MEDICARE SUPPLEMENT GUIDELINES

The City of Durham provides benefits to both employees and retirees. The Medicare Supplement Reimbursement program is one of these benefits. At age 65 health insurance benefits with the City ends and coverage with Medicare begins. Retirees who meet the eligibility criteria may select a qualifying Medicare Supplement plan of their choice, and be reimbursed for all or a portion of the supplement.

Eligibility

- ❖ Must have been employed at least 10 calendar years of regular, full-time service with the City of Durham
- ❖ Must be on the City of Durham's health insurance
- ❖ Must be receiving a monthly benefit from the NC Local Governmental Employees' Retirement System
- ❖ Must be at least 65 years age
- ❖ Must complete and submit an application within 6 months of reaching age 65
- ❖ Must have been hired before July 1, 2008
- ❖ No spouse or other dependents are eligible for this program

Reimbursement Allowance

Age 65	$93.00 per month
Age 66-69	$97.00 per month
Age 70-74	$104.00 per month
Age 75+	$109.00 per month

Qualifying Medicare Supplement Plans

Retirees may select from Plans A-J, as licensed by the State of North Carolina and other health insurance plans that qualify as "Medicare Supplement" programs. Disability, long-term care, and other similar insurance plans are not covered by this program.

Other qualified plans are: Medicare Part B, to assist in selection, retirees may consult the Seniors' Health Insurance Information Program (SHIIP) to get a free Medicare Supplement Comparison Guide that details the different options and costs for all plans offered to North Carolina residents. Information may be obtained by either calling toll-free 1-800-443-9354 or visiting the website at **www.ncdoi.com**

Initial Enrollment Procedure

Retirees should contact the Human Resources Department 3 months prior to their 65th birthday to discuss enrollment in the program and to obtain application forms. Retirees with spouses who are less than 65 and currently covered through the City retirees' insurance plan can also discuss COBRA health insurance continuation benefits to prevent a lapse in coverage.

Once a Medicare Supplement has been purchased, the following information should be submitted to the Human Resources Department:

❖ Completed application/direct deposit authorization form
❖ Proof of enrollment in a Medicare Supplement plan
❖ Proof of payment (copy of money order or canceled check, copy of bank draft, or receipt from the insurance company)
❖ One of the following: 1) Voided check, 2) Copy of a check, or 3) Savings deposit slip

Reimbursement Guidelines

❖ Reimbursements are made monthly, after the 20th of the month.
❖ Only the amount paid for the supplement, up to the maximum allowance for the retiree's age group, will be reimbursed.
❖ Reimbursements will not be made in advance of premium payment.
❖ Premium differences will not be paid retroactively. Retirees are responsible for notifying Human Resources of any premium changes and their effective dates.
❖ Each January after the initial enrollment, retirees are required to provide Human Resources with the most recent copy of their Medicare Supplement statement. THIS IS THE RE-CERTIFICATION PROCESS. If statements are not provided by the end of January each year then the benefit will be terminated. Only one reinstatement is allowed.
❖ Retirees are also responsible for notifying Human Resources of any changes in address, insurance company, policy termination, etc. The retiree's estate administrator/executor is responsible for notifying Human Resources in the event of a participant's death.

Disclaimer: The City is responsible for and retains the right to determine eligibility, reimbursement timing, amounts reimbursed, and program management. No part of the Medicare Supplement Program is an expressed or implied contract, and the program may be discontinued at the City's discretion. No additional benefits are accrued based on participation in this program.