<u> Health Coverage - Retirement:</u>

A. Unit members hired prior to July 1, 2019:

- 1. Unit members who retire may continue to participate in the medical plan, as outlined in Section 6.1A, provided the unit member makes the arrangements for premiums to be paid through the retirement program. This benefit is dependent upon the continued approval of the insurance carrier. In the event that the Department re-enters the California Public Employee Retirement System (PERS) provided pursuant to the State Employees' Medical and Hospital Care Act, the Department agrees to pay the then-applicable monthly minimum contribution rate established by the contract between the City/Department and PERS.
- 2. When a unit member retires with a minimum of twelve (12) years of service with the Department and is at least age fifty-five (55) at the time of retirement, and enrolls in a Department sponsored medical plan, the Department agrees to pay a monthly contribution to be calculated as outlined in Section 6.1C. The monthly contribution amount effective January 1, 2023 is up to \$1,189. Increases to the base contribution rates will be implemented in accordance with Section 6.1C. Retirees will be responsible for paying any premium amounts over the established maximum contribution amount.
- 3. If a retired unit member dies, and a spouse was otherwise eligible for the monthly contribution (i.e., the retired unit member was eligible at retirement and the retired unit member and spouse participated in a health plan through the Department), the spouse will continue to receive a monthly contribution up to the maximum monthly contribution for their medical coverage

premiums, provided the spouse does not remarry and remains in the Department's health plan.

- 4. If a retired unit member was not eligible to receive the monthly contribution and was enrolled in a Department group health insurance plan as of July 1, 2003, that retired unit member (and spouse, if applicable) will continue to receive an amount that is equivalent to the then-current PERS minimum eligibility amount. In order to receive this amount, the retired unit member (and spouse, if applicable) must participate in the Department's health plan. If the retiree dies or has died, the spouse will continue to receive this amount, provided that the spouse does not re-marry and continues to participate in the Department's health plan.
- 5. The provision of retirement at age fifty-five (55) took effect on April 1, 1988. Any unit member who retired prior to April 1, 1988, must have attained the age of sixty (60). Department contributions for eligible retirees over age sixty-five (65) at the time of retirement took effect April 1, 1990, for qualified unit members who retired after April 1, 1990.
- 6. Department contributions for eligible retirees over age sixty-five (65) who do not qualify for Medicare took effect for qualified unit members who retired after April 5, 1992. Unit members must show proof of application to Social Security and a written decision regarding their qualification for Medicare prior to their retirement date.
- B. <u>Unit members hired on or after July 1, 2019</u>, are not eligible for participation in Retiree Health Coverage.