



# Retiree Health Plans: A National Assessment



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The Center for State and Local Government Excellence and researchers from North Carolina State University's School of Public and International Affairs and College of Management have established a partnership to focus on state and local government retiree health care issues. This report shines a light on differences and similarities in state health plans in a quick reference format. It includes such details as eligibility requirements for coverage and the cost to employees and to state governments for the benefit.

Future Center publications will examine the myths and realities of the state and local government retiree health care crisis, what states and localities are doing to finance retiree health care, policy alternatives, intergenerational issues, and benchmarking.

The Center for State and Local Government Excellence was founded to explore issues that are important to attract and retain the talent needed for public service. Offering high quality benefits will remain as important in the future as it has been in the past.

With heightened emphasis on the economic security of future retirees and increasing fiscal pressures, government leaders will need authoritative data to understand the issues. They also will want to identify and adopt promising practices as quickly as practical.

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# Retiree Health Plans: A National Assessment

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Virtually all states provide some type of retiree health benefit to their employees. However, these plans differ substantially in their generosity and coverage and hence their cost to each state. In this report we examine each state's retiree health plan and attempt to organize the plans by their key characteristics. These characteristics include age and service requirements for coverage and the cost to the retiree and the state per retiree. We begin by providing an overview of the primary characteristics of the plans and then present a brief summary of each state's plan.

## Characteristics of State Retiree Health Benefit Plans

Eligibility for participation in state retiree health plans generally is a function of a determined number

of years of service with the state government. There may be other qualifications, such as receiving a state retirement pension benefit or reaching a specific age. Some states allow all retired state employees to participate in their health insurance systems, while other states require a minimum number of years of service (e.g., 20 years of service). Still other states allow for a type of graded vesting so that retirees with more years of service receive a larger subsidy than those with fewer years of service. A few states cease coverage when the retiree reaches age 65 and becomes eligible for Medicare. Table 1 provides information on the eligibility requirements of each state. In general, states can and do change these eligibility requirements in an effort to moderate increases in the cost of providing retiree health benefits.

**Table 1. Eligibility Requirements for State Retiree Health Benefit Plans**

State	Eligibility Requirements
<b>Alabama</b>	<p>Retirees must have at least 10 years of creditable service and receive a retirement benefit from a state-sponsored retirement system.</p> <p>Retirees who are ineligible for Medicare may enroll in a PPO plan.</p> <p>The state pays 100% of the premium for retirees with 25+ years of creditable service. This contribution is reduced by 2% for each year of creditable service below 25 years; for example, a retiree with 20 years of service receives a 90% contribution.</p>
<b>Alaska</b>	<p>Retirees are eligible for retiree health insurance free of cost if they receive a benefit from the Public Employees Retirement System (PERS), Teachers Retirement System (TRS), Elected Public Officials Retirement System, Judicial Retirement System, or Marine Engineers Beneficial Association. Members of the PERS and the TRS who retire before age 60 and public employees who are over age 60 but have fewer than 10 years of service are eligible for coverage but must pay a premium.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO plan.</p> <ul style="list-style-type: none"> <li>• PERS benefit recipients who were hired after July 1, 1986, who are under age 60.</li> <li>• TRS benefit recipients who were hired after July 1, 1990, who are under age 60.</li> <li>• PERS benefit recipients who were hired after July 1, 1996, who are at least 60 years of age, but who do not have 10 years of creditable service.</li> </ul>

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**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Arizona</b>	<p>Retirees are eligible to receive retiree health insurance benefits if they are a member of the Arizona State Retirement System or any other state-sponsored retirement system.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO, a PPO, or an Indemnity Plan.</p> <p>For members of the Arizona State Retirement System who do not have Medicare, the state contributes \$75.00 to those with five years of creditable service and an additional \$15 per creditable service year, up to 5 additional years. The highest possible contribution is \$150.00.</p> <p>For retirees with Medicare, the state's contribution is \$50.00 for those with five years of service and an additional \$10 per year up to a maximum of \$100.00.</p> <p>For members of the Elected Officials' Retirement Plan who are not Medicare eligible, the state contributes \$90.00 for those with five or more years of service, an additional \$22.50 per year for the next two years of service, and \$15 for the eighth year of service. The maximum possible contribution is \$150.00. For those who are Medicare eligible, the contribution is \$60.00 for the first five years with an additional \$15.00 per extra year, up to a maximum of \$100.00.</p> <p>Members of the Corrections Officer Retirement System and the Public Safety Personnel Retirement System who are not eligible for Medicare receive a contribution of \$150.00, while those who have Medicare receive a contribution of \$100.00.</p>
<b>Arkansas</b>	<p>All former state and public school employees are eligible for retiree health insurance.</p> <p>For retired teachers who are not eligible for Medicare, the state contributes \$157.50; those eligible for Medicare receive \$111.64.</p> <p>For a retired state employee who is not eligible for Medicare, the state contributes \$419.17; those who are eligible for Medicare receive \$212.04.</p>
<b>California</b>	<p>Retirees are eligible for retiree health insurance provided their retirement date is within 120 days of separation from a state employer; they were eligible to enroll in a state run plan as an active employee; and they are eligible to receive a retirement allowance from a state-sponsored retirement system.</p> <p>Retirees who are not eligible for Medicare may choose among PPO, HMO, and EPO plans.</p> <p>The state's contribution to the premium varies by date of hire:</p> <ul style="list-style-type: none"> <li>• For those hired before January 1, 1985, the state pays 100%.</li> <li>• For those hired between January 1, 1985, and January 1, 1989, the state's contribution is 10% per year of creditable service. For those hired after January 1, 1989, the state pays 50% of the premium for retirees with at least 10 years of creditable service; for those with 10–19 years of creditable service the state pays an additional 5% per service year; and pays 100% of the premium for those with 20+ years of service.</li> </ul>
<b>Colorado</b>	<p>Any retiree receiving benefits from the Public Employee Retirement Association is eligible for retiree health insurance.</p> <p>Retirees who are not eligible for Medicare may choose among three HMO's and one supplemental plan.</p>
<b>Connecticut</b>	<p>Retirees may choose among HMO, POE, and POS plans.</p>
<b>Delaware</b>	<p>Retirees must be eligible to collect a pension from a state-sponsored retirement system.</p> <p>Retirees who are not eligible for Medicare may choose between a PPO and an HMO.</p> <p>The state determines a base amount of the premium that it will pay, referred to as the "state share."</p> <ul style="list-style-type: none"> <li>• A retiree who worked for the state for less than 10 years must pay the entire premium.</li> <li>• A retiree who worked for the state 10–15 years is entitled to 50% of the state share.</li> <li>• A retiree with 15–20 years of service receives 75% of the state share.</li> <li>• Retirees with 20 or more years of service receive 100% of the state share.</li> </ul>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Florida</b>	<p>Retirees must have retired under a State of Florida retirement system or a state optional annuity or retirement system; have been covered by a state-run health insurance plan at the time of retirement; receive retirement benefits immediately at the time of retirement; and have enrolled in the plan at the time they retire.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or PPO plan.</p> <p>The state does not make a contribution to the premium.</p>
<b>Georgia</b>	<p>Retirees must have retired under a State of Florida retirement system or a state optional annuity or retirement system; have Retirees are eligible for coverage if they are entitled to receive an immediate annuity for a state-sponsored retirement system and were enrolled in the plan at the time of retirement.</p> <p>Retirees who are not eligible for Medicare may choose among HDHP, HMO, PPO, and CCO plans.</p> <p>On average, the state pays 75% of the premium for individual coverage.</p>
<b>Hawaii</b>	<p>Retirees who are not eligible for Medicare may choose between an HMO and a PPO.</p> <p>The state’s contribution to the health insurance premium depends on the years of creditable service accumulated by the retiree and date of hire.</p> <ul style="list-style-type: none"> <li>• For retirees hired prior to July 1, 1996: with less than 10 years of service, the state contributes 50% of the premium; for those with 10 or more years of creditable service, the state makes a 100% contribution.</li> <li>• For retirees hired after July 1, 1996: with 10–15 years of service the state pays 50%; with 15–25 years the state contributes 75%; and for those with at least 25 years the state pays 100% of the premium.</li> </ul> <p>The state contribution applies only to individual coverage.</p>
<b>Idaho</b>	<p>Retirees must receive a retirement benefit from a state sponsored retirement system, the amount of which exceeds the premium for individual coverage, or receive a retirement benefit and have at least 10 years of creditable service.</p> <p>Retirees who are not eligible for Medicare may choose to enroll in a PPO plan.</p>
<b>Illinois</b>	<p>Retirees who are not eligible for Medicare may enroll in an HMO, OAP, or Quality Health Care Plan.</p> <p>Retirees receive a service credit based on the number of years they worked for the state. A retiree receives a 5% state contribution for each year of creditable service; a retiree with 20 or more years of service receives a state contribution equal 100% of the plan premium.</p>
<b>Indiana</b>	<p>Retirees who are not eligible for Medicare may enroll in an HMO or a Traditional Plan.</p>
<b>Iowa</b>	<p>Retirees must be receiving retirement benefits.</p> <p>Retirees who are not eligible for Medicare may enroll in an Indemnity, PPO, or MCO plan. Retirees who are not eligible for Medicare may be eligible for participation in the Sick Leave Insurance Program (SLIP), which allows retirees to convert their unused sick time into an account that the state will draw down to apply to the retiree’s health insurance premium.</p> <p>The state makes a 100% premium contribution only if the retiree has a positive balance in his/her sick leave account.</p>
<b>Kansas</b>	<p>Retirees are eligible for retiree health insurance benefits provided they are a former state official, retired officer, or retired employee receiving retirement benefits from the state.</p> <p>Retirees who are not eligible for Medicare may enroll in Plan A, which combines the features of an HMO and PPO plan, or Plan B, a traditional plan.</p>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Kentucky</b>	<p>Retirees may enroll in the plan provided they are not eligible for Medicare and receive a monthly retirement check from a state-sponsored retirement system.</p> <p>Retirees who are not eligible for Medicare may choose between the Commonwealth Enhanced and Commonwealth Premier plans, which are both PPOs.</p> <p>The state's premium contribution varies by the region in which a retiree lives and works. The contribution ranges from \$394.80 to \$496.28 for the Commonwealth Enhanced Plan and from \$412.47 to \$512.16 for the Commonwealth Premier Plan.</p>
<b>Louisiana</b>	<p>Retirees who are not eligible for Medicare may enroll in an EPO, PPO, or HMO plan.</p> <p>The state's contribution toward the premium for retiree coverage is based on years of Office of Group Benefits (OGB) enrollment. A retiree with 10 or fewer years will receive a 19% contribution; a retiree with 10–15 years of participation will receive a contribution equal to 38% of the premium; a retiree with 15–20 years will receive a 56% contribution; while a retiree with 20 or more years will receive a contribution of 75%.</p>
<b>Maine</b>	<p>Retirees must have participated in the state's health insurance program for at least one year immediately prior to retiring and be receiving a retirement check from the Maine State Retirement System.</p> <p>Retirees who are not eligible for Medicare may enroll in an EPO, PPO, or HMO plan.</p> <p>The state's share of the premium is based on the number of years the retiree participated in the group health insurance plan as an active employee. Those with less than five years of enrollment do not receive a contribution; those with at least five years of creditable service receive a 50% contribution; beyond that the state's contribution increases 10% for each additional year of participation. The state pays 100% of the premium for retirees hired before July 1, 1991.</p>
<b>Maryland</b>	<p>Retirees must receive a retirement allowance from the state and meet one of the following criteria:</p> <ul style="list-style-type: none"> <li>• have at least 16 years of creditable service;</li> <li>• have retired directly from the state with at least five years of creditable service;</li> <li>• have left state employment with at least 10 years of creditable service within five years of normal retirement age;</li> <li>• retired directly from state service with a disability retirement allowance;</li> <li>• or left state employment prior to July 1, 1984.</li> </ul> <p>Retirees who are not eligible for Medicare may enroll in a PPO, a POS, or an HMO plan.</p> <ul style="list-style-type: none"> <li>• Retirees who have 16 or more years of creditable service, received a disability retirement, or left state employment prior to July 1, 1984, receive a full subsidy from the state.</li> </ul>
<b>Massachusetts</b>	<p>Retirees who are not eligible for Medicare may enroll in a PPO or an HMO plan.</p>
<b>Michigan</b>	<p>Retirees may receive retiree health insurance benefits if they retired under the Defined Contribution plan, receive an immediate benefit under the State Employees Retirement Act or the State Police Retirement Act, or were enrolled in the state-sponsored HMO and receive an immediate pension benefit.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO or an HMO plan.</p> <p>The state's premium contribution is \$607.45 for retirees who are not Medicare eligible and up to \$334.83 for retirees who are Medicare eligible.</p>
<b>Minnesota</b>	<p>Retirees must have at least five years of allowable pension service or be 50 years of age with at least 15 years of creditable service.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO plan.</p> <p>The state does not make a contribution to the premium.</p>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Mississippi</b>	<p>Retirees must participate in the state’s retirement system or have participated in the state’s health insurance plan for at least four years. Retirees must</p> <ul style="list-style-type: none"> <li>• have at least 25 years of creditable service;</li> <li>• be age 60 with four or more years of creditable service;</li> <li>• be age 45 with 20 or more years of creditable service (if retiring from the Mississippi Highway Safety Patrol);</li> <li>• be approved for disability;</li> <li>• or be an elected state or district official who does not run for reelection or who is defeated.</li> </ul> <p>The state does not make a contribution to the premium.</p>
<b>Missouri</b>	<p>Retirees must be eligible to receive a retirement benefit from an employer-sponsored retirement plan, or meet the retirement qualifications of the public entity. Additionally, retirees must meet one of three criteria: had coverage through a state-sponsored health plan since the last Open Enrollment period; had health insurance for the six months immediately prior to termination of employment; or had coverage since first eligible.</p> <p>Retirees who are not eligible for Medicare may enroll in a managed care or indemnity plan.</p>
<b>Montana</b>	<p>Retirees must be eligible to receive a monthly retirement benefit check from their retirement system.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or Copay plan.</p>
<b>Nebraska</b>	<p>Retirees are eligible for coverage provided they pay into a state-sponsored retirement system.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or a PPO plan.</p> <p>For retirees age 60–65, the state makes a premium contribution of:</p> <ul style="list-style-type: none"> <li>• 50% for those with 10–15 years of service</li> <li>• 70% for those with 16–27 years of service</li> <li>• 90% for those with 28–34 years</li> <li>• 100% for those with 35+ years</li> </ul> <p>For retirees age 65+, the state contributes:</p> <ul style="list-style-type: none"> <li>• 50% for retirees with 10–15 years of service</li> <li>• 70% for those with 16–19 years</li> <li>• 90% for those with 20–27 years of service</li> <li>• 100% for those with at least 28 years</li> </ul> <p>The state makes a 100% contribution for anyone (regardless of age) with at least 35 years of service.</p>
<b>Nevada</b>	<p>Retirees must receive benefits from a state-sponsored retirement system and enroll within 60 days of their retirement date.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO or HMO plan.</p> <p>For retirees who retired prior to January 1, 1994, the base subsidy is \$365.64.</p> <p>For retirees with 15 years of creditable service who retired after January 1, 1994: the subsidy for individual coverage for non-Medicare eligible retirees is:</p> <ul style="list-style-type: none"> <li>• \$339.74 for High Deductible PPO</li> <li>• \$360.14 for Low Deductible PPO</li> <li>• \$324.96 for Anthem HMO</li> <li>• \$212.18 for Health Plan of Nevada.</li> </ul> <p>The subsidy for individual coverage for Medicare eligible retirees is:</p> <ul style="list-style-type: none"> <li>• \$339.74 for High Deductible PPO</li> <li>• \$360.14 for Low Deductible PPO</li> <li>• \$324.96 for Anthem HMO</li> <li>• \$212.18 for Health Plan of Nevada</li> <li>• \$53.65 for Senior Dimensions (for retirees with Medicare Parts A and B).</li> </ul>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Nevada</b> <i>(continued)</i>	<p>Retirees who retired after January 1, 1994, who have:</p> <ul style="list-style-type: none"> <li>• 5 years of service — subtract \$274.23</li> <li>• 6 years — subtract \$246.81</li> <li>• 7 years — subtract \$219.38</li> <li>• 8 years — subtract \$191.96</li> <li>• 9 years — subtract \$164.54</li> <li>• 10 years — subtract \$137.12</li> <li>• 11 years — subtract \$109.69</li> <li>• 12 years — subtract \$82.27</li> <li>• 13 years — subtract \$54.85</li> <li>• 14 years — subtract \$27.42</li> <li>• 15 years — do not subtract from the subsidy.</li> </ul> <p>Retirees with:</p> <ul style="list-style-type: none"> <li>• 16 years of service — add \$27.42 to the state contribution</li> <li>• 17 years — add \$54.85</li> <li>• 18 years — add \$82.27</li> <li>• 19 years — add \$109.69</li> <li>• 20 years — add \$137.12.</li> </ul>
<b>New Hampshire</b>	<p>Retirees must be eligible to receive a monthly retirement benefit check from their retirement system.</p> <p>Retirees who are not eligible for Medicare may enroll in a POS plan.</p>
<b>New Jersey</b>	<p>Retirees must have been full-time employees at the time of retirement and have at least 25 years of creditable service.</p> <p>Non-Medicare eligible retirees who belong to unions that have agreements with the state of NJ to cost share receive a subsidy of \$463.16.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO or HMO plan.</p> <p>Medicare eligible retirees who belong to unions that have agreements with the state of NJ to cost share receive a subsidy of \$287.89.</p>
<b>New Mexico</b>	<p>Retirees are eligible for coverage provided they receive a retirement benefit from a state-sponsored retirement system, and meet any of the following:</p> <ul style="list-style-type: none"> <li>• retired with a pension before the employer's effective date with the New Mexico Health Care Authority (NMHCA);</li> <li>• made a contribution to the NMHCA from the employer's effective date until retirement;</li> <li>• made a contribution for at least five years prior to retirement.</li> </ul> <p>Retirees who are not eligible for Medicare may enroll in a PPO plan.</p> <p>The state makes a contribution of 6.25% for the first five years of service and 6.25% for each additional year.</p>
<b>New York</b>	<p>Retirees must have the minimum years of creditable service (five for those hired before April 1, 1975, and 10 for those hired after); be qualified for retirement as a member of a state-sponsored retirement system; and have been enrolled as an active employee or dependent in a state-run health insurance plan at the time of retirement.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or the Empire Plan.</p> <p>The state typically makes a premium contribution of 90%.</p>
<b>North Carolina</b>	<p>Retirees must have contributed to the state sponsored retirement system for at least five years.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO or indemnity plan.</p> <p>For retirees enrolled in the PPO plan the state's contribution is \$346.38.</p>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>North Dakota</b>	<p>Retirees must receive a benefit from a state-sponsored retirement system and enroll within 31 days of retirement.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO or an EPO plan.</p> <p>The state provides a service credit of \$4.50 for each year of creditable service.</p>
<b>Ohio</b>	<p>Retirees must participate in a state-sponsored retirement system.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or PPO plan.</p> <p>Retirees with at least 10 years of service accumulated prior to or on January 1, 2007 receive a 100% premium subsidy.</p> <p>Retirees hired prior to January 1, 2003, who have at least 10 years of service accumulated after January 1, 2007:</p> <ul style="list-style-type: none"> <li>• with 1–15 years of service receive a 50% premium subsidy;</li> <li>• with 15–30 years receive a prorated subsidy;</li> <li>• with 30 years of service receive 100%.</li> </ul> <p>Retirees hired after January 1, 2003, who have at least 10 years of service accumulated after January 1, 2007:</p> <ul style="list-style-type: none"> <li>• with 10–15 years of service receive a 25% premium subsidy;</li> <li>• with 15–30 years of service receive a subsidy of between 25% and 100% of the premium.</li> </ul>
<b>Oklahoma</b>	<p>Retirees must have at least eight years of creditable service.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO, PPO, or indemnity plan.</p> <p>The state contribution is \$105.00.</p>
<b>Oregon</b>	<p>Retirees must belong to and receive a benefit from the Public Employees Retirement System.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO, PPO, or POS plan and receive a contribution from the state based on their years of service:</p> <ul style="list-style-type: none"> <li>• 8–9 years of service — \$126.27</li> <li>• 10–14 years — \$151.52</li> <li>• 15–19 years — \$176.78</li> <li>• 20–24 years — \$202.03</li> <li>• 25–39 years — \$227.28</li> <li>• 30 years or more — \$252.54</li> </ul> <p>Retirees who are eligible for Medicare receive a \$60 subsidy.</p>
<b>Pennsylvania</b>	<p>Retirees are eligible for retiree health insurance benefits if they retire at normal retirement age (50 or 60 depending on class of employment) with 15 or more years of credited service, retire with 25 or more years of service regardless of age, or retire with a disability retirement benefit.</p> <p>Retirees who are not eligible for Medicare who retired before July 1, 2004, may enroll in an HMO or a PPO plan. Retirees who are not eligible for Medicare who retired after July 1, 2004, may enroll in an HMO, PPO, or consumer driven plan.</p> <p>Retirees who are eligible for Medicare may enroll in an HMO or PPO Medicare Advantage plan or a Medicare Private Fee Service plan. The state offers a subsidy to state employees based on their years of creditable service. If a retiree retired</p> <ul style="list-style-type: none"> <li>• before July 1, 2005, the state subsidy is 100% of the premium.</li> <li>• after July 1, 2005, but before July 1, 2007, the State Employee Retirement System will deduct the member share of 1% of the member’s final base annual salary in equal monthly payments from the member’s annuity payments.</li> <li>• after July 1, 2007, but before June 30, 2008, the State Employee Retirement System will deduct the member share of 1% of the member’s final gross base annual salary in equal monthly payments from the member’s annuity payments.</li> </ul>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Pennsylvania</b> <i>(continued)</i>	<ul style="list-style-type: none"> <li>• after July 1, 2008, but before June 30, 2009, the State Employee Retirement System will deduct the member share of 1.5% of the member's final gross base annual salary in equal monthly payments from the member's annuity payments.</li> <li>• after July 1, 2009, but before September 30, 2010, the State Employee Retirement System will deduct the member share of 2% of the member's final gross base annual salary in equal monthly payments from the member's annuity payments.</li> <li>• after October 1, 2010, but before June 30, 2011, the State Employee Retirement System will deduct the member share of 2% of the member's final base annual salary in equal monthly payments from the member's annuity payments.</li> </ul>
<b>Rhode Island</b>	<p>Retirees must belong to the Employees' Retirement System of Rhode Island (ERSRI).</p> <p>Retirees may enroll in a PPO plan.</p> <p>The state offers a subsidy to state employees based on their years of creditable service and their current age. If a retiree is between 60 and 65 years of age and has worked</p> <ul style="list-style-type: none"> <li>• 10–15 years — the state subsidy is 50% of the premium.</li> <li>• 16–22 years — the subsidy is 70%.</li> <li>• 23–27 years — the subsidy is 80%.</li> <li>• more than 28 years of service — the subsidy is 100%.</li> </ul> <p>If a retiree is at least 65 years of age and has worked</p> <ul style="list-style-type: none"> <li>• 10–15 years — the state subsidy is 50%.</li> <li>• 16–19 years — the subsidy is 70%.</li> <li>• 20–27 years — the subsidy is 90%.</li> <li>• at least 28 years — the subsidy is 100%.</li> </ul> <p>Additionally, a retiree with at least 28 years of service receives a 90% state subsidy regardless of age. Similarly, a retiree with at least 35 years of service receives a 100% state subsidy regardless of age.</p>
<b>South Carolina</b>	<p>Retirees must have participated in the state's health insurance program as an active employee and have at least five years of continuous and consecutive full-time employment.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or POS plan.</p> <p>Retirees receive a contribution of \$260.90.</p>
<b>South Dakota</b>	<p>Retirees who are not eligible for Medicare may enroll in a self-insured indemnity plan.</p> <p>Retirees who are eligible for Medicare may no longer be enrolled in the plan, but may enroll in the state-sponsored Medicare Supplement Plan.</p>
<b>Tennessee</b>	<p>Retirees must have at least 10 years of creditable service with at least three years of insurance coverage immediately preceding retirement, or 20+ years of creditable service with one year of insurance coverage immediately preceding retirement.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO, PPO, or POS plan.</p>
<b>Texas</b>	<p>Retirees must have at least 10 years of service and be at least 65 years of age, or they must have at least 10 years of service and their age and service must add up to 80.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO plan.</p> <p>For those working full-time at retirement the state pays the entire premium. For those working part-time the state's contribution to the premium is \$180.28.</p>
<b>Utah</b>	<p>Retirees who are not eligible for Medicare may enroll in an HDHP plan.</p>
<b>Vermont</b>	<p>Retirees must have been enrolled in a state sponsored health insurance plan at the time of retirement and enroll for retiree health benefits at the time they retire.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO, POS, or Safety Net plan.</p> <p>The state contribution is 80% of the premium for individual coverage.</p>

**Table 1.** *Eligibility Requirements for State Retiree Health Benefit Plans (continued)*

State	Eligibility Requirements
<b>Virginia</b>	<p>Retirees must be eligible for and currently receiving a monthly annuity from the Virginia Retirement System or a benefit from an Optional Retirement Plan; have worked for the state immediately prior to retirement; be eligible to enroll in a state-sponsored health insurance program as an active employee; and enroll for retiree health benefits within 31 days of retirement.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO or HDHP plan.</p> <p>Retirees who have 15 years of creditable service, retire on disability, or receive a long-term disability benefit receive a credit of \$4.00 per creditable service year.</p>
<b>Washington</b>	<p>Retirees must receive an immediate retirement allowance from a state-run retirement system and enroll in the retiree health insurance plan within 60 days of retirement.</p> <p>Retirees who are not eligible for Medicare may enroll in a managed care plan or a PPO plan.</p> <p>Medicare retirees receive a state contribution of \$164.08.</p>
<b>West Virginia</b>	<p>Retiree must be eligible for service retirement and have been employed by the state immediately prior to retirement.</p> <p>Retirees who are not eligible for Medicare may enroll in an HMO.</p>
<b>Wisconsin</b>	<p>Retirees must receive an immediate retirement annuity from the state’s retirement system or have at least 20 years of creditable service.</p> <p>Retirees who are not eligible for Medicare may enroll in a fee-for-service plan.</p> <p>The state does not make a contribution to the premium.</p>
<b>Wyoming</b>	<p>Retirees must have received state-sponsored health insurance for at least one year prior to retirement and apply for coverage within 31 days of their retirement date.</p> <p>Retirees who are not eligible for Medicare may enroll in a PPO plan.</p> <p>The premium contribution is \$487.31.</p>

The per retiree cost of state health plans differs depending on the retiree’s age; specifically, whether the retiree has reached the age of 65. Most states require those retirees eligible for Medicare (aged 65 and older) to enroll in Medicare. This makes Medicare the primary payer of health care bills and the state insurance plan the secondary payer. Thus, the cost to the state of providing health insurance is much lower for older retirees due to this coordination with Medicare. A few states terminate retiree participation in their state health plan when a retiree reaches age 65, ending all subsidies to the retiree.

The premiums retirees must pay to participate in the retiree health plan offered by their state vary substantially. Some states provide the same health insurance for retirees as they do for active workers and charge them the same premiums. In some states, there is no premium for either active workers or retirees. In contrast, other states require retirees to pay the full cost of their health insurance. However, even this type of coverage is a benefit to retirees and involves a cost to the

state. The cost of health insurance typically rises with age. Thus, a retiree paying the average cost per beneficiary in a state plan that includes active workers and retirees pays a lower rate than if the plan covered only retirees. This is an implicit subsidy from the state to its retirees and GASB 45 requires that states determine and report the cost of this subsidy. The U.S. General Accounting Office (2008) reports that 14 states did not contribute to the premium for retired workers so the retiree paid the entire cost of the premium. In contrast, 14 states paid the entire premium so that retirees in these states were included in the state health plan without having to pay any premium. The remainder fell somewhere in between with the state and retirees each paying a part of the premium for health coverage. The premiums required by each state for participation, as currently listed on the state websites, are shown in Table 2. Table 2 also shows that in most states, the premium charged to the retiree is reduced when he or she becomes eligible for Medicare.

Table 2. Premiums, Dependent Coverage, and Medicare Enrollment

State	Premium		Dependent Coverage	Must Enroll in Medicare
	Non-Medicare	Medicare		
Alabama	\$167.00	\$0.00	Yes	Yes
Alaska	\$590.00	N/A	Yes	Yes
Arizona	\$454.00 for HMO \$420.00 for PPO <sup>2</sup>	\$342.00 for senior supplement \$210.00 for Medicare Complete <sup>3</sup>	Yes	Yes
Arkansas	\$587.70 for teachers \$589.13 for public	\$136.74 for teachers \$298.02 for public	Yes	Yes
California	\$351.75–\$742.41	\$273.36–\$404.60	Yes	Yes
Colorado	\$299.00–\$654.00	\$140.00–\$298.00	Yes	Part B only
Connecticut	N/A	N/A	Yes	N/A
Delaware	\$437.14–\$485.74	\$158.56–\$332.10	Yes	Yes
Florida	\$351.20–\$427.86	\$172.76–\$247.28	Yes	Yes
Georgia	\$49.50–\$290.40 \$176.38–\$388.52 for retirees over age 65, without Medicare Parts A and B	\$107.96–\$211.02	Yes	No
Hawaii	\$391.02–\$460.80	\$215.76–\$289.08	Yes	Yes
Idaho	\$393.00–\$480.00	\$190.00–\$269.00	Yes	No
Illinois	\$505.92–\$789.84	\$308.50–\$394.62	Yes	Yes
Indiana	N/A	N/A	Yes	N/A
Iowa	\$386.36–\$632.25	\$210.40–\$446.62	Yes	Yes
Kansas	\$406.33–\$459.53	\$79.50–\$452.04	Yes	Yes
Kentucky	\$469.00–\$501.20	N/A	Yes	Yes
Louisiana	\$934.08–\$1011.88	\$138 to \$329	Yes	Yes
Maine	\$620.44	\$306.56	Yes	Yes
Maryland	\$306.30–\$413.42	\$156.59–\$206.74	Yes	Yes
Massachusetts	Retired before July 1, 1994: \$308.30–\$904.10 Retired after July 1, 1994: \$324.40–\$828.87	\$151.87–\$403.30	Yes	Yes
Michigan	\$638.59–\$857.92	\$243.87–\$417.08	Yes	Yes
Minnesota	\$432.16	\$237.50–\$248.44	Yes	Parts A, B, and D
Mississippi	\$388.00–\$409.00	\$160.00	Yes	Yes
Missouri	\$1668.00–\$1692.00	\$1282.00–\$1306.00	Yes	Yes
Montana	\$444.00–\$557.00	\$160.00–\$194.00	Yes	N/A
Nebraska	\$374.46–\$503.30	N/A	Through COBRA Only	Yes
Nevada	\$316.68–\$537.52	\$80.07–\$537.52	Yes	Yes
New Hampshire	N/A	N/A	Yes	Yes
New Jersey	\$508.00–\$617.54	\$352.93–\$385.02	Yes	Yes

1 Unless otherwise specified, includes Medicare Parts A and B.

2 With the exception of residents in Maricopa, Pima, and Pinal counties, whose PPO premium is \$600.00.

3 Not available in Mohave, Gila, Navajo, and Apache counties. In Maricopa, Pima, and Pinal counties, the premium is \$145.00.

**Table 2.** Premiums, Dependent Coverage, and Medicare Enrollment (continued)

State	Premium		Dependent Coverage	Must Enroll in Medicare
	Non-Medicare	Medicare		
<b>New Mexico</b>	Varies by years of service and plan—rates differ by each year between 5 and 20	N/A	Yes	Yes
<b>New York</b>	N/A	N/A	Yes	Yes
<b>North Carolina</b>	N/A	N/A	Yes	Yes
<b>North Dakota</b>	COBRA eligible: \$324.58–\$361.77 Non-COBRA eligible: \$475.34	Retire prior to 7/1/07: \$210.46 Retire after 7/1/07: \$217.14	Yes	Yes
<b>Ohio</b>	N/A	N/A	Yes	Yes
<b>Oklahoma</b>	\$302.44–\$606.56	N/A	Yes	Yes
<b>Oregon</b>	\$590.50–\$829.11	\$140.39–\$203.39	Yes	Yes
<b>Pennsylvania</b>	N/A	N/A	Yes	Yes
<b>Rhode Island</b>	\$452.28	\$107.00 or \$179.77	Yes	Yes
<b>South Carolina</b>	Funded: \$9.28–\$194.82 Non-Funded: \$270.18–\$455.72	Funded: \$75.46–\$194.82 Non-Funded: \$336.36–\$455.72	Yes	Yes
<b>South Dakota</b>	\$220.78–\$314.18	\$95.75–\$200.08	Yes	Yes
<b>Tennessee</b>	Less than 20 years of service: \$191.21–\$203.06 20–29 years of service: \$143.94–\$152.29 More than 30 years of service: \$95.61–\$101.53	N/A	Yes	Yes
<b>Texas</b>	\$284.53–\$388.97	N/A	Yes	Yes
<b>Utah</b>	N/A	N/A	Yes	Yes
<b>Vermont</b>	\$360.78–\$615.29	\$241.52–\$355.61	Yes	Yes
<b>Virginia</b>	\$350.00–\$469.00	\$126.00–\$277.00	Yes	Yes
<b>Washington</b>	\$400.19–\$484.32	\$241.64–\$396.70	Yes	Yes
<b>West Virginia</b>	\$208.00–\$744.00	\$46.00–\$339.00	Yes	Yes
<b>Wisconsin</b>	\$476.20–\$895.70	\$301.10–\$448.90	Yes	Yes
<b>Wyoming</b>	\$528.32–\$610.78	\$151.43–\$384.13	Yes	Yes

## Summary of State Retiree Health Benefit Plans

In this section, we present a short summary of each state’s retiree health benefit plans. These summaries are based on the information provided on the website of each state’s plan as of March 2008. Listed at the end of each summary is a URL so the interested reader can easily access additional details.

### Alabama

Alabama allows retirees to maintain their enrollment in the state employee health insurance plan (SEHIP); a PPO plan is provided if they have accumulated at least 10 years of creditable service and receive a monthly benefit from the Employees’ Retirement System, the Teachers’ Retirement System of Alabama, or the Judicial Retirement System. Additionally, the plan grants all dependents who were eligible for coverage when the employee was an active worker access to coverage through the retiree health insurance plan. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare

becomes the primary insurance provider, and the SEHIP provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, the SEHIP will calculate his/her benefit entitlement as if s/he had enrolled.

The premium paid by the retiree depends on his/her Medicare status and the Medicare status of dependents. A retiree who is not Medicare eligible faces a premium of \$167, while a Medicare eligible retiree does not pay the state a premium for his/her own coverage. For retirees who are not eligible for Medicare, the state pays a portion of their premium, the amount of which is calculated using a sliding scale. For a retiree with at least 25 years of service, the state will pay 100% of the premium. For each year less than 25, the state's contribution is reduced by 2%.

[http://www.alseib.org/healthinsurance/sehip/pdf/sehip\\_2008\\_rates.pdf](http://www.alseib.org/healthinsurance/sehip/pdf/sehip_2008_rates.pdf)

[http://www.alseib.org/healthinsurance/sehip/pdf/state\\_booklet\\_2008.pdf](http://www.alseib.org/healthinsurance/sehip/pdf/state_booklet_2008.pdf)

## Alaska

Alaska permits retirees to obtain health insurance through AlaskaCare, a state sponsored PPO plan for retirees. The AlaskaCare plan grants all dependents who were eligible for coverage when the employee was an active worker access to coverage through the retiree health insurance plan. Members of the Public Employees' Retirement System, the Teachers' Retirement System, the Elected Public Officers Retirement System, the Judicial Retirement System, as well as recipients of the Marine Engineers Beneficial Association, who retired after July 1, 1986, are automatically enrolled in the plan and do not pay a premium. Members of the Public Employee Retirement system and the Teachers' Retirement System who retire before the age of 60 are eligible for enrollment in the plan but must pay a premium to obtain coverage. Additionally, a public employee who is over 60 years of age but has less than 10 years of credited service must pay a premium to obtain coverage.

Upon turning 65 years of age, all retirees are required to elect Medicare Parts A and B, at which point the health insurance plan available from the state becomes supplemental. If a retiree does not elect into Medicare, the amount of Medicare benefits available to him/her will be subtracted from all medical claims. For those who choose to retire before turning 60, the premium for individual coverage is \$590.

<http://www.state.ak.us/dr/b/g/rlb/retiree/2003-retiree-handbook.pdf>

## Arizona

Arizona offers its retirees health insurance coverage through Pacificare. Additionally, the plan grants all dependents who were eligible for coverage when the employee was an active worker access to coverage through the retiree health insurance plan. Retirees who are not yet Medicare eligible may choose from among an HMO, a PPO, and an Indemnity plan.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider, and the state-offered health insurance plan provides complementary coverage only. Medicare eligible retirees may choose between two state-sponsored plans, which provide coverage that is designed to complement Medicare benefits. Medicare eligible retirees who do not notify the Arizona Retirement System of their Medicare eligibility remain enrolled in their current health insurance plan, but receive a reduced premium benefit.

The premium for a non-Medicare eligible individual is \$454.00 for the HMO or \$420.00 for the PPO. The premium for a Medicare eligible individual is \$342.00 for the Senior Supplement plan or \$210.00 the Medicare Complete plan.

- The state makes a premium contribution for all retirees, the amount of which depends on their Medicare status, the retirement system/plan they belong to, and their years of creditable service.
- Members of the Arizona State Retirement System (AZASRS) who are not Medicare eligible and have accumulated at least five years of service credit receive a subsidy of \$75.00, plus \$15.00 for each additional year, up to a maximum of \$150.00. Members of the AZASRS who are eligible for Medicare and have five years of service credit receive a subsidy of \$50.00, plus \$10 for each additional year up to a maximum of \$100.00.
- Members of the Elected Officials' Retirement Plan, who are not Medicare eligible, receive a contribution of \$90.00 after five years of service, an additional \$22.50 per year for the next two years of service, and \$15.00 for the eighth year of service. The maximum possible contribution is \$150.00. For members of the Elected Officials' Retirement Plan who are eligible for Medicare the state contributes \$60.00 after five years and then contributes \$15.00 for each additional year, up to a maximum of \$100.00.

- Retirees who belong to the Corrections Officer Retirement System and the Public Safety Personnel Retirement System who are not eligible for Medicare receive a \$150 contribution from the state, while those who are Medicare eligible receive a contribution of \$100.00.

[http://www.azasrs.gov/web/pdf/forms/2007\\_Enrollment\\_Guide.pdf](http://www.azasrs.gov/web/pdf/forms/2007_Enrollment_Guide.pdf)

[http://www.azasrs.gov/web/pdf/2008\\_OE\\_Brochure.pdf](http://www.azasrs.gov/web/pdf/2008_OE_Brochure.pdf)

## Arkansas

Arkansas provides health insurance to all state and public school retirees, regardless of their Medicare eligibility status, through ARHealth. The plan provides basic dental cleanings, vision screening, and, for retirees who are not Medicare eligible, prescription drug benefits. All those who qualified as an eligible dependent when an employee was considered an active employee, remain an eligible dependent when the employee's status changes from active to retired. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state-offered health insurance plan provides complementary coverage only. If an eligible retiree fails to enroll in Medicare Part B, his/her benefits will be calculated as if s/he had enrolled.

The premium paid by retirees depends on their Medicare status, the Medicare status of their dependents, and whether they worked for the state or for a public school. A retiree of the public school system who is not Medicare eligible pays an individual premium of \$587.70; the premium for a Medicare eligible retiree is \$136.74. For a retiree of the state, the premium for a non-Medicare eligible individual is \$589.13, while the premium for a Medicare eligible individual is \$298.02.

The state has different premium and contribution rates for those who worked for the public schools and for those who worked for other state agencies. For a retired public school employee with no dependents, who is not Medicare eligible, the state's contribution is \$157.50. For an identical individual who is Medicare eligible, the contribution is \$111.64. For a retired state employee with no dependents who is not Medicare eligible, the state's contribution is \$419.17. For an identical individual who is Medicare eligible, the contribution is \$212.04.

[http://www.arbenefits.org/ebd\\_pages/forms/egRetiree2007.pdf](http://www.arbenefits.org/ebd_pages/forms/egRetiree2007.pdf)

## California

California offers retiree health insurance benefits to all retirees provided their retirement date is within 120 days of separation from their state employer, they were eligible for enrollment as an active employee, and they will receive a monthly retirement allowance. Retirees under the age of 65 may choose from the same health insurance plans as active employees. All those who qualified as an eligible dependent when an employee was considered active remain an eligible dependent when the employee's status changes from active to retired.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state-sponsored plan provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, his/her benefits will be calculated as if s/he had enrolled. The state offers Medicare eligible retirees several supplemental options: three PPO plans that any eligible retiree may enroll in, an additional PPO plan for members of the California Association of Highway Patrolmen, and another plan for Peace Officers Research Association of California Police and Fire Health Plan members. There are two HMO plans available to all eligible retirees as well as a plan for members of the California Correctional Peace Officers Association. Additionally, there is an Exclusive Provider Organization (EPO) available only to retirees in Colusa, Mendocino, and Sierra counties. The premium for individual coverage for a non-Medicare eligible retiree ranges from \$351.75 to \$724.41, while the premium for a Medicare eligible retiree ranges from \$273.26 to \$404.60.

California has different vesting schedules for employees, which depend on the date of hire.

- For retirees hired before January 1, 1985, the state pays 100% of the health insurance premium upon retirement.
- For individuals hired between January 1, 1985, and January 1, 1989, the state pays 10% of the health insurance premium for each year of service.
- For all retirees who were hired after January 1, 1989, the state pays 100% of the premium for retirees with 20 or more years of service, 50% plus 5% for each year for retirees with 10–19 years of service, 50% for those with 10 years of service, and 0% for those with less than 10 years of service.

[https://www.calpers.ca.gov/mss-publication/pdf/xShEa96a9zNF5\\_health-program-guide1.pdf](https://www.calpers.ca.gov/mss-publication/pdf/xShEa96a9zNF5_health-program-guide1.pdf)

## Colorado

Colorado offers retiree health insurance benefits to all retirees through PERACare. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. PERACare has distinct plan offerings for retirees who are eligible for Medicare and for those who are not. Those who are not Medicare eligible may enroll only in plans providing pre-Medicare coverage, while those who are Medicare eligible may enroll only in plans offering Medicare coverage. PERACare plans also include prescription drug coverage and provide insurance benefits to all eligible dependents. Retirees enrolling in pre-Medicare plans may choose among HMO, PPO, HDHP and HSA plans. Retirees who are Medicare eligible are required to enroll in Medicare Part B, but are not required to enroll in Medicare Part A. Medicare eligible retirees may continue enrollment in PERACare plans: PERACare offers plans that are designed to supplement, coordinate with, or replace Medicare Part A. Medicare eligible retirees can choose to enroll in an HMO plan or in a Medicare supplement plan. The state subsidy varies depending on Medicare status and years of service. For a Medicare eligible individual, the premium ranges from \$140.00 to \$298.00 and the state's subsidy is \$5.75 for each year of service. For a retiree who is not Medicare eligible, the premium ranges from \$299.00 to \$654.00 and the state's subsidy is \$11.50 for each year of service.

<https://www.copera.org/pdf/2/2-106-08.pdf>

<https://www.copera.org/pdf/2/2-104-08.pdf>

## Connecticut

Connecticut offers its retirees a choice among POE, HMO, and POS plans. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. The premium paid by the retiree depends on the plan selected, date of retirement, Medicare status of the primary carrier, and the retiree's Medicare status. For those who retired before July 1, 1999, the premium for Medicare eligible individuals ranges from \$0.00 to \$1.34, and the premium for non-Medicare eligible individuals ranges from \$11.28 to \$21.02. For those who retired after July 1, 1999, the premium for Medicare eligible individuals ranges from \$0.00 to \$1.34, and the premium for non-Medicare eligible individuals ranges from \$11.28 to \$29.61.

<http://www.osc.state.ct.us/empret/healthin/2007hcplan/Retiree97andafter.pdf>

## Delaware

Delaware allows retirees who are eligible to collect a pension to enroll in retiree health plans. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Those enrolled in the state's retiree health care plans can choose between a PPO and an HMO. Enrolling in a health care plan automatically enrolls a retiree in the prescription drug plan managed by Medco Health Solutions, Inc. The only exception is the option of the Special Medicfill plan without prescription coverage, in which the coordination of benefits policy also applies to prescription coverage.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state-offered health insurance plan provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, his/her coverage will be terminated. After enrolling in Medicare, retirees become eligible for the Medicare Supplement plan, Medicfill, which is offered by BCBS of Delaware.

The premium is shared between the state and the retiree. The total premium depends on an individual's Medicare status and on the plan chosen. The premium for a non-Medicare eligible individual ranges from \$437.14 to \$485.74; the premium for a Medicare eligible individual ranges from \$158.56 to \$332.10. The state determines a base amount of the premium it will pay, referred to as the "state share." Each retiree is entitled to receive a percentage of the state share based on years of creditable service:

- Less than 10 years — 0%
- 10–15 years — 50%
- 15–20 years — 75%
- 20 or more years — 100%

[http://ben.omb.delaware.gov/documents/oe/2007/open\\_enrollment\\_booklet\\_rev.PDF](http://ben.omb.delaware.gov/documents/oe/2007/open_enrollment_booklet_rev.PDF)

## Florida

Florida offers retiree health insurance to all retirees, provided they enroll in the program within 31 days of the date of retirement. If a worker terminates his/her employment with the state and does not convert coverage at that time, s/he cannot enroll for retiree coverage at any point in the future. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when

the employee's status changes from active to retired. Those enrolled in the state's retiree health care plans can choose from among a PPO, Health Investor PPO, HMO, and Health Investor HMO. The health investor plans allow the retiree to open a Health Savings Account. Medicare eligible retirees may choose between the HMO or the PPO plan. To enroll in the HMO plan, a retiree must enroll in Medicare Parts A and Part B and may not enroll in either of the Health Investor plans. The premium for individual coverage for a non-Medicare retiree ranges from \$351.20 to \$427.86, and for a Medicare eligible retiree from \$172.76 to \$247.28. The state does not make a premium contribution.

[http://dms.myflorida.com/human\\_resource\\_support/state\\_group\\_insurance/publications](http://dms.myflorida.com/human_resource_support/state_group_insurance/publications)

## Georgia

Georgia offers retiree health insurance benefits to retirees and their eligible dependents. Retirees may choose among a High Deductible Health Plan with a Health Savings Account (HDHP), PPO, CCO or HMO plan. The state has previously offered an indemnity plan, which it is currently phasing out—the plan is available only to those who are already enrolled. Additionally, those enrolled in Medicare Parts A and B may choose to enroll in the Medicare Advantage plan, which has optional prescription drug coverage—enrollees may choose to have prescription coverage through Medicare Part D or through the private plan. Georgia does not require its retirees to enroll in Medicare, but calculates premiums and claim payments based on Medicare enrollment for Medicare eligible retirees. The state will pay primary benefits for members who are not eligible or not enrolled in Medicare; however, the premium will be higher than the premium for Medicare recipients. Plan premium varies by plan chosen and Medicare status; however, the state, on average, pays 75% of the total plan cost.

[http://dch.georgia.gov/vgn/images/portal/cit\\_1210/3/23/91782017Retiree\\_Decision\\_Guide-2008.pdf](http://dch.georgia.gov/vgn/images/portal/cit_1210/3/23/91782017Retiree_Decision_Guide-2008.pdf)

[http://dch.georgia.gov/vgn/images/portal/cit\\_1210/12/28/911145892008\\_Retiree\\_Rates.pdf](http://dch.georgia.gov/vgn/images/portal/cit_1210/12/28/911145892008_Retiree_Rates.pdf)

## Hawaii

Hawaii offers health insurance benefits to its retirees and their eligible dependents. Retirees may choose between an HMO or PPO plan. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible depen-

dent when the employee's status changes from active to retired. Retirees who become eligible for Medicare Parts A and B are required to enroll in both parts, and will receive premium reimbursement from the state. If a retiree fails to enroll in Medicare Part B, s/he forfeits his/her eligibility for retiree health insurance benefits. Once enrolled in Medicare, retirees must enroll in a plan designed to complement benefits received from Medicare.

The premium for individual coverage for a non-Medicare retiree ranges from \$391.02 to \$460.80, and for a Medicare eligible retiree from \$215.76 to \$289.08. The state's contribution to the health insurance premium depends on the years of creditable service accumulated by the retiree and his/her date of hire:

- For a retiree hired prior to July 1, 1996, with less than 10 years of service, the state contributes 50% of the premium; for those with 10 or more years of creditable service, the state makes a 100% contribution.
- For retirees hired after July 1, 1996, with 10–15 years of service, the state pays 50%; with 15–25 years, the state contributes 75%; and for those with at least 25 years of service, the state pays 100% of the premium.

The state contribution applies only to individual coverage.

<http://www.eutf.hawaii.gov/FAQs/retiree%20health%20benefit%20information%20080131.pdf>

## Idaho

Idaho provides retiree health insurance benefits to its retirees provided they receive monthly retirement benefits from a state retirement system. Additionally, their unreduced regular retirement allowance must equal or exceed the single retiree premium rate in effect on the date coverage begins OR the retiree must have 10 + years (considered 20,800 + hours) of credited state service. Retirees and their eligible dependents are covered by either the Blue Cross Traditional or PPO plan, but do not receive vision or dental coverage. Retirees who are eligible for Medicare have the option of enrolling in Medicare and a supplemental plan offered by the state. There are currently 18 supplemental plans offered through Blue Cross of Idaho, Regence BlueShield of Idaho, and AARP. The premium for individual coverage for a non-Medicare retiree ranges from \$567 to \$579, and for a Medicare eligible retiree is \$274.

<http://adm.idaho.gov/insurance/retired.htm>

## Illinois

Illinois offers all retirees access to retiree health insurance. Retirees choose among the HMO, OAP, or Quality Health Care Plan available to active employees and have the option to purchase dependent coverage. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Additionally, all retirees who are Medicare eligible must enroll in Medicare Parts A and B; if a plan participant does not enroll in Part B, his/her benefits will still be calculated as if s/he had enrolled and Medicare was the primary payer.

The premium paid for retiree health insurance depends on the plan chosen, the retiree's years of creditable service, and his/her Medicare status. The premium for the policyholder ranges from \$505.92 to \$789.84 per month for those not eligible for Medicare and from \$308.50 to \$394.62 for those who are eligible. Retirees receive a service credit based on the number of years they worked for the state. A retiree receives a 5% state contribution for each year of creditable service; a retiree with 20 or more years of service receives a state contribution equal to 100% of the plan premium.

[http://www.state.il.us/cms/download/pdfs\\_benefits/StateBCOBookletFY08.pdf](http://www.state.il.us/cms/download/pdfs_benefits/StateBCOBookletFY08.pdf)

[http://www.state.il.us/srs/SERS/ins\\_bcotables.htm#anchor%201](http://www.state.il.us/srs/SERS/ins_bcotables.htm#anchor%201)

## Indiana

Indiana provides health insurance to its retirees. The coverage available to retirees depends on their Medicare eligibility status. Retirees who are not eligible for Medicare may continue their enrollment in all plans available to active employees, with the exception of the High Deductible Health Plan, which has an optional Health Savings Account. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Medicare eligible retirees may enroll in the states Medicare complementary health insurance plans. Medicare complementary plans are offered with and without prescription drug benefits.

[http://www.in.gov/jobs/benefits/2007/Medicare\\_Comp\\_COC\\_wRx.pdf](http://www.in.gov/jobs/benefits/2007/Medicare_Comp_COC_wRx.pdf)

## Iowa

Iowa offers health insurance benefits to all retirees who apply for and receive pension benefits. All retirees who participate in the health plan can continue to receive coverage for the rest of their lives. Retirees receive the same plan provisions as active employees. As such, all those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B; at that point, Medicare becomes the primary insurance provider and the state-offered health insurance plan becomes the secondary payer.

To pay for retiree health insurance benefits, those not eligible for Medicare may be eligible for participation in the Sick Leave Insurance Program (SLIP). SLIP allows retirees to convert their unused sick time into an account that the state will draw down to apply to the retiree's health insurance premium. For retirees participating in SLIP, the state continues to pay their portion of the premium until their account is exhausted, or they become Medicare eligible, return to work, or leave the plan for any reason. The premium paid for retiree health insurance depends on the plan chosen, years of creditable service, Medicare status, number of dependents to be covered, and the Medicare status of dependents. The premium for Medicare eligible individuals ranges from \$210.40 to \$446.62. The premium for non-Medicare eligible retirees ranges from \$386.36 to \$632.25. The state makes a premium contribution of 100% for individuals with positive balances in their SLIP account.

[http://das.hre.iowa.gov/benefits/benefit\\_pages/bene\\_retirees\\_continuing\\_benefits.html#availableplans](http://das.hre.iowa.gov/benefits/benefit_pages/bene_retirees_continuing_benefits.html#availableplans)

## Kansas

Kansas offers health insurance coverage to retirees who are former elected state officials, retired officers, or employees receiving retirement benefits from the state. However, if coverage is dropped, the retiree is not eligible for re-enrollment. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. For non-Medicare eligible retirees, the state offers a choice between Plan A, which combines the features of an HMO and PPO plan, or Plan B, which is a traditional PPO plan. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and

B, at which point, they may enroll in one of four health care plans designed to supplement Medicare benefits. Medicare eligible retirees may opt to enroll in the plans designed for non-Medicare eligible retirees. The premium rates for non-Medicare individual coverage range from \$406.33 to \$459.53, while the premium rates for Medicare eligible individual coverage range from \$79.50 to \$452.04.

<http://www.khpa.ks.gov/SEHBP/2008/DOCS/DB/OEBook.pdf>

<http://www.khpa.ks.gov/SEHBP/2008/DOCS/DB/DBPremRates.pdf>

## Kentucky

Kentucky allows retirees to maintain their enrollment in their current health insurance plan, provided they are not Medicare eligible and they draw a monthly retirement check from the Kentucky Community and Technical College System, Kentucky Judicial Retirement Plan, Kentucky Legislators Retirement Plan, Kentucky Retirement System, or Kentucky Teachers Retirement System. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state offered health insurance plan becomes the secondary payer.

Non-Medicare eligible retirees may choose between the Commonwealth Premier and Commonwealth Enhanced PPO plans available to active employees and incur the same costs as active employees. The premium for individual coverage for non-Medicare eligible retirees ranges from \$469.00 to \$501.20. The state's contribution amount for retirees is determined differently from the state's contribution for active employees. The state's contribution for retirees depends on the date of retirement and the total number and type (hazardous or non-hazardous) of service credits.

<http://personnel.ky.gov/NR/rdonlyres/CE7838A0-9193-490A-99A0-91018CBAACD0/0/2008Handbook.pdf>

## Louisiana

Louisiana offers its retirees health insurance coverage through the Office of Group Benefits (OGB). All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Retirees can choose among the EPO, PPO, and HMO plans available to active employees, with premiums paid directly from their retirement

checks. Upon turning age 65, members are required to apply for Medicare. If a retiree is enrolled in Medicare Parts A and B, his/her group insurance is considered a secondary insurer. The premium rate is decreased for Medicare enrolled retirees. The prescription drug coverage will remain the primary Rx insurance.

Louisiana also offers Retiree 100, which is optional coverage available to retirees with Medicare A and B as their primary insurer. Retiree 100 may provide higher reimbursements for eligible medical expenses by considering the total charges billed by an eligible provider, not just the balance due after Medicare has paid.

The premium for individual coverage of a non-Medicare eligible retiree ranges from \$934.08 to \$1011.88. The premium for individual coverage of a Medicare eligible retiree who continues enrollment in one of the plans available to active employees ranges from \$303.72 to \$329.00. The premium for retirees opting into a Medicare supplemental plan ranges from \$138.00 to \$176.00. Retiree 100 is \$39.00 per month in addition to the group benefit premium already paid. The state's contribution toward the premium for retiree coverage is based on years of OGB enrollment:

- 10 years or less — 19% contribution
- 10–15 years — 38% contribution
- 15–20 years — 56% contribution
- 20 years or more — 75% contribution.

[https://www.groupbenefits.org/ogb-images/docs/ogb\\_retirees\\_booklet\\_2005.pdf](https://www.groupbenefits.org/ogb-images/docs/ogb_retirees_booklet_2005.pdf)

[https://www.groupbenefits.org/servlet/page?\\_pageid=1789&\\_dad=portal30&\\_schema=PORTAL30](https://www.groupbenefits.org/servlet/page?_pageid=1789&_dad=portal30&_schema=PORTAL30)

[https://www.groupbenefits.org/ogb-images/docs/2007\\_08premiums.pdf](https://www.groupbenefits.org/ogb-images/docs/2007_08premiums.pdf)

## Maine

Maine offers its retirees health insurance provided they have participated in the state's health insurance program for at least one year immediately prior to retiring and are receiving a retirement check from the Maine State Retirement System. All those who qualified as eligible dependents when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Eligible retirees must apply for Medicare coverage as soon as they turn 65, at which point they are required to enroll in Medicare Parts A and B. If a retiree does not apply for Medicare Part B, s/he will not be eligible to continue enrollment in the state sponsored plans. Upon Medicare enrollment, retirees may enroll in a plan

designed to complement coverage obtained through Medicare. If a retiree opts into such a plan, Medicare serves as the primary payer and the state becomes the secondary payer.

The premium for individual coverage for a non-Medicare retiree is \$620.44, while the premium for a Medicare eligible retiree is \$306.56. The state's share of the premium is based on the number of years the retiree participated in the group health insurance plan as an active employee. Those with less than five years of enrollment do not receive a contribution; those with at least five years of creditable service receive a 50% contribution; and beyond that the state's contribution increases 10% for each additional year of participation. Retirees hired before July 1, 1991, enjoy a state contribution of 100% of the premium.

<http://www.maine.gov/beh/HealthBenefits/Healthbeneindex.htm>

<http://www.maine.gov/beh/HealthBenefits/documents/GuidetoRetireeHealthIns032007.pdf>

## Maryland

Maryland allows retirees to continue their enrollment in a state-sponsored health insurance plan provided they currently receive a monthly state retirement allowance and meet any of the following: accumulated at least 16 years of creditable service; retired directly from the state with at least five years of creditable service; left the state with at least 10 years of creditable service within five years of normal retirement age; retired directly from state service with a disability retirement allowance; or left state employment prior to July 1, 1984.

Eligible retirees may continue their enrollment in the health insurance plans available to active state employees. Additionally, all those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state plan provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, the state plan will calculate his/her benefit entitlement as if s/he had enrolled. The premium for an individual who is not eligible for Medicare ranges from \$306.30 to \$413.42, while the premium for individual coverage for a retiree who is eligible for Medicare ranges from \$156.59 to \$206.74. Retirees who have 16

or more years of creditable service, received a disability retirement, or left the state prior to July 1, 1984, receive a full subsidy from the state.

[http://dbm.maryland.gov/dbm\\_publishing/public\\_content/dbm\\_search/employee\\_services/health\\_benefits/2008\\_health/205730deptbudget.pdf](http://dbm.maryland.gov/dbm_publishing/public_content/dbm_search/employee_services/health_benefits/2008_health/205730deptbudget.pdf)

[http://dbm.maryland.gov/dbm\\_publishing/public\\_content/dbm\\_search/employee\\_services/health\\_benefits/2006\\_july\\_health/fy\\_2007\\_rates\\_all\\_charts\\_for\\_review\\_website.pdf](http://dbm.maryland.gov/dbm_publishing/public_content/dbm_search/employee_services/health_benefits/2006_july_health/fy_2007_rates_all_charts_for_review_website.pdf)

## Massachusetts

Massachusetts offers health insurance benefits to its retirees. Retirees who are not Medicare eligible can enroll in the same HMO and PPO plans that are available to active employees, at a reduced premium. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state plan provides complementary coverage only. Retirees who are Medicare eligible must enroll in Medicare to maintain their enrollment in the state's health insurance plan. Medicare eligible retirees may enroll only in plans designed to complement Medicare and cannot enroll in plans designed for those who are active workers or who are not yet 65. For retirees who do not have Medicare, all those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Medicare eligible retirees may enroll dependents only if they are also eligible for Medicare Parts A and B.

The premium for individual coverage for a retiree who retired on or before July 1, 1994, and is not Medicare eligible ranges from \$308.30 to \$904.10, while the premium for an identical individual who retired after July 1, 1994, ranges from \$324.40 to \$828.87. The premium for individual coverage for a Medicare eligible retiree who retired on or before July 1, 1994, ranges from \$151.90 to \$403.30, while the premium for an identical individual who retired after July 1, 1994, ranges from \$151.87 to \$403.20.

<http://www.mass.gov/gic/annualenroll2007/BAGMedicare.pdf>

<http://www.mass.gov/gic/bdg/bdgpdfs/bdgretnonmedicareoptions.pdf>

<http://www.mass.gov/gic/annualenroll2007/ratesheet07.pdf>

## Michigan

Michigan provides separate retiree health insurance benefits to retirees who are not Medicare eligible and those who are. Retirees who are not Medicare eligible can receive health insurance benefits if they retired under the state's Defined Contribution Pension Plan; receive an immediate pension under the State Employees' Retirement Act or the State Police Retirement Act; or were previously enrolled in a state-sponsored HMO and receive an immediate pension benefit. Eligible dependents include a spouse and unmarried children who are considered legally dependent.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state-sponsored plan provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, the state plan will calculate the retiree's benefit entitlement as if s/he had enrolled. The premium for individual coverage for a retiree who is not eligible for Medicare ranges from \$638.59 to \$857.92 annually, and the premium for individual coverage for a Medicare eligible retiree ranges from \$243.87 to \$417.08. The state also makes a premium contribution in the amount of \$607.45 for retirees who are not Medicare eligible and up to \$334.83 for retirees who are eligible.

[http://www.michigan.gov/documents/retire\\_book\\_58659\\_7.pdf](http://www.michigan.gov/documents/retire_book_58659_7.pdf)

[http://www.michigan.gov/documents/SOMRetireeBenefits-Aetna\\_Transfers\\_137991\\_7.pdf](http://www.michigan.gov/documents/SOMRetireeBenefits-Aetna_Transfers_137991_7.pdf)

[http://www.michigan.gov/documents/mdcs/Retiree\\_Rates\\_07-08\\_203585\\_7.pdf](http://www.michigan.gov/documents/mdcs/Retiree_Rates_07-08_203585_7.pdf)

## Minnesota

Minnesota offers health insurance benefits to its retirees provided they are immediately eligible for retirement programs and had five years of allowable pension service, or are 50 years of age and have at least 15 years of creditable service. Additionally, all those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A, B, and D to remain eligible for participation in the state health insurance plan. Once a retiree enrolls in Medicare, Medicare becomes the primary insurance provider and the state plan provides complementary coverage

only. Retirees who are Medicare eligible must enroll in Medicare to maintain their enrollment in the state's health insurance plan. Additionally, Medicare eligible retirees may enroll only in plans designed to complement Medicare.

The premium for individual coverage for a retiree who is not eligible for Medicare is \$432.16. The premium for individual coverage for a retiree who is eligible for Medicare ranges from \$237.50 to \$282.44. Retirees are responsible for the full premium; the state does not make any contribution.

<http://www.doer.state.mn.us/ei-segip/pdf/advantage%20retirees%20and%20fewd/RetireeHealthSummary.pdf>

## Mississippi

Mississippi offers health insurance benefits to its retirees provided they participate in a retirement plan approved by the Mississippi Public Employees' Retirement System (PERS) or participate in the State and School Employees' Health Insurance plan for four years or more. Additionally, to be eligible for health insurance coverage retirees must have at least 25 years of creditable service, be age 60 with four or more years of creditable service, be age 45 with 20 or more years of creditable service (if retiring from the Mississippi Highway Safety Patrol), be approved for disability, or be an elected state or district official who does not run for reelection or who is defeated. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired.

Non-Medicare eligible retirees may remain enrolled in the plans available to active employees and have a choice between a low and high (base plan and select plan respectively) coverage option. Additionally, non-Medicare eligible retirees are eligible to enroll in prescription drug coverage through the state's insurance plan. Medicare eligible retirees are required to enroll in Medicare Parts A and B, at which time Medicare becomes the primary payer and the state becomes secondary. Medicare eligible retirees may receive their secondary insurance from the Select plan only and may not enroll in the Base plan. Medicare eligible retirees may not enroll in the prescription drug coverage offered by the state.

The retiree is responsible for the full premium cost; the state does not offer a subsidy or make a contribution to the cost. The premium for non-Medicare individuals is \$388 for the base plan and \$409 for the Select

plan. The premium for Medicare eligible individuals is \$160 for the Select plan.

<http://knowyourbenefits.dfa.state.ms.us/Ins%20PDFs/PlanDocument2007.pdf>

## Missouri

Missouri offers health insurance to its retirees provided they are eligible to receive a retirement benefit from an employer-sponsored retirement plan or meet the retirement qualifications of the public entity. Retirees must also meet one of three other criteria: had coverage through a state sponsored health plan since the last Open Enrollment period; had health insurance for the six months immediately prior to termination of employment; or had coverage since first eligible. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Retirees may choose between an HMO plan and a Copay plan. Both plans have an incentive rate and a base rate—retirees are eligible for the incentive rate only if they complete a personal health assessment. All Medicare eligible retirees must enroll in Medicare Parts A and B. Upon reaching age 65, Medicare becomes the primary payer.

The premium for a Medicare eligible retiree who receives individual coverage through a co-pay plan is \$834 for the incentive plan or \$846 for the basic plan. The premium for a Medicare eligible retiree who receives individual coverage from the HMO plan is \$641 for the incentive plan or \$653 for the basic plan. The premium for a non-Medicare eligible retiree who receives individual coverage from a co-pay plan is \$1668 for the incentive plan or \$1692 for the basic plan. The premium for a non-Medicare eligible retiree who receives individual coverage from the HMO plan is \$1282 for the incentive plan or \$1306 for the basic plan. Retirees are eligible to receive a subsidy toward the insurance premium (they are responsible for the same premium as active employees). The amount of the subsidy varies by date of retirement, years of service, and county of residence.

[http://www.mchcp.org/se\\_member/se\\_OEPubs08/08RetireeEnrollmentGuide.pdf](http://www.mchcp.org/se_member/se_OEPubs08/08RetireeEnrollmentGuide.pdf)

## Montana

Montana offers health insurance to its retirees if they are eligible to receive a monthly retirement benefit check from their retirement system. If a retiree does not elect coverage, or lets coverage lapse in any way,

they are not eligible for re-enrollment in the plan. All those who qualified as an eligible dependent when an employee was considered an active employee, remain an eligible dependent when the employees status changes from active to retired.

The coverage guidelines depend on Medicare eligibility; a retiree who enrolls in the state plan and is not eligible for Medicare benefits must enroll in medical, dental, and life insurance. Retirees who are Medicare eligible may continue their enrollment in the state plan, and must continue to receive medical coverage. Medicare eligible retirees may enroll in the dental plan but are not eligible for life insurance. Medicare eligible retirees who enroll in Medicare but do not inform the state health insurance plan, will continue to have the state as their primary payer and will pay the same premium as retirees who are not Medicare eligible. The premium for individual coverage for a non-Medicare eligible retiree ranges from \$444 to \$557, while the same coverage for a Medicare eligible retiree ranges from \$160 to \$194.

[http://benefits.mt.gov/docs/Retiree%20forms/2008\\_Retiree\\_Booklet.pdf](http://benefits.mt.gov/docs/Retiree%20forms/2008_Retiree_Booklet.pdf)

## Nebraska

Nebraska offers health insurance to those who meet the state's retirement criteria, are not yet Medicare eligible, and who paid into the state's retirement system for at least one year immediately prior to retirement. Retirees are eligible to continue coverage in a state-sponsored plan and may choose between an HMO and PPO plan. Medicare eligible retirees cannot obtain health insurance from the state.

The premium for individual coverage ranges from \$374.46 to \$503.30. The state's premium contribution is based on accumulated years of service.

For retirees not eligible for Medicare:

- 10–15 years of service — the state pays 50%
- 16–27 years — the state pays 70%
- 28–34 years — the state pays 90%
- 35 years or more — the state pays 100%.

For retirees eligible for Medicare:

- 10–15 years of service — the state pays 50%
- 16–19 years — the state pays 70%
- 20–27 years — the state pays 90%
- 28 years or more — the state pays 100%.

[http://www.das.state.ne.us/personnel/benefits/2008/cobra\\_retiree/enrollment\\_guide\\_cr.pdf](http://www.das.state.ne.us/personnel/benefits/2008/cobra_retiree/enrollment_guide_cr.pdf)

## Nevada

Nevada offers health insurance to retirees who receive benefits from the Public Employees' Retirement System, the Legislators' Retirement System, the Judges' Retirement System, or the Retirement Plan Alternative. To obtain coverage, retirees must enroll in a health insurance plan within 60 days of retirement; if they fail to do so, they will not be eligible for re-enrollment. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Both Medicare eligible and non-Medicare eligible retirees have a choice between a PPO and an HMO.

All retirees who are eligible for Medicare must enroll in Parts A and B to maintain enrollment in the state-sponsored plan. Upon enrollment in Medicare, Medicare becomes the primary payer and the state becomes secondary. If a retiree enrolls in Medicare Part B, the retiree will be considered the primary payer and will be responsible for all charges that would normally be paid by Medicare, and the state acts as the secondary payer. Those who are enrolled in Medicare Parts A and B may enroll in any plan offered to an active employee, and may also opt into a Medicare replacement plan.

The premium for individual coverage for a non-Medicare eligible retiree ranges from \$316.68 to \$537.52. The premium for individual coverage for a Medicare eligible retiree ranges from \$80.07 (for the Medicare replacement plan) to \$537.52. The state's contribution to the premium depends on the date of retirement, number of years of creditable service the retiree has accumulated, and for those who retired after January 1, 1994, the plan chosen.

- The base contribution for individuals who retired prior to January 1, 1994, is \$365.64.
- The base contribution for individuals who retired after January 1, 1994, is \$339.74 for the High Deductible PPO; \$360.14 for the Low Deductible PPO; \$324.96 for the Anthem HMO; \$212.18 for the Health Plan of Nevada; and \$53.65 for Senior Dimensions (available only to Medicare eligible retirees).

Regardless of retirement date, those with:

- 5 years of service — subtract \$274.23 from the base contribution
- 6 years — subtract \$246.81
- 7 years — subtract \$219.38

- 8 years — subtract \$191.96
- 9 years — subtract \$164.54
- 10 years — subtract \$137.12
- 11 years — subtract \$109.69
- 12 years — subtract \$82.27
- 13 years — subtract \$54.85
- 14 years — subtract \$27.42
- 15 years — do not adjust the base contribution
- 16 years — add \$27.42 to the base contribution
- 17 years — add \$54.85
- 18 years — add \$82.27
- 19 years — add \$109.69
- 20 years or more — add \$137.12.

[http://www.pebp.state.nv.us/help/PY08retireeguide\\_2.pdf](http://www.pebp.state.nv.us/help/PY08retireeguide_2.pdf)

## New Hampshire

New Hampshire offers health insurance benefits to retirees provided they are in a Class of Eligible Employees. A retiree is considered to be in a Class of Eligible Employees if their employer reports them as such to the insurance company. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Non-Medicare eligible retirees may enroll in a POS plan.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B to remain eligible for participation in the state health insurance plan. Once a retiree enrolls in Medicare, Medicare becomes the primary insurance provider and the state plan provides complementary coverage only.

[http://www.nh.gov/hr/documents/benefits\\_booklet\\_under\\_65.pdf](http://www.nh.gov/hr/documents/benefits_booklet_under_65.pdf)

[http://www.nh.gov/hr/documents/benefits\\_booklet\\_over\\_65.pdf](http://www.nh.gov/hr/documents/benefits_booklet_over_65.pdf)

## New Jersey

New Jersey offers health insurance to retirees who were classified as full-time employees and were eligible for employer-paid health insurance up until their retirement date. Additionally, members of the Teachers' Pension and Annuity Fund, the Public Employees' Retirement System, and the Alternate Benefit Program must have at least 25 years of service credit to participate in the plan. Retirees may also obtain health insurance for all those who qualified as an eligible

dependent when they were considered active employees. In order to receive health benefits through the state, retirees must enroll in a plan within 60 days of retiring; if they fail to do so, they are not eligible to enroll at a later date.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B to remain eligible for participation in the state health insurance plan. Once a retiree enrolls in Medicare, Medicare becomes the primary insurance provider and the state plan provides complementary coverage only. The plan premiums are based on type of plan chosen, Medicare enrollment status, and union membership. Certain unions have arrangements with the state to share the cost of retiree health insurance, while others do not. For those who do not have cost sharing, the premium for individual coverage for non-Medicare eligible retirees ranges from \$508 to \$617.54. Non-Medicare eligible retirees who belong to unions that have agreements with the state to cost share receive a subsidy of \$463.16. For a Medicare eligible retiree who does not have cost sharing, the premium ranges from \$352.93 to \$385.02. Medicare eligible retirees who belong to unions that have agreements with the state to cost share receive a subsidy of \$287.89.

<http://www.state.nj.us/treasury/pensions/fact11.htm>

[http://www.state.nj.us/treasury/pensions/hb\\_open\\_enrollment\\_apr2008/retired\\_state\\_full.htm](http://www.state.nj.us/treasury/pensions/hb_open_enrollment_apr2008/retired_state_full.htm)

[http://www.state.nj.us/treasury/pensions/hb\\_open\\_enrollment\\_apr2008/state\\_retired\\_share.htm](http://www.state.nj.us/treasury/pensions/hb_open_enrollment_apr2008/state_retired_share.htm)

## New Mexico

New Mexico offers health insurance to its retirees and their eligible dependents. Retirees who are not Medicare eligible may choose among three PPO plans that offer varying coverage levels. Retirees who are eligible for Medicare must apply for Medicare Parts A and B, and are eligible for enrollment in only one of the two Medicare supplement plans offered by the state. The state makes a premium contribution of 6.25% for the first five years of service and 6.25% for each additional year.

<http://www.nmrhca.state.nm.us/Switch/2008Switch/2008BenefitsBooklet.pdf>

## New York

New York offers its retirees health insurance benefits provided they: meet the minimum years of creditable service requirement (five years for those hired before

April 1, 1975, and 10 years for those hired after); are qualified for retirement as a member of a state-sponsored retirement system; and were enrolled (as an active employee or dependent) in a state-run health insurance plan at the time of retirement. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. All retirees may choose to enroll in either the Empire Plan or an HMO plan. In general, the state pays 90% of the premium for individual coverage under the Empire Plan and 90% of the hospital, medical, and mental health/substance abuse components of the premium for coverage under the HMO plan.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider, and the state plan provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, the SEHIP will calculate the retiree's benefit entitlement as if s/he had enrolled.

<http://www.cs.state.ny.us/ebd/ebdonlinecenter/newgib/rethmo/10medica.cfm?group=RETHMO&section=hi>

## North Carolina

North Carolina provides health insurance benefits to all state retirees and their dependents, provided they contributed to the Teachers' and State Employees' Retirement System for at least five years while employed. Retirees who are not Medicare eligible may enroll in the same PPO and Indemnity plans available to active employees, at the same premium as active employees. Medicare eligible retirees are required to enroll in Medicare Parts A and B to maintain the same level of coverage as an active employee. Upon enrolling in Medicare, Medicare becomes the primary insurance provider, and the SEHIP provides complementary coverage only. If a retiree fails to enroll in Medicare Parts A and B, the SEHIP will calculate the retiree's benefit entitlement as if s/he had enrolled. The state makes a premium contribution of \$346.38 for retirees in the PPO plan.

<http://www.nctreasurer.com/NR/rdonlyres/95395749-1D35-419E-8202-A8C67D328217/0/NCYRBTeaStateFINAL031607.pdf>

## North Dakota

North Dakota offers health insurance to its retirees provided they receive retirement benefits from the North Dakota Public Employees Retirement System, North

Dakota Highway Patrol Retirement System, Job Service Retirement Plan, Teacher's Fund for Retirement, or TIAA-CREF. Retirees must enroll in the plan within 31 days of retirement or they will not be eligible to enroll at any time in the future. Non-Medicare eligible retirees continue their enrollment in the Dakota Plan, which is the plan offered to active employees. Medicare eligible retirees who have Medicare Parts A and B are eligible for the Dakota Retiree Plan. The Dakota Retiree Plan is a "Carve-Out" plan that pays secondary to Medicare; it is not a supplemental plan. As secondary payer, there will be an adjustment to the premium if transitioning from the Dakota Plan. The premium for coverage in the Dakota plan is the same for retirees as it is for active employees. The premium for individual coverage for a retiree who is not eligible for Medicare but is eligible for COBRA ranges from \$324.58 to \$361.77, while the premium for an individual who is not eligible for Medicare or COBRA is \$475.34. The premium for an individual who is eligible for Medicare and who retired before July 1, 2007, is \$210.46; while the premium for an individual who retired after July 1, 2007, is \$217.44. The state provides a service credit of \$4.50 for each year that can be applied toward the purchase of health insurance.

<http://www.nd.gov/ndpers/employers/docs/kits/sfn-53723-retirement-kit.pdf#page=41>

## Ohio

Ohio provides health insurance coverage to retirees who participate in one of the five state-sponsored retirement systems. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Non-Medicare eligible retirees will receive coverage from a state-sponsored PPO plan. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state-offered health insurance plan provides complementary coverage only. If an eligible retiree fails to enroll in Medicare Part B, his/her benefits will be calculated as if s/he had enrolled.

The state retirement system provides all retirees an allowance, based on their years of service and the date they were first eligible to retire; this allowance will be used toward the health insurance premium.

- Retirees with at least 10 years of service accumulated prior to or on January 1, 2007, receive a 100% premium subsidy.

- Retirees with at least 10 years of service accumulated after January 1, 2007, and hired prior to January 1, 2003, with up to 15 years of service, receive a 50% premium subsidy; with 15–30 years receive a prorated subsidy; and with 30 years of service receive 100%.
- Retirees with at least 10 years of service accumulated after January 1, 2007, and hired after January 1, 2003, with up to 15 years of service, receive a 25% premium subsidy; and with 15–30 years of service receive a subsidy of 25–100% of the premium.

<https://www.opers.org/pubs-archive/healthcare/coverage-guide/2007CoverageBook.pdf#zoom=100>

<https://www.opers.org/pdf/healthcare/allocation-charts.pdf#zoom=100>

## Oklahoma

Oklahoma permits its retirees to maintain health insurance coverage under their current insurance plan provided they have completed at least eight years of creditable service. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. After retiring, members cannot add new benefits to their insurance; however, they can reduce their coverage level. Once a retiree becomes Medicare eligible, s/he is required to enroll in Parts A and B, at which point s/he may opt into a Medicare supplemental plan offered by the state. The premium for individual coverage for a non-Medicare eligible retiree ranges from \$302.44 to \$606.56; the state will contribute \$105 toward the health insurance of an eligible retiree.

[http://www.ok.gov/TRS/Frequently\\_Asked\\_Questions/Health\\_Coverage\\_\(Retired\)/Post\\_Retirement\\_Health\\_Insurance\\_Benefits.html](http://www.ok.gov/TRS/Frequently_Asked_Questions/Health_Coverage_(Retired)/Post_Retirement_Health_Insurance_Benefits.html)

## Oregon

Oregon offers its retirees health insurance benefits through two avenues. First, those retirees who are not Medicare eligible may opt to continue their enrollment in their current health insurance plan until they reach age 65. Additionally, all retirees, regardless of Medicare eligibility, may enroll in health insurance plans provided through the Public Employees Retirement System (PERS), provided they are members of PERS and are receiving a retirement benefit. All those who qualified as an eligible dependent when an employee was con-

sidered an active employee remain an eligible dependent when the employee's status changes from active to retired. Retirees may choose a fee-for-service plan or one of three managed care options; all plans have Medicare and a non-Medicare coverage level.

Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B. If an eligible retiree fails to enroll in Medicare Part B, s/he will not be eligible for coverage from PERS until s/he enrolls in Part B. Once enrolled in Medicare Parts A and B, retirees may opt into a Medicare Supplemental Plan offered by PERS.

The premium for individual coverage for a retiree who is not Medicare eligible ranges from \$590.50 to \$829.11. The premium for individual coverage for a retiree who is Medicare eligible ranges from \$140.39 to \$203.39. The state of Oregon offers health insurance subsidies to some retirees.

Non-Medicare eligible retirees with:

- 8–9 years of service receive a contribution from the state of \$126.27.
- 10–14 years of service receive a contribution of \$151.52.
- 15–19 years of service receive a contribution of \$176.78.
- 20–24 years of service receive a contribution of \$202.03.
- 25–39 years of service receive a contribution of \$227.28.
- 30 years or more of service receive a contribution of \$252.54.

Retirees who are eligible for Medicare receive a \$60.00 premium contribution regardless of years of service accumulated.

[http://www.oregon.gov/PERS/RET/docs/health\\_insurance\\_program/general\\_information.pdf](http://www.oregon.gov/PERS/RET/docs/health_insurance_program/general_information.pdf)  
<http://www.pershealth.com/>

## Pennsylvania

Pennsylvania provides retiree health insurance to retirees who retire at normal retirement age (50 or 60, depending on class of employment) with 15 or more years of credited service; who retire with 25 or more years of service regardless of age; or who retire with a disability retirement benefit. Retirees who are not eligible for Medicare who retired before July 1, 2004, may enroll in an HMO or a PPO plan. Retirees who are not eligible for Medicare who retired after July 1, 2004, may enroll in an HMO, PPO, or consumer driven plan.

Retirees who are eligible for Medicare may enroll in an HMO or PPO Medicare Advantage plan.

The state's premium contribution depends on date of retirement and is based on the retiree's final base annual salary. For those who retire:

- before July 1, 2005, the state subsidy is 100% of the premium.
- after July 1, 2005, but before July 1, 2007, the State Employee Retirement System will deduct the member share of 1% of the member's final base annual salary in equal monthly payments from the member's annuity payments.
- after July 1, 2007, but before June 30, 2008, the State Employee Retirement System will deduct the member share of 1% of the member's final gross base annual salary in equal monthly payments from the member's annuity payments.
- after July 1, 2008, but before June 30, 2009, the State Employee Retirement System will deduct the member share of 1.5% of the member's final gross base annual salary in equal monthly payments from the member's annuity payments.
- after July 1, 2009, but before September 30, 2010, the State Employee Retirement System will deduct the member share of 2% of the member's final gross base annual salary in equal monthly payments from the member's annuity payments.

<http://www.sers.state.pa.us/sers/cwp/view.asp?a=237&Q=227664&sersNav=|2711|>

<http://www.sers.state.pa.us/sers/cwp/view.asp?A=237&Q=227678>

## Rhode Island

Rhode Island offers retiree health insurance to all retirees who are either an Employees Retirement System of Rhode Island retiree or pension recipient. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. The state offers one plan for non-Medicare eligible retirees and two for those who are Medicare eligible and have enrolled in Medicare Parts A and B. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B. If an eligible retiree fails to enroll in Medicare Part B, s/he will not be eligible for coverage under a state sponsored plan.

The premium for individual coverage for non-Medicare eligible retirees is \$452.28 per month, while the premium for individual coverage for Medicare eligible

retirees is \$107.00 or \$179.77, depending on the plan chosen. The state offers a subsidy to state employees, based on their years of creditable service and their current age.

- If a retiree is between 60 and 65 years of age and has worked 10–15 years, the state subsidy is 50% of the premium; with 16–22 years of service, the state's contribution is 70%; with 23–27 years of service, the contribution is 80%; and with more than 28 years of service, the state pays 100%.
- A retiree who is at least 65 years of age and has 10–15 years of service receives a 50% contribution; with 16–19 years receives a 70% contribution; with 20–27 years receives a contribution of 90%; and with 28 years or more receives a 100% state subsidy.

Additionally, a retiree with at least 28 years of service receives a 90% state subsidy, regardless of age. Similarly, a retiree with at least 35 years of service receives a 100% state subsidy, regardless of age.

<http://www.ersri.org/public/howto/health>

### South Carolina

South Carolina offers retiree health insurance to those who participated in the state insurance program as active employees and have at least five years of continuous and consecutive employment in a full time position with an employer that participates in the state's insurance program. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance provider and the state-offered health insurance plan provides complementary coverage only. If an eligible retiree fails to enroll in Medicare Part B, his/her benefits will be calculated as if s/he had enrolled.

The premium for individual coverage for a Medicare eligible retiree ranges from \$336.36 to \$455.72. The premium for individual coverage for a non-Medicare eligible retiree ranges from \$270.18 to \$455.72. Some retirees are eligible for an employer contribution of \$260.90 toward their health insurance premium. Retirees receive such a contribution if they are eligible to retire and have 10 or more years of service credits from the South Carolina Retirement System, or are not eligible for retirement but have at least 20 years of service credit.

<http://www.eip.sc.gov/category/index.aspx?cat=3&p=10>

<http://www.eip.sc.gov/publications/2008RRRWITHOUTFUNDRETIREE.pdf>

### South Dakota

South Dakota offers health insurance to all retirees and their dependents. Eligible retirees may continue group health coverage up to the first day of the month in which they reach age 65. Upon turning 65 years of age, all retirees are required to enroll in Medicare. Medicare eligible retirees may not continue their enrollment in any plan offered to active employees, but may be converted to the state-sponsored Medicare Supplement Plan. Medicare will serve as the primary health insurance; the state-sponsored supplement serves as the secondary payer. The Medicare complement plan offers two levels of benefits, one in which the retiree pays a Part B deductible and another where s/he does not.

The premium for individual coverage for a non-Medicare eligible retiree ranges from \$220.78 to \$314.18. The premium for individual coverage in the Medicare supplement plan ranges from \$95.75 to \$200.08, depending on coverage chosen and the retiree's age. The premium increases with age; for example, individual coverage for a retiree age 65 who chooses the plan with the Part B deductible is \$95.75, while enrollment in the same plan for a retiree age 80 (and up) is \$167.67.

<https://www.bopweb.com/uploadedFiles/HealthPlanSPD01-30-07.pdf>

### Tennessee

Tennessee offers health insurance benefits to its retirees provided they have at least 10 years of creditable service with the state and at least three years of insurance coverage in the plan immediately preceding retirement, or at least 20 years of creditable service with the state and at least one year of insurance coverage immediately preceding retirement. Retirees who are not yet eligible for Medicare benefits and wish to receive retiree health insurance through the state must continue enrollment in the plan they were enrolled in at the time they retired. An exception can be made for a retiree who lives outside the service area of such a plan. Dependents who are not eligible for Medicare Part A who were enrolled in the plan may remain enrolled; however, new dependents may not be added after retirement. Retirees and dependents who are eligible for Medicare may not continue their enrollment in a health

insurance plan that is offered to active employees. However, retirees who are eligible for Medicare may apply for Medicare supplemental coverage.

The premium for retiree health insurance depends on the years of creditable service:

- less than 20 years of service, the premium for individual coverage ranges from \$191.21 to \$203.06.
- 20–29 years of service, the premium for individual coverage ranges from \$143.41 to \$152.29.
- 30 years or more of service, the premium for individual coverage ranges from \$95.61 to \$101.53.

[http://tennessee.gov/finance/ins/st\\_ret.pdf](http://tennessee.gov/finance/ins/st_ret.pdf)

## Texas

Texas offers health insurance to its retirees provided they have at least 10 years of service and are at least 65 years of age, or their age and service add up to 80 and they have at least 10 years of service. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Retirees who are not eligible for Medicare can continue their enrollment in the state-offered plans and will receive the same benefits as the active employees. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance and the state sponsored plan becomes secondary. Retirees who do not enroll in Medicare B will still have their state insurance benefits calculated as if they had enrolled.

The premium for individual coverage for a retiree who was working full-time at the time of retirement ranges from \$284.53 to \$388.97. The state contribution for a retiree who was working full-time at retirement is 100% of the premium; the state contribution for a retiree who was working part-time at retirement is 50%.

[http://www.ers.state.tx.us/retirement/pyr/documents/insurance\\_coverage.pdf](http://www.ers.state.tx.us/retirement/pyr/documents/insurance_coverage.pdf)

[http://www.ers.state.tx.us/insurance/rates/documents/2008\\_premium\\_rates\\_fte\\_ret.pdf](http://www.ers.state.tx.us/insurance/rates/documents/2008_premium_rates_fte_ret.pdf)

## Utah

Utah offers health insurance to its retirees and their eligible dependents. Retirees who are not yet 65 years old may maintain enrollment in plans offered to active employees. After turning 65 years of age, a retiree must either be entitled to Medicare Part A or enrolled in Medicare Part B to be a member of a state-sponsored

plan. Retirees who are eligible for Medicare may enroll in a Medicare supplement provided they have earned service credit with the state, participate in the Utah Retirement System, and enroll within specified time limits; or they were enrolled in the state's health insurance program as an active employee and enroll as a retiree within 60 days of retiring.

[http://www.pehp.org/general/pdf/mastpoli/preferred\\_master.pdf](http://www.pehp.org/general/pdf/mastpoli/preferred_master.pdf)

[http://www.pehp.org/general/pdf/benefitsummaries/Medicare\\_Supplement.pdf](http://www.pehp.org/general/pdf/benefitsummaries/Medicare_Supplement.pdf)

## Vermont

Vermont offers health insurance to its retirees provided they were enrolled in the state's health insurance plan immediately prior to retiring and elect coverage at the time they retire. A retiree who does not continue coverage when s/he leaves active employment may not enroll in the plan at a later time. All those who qualified as an eligible dependent when an employee was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Retirees who are not Medicare eligible may choose among a POS, PPO, indemnity, and safety net plan. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance and the state-sponsored plan becomes secondary. Retirees who do not enroll in Medicare B will still have their state insurance benefits calculated as if they had enrolled. Retirees who are eligible for Medicare may choose either an indemnity or a PPO plan.

The premium for individual coverage for a retiree who is not eligible for Medicare ranges from \$360.78 to \$615.29. The premium for individual coverage for a retiree who is eligible for Medicare is either \$241.52 or \$255.61, depending on the plan chosen. The state of Vermont makes a contribution of 80% of the premium for all retirees.

<http://www.vermontpersonnel.org/employee/pdf/medical%20plan%20document.pdf>

<http://www.vermontpersonnel.org/employee/pdf/rebrates08.pdf>

<http://www.vermonttreasurer.gov/retirement/state/planC.html#elig>

## Virginia

Virginia offers its retirees health insurance provided they are eligible for and currently receiving a monthly

annuity from the Virginia Retirement System or a benefit from an Optional Retirement Plan, worked for the state immediately prior to retirement, were eligible to enroll in a state-sponsored health insurance program as an active employee, and enroll for retiree health benefits within 31 days of retirement. If a retiree declines coverage at any point after retiring, s/he is not eligible for re-enrollment. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance and the state-sponsored plan becomes secondary. Retirees who do not enroll in Medicare B will still have their state insurance benefits calculated as if they had enrolled. Retirees who are eligible for Medicare are eligible for enrollment in a Medicare-coordinating plan only.

The premium for individual coverage for a retiree who is not Medicare eligible ranges from \$350 to \$469. The premium for individual coverage for a retiree who is Medicare eligible ranges from \$126 to \$277. For retirees who have 15 years of creditable service, retire on disability, or receive a long-term disability benefit, the state will provide a health insurance credit—state employees and teachers receive a credit of \$4.00 per creditable service year.

<http://www.dhrm.state.va.us/hbenefits/retirees/factsheets/sheet2.pdf>

<http://www.dhrm.state.va.us/hbenefits/retirees/rates/rates2008.html>

<http://www.dhrm.state.va.us/hbenefits/openenroll07/premiums2007.html>

## Washington

Washington offers health insurance benefits to its retirees provided they receive an immediate retirement allowance from a state-run retirement system and enroll in the retiree health insurance plans within 60 days of retirement. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Retirees who become eligible for Medicare Parts A and B are required to enroll in both parts. If a retiree fails to enroll in Medicare Part B, s/he forfeits his/her eligibility for retiree health insurance benefits. Once enrolled in Medicare, retirees may choose any plan available to active employees or a Medicare Supplement Plan.

The premium for individual coverage for a retiree who is not eligible for Medicare ranges from \$400.19 to \$484.32. The premium for a Medicare eligible retiree ranges from \$241.64 to \$396.70. The state's contribution to the premium depends on Medicare eligibility and the plan chosen. Retirees who are eligible for Medicare receive a subsidy of \$164.08 from the state.

<http://www.pebb.hca.wa.gov/publications/doc/51-205-2008.pdf>

## West Virginia

West Virginia offers health insurance to retired public employees, provided they meet the requirements of the applicable state retirement system and were employed by the state immediately prior to retirement. Additionally, all those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Retirees who are not eligible for Medicare may maintain enrollment in any plan offered to an active employee. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance and the state sponsored plan becomes secondary. Those enrolled in Medicare Parts A and B will have their health insurance coverage switched to a Medicare supplement. Retirees who do not enroll in Medicare Part B forfeit their eligibility for enrollment in the state sponsored plan.

The premium for individual coverage for a non-Medicare eligible retiree ranges from \$208 to \$744, depending on the retiree's years of creditable service, the plan chosen, and whether the retiree smokes. The premium for individual coverage for a Medicare eligible retiree ranges from \$46 to \$339, depending on the retiree's years of creditable service and whether s/he smokes.

<http://www.westvirginia.com/peia/content/PY%202008%20Summary%5FPlan%5FDescription%2Epdf>

## Wisconsin

Wisconsin offers health insurance to its retirees provided they are entitled to receive an immediate retirement annuity through the Wisconsin Retirement system or are at least 55 years of age and have at least 20 years of creditable service. Any employee with at least 20 years of service, regardless of age, may receive retiree health insurance; however, those who are not yet 55 will have to pay the full premium. All those who qualified as an eligible dependent when an employee

was considered an active employee remain an eligible dependent when the employee's status changes from active to retired. Upon turning 65 years of age, all retirees are required to enroll in Medicare Parts A and B, at which point Medicare becomes the primary insurance and the state-sponsored plan becomes secondary. Retirees who do not enroll in Medicare B will still have their state insurance benefits calculated as if they had enrolled. Further, those enrolled in Medicare, will have their health insurance coverage switched to a Medicare supplement.

The premium for individual coverage for retirees who are not eligible for Medicare ranges from \$476.20 to \$895.70. The premium for individual coverage for a Medicare eligible retiree ranges from \$301.10 to \$448.90. Wisconsin does not make any contribution to the premium for retirees.

*<http://etf.wi.gov/publications/et4112.htm>*

*[http://etf.wi.gov/publications/dc\\_content/dc\\_2008/Annuitant\\_ET2108/complete\\_book.pdf](http://etf.wi.gov/publications/dc_content/dc_2008/Annuitant_ET2108/complete_book.pdf)*

*[http://etf.wi.gov/publications/dc\\_content/dc\\_2008/premium\\_rates\\_ann.pdf](http://etf.wi.gov/publications/dc_content/dc_2008/premium_rates_ann.pdf)*

## Wyoming

Wyoming offers health insurance to its retirees provided they had health insurance coverage for at least one year prior to retirement and apply for coverage

within 31 days of their retirement date. If a retiree does not enroll at the time s/he retires, s/he is not eligible to enroll in the plan at a later date. All those who qualified as eligible dependents when an employee was considered an active employee remain eligible dependents when the employee's status changes from active to retired. Upon turning 65 years of age, all retirees are assumed to have enrolled in Medicare Parts A and B. The state-sponsored plan will calculate all benefits as if Medicare were acting as the primary payer, regardless of a retiree's actual Medicare enrollment status. Retirees who are not eligible for Medicare may choose among three PPO plans, with varying deductibles. Medicare eligible retirees may choose any plan available to a non-Medicare retiree, or a plan designed to complement coverage offered by Medicare.

The premium for individual coverage for a retiree who is not eligible for Medicare ranges from \$528.32 to \$610.78, depending on the plan's deductible. The premium for individual coverage for a retiree who is eligible for Medicare ranges from \$151.43 to \$384.13, depending on the plan chosen. Retirees not eligible for Medicare receive a state contribution of \$487.31.

*<http://personnel.state.wy.us/EGI/2007%20Retiree%20Health%20Booklet.pdf>*

*[http://personnel.state.wy.us/EGI/2007RetireeRates\\_April.pdf](http://personnel.state.wy.us/EGI/2007RetireeRates_April.pdf)*





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## Helping state and local governments become knowledgeable and competitive employers

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The Center for State and Local Government Excellence helps state and local governments become knowledgeable and competitive employers so they can attract and retain a talented and committed workforce. The Center identifies best practices and conducts research on competitive employment practices, workforce development, pensions, retiree health security, and financial planning. The Center also brings state and local leaders together with respected researchers and features the latest demographic data on the aging work force, research studies, and news on health care, recruitment, and succession planning on its web site, [www.slge.org](http://www.slge.org).

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- Retirement plans and savings
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