Retirement Health Coverage:

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

1. Unit members who retire may continue to participate in the health care plan, as outlined, 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 fifteen (15) 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 as follows:

a. Effective January 1, 2023, through December 31, 2023: up to $1,126.

b. Beginning January 1, 2024, and each January 1 thereafter, for the remainder of the term of this MOU, the maximum contribution rate for Department sponsored retiree medical plans will be automatically adjusted and will be calculated as outlined in Section 6.2C1 above. Retirees will be responsible for paying any premium amounts over the established contribution rate.

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 re-marry 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 been at least age sixty (60) at the time of retirement. 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 retire 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 retire after April 5, 1992. Unit members must show proof of application to Social Security and a written decision regarding their qualification for Medicare when qualified to receive the written decision.

B. Unit members hired on or after July 1, 2019, are not eligible for participation in retiree health coverage.

C. The Department agrees in principle, if administratively feasible, to offer a Retiree Health Reimbursement Account (RHRA) or equivalent to transfer sell-back or cash out sick hours into an account with purpose and intent to supplement retiree health premiums and health expenses.