

**TOWN OF VIENNA, VIRGINIA
ADMINISTRATIVE REGULATIONS**

Subject:

**RETIREE HEALTH
INSURANCE COVERAGE**

Regulation No.:

2.19

Effective Date:

July 6, 2001

Supersedes: March 14, 1994

I. PURPOSE

The purpose of this administrative regulation is to establish and clarify the Town's policy on the eligibility of retirees for participation in the Town's health care insurance program after separation from the Town's employment.

II. ELIGIBILITY REQUIREMENTS

All employees who meet the eligibility criteria for Town retirement and elect to retire are eligible, at the sole expense of the retiree, for access to health care insurance coverage through the Town's group health care insurance plan that is in effect for active employees as long as coverage under the health care insurance plan is offered in the area where the retiree resides.

III. POLICY

A. Upon retirement, an employee must actively be enrolled in the Town's health insurance program in order to continue health care insurance coverage.

B. The retiring employee has a one-time only option to continue participation in the Town's health care insurance plan and such option must be exercised at the time of retirement from the Town.

C. The retiree's participation in the Town's health care insurance plan is limited to the plan or plans that are in effect for the Town's active employees. In addition, the retiree is eligible for coverage only if the Town's selected health insurance coverage is available in the area where the retiree resides.

D. Retired employees of the Town are eligible to continue their health care insurance coverage under the Town's group policy as long as they pay for 100% of the cost incurred by the Town on their behalf. This policy applies to all types of retirement, including disability.

E. Health care insurance premiums will be automatically deducted from the monthly Town retirement check of retirees, or billed by the Finance Department if the premium amount exceeds the value of the annuity.

F. When a retiree meets the eligibility requirements for enrollment into the Medicare program, the retiree is required to immediately notify the Town's Office of Human Resources and to enroll immediately into the Medicare program. Retirees who fail to enroll into Medicare upon eligibility risk cancellation from the Town's group health care insurance program.

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G. The health care insurance benefits, as well as any health care insurance plan adopted by the Town and set forth in this administrative regulation, are subject to change or modification at any time at the option of the Town.

IV. PROCEDURES

A. At the time of retirement, the employee shall complete Town form "Retiree's Election to Continue Health Care Insurance Coverage" and return it to the Human Resources Office.

B. A retiree may cancel his/her health care insurance coverage at any time by notifying the Office of Human Resources in writing 30 days prior to the effective date of cancellation.

C. Retirees who cancel their health care insurance coverage will not be eligible to enroll under the Town's health care insurance group plan at a later date.

V. APPLICABLE DOCUMENTS

Retirees Health Insurance Election (AS 2.19-1)

<i>Signature of Town Manager:</i>	<i>Date:</i>
	