

Benefits as a Newton Public Schools Retiree

For updated health and dental information and forms, please periodically check the Newton Public Schools website at: www.newton.k12.ma.us. Click on “Human Resources”, then on “Benefits” from the dropdown, and then “Retiree Plans.”

Below is a list of frequently asked questions regarding benefits as a retiree. ***Please note: You are only eligible for benefits as a retiree if you are officially retired through the City of Newton or MTRS, and receiving a pension check.*** Answers are subject to change.

1) What benefits through the City of Newton are my spouse and I entitled to for the rest of our lives? (Refer to pages #7 and #8 for current rates.)

Dental Insurance
Health Insurance
Life Insurance – Retiree Only

2) Will the City of Newton still pay the same percentages for insurance premiums?

- A. At the present time, for those employees hired prior to July 1, 2011, the city will continue to pay 80% for the Tufts EPO and Harvard health insurance plans (20% retiree cost). For those employees hired after July 1, 2011, the city will continue to pay 75% for the Tufts EPO and Harvard health insurance plans (25% retiree cost). For all employees who continue their existing PPO plan into retirement, the city will continue to pay 70% for the Tufts PPO health insurance plan (30% retiree cost). For any retiree who enrolls in a new PPO plan after July 1, 2020, the City will pay 65% (35% retiree cost)
- B. At the present time, the city will continue to pay 50% of the basic life insurance (50% retiree cost for basic life insurance) [100% retiree cost for optional life insurance].
- C. The City currently provides dental insurance for retirees however; the retiree pays 100% of the cost. Please note that this benefit is not required by law and could end in the future.

3) How do I pay for my benefits?

Deductions are made directly from your pension check, either through the Massachusetts Teacher Retirement Board (MTRS) or through the City of Newton Retirement Board. Benefits are paid in advance on the last day of the previous month. For example, your October insurance premiums are reflected in your pension check of September 30th.

4) Do I have to be a member of one of the City’s health or dental insurance plans before I retire?

No. You may enroll in a health and/or dental plan during any “Open Enrollment” period or if you have a “Qualifying Event,” before or after retirement. Examples of qualifying events: marriage, divorce, loss of spouse’s insurance, relocate out-of-state, death, if you or your spouse turns 65, etc. Please note the following:

- A. For retirees under age 65 or those who are not eligible for Medicare, the open enrollment period for health insurance takes place in May with an effective date of July 1st.

- B. For retirees over age 65 who are eligible for Medicare, the open enrollment period for all three Medicare Supplemental plans (see question #15) takes place in November with an effective date of January 1st.
- C. **For all retirees**, the open enrollment period for dental insurance takes place in May with an effective date of July 1st.
- D. If you are receiving insurance benefits through the City of Newton prior to the open enrollment period you should receive notification of these open enrollment dates. However, if you are **not** receiving benefits and would like to enroll either during the open enrollment period or due to a qualifying event, it is your responsibility to contact either the School Department Human Resources Office at 617-559-6005 (if you receive your pension check through the MTRS) or the City of Newton Human Resources Office at 617-796-1260 (if you receive your pension check through the City of Newton Retirement Board.)
- E. Please keep either the School Department Human Resources Office at 617-559-6005 (if you receive your pension check through the MTRS) or the City of Newton Human Resources Office at 617-796-1260 (if you receive your pension check through the City of Newton Retirement Board) apprised of any life changes (address, name, marriage, loss of coverage, death, etc.)

5) Will I be able to make changes to my benefits during retirement?

Yes, as a retiree you can make changes during the City of Newton’s open enrollment period and in case of a “qualifying event” (see question #4 above).

6) Who do I contact with changes to my benefits?

For changes in health and dental insurance benefits:

If you receive your pension check through the MTRS, you should contact the School Department Human Resource Office at 617-559-6005 with changes. If you receive your pension check through the City of Newton Retirement Board, you should contact the City of Newton Human Resources Office at 617-796-1260.

For changes in life insurance benefits:

For all changes in life insurance, contact the City of Newton Human Resources Office at 617-796-1260.

Once a request is made, a representative from the School or City Human Resources Office will contact the appropriate retirement board on your behalf to make the appropriate change.

7) What happens if my spouse passes away?

If your spouse passes away, you should contact the applicable Human Resources Office immediately. The Human Resource Office will change your insurance from a family to an individual plan or we will cancel the appropriate individual plan. At that time, you may also request a change of health plan.

8) If I pass away, will my spouse still be covered by my insurance?

Yes. However, if your spouse is not entitled to your pension benefits, payments for the health and dental premiums will have to be paid directly to the City of Newton. Your spouse should contact the applicable Human Resources Office immediately. The Human Resource Office will change the insurance from a family to an individual plan or we will cancel the appropriate individual plan. At that time, they may also request a change of health plan.

Health Insurance and Medicare Benefits

9) What if I am still working and have health insurance through Newton, but one or both of us turns 65, do I or my spouse still need to apply for Medicare?

Yes, you and/or your spouse should apply four months before turning 65 for Medicare Part A **only**. Do not apply for Part B at this time. You and your spouse will remain on the same active employee health insurance plan as long as you continue to work. Medicare Part A (Hospital Benefits) is free. However, if you or your spouse are hospitalized you should inform the hospital that you are covered through Medicare.

When you retire, you and/or your spouse will need to apply for Medicare Part B. However before you do so, the Human Resources Office will provide you with two Medicare forms CMS40B and CMS-L564E. By submitting these forms to Social Security you will avoid monetary penalties for the rest of your lives for not enrolling in Medicare Part B when you and/or your spouse turned 65.

10) What health insurance plans can I participate in as a retiree?

Up to age 65, you will be offered the same plans as an active City of Newton employee:

- Harvard Pilgrim HMO Family or Individual
- Tufts EPO Advantage Family or Individual
- Tufts PPO Advantage Family or Individual
- Tufts OOA Advantage Family or Individual (if you live out-of-state)

If you plan to move out of state you **must** change your health insurance to the Tufts – Out Of Area (OOA) plan, please call the applicable Human Resources Office to discuss the specifics.

When you or your spouse reach age 65 you/they must apply for Medicare Parts A & B, and if you are eligible for Medicare, enroll in a Medicare Supplement Plan.

11) How do I apply for Medicare once I am retired?

Four months prior to your or your spouse's 65th birthday, you **MUST**:

- First, contact the Social Security Office at www.ssa.gov in order to apply for Medicare, whether you are eligible or not for this benefit. Once you or your spouse reaches the age of 65, that person is no longer eligible for the same health insurance benefits through the City of Newton unless it has been determined by Social Security that you or your spouse is not eligible for Medicare.

- Second, whether you are eligible for Medicare or not, contact either the School Department Human Resources Office at 617-559-6005 (if you receive your pension check through the MTRS) or the City of Newton Human Resources Office at 617-796-1260 (if you receive your pension check through the City of Newton Retirement Board.). Refer to question #14.
- **IMPORTANT NOTE:** Please be aware that you and/or your spouse may be subjected to a monetary penalty for life for the cost of Medicare if you/your spouse are eligible but do not apply within three months of your 65th birthday.

12) If I am eligible for Medicare benefits what are the different options?

There are four options for Medicare benefits:

- Part A – Hospital benefits
- Part B – Medical benefits
- Part C – Medicare Advantage Plans – DO NOT APPLY FOR THIS BENEFIT
- Part D – Prescription benefits only – DO NOT APPLY FOR THIS BENEFIT

13) Do I need to apply for all four of these options?

No, refer to question #12. You must apply for Part A - Hospital and Part B – Medical.

Since you will be covered through a Medicare Supplemental plan (see below), you **should not** apply for Part C – Medicare Advantage Plans or Part D – Prescription benefits. For additional information regarding these options, refer to the Social Security Administration website at www.ssa.gov.

14) After the Social Security Office determines that I am eligible for Medicare, what do I do?

You **must** provide us with a copy of your Medicare Card which indicates that you have both the Hospital (Part A) and Medical (Part B) benefits. Since you will no longer be eligible for the same health insurance plans as an active City of Newton employee, you have the choice of participating in one of the City’s three Medicare plans to supplement your coverage through Medicare. Note: these plans are individual plans and as such, you and your spouse may request different plans. Refer to the enclosed City of Newton Comparison Chart of Medicare Supplement Plans in order to compare the three Medicare supplement plans that are offered by Newton.

Managed Care Plans – (costs less, requires a primary care physician and referrals, can not live out-of-state). Note: with these plans you are automatically enrolled in Medicare Part D – Prescription Coverage as part of the plan.

- BC/BS Medicare HMO Blue
- Tufts Medicare Preferred

Wrap-Around Plan – (costs more, but allows more flexibility, i.e. live out-of-state). Note: with this plan prescriptions are covered in the same way as active employees are covered.

- Tufts Medicare Complement Plan

15) When should the effective date be for my Medicare coverage?

If you retire in June and are Medicare eligible, you should enroll in Medicare effective September 1st, since your present health insurance plan will be paid up through August 31st.

If you are already retired and then turn 65, the effective date for Medicare should be the 1st of the month in which you turn 65 years of age.

16) How do I pay for Medicare insurance?

Medicare (Part A – Hospital) insurance is free except for a small group of people. Medicare (Part B – Medical) insurance is deducted from your Social Security pension check (if you receive one) or you will be billed directly from Social Security on a quarterly basis. However, once a year in July the City of Newton will reimburse both you and your spouse \$925.44 each towards this cost.

17) If I am not eligible for Medicare, what are my options?

If you or your spouse are not eligible for Medicare you will be allowed to maintain the same health insurance benefits as an active City of Newton employee.

Please be aware that if a retiree or their spouse turns 65 and is not eligible for Medicare, they may be eligible to get Medicare coverage through their spouse's benefits once the spouse turns 62 and if they are eligible for Medicare.

18) What happens if I or my spouse turn 65 and is entitled to Medicare benefits, but one of us is not?

For the person who is not eligible for Medicare, we would change their health plan from family to an individual, while enrolling the other person into a Medicare Supplemental plan.

19) Can I still include dependent children on my health/dental plan?

Health: Yes, dependent children may remain on your health insurance family plan until they reach the age of 26, provided that you and your spouse are not 65 and eligible for Medicare.

Dental: Yes, dependent children can be covered up to the age of 19, or for as long as they remain a full-time student up to the age of 26.

When both you and your spouse turn 65 years old and are eligible for Medicare, your child(ren) may no longer be eligible to remain on your health insurance. However, your child(ren) will be eligible for continuation of health benefits through COBRA. Please contact the Human Resources Office for further explanation.

20) As a retiree can I continue to receive my prescriptions through *NewtonCanaRx* (the City of Newton's Canadian Drug Program)?

You can still receive your prescriptions through this program (see materials included in your packet), provided you are enrolled in the Harvard Pilgrim HMO, Tufts EPO, Tufts PPO, and Tufts OOA, or the Tufts Medicare Complement insurance plans. ***If you are enrolled in the Tufts Medicare Preferred or the BC/BS Medicare HMO Blue supplement plans, you are not eligible to receive prescriptions through this program.***

Dental Insurance Benefits

21) What type of dental insurance is available for retirees?

The dental insurance for retirees is different from the plan you are on as an active employee. In order to continue with dental insurance you **must enroll** into the new plan. The coverage is covered through Guardian Dental, but the premiums of this plan are paid **100%** by the retiree.

Life Insurance

22) Can I continue with my basic and/or supplemental life insurance when I retire?

If you presently have basic and/or supplemental life insurance through the City of Newton, you may continue with this benefit. The City of Newton will continue to pay 50% of the cost for the basic life insurance, but you will continue to pay 100% of the optional life insurance. Please note: optional life insurance ends at age 74. At that time, you can convert to a non-group policy at about three times the cost. Any questions regarding this benefit should be directed to the City of Newton Human Resources Office at 617-796-1260.

23) At the present time I do not have basic and/or supplemental life insurance; can I apply for this benefit now?

Basic and optional life insurance is for active employees only and may continue upon retirement. However, once you retiree you cannot apply for this insurance.

24) Who do I contact to verify or change my beneficiary?

This information is confidential and may only be obtained by contacting the City of Newton Human Resources Office at 617-796-1260.

City of Newton – Retiree/Spouses Insurance Rates

*The Health and Dental rates are in effect through June 30th each year, except for the BC/BS Medicare HMO Blue and Tufts Medicare Preferred which are in effect until December 31st each year**

Health Insurance Rates

The City of Newton will continue to pay the same percentage for your health insurance premiums as you pay now as an active employee. The percentage is based on the plan and your date of hire. The cost for these premiums is listed below.

Health Plans for retirees under age 65 or are not eligible for Medicare Parts A & B

	20% (Retirees that were hired prior to 7/1/11)	25% (Retirees that were hired after 6/30/11)
	Monthly	Monthly
Harvard Pilgrim HMO - Individual	\$158.49	\$198.11
Harvard Pilgrim HMO - Family	\$450.34	\$562.92
Tufts EPO Advantage - Individual	\$174.68	\$218.35
Tufts EPO Advantage - Family	\$479.49	\$599.37
	30% (Enrolled prior to 7/1/20)	35% (Enrolled after 7/1/20)
	Monthly	Monthly
Tufts PPO or OOA Advantage-Individual	\$412.32	\$481.04
Tufts PPO or OOA Advantage – Family	\$999.17	\$1,165.70

Medicare Supplemental Plans for retirees over age 65 with Medicare Parts A & B

	<u>Monthly</u>
BC/BS Medicare HMO Blue	\$79.70/person (Rates may change on January 1 st each year)
Tufts Medicare Preferred	\$74.20/person (Rates may change on January 1 st each year)
Tufts Medicare Compliment Plan	\$121.11/person (Rates may change on July 1 st each year)

Note: These are individual plans and as such, you and your spouse may request different plans.

Medicare Parts A & B

	<u>Monthly</u>
Part A – Hospital	Free
Part B – Medical	\$148.50 (this amount may vary for people with a higher income)

** Once a year in July the City of Newton will reimburse you a portion of this cost. The current amount is \$925.44/individual or \$1,850.88/couple. As a result, the yearly cost of Medicare for an individual based on the \$148.50/month rate will be approximately \$856.56/person/year (\$148.50 [Medicare, Part B] x 12 months = \$1,782.00 - \$925.44 = \$856.56). For more information regarding Medicare visit

Dental Insurance Rates

New rates will be announced each year in May with a July 1st effective date.

The City of Newton does not contribute towards dental insurance premiums for retirees.
The retiree's 100% of the monthly/quarterly cost for these premiums is listed below.

	<u>Monthly</u>
<u>Individual</u>	
Guardian Dental Voluntary Plan	\$53.51
<u>Family</u>	
Guardian Dental Voluntary Plan	\$135.95

Life Insurance Rates

The City of Newton pays 50% of the basic life insurance premiums for retirees.
The retiree's 50% of the monthly/quarterly cost for the basic life insurance premiums and 100% of the monthly/quarterly costs for the optional life insurance premiums are listed below.

	<u>Monthly</u>
\$5,000 Basic Life Insurance policy	\$4.73
Optional Life Insurance	Rates are based on cost per \$1,000 and age (see below).
	<u>Monthly Cost</u> <u>per \$1,000</u>
<u>Age</u>	
50-54	\$.49
55-59	\$.66
60-64	\$1.18
65-69	\$1.74
70-74	\$3.55

Note: **Basic life insurance continues for the life of the retiree or until the policy is cancelled. However, optional life insurance benefits terminates once a retiree reaches 75 years of age.**

Benefits Not Covered Through the City of Newton upon retirement

Long Term Care Insurance

1) Does the City of Newton provide Long Term Care Insurance?

No, long term care insurance is purchased directly by the retiree.

Flexible Spending Accounts

2) When I retire can I still participate in flex spending?

No, your plan is cancelled upon your retirement date. All expenses must be incurred prior to your retirement date and submitted to Cafeteria Plan Advisors, Inc. (CPA) within three months after retirement. Remember any funds left on account will be forfeited. If you are concerned about any remaining funds on account, contact CPA at 781-848-9848.

Disability Insurance

3) When I retire can I still participate in my disability insurance plan (UNUM or Aflac)?

No, you will no longer be eligible for this benefit. You should contact the applicable provider and notify them of your retirement – UNUM at 800-868-1773 or Aflac at 617-795-2050.

Tax Sheltered Annuities (403(b) and 457 plans)

4) When I retire can I still participate in my tax shelter annuity?

No, when you retire contributions into your annuities cease. You must contact your financial planner or your annuity company in order to discuss disbursement of your funds.