RETIREE HEALTH AND WELFARE BENEFITS

[This retiree benefit provided under this proposal shall take effect commencing in the 2016-2017 school year. Additionally, this proposal is not a salary percentage increase for TVEA members.]

To qualify for this benefit, a retiring bargaining unit member must be at least fifty-five (55) years of age, and have fifteen (15) years of full-time service in the District as of the date of retirement. Partial years of service may be counted to reach fifteen years of full time service. For example, two years at 50% service will amount to one year of full time service. The retiring bargaining unit member must have participated in H&W insurance for the past 10 years with the District. Further, the retiring bargaining unit member must submit his/her letter of retirement no later than March 30 of the school year that he/she retires, and the retirement must be effective at the end of that school year.

The retiree benefit paid by the District shall not exceed the cost of the lowest active HMO medical premium at the time of retirement; however, in no event shall the benefit exceed the District's health and welfare contribution limit for each bargaining unit member. The retiree benefit shall only be applied towards the purchase of a health and welfare benefits package (including health, dental and vision). The benefit shall be paid for the lesser of five (5) years or until the retiree attains Medicare age eligibility (i.e. 65 years of age).

For those eligible retirees who wish to extend medical coverage beyond five (5) years in order to reach Medicare eligibility, they may do so at their own cost. For those eligible retirees who wish to include an eligible family member in their plan, they may do so at their own cost. For those eligible retirees who wish to purchase a plan that costs in excess of the lowest HMO medical premium at the time of retirement, they may do so with the excess cost absorbed by the retiree.

In the event of the death of the retiree during the retirement benefit coverage period, any surviving eligible spouse or dependent may continue to participate in the health coverage plan in accordance with and subject to applicable law, with the entire cost of the coverage incurred by the surviving eligible spouse or dependent.

If a financial contribution from the retiree is required in order to maintain benefits during the retiree health and welfare benefit period, it is expected that the payments will be made on time. Payments not received on or before the due date in the office of Risk Management will be considered late. Should a retiree twice be late in paying his/her contribution, he/she will be required to deposit six months of contributions ahead of time. Should a retiree three times be late in paying his/her contributions, he/she will be dropped from coverage and no further benefits will be made available.

For any bargaining unit member who retires under this program and whose spouse remains employed by the District, the retiree may be carried on the spouse's medical plan. There would no longer be the "dual spouse discount" offered by the District, but the retiree could opt to use the cash equivalent of the lowest cost HMO to lower the cost of the active spouse's monthly premium(s) for a period of no more than five (5) years or until the unit member attains Medicare age eligibility (i.e. 65 years of age), whichever comes first. In the alternative, the retired employee could elect to wait to begin the Bridge Program as long as he/she is continuously covered under the employed spouses' medical insurance, until both spouses have retired in order to put the costs toward their retirement premium(s). The retiree would have no more than five (5) years from the retirement date to activate this option and the benefit lasts for a period of no more than five (5) years or until the unit member attains Medicare age eligibility (no more than 65 years of age), whichever comes first.