



Insurance Information – Public School Retirees

Your Insurance Benefits

When you retire, you, your spouse, and your eligible family members can enroll in the retirement system's health, prescription drug, dental, and vision insurances. You can enroll in Blue Cross Blue Shield of Michigan with or without prescription drug coverage or one of several HMOs, which include prescription drug coverage.

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

You can view insurance carrier options and their contact information on our website, **Michigan.gov/ORSSchools**, by clicking on *Your Insurance Benefits* then *Insurance Carrier Options*.

To see if you have the Personal Healthcare Fund or the premium subsidy benefit, log in to miAccount at **Michigan.gov/ORSmiAccount**. For increased security, you'll use MiLogin to access miAccount.

Premium Subsidy Eligibility

Hired before July 1, 2008. In most cases, if you have the premium subsidy benefit and you retire while you're an active employee, you'll become eligible for your insurance premium subsidy on 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 drug, dental, and vision insurance 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 (YOS) to qualify for a subsidy, and your subsidy will be graded. With 10 YOS, a 30% subsidy is available. The subsidy increases by an additional 4% for each additional YOS up to the maximum subsidy allowed by law. For more information on insurance subsidies, refer to the Your Insurance Benefits section of the Michigan Office of Retirement Services (ORS) website at **Michigan.gov/ORSSchools**

Personal Healthcare Fund

If you have the Personal Healthcare Fund, you are not eligible for subsidized health, prescription drug, dental, or vision insurance through the retirement system.

You, your spouse, and your eligible family members 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 family members cannot reenroll. If your spouse or family members are disenrolled at any time, they cannot reenroll.

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 enrollment request and required proofs. For retirees with Medicare, coverage can begin the first day of the second month after we receive your enrollment request and required proofs.

For example, if you submit your enrollment request and proofs July 25 for a retirement effective date of August 1, your coverage will begin September 1. If ORS gets the enrollment request and proofs later, but within 30 days of the qualifying event, your coverage would begin a month later.

Regardless of when you want your coverage to start, ORS must receive your enrollment request 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 ORS receives the new enrollment request and proofs.

Insurance coverage for you, your spouse, and your eligible family members can begin on your retirement effective date or up to 90 days past your retirement effective date if you will have insurance coverage through 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 ORS receives your enrollment request and required proofs, even if your retirement effective date is earlier than that. Check with your school employer to determine when your current insurance(s) will end so there won't be a 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 at least three months before your insurance effective date, 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 you're enrolling yourself, your spouse, or eligible family member in insurance after retirement, your coverage will begin on the first day of the sixth month after ORS receives your enrollment request and required proofs.

For example, if we receive your enrollment request with proofs February 10, your coverage will begin August 1.

If you, your spouse, or eligible family member has a qualifying event (such as change in family status or involuntary loss of other group coverage), your coverage can begin as early as first of the month after you apply and we receive required proofs. For retirees who do not have Medicare, coverage can begin the first of the month after the month we receive your enrollment request and proofs. For retirees with Medicare, your coverage can begin the first day of the second month after we receive your enrollment request and required proofs, including proof of the qualifying event.

For example, if ORS receives your enrollment request and proofs July 10, your coverage will begin September 1. If ORS gets the enrollment request and proofs later, but within 30 days of the qualifying event, you may not be enrolled until a month later.

Personal Healthcare Fund. If you have the Personal Healthcare Fund, you cannot enroll in insurances after you retire. You can only change plans.

Changing plans. If you are currently enrolled in any health insurance plan with the retirement system, you can change your enrollment to another plan regardless of your Medicare status. Your change in coverage will be effective the first day of the second month after ORS receives your enrollment request and required proofs. For example, if ORS receives your change request and required proofs January 10, your coverage with the new plan will begin March 1.

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 the Your pension payment options section of *Planning Your Retirement (R0613C)*.

Straight life. If you elect the straight life or straight life equated options, which do not provide a monthly pension

to a beneficiary, enrolled family members will have **no** subsidized group coverage after your death. Your enrolled family members may be eligible for continuation of unsubsidized insurance coverage for a maximum period of 36 months. Refer to the Straight life calculation and Equated plan sections of *Planning Your Retirement (R0613C)*.

Eligible Family Members

Health, prescription drug, dental, and vision coverage for your spouse and eligible dependents is the same as yours. Those eligible for coverage are:

- Your spouse. If your spouse is an eligible public school retiree, you will be covered together on one contract.
 - Your child by birth, adoption, or legal guardianship until the end of the month in which they turn 26.
 - Your unmarried child by birth, adoption, or legal guardianship who is totally and permanently disabled, dependent on you for support, and incapable of self-sustaining employment.
 - In the case of legal adoption, a child is eligible for coverage as of the date of placement.
- Placement occurs when you become legally obligated for the total or partial support of the child in anticipation of adoption.
 - In the case of legal guardianship, official guardianship paperwork must be in place for a dependent to be eligible for coverage. Once a guardianship terminates, dependent eligibility for coverage ends.
- 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 family members you want to enroll in your insurance plan.

- Spouse: Copies of your spouse's government-issued birth certificate and your government-issued marriage certificate.
- Child: Copy of your child's government-issued birth certificate.
 - To prove adoption or legal guardianship, provide legal papers issued by a court.
 - If your child is disabled, provide a current letter from the attending physician detailing the disability and stating the child is totally and permanently disabled and incapable of self-

sustaining employment. The signed certification must be on the physician's letterhead and dated within the last six months. Also, provide the first page of your most recent 1040 tax form listing the dependent.

- Parent(s) or parent (s)-in-law residing in your household: 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 anyone enrolled in your insurance plan. If ORS pays claims for an ineligible person, you may be responsible for repaying any claims made on their behalf.

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 coverage. If you or anyone else covered by your insurance, 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 reenroll.

For most people, Medicare begins at age 65 or after 24 months of Social Security Disability Insurance. If that happens before age 65, send ORS the *Insurance Enrollment/Change Request (R0452C)* form, and make sure ORS has your Medicare number.

When you enroll in Medicare, you will receive your Medicare card from the Social Security Administration. As soon as you receive your card, tell ORS your Medicare number and effective dates for parts A and B. You can submit your Medicare enrollment information one of the following ways:

- Use the miAccount Message Board to send ORS a secure message with your Medicare enrollment information.
- Update your insurance enrollment information in miAccount to include your new Medicare information and send ORS the confirmation page.

- Make a copy of your Medicare card. Write your name, address, and date of birth on the copy and mail or fax the copy of your card to ORS.
- Mail or fax a completed *Insurance Enrollment/Change Request (R0452C)* form to ORS with your Medicare information.
- Call ORS at **800-381-5111** and give a representative your Medicare information.

When we receive your Medicare number, ORS 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 drug plan or any other supplemental prescription drug plan. If you do, you'll lose medical and prescription drug coverage through the retirement system.

Deferred Applicants ONLY

You are deferred if you are vested but you left public school employment before you met the age requirement for retirement and you did not take a refund of your contributions. 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 ended your public school employment and how many years of credited service you have.

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

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

If your last day of work was **after October 31, 1980, and you have less than 21 YOS**, you can enroll in the health, prescription drug, dental, and vision insurance but you must pay the entire premium.

Disability Applicants ONLY

If the retirement board approves your disability retirement application and you have the premium subsidy benefit, your health, prescription drug, dental, and vision coverage can begin the first day of the following month your application is approved or you end employment, whichever is later. Continue your current insurance to

ensure continued coverage during the approval process. Indicate in the Insurance Options section of your enrollment request that you want coverage through the retirement system to begin the first day of the month following the retirement board's approval of your retirement application.

