

TOWN OF READING



If you are retiring and have health, dental, life insurance and are eligible to carry them into retirement the following information may be helpful for you.

1. If you have **Individual** health insurance coverage and under 65 you will remain on the health insurance you currently are on. The premiums will be deducted from your Mass Teachers pension or the Town's retirement pension each month.
2. If you have **Family** coverage and are under 65 you will remain on the health insurance you are currently on. The same applies the premiums will be deducted from your Mass Teachers pension or the Town's retirement pension each month.
3. If you or your spouse are 65 or turning 65 and have children on your health insurance please read the information on the **IF YOU ARE TURNING 65.....** handout which is enclosed or attached. This should answer most of your health insurance questions.
4. If you have **Dental** insurance through the Town you will be offered COBRA for 18 months at 2% above the current cost. If you opt to take COBRA the premium will also be taken from your retirement pension each month. The Town does not pay any portion of the dental insurance.
5. **Life** insurance, Basic \$5000 can also be carried into retirement. The premium will also be deducted from your Mass Teachers pension or the Town's retirement pension each month. The Town pays 50% of the Basic life insurance.
6. If you have **Voluntary** Life insurance which was effective July 1, 2010 this may not be carried into retirement.

The **Voluntary** life insurance and dependent life insurance **before 2010** may be carried into retirement. Your Voluntary amount will be reduced to \$5000. At age 75 **all voluntary** benefits will terminate. The Town does not pay any portion of the premium.

7. If you have **Optional** Life insurance this continues to age 75. The premium increases to \$4.75 per thousand of insurance coverage at the time of retirement.

If you have questions please call Judi Perkins @ 781-942-6633 or Petra Clement @ 781-942-6635



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IF YOU ARE TURNING 65

..... you need to contact Social Security 3 months before you retire or 3 months before your 65th birthday. Contact Social Security by calling 1-800-772-1213 or go on line to www.ssa.gov

If you are eligible and retired you must enroll in Part A and B (see below). If you are actively working for the Town of Reading do not take Part B. If you don't enroll when you are eligible and retired you may have to pay a late enrollment penalty for as long as you are on Medicare.

If you are eligible, not retired and not working for the Town of Reading sign up for Part A and B. If you don't enroll when you are eligible you may have to pay a late enrollment penalty for as long as you are on Medicare.

Below are general guidelines for Medicare. You need to contact Social Security for your specific situation and then follow up with myself Petra Clement or Judi Perkins at 781-942-9033.

Medicare (for more information go to www.ssa.gov)(some of the information below was taken directly from the social security website).

1. Medicare is a basic health insurance program for people retired and age 65 or older.
2. If you are actively working for the Town, turning 65 and are eligible for Medicare you remain on your current plan (HMO or PPO) but will take Part A only. If your spouse turns 65 while you are working he/she also remains on your current plan and takes Part A only. Do Not take Part B.
3. You qualify for Part A automatically if you are eligible for Medicare. Or you may qualify based on a spouse's (including a divorced spouse's) work.
4. Hospital insurance (Part A) helps pay for inpatient hospital care and certain follow-up services.
5. Medical insurance (Part B) helps pay for doctors' services, outpatient hospital care and other medical services.
6. You pay a premium each month for Part B. Most people will pay the standard premium amount of \$121.80(found on www.ssa.gov). Some people with higher incomes pay higher premiums. (ie. enclosed)
7. The Town offers a supplement to Medicare, Medex 2 with Blue Medicare RX (prescription drug plan). **You must be retired from the Town to receive this benefit**. The summary of benefits are enclosed. **(YOU WILL RECEIVE 2 CARDS A MEDEX 2 CARD AND BLUE MEDICARE RX CARD. THEY COME IN THE MAIL SEPARATELY)**
8. If your spouse is on the plan with you and is not yet 65 then he/she will stay on the current plan as an individual. The person that is 65 will go onto Medex/Blue Medicare RX.
9. If you have children on the plan and either the retiree or spouse is 65 then everyone stays on the current HMO or PPO plan until the dependent turns 26. If **both retiree and spouse** turn 65 then **both** retiree and spouse will go onto Medex and child will stay on an individual plan until age 26. You will still need to sign up for parts A and B.
10. When you receive your Medicare card please make a copy and send it to me along with the enrollment form (**30 days prior to the effective date**). If your spouse is on the plan then he/she will have to fill out an enrollment form too.
11. If you are not eligible for Medicare you will need to send a copy of the letter you receive from Social Security stating that you are not eligible to Human Resources, Town Hall. You will then remain on your current plan.