. Employees Age Fifty (50) or older on July 1, 2007 Notwithstanding any other provision in this
9 Article, employees who are age fifty (50) or older on July 1, 2007 shall be eligible for up to ten (10) years of
10 benefits, provided, however, such employees meet all of the terms, conditions, and qualifications to be eligible
11 for benefits as provided in this Article. Except for the extension of benefits, up to an additional five years, all
12 other provisions and limitations in this Article shall apply.

13 Section 18.9 Retiree Benefits Costs The Association acknowledges that retiree medical benefits costs are part
14 of the Total Compensation Provided for active unit members.

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