




**CITY OF CONCORD  
POLICY MEMORANDUM**

DATE: September 6, 2005

SUBJECT: RETIRED EMPLOYEE HEALTH INSURANCE

DISTRIBUTION: All Employees

APPROVED:   
Duncan R. Ballantyne, City Manager

**PART I. CITY PREMIUM BENEFIT SUBSIDY**

A. Eligibility Requirements:

This health insurance program is offered only to those employees with a date of hire in a permanent, full time position prior to January 1, 1991. For retirees who meet the following requirements, the City will pay retiree premiums in accordance with those premium contributions allocated to regular active employees.

1. Retired employee must be at least age 62 (age 60 if employee retires with at least 35 years of full time service with the City) or must be disabled as a result of City employment.
2. Retired employee must be (a) directly retired from full time City employment with a minimum of 10 years service to the City, (b) receiving retirement checks from the New Hampshire Retirement System (NHRS) based on employment with the City (unless receiving disability retirement), and (c) vested with the New Hampshire Retirement System. The vesting requirement and receipt of New Hampshire Retirement checks shall not apply to retired unclassified employees who chose not to participate in the New Hampshire State Retirement System but who were otherwise eligible to do so.
3. The employee must be enrolled in a City health plan and must elect to participate in the Retiree Group from the effective date of his/her retirement from City Service. Any retiree who leaves the Retiree Group will no longer be eligible for the City premium benefit subsidy except as noted in B. 2 below.

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### B. Additional Stipulations and Requirements for Enrollment in the City Paid Health Plan:

1. Eligibility to receive City paid benefit is predicated upon the participant's eligibility for and participation in the retiree group, which is subject to any and all conditions, rules or laws of the New Hampshire Retirement System and the City's health insurance provider(s).
2. Any person who is eligible to receive group insurance or other medical benefits, but who does not need and who declines such benefits because they would be duplicative of coverage under any employer-sponsored plan, shall nevertheless continue to be eligible and, upon ceasing to be eligible for the other coverage, shall be permitted to join the plan from which the member retired and to receive benefits allowable under this policy, subject to the other provisions of this policy. If the retiree does not maintain continuous health insurance coverage, he or she is not eligible to return to the City's Retiree Group. Evidence of continual insurance will be required.
3. Surviving dependents of a deceased retiree may be eligible to participate in the Retiree Group at their own expense.
4. Retirees who elect to participate in the Retiree Group may continue after they achieve eligibility for Medicare coverage as described herein in Section C.
5. Normal adjustments of membership (such as marriage, death or divorce) are allowed as in regular group enrollment at the initiative of the retiree.

### C. Benefit Provided:

The City will provide premium payments towards health insurance and/or Medicare supplement (or substantial equivalent) as indicated below:

1. Each qualifying retired employee age 65 or older will be eligible to receive City paid premium benefit or Medicare supplement for himself/herself. If the retired employee is married and has been covered under City insurance prior to employee's retirement, the spouse is eligible for the City paid premium benefit or Medicare supplement if age 65 or older.
2. Each qualified retired employee age 62 through 64 will be eligible to receive premium contributions (from 60 through 64 if employee retires with at least 35 years of full time service with the City). In addition, if the retired employee is married, the spouse is eligible for premium contributions if under age 65 or for Medicare supplement if age 65 or older.

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3. Each qualifying disabled retired employee under age 62 is eligible to receive premium contributions for himself/herself, for a spouse under age 65, and for any dependent children. If the retired employee's spouse is age 65 or older, the spouse is eligible to receive premium contributions for Medicare supplement.
4. In order to maintain Medicare supplement, employees and spouses who attain Medicare/Medicare supplement eligibility age must enroll in parts A and B of Medicare. (The City will not pay any cost associated with enrolling in Medicare, or subsequent monthly premiums associated with Medicare.)
5. The City paid premium subsidy shall not exceed the points provided to active employees. The City subsidy, along with any other subsidy provided, shall not exceed the total cost of the health insurance plan.
6. City payment of premiums shall commence the first full month after the retiree's eligibility has been confirmed by the Personnel Department.

## PART II. RETIREE PAID PREMIUMS

### A. Eligibility Rules:

Employees who retire from the City prior to age 62 may also elect to participate in the Retiree Group according to the rules set forth below.

1. The retiring employee must have been a participant in both the City's group health insurance and the New Hampshire Retirement System immediately prior to retirement. Upon retirement, the employee must receive retirement checks from the New Hampshire Retirement System.
2. The retired employee is subject to all of the rules and provisions set forth herein with the exception of Part I (A) (1) and the vesting requirements of Part I (A) (2).
3. The retiree must pay the entire premium cost of their election and must remit payments in a timely manner to whom and in such form as the City may require, subject to any rules established relative to clearance of checks, reporting of address and status changes and other relevant requirements. If the retirement benefit is sufficient, a retiree must elect to have health insurance deductions made from his/her retirement check.

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**PART III. NOTIFICATION OF FUTURE ELIGIBILITY FOR ANY RETIREE HEALTH INSURANCE BENEFITS**

1. Retired employees who become eligible for any retiree health insurance benefit following the effective date of their retirement from the City are solely responsible for notifying the City of their eligibility and for requesting the benefits. Such notification shall be in writing and sent to the City Personnel Department, 41 Green Street, City Hall, Concord NH 03301.

**PART IV. FUNDING FOR CITY PAID PREMIUM BENEFIT**

1. Funding for the City Paid Premium Benefit or any portion thereof as described in this policy is subject to annual appropriation by City Council.

**PART V. ACCEPTANCE OF POLICY TERMS OF CITY PAID PREMIUM BENEFIT**

1. Retiree enrollment in a health plan shall be the enrollee's certification of compliance with all applicable sections of this policy. Failure to comply or abide by its terms or to meet eligibility requirements may be cause for termination of the City Paid Premium Benefit or disenrollment from the group.

Authorization:

The Mayor and City Council originally approved this program on December 22, 1980. These guidelines have been promulgated by the City Manager to carry this program in to effect, including amendments thereto.

This policy memorandum supersedes all prior policy statements on this subject.

Rev. 11/6/86, 7/7/98, 9/6/05