

From: Samantha Graveline <sgraveline@bbftlaud.com>

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To: 'Yael Londono' <YLondono@sibfl.net>

Cc: "Christopher Russo" <crusso@sibfl.net>, "smorris@sibfl.net" <smorris@sibfl.net>, Robert Hollander <rhollander@bbmia.com>, Antonio Tavares <atavares@bbftlaud.com>, Terri James <tjames@bbftlaud.com>, Tiffany Patterson <tpatterson@bbftlaud.com>

Subject: Retiree Coverage under the Medical, Dental and Vision plans

Yael,

After researching and speaking with the carriers, the following is how your eligible coverage is currently defined:

Eligible for coverage are the following:

Employee's working full time of 30 hours or more and Retiree's defined by the Florida Statute 112.0801.

Please see the below cited statute:

112.0801 Group insurance; participation by retired employees.—

(1) Any state agency, county, municipality, special district, community college, or district school board that provides life, health, accident, hospitalization, or annuity insurance, or all of any kinds of such insurance, for its officers and employees and their dependents upon a group insurance plan or self-insurance plan shall allow all former personnel who retired before October 1, 1987, as well as those who retire on or after such date, and their eligible dependents, the option of continuing to participate in the group insurance plan or self-insurance plan. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. For retired employees and their eligible dependents, the cost of continued participation may be paid by the employer or by the retired employees. To determine health and hospitalization plan costs, the employer shall commingle the claims experience of the retiree group with the claims experience of the active employees; and, for other types of coverage, the employer may commingle the claims experience of the retiree group with the claims experience of active employees. Retirees covered under Medicare may be experience-rated separately from the retirees not covered by Medicare and from active employees if the total premium does not exceed that of the active group and coverage is basically the same as for the active group.

(2) For purposes of this section, "retiree" means any officer or employee who retires under a state retirement system or a state optional annuity or retirement program or is

placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition to these requirements, any officer or employee who retires under the Florida Retirement System Investment Plan established under part II of chapter 121 is considered a “retired officer or employee” or “retiree” as used in this section if he or she:

(a) Meets the age and service requirements to qualify for normal retirement as set forth in s. [121.021\(29\)](#); or

(b) Has attained the age specified by s. 72(t)(2)(A)(i) of the Internal Revenue Code and has the years of service required for vesting as set forth in s. [121.021\(45\)](#).

With that being said, this statute pertains to them if they meet the age and service retirement requirements to qualify for normal retirement as set forth in Statute: s. [121.021](#)

“Normal retirement date” means the date a member attains normal retirement age and is vested, which is determined as follows:

(a) If a Regular Class member, a Senior Management Service Class member, or an Elected Officers’ Class member initially enrolled:

1. Before July 1, 2011:

a. The first day of the month the member attains age 62; or

b. The first day of the month following the date the member completes 30 years of creditable service, regardless of age.

2. On or after July 1, 2011:

a. The first day of the month the member attains age 65; or

b. The first day of the month following the date the member completes 33 years of creditable service, regardless of age.

(b) If a Special Risk Class member initially enrolled:

1. Before July 1, 2011:

a. The first day of the month the member attains age 55 and completes the years of creditable service in the Special Risk Class equal to or greater than the years of service required for vesting;

b. The first day of the month following the date the member completes 25 years of creditable service in the Special Risk Class, regardless of age; or

c. The first day of the month following the date the member completes 25 years of creditable service and attains age 52, which service may include a maximum of 4 years of military service credit if such credit is not claimed under any other system and the remaining years are in the Special Risk Class.

2. On or after July 1, 2011:

a. The first day of the month the member attains age 60 and completes the years of creditable service in the Special Risk Class equal to or greater than the years of service required for vesting;

b. The first day of the month following the date the member completes 30 years of creditable service in the Special Risk Class, regardless of age; or

c. The first day of the month following the date the member completes 30 years of creditable service and attains age 57, which service may include a maximum of 4 years of military service credit if such credit is not claimed under any other system and the remaining years are in the Special Risk Class.

The City is able to revise the definition of a retiree if it is changed within the City by ratification and is requested prior to open enrollment, to be effective on the next open enrollment period. With that being said, the change of additional retirees qualifying as the definition is assumed would not have the length of service or age caveat stipulated, which then would require to go to financial underwriting and allow for the cost of the plan to be reconfigured for the potential new claimants and membership.

Please advise what you wish us to do for further action.

Regards,

Samantha

Samantha Graveline, GBDS | Senior Vice President

Senior Benefit Consultant

License # A005090

Crown Center | 1201 W. Cypress Creek Road | Suite 130 | Fort Lauderdale, FL 33309

Office: 954.331.1476 | Fax: 954.772.6243

bbinsurance.com