

# BENEFITS OVERVIEW FOR EMPLOYEES PLANNING TO RETIRE



Employee Health & Benefits  
61 State House Station  
Augusta ME 04333-0061  
(207)624-7380 or 1-800-422-4503  
TTY users dial Maine Relay 711  
[www.maine.gov/bhr/oeh](http://www.maine.gov/bhr/oeh)

# KEY RESOURCES FOR SUCCESSFUL RETIREMENT PLANNING

## Employer

- Supervisor
- Human Resources/Payroll

## MainePERS

- Pension
- Life Insurance

## Social Security Administration

- Social Security
- Medicare Parts A & B

## Employee Health & Benefits

- Health, dental & vision insurance
- Flexible Spending, MaineSaves & Living Resources Program

# YOUR CURRENT BENEFIT PROGRAMS

- Health Insurance & Prescription Drug Coverage
  - Wellness Programs
- Dental Insurance
- Vision Insurance
- MaineSaves 457b
- Flexible Spending Accounts
- Living Resources Program

# HEALTH INSURANCE

Eligibility

Premium Cost (*retiree & dependents*)

Medicare



## ELIGIBILITY

Define eligibility criteria for retiree health insurance coverage

# HEALTH INSURANCE: ELIGIBILITY

1. You must be enrolled as an employee in the health plan one full year (12 consecutive months) immediately prior to retirement **and**
2. Qualify to receive a retirement check from MainePERS.

*\*If not retiring but terminating after 25 years or more of credible employment, you may opt to **waive** or **pay** for the insurance until you retire.*

**NOTE:** Eligibility does not determine premium cost



## PREMIUMS

Calculating  
premiums  
for retiree  
and  
covered  
dependents

# HEALTH INSURANCE: PREMIUMS RETIREE ONLY

The individual premium is determined by three factors:

1. Date first hired by the State of Maine\*
  - a) On or before 7/1/1991
  - b) After 7/1/1991 but before 7/1/2011
  - c) On or after 7/1/2011
2. Age at retirement (normal retirement age “NRA”?)\*\*
3. Years of participation in the health plan

Above will determine how much the State will contribute to your own individual health insurance premium in retirement.

*\*Contingent upon MainePERS contributions remained with the System*

*\*\*NRA not required if retiring under a “special” or disability retirement plan*

*Eligibility requirements must be satisfied*



# HEALTH INSURANCE: RETIREE PREMIUM

- If you were first hired on or before 7/1/1991 and
  - you are at least at your normal retirement age\*, the individual premium is paid 100% by the State of Maine OR...
  - you are **younger** than your normal retirement age, the individual premium is paid 100% by you, the retiree, until you reach normal retirement age.
    - Remember, with 25 years of credible service you can put your health insurance “on hold” until you reach normal retirement age.

*\*NRA requirement does not apply to “special” or disability retirees.*

# HEALTH INSURANCE: RETIREE PREMIUM

- You were first hired after 7/1/1991 but before 7/1/2011 **and**
- you are at least normal retirement age\*
- State contribution is prorated based on years of participation in the health plan:

Participation in the Health Plan	State Paid Premium Contribution
Less than 5 years	0%
5 years but less than 6	50%
6 years but less than 7	60%
7 years but less than 8	70%
8 years but less than 9	80%
9 years but less than 10	90%
10 years or more	100%

\*You will be responsible for 100% of your retiree premium if you are younger than your normal retirement age at retirement unless retiring under a “special” or disability retirement plan.

*Eligibility requirements must be satisfied*

# HEALTH INSURANCE: RETIREE PREMIUM

- You were first hired on or after 7/1/2011 **and**
- you are at least normal retirement age\*
- State contribution is prorated based on years of participation in the health plan:

Participation in the Health Plan	State Paid Premium Contribution
Less than 10 years	0%
10 years but less than 15	50%
15 years but less than 20	75%
20 years or more	100%

\*You will be responsible for 100% of your retiree premium if you are younger than your normal retirement age at retirement unless retiring under a “special” or disability retirement plan.

*Eligibility requirements must be satisfied*

# HEALTH INSURANCE: RETIREE PREMIUM

Comparison: Date of hire to number of years of health plan participation:

On or before  
7/1/1991

- One year health plan participation

After 7/1/1991 but  
before 7/1/2011

- 10 years health plan participation

After 7/1/2011

- 20 years health plan participation

Eligibility requirements must be satisfied

# HEALTH INSURANCE: PREMIUMS FOR DEPENDENTS

- Once retired, the State does not contribute towards the premium for your spouse or dependent children. For example:
  - \$930.08/month (Spouse not on Medicare)
  - \$285.34/month (Spouse with Medicare A & B)
  - \$735.51/month (Spouse with Medicare B only)

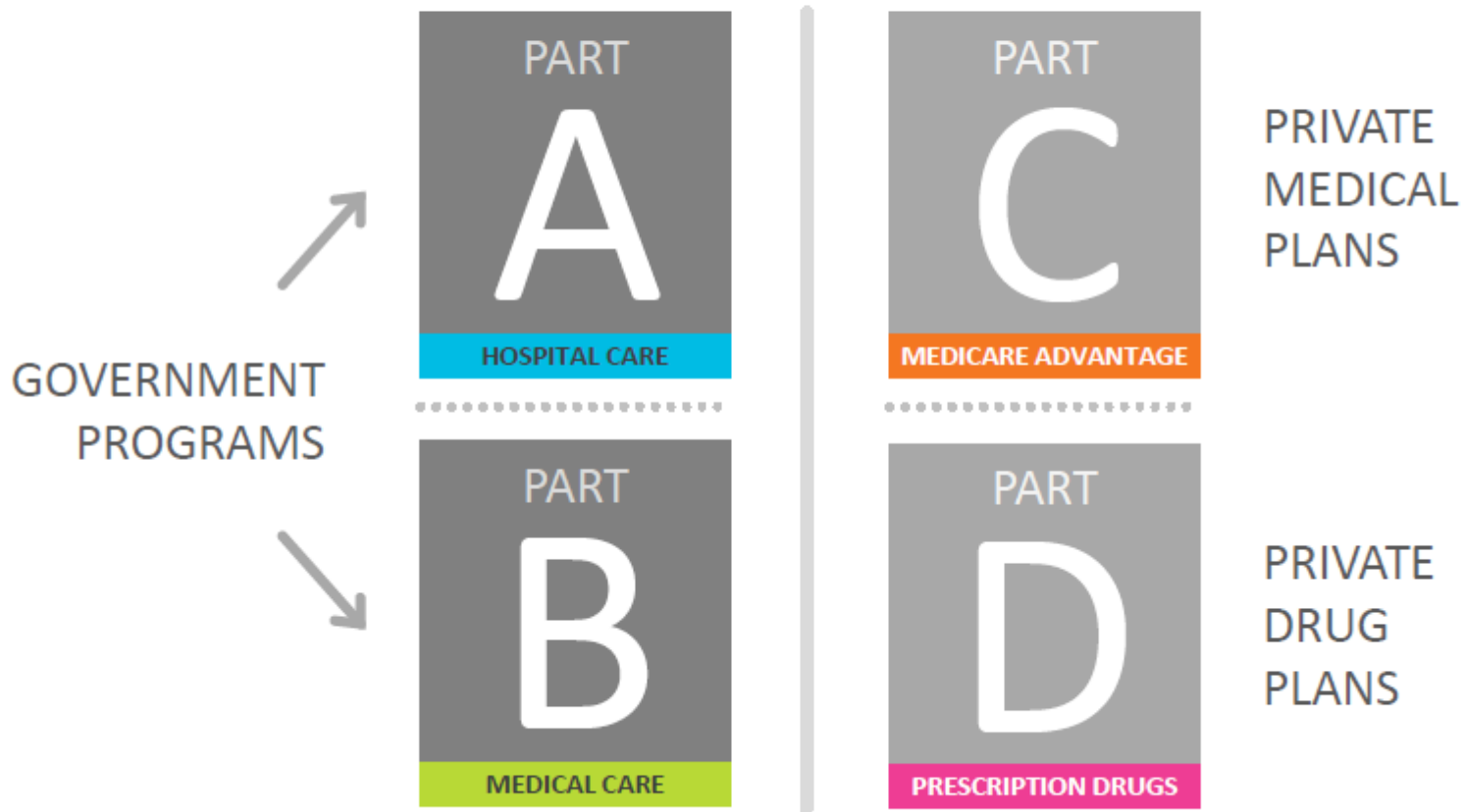
*Rates as of 7/1/18 and 1/1/19 respectively*

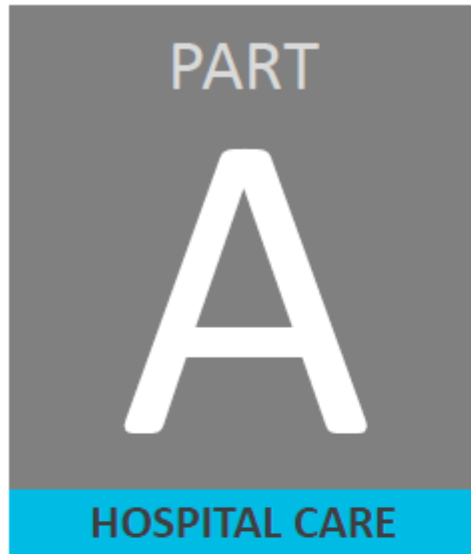


## MEDICARE

Understanding the basics of Medicare and the insurance plans available to State of Maine retirees

# The four parts of Medicare.





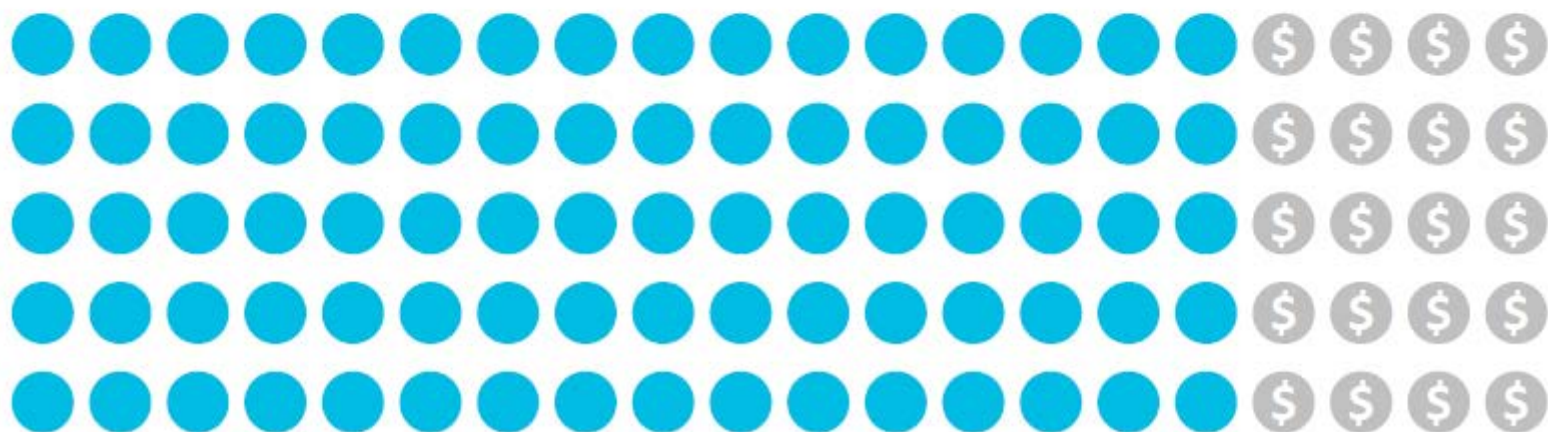
**These are called  
“Original Medicare.”**

They are administered  
and provided by the  
federal government.



You can rely on Parts A and B, but it only **pays about 80 percent** of your health care costs.

Hospital and doctor visits, and some drugs.



# TWO TYPES OF MEDICARE PLANS OFFERED IN THE MARKETPLACE

## Medicare Supplemental or “Medigap”

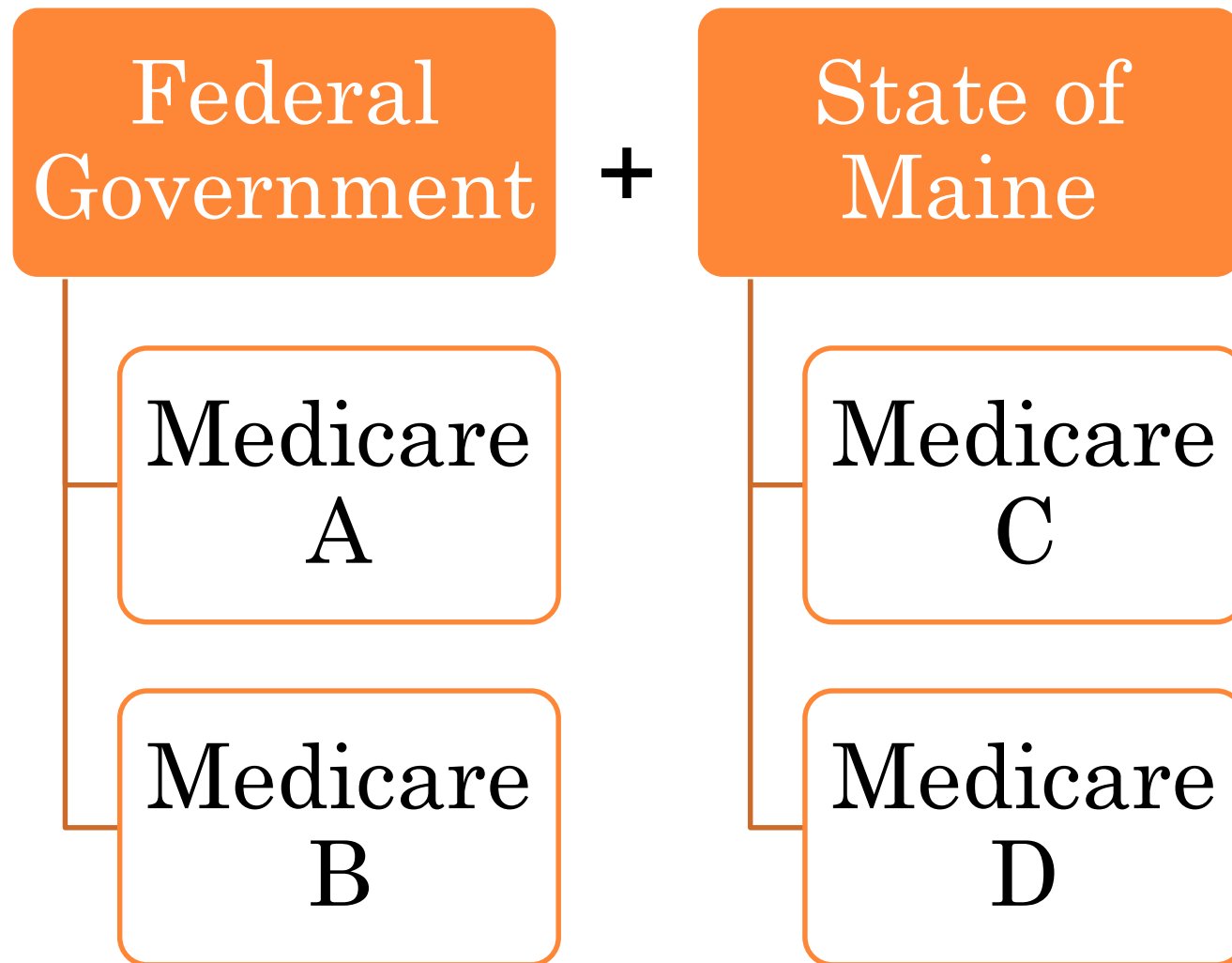
- Helps cover gaps in Parts A (hospital) and Part B (medical)
- Does not include Part D (prescription)

The State of Maine offers a Medicare Advantage PPO Plan with Prescription Drug (Part D) Coverage

## Medicare Advantage

- Combines Part A and Part B
- May include Part D
- Can be either a Health Maintenance Organization (“HMO”) or a Preferred Provider Organization (“PPO”)

# MEDICARE ADVANTAGE PPO PLAN WITH PRESCRIPTION DRUG COVERAGE



# RETIREE HEALTH PLANS

Under Age  
65

OR

Age 65 or  
Older

Active  
Employee  
Plan

Medicare  
Advantage  
PPO Plan

# PREMIUM-FREE MEDICARE PART A?

## Yes

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- Retiree and spouse must enroll in Medicare Part A and purchase Part B
- Part B premium paid by retiree and spouse (approximately \$134 per month per enrollee)
- Medicare Advantage premium for spouse \$285.34 per month

## No

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- Retiree and spouse must purchase Medicare Part B (Aetna will insure for Part A benefits)
- Part B premium paid by retiree and spouse (approximately \$134 per month per enrollee)
- Medicare Advantage premium for spouse \$735.51 per month

# ACTIVE EMPLOYEE PLAN VS. MEDICARE ADVANTAGE PLAN

Service (in-network)	Active Employee Plan Through 6/30/19	Medicare Advantage PPO Plan Through 12/31/19
Coinsurance	10%	Zero for most services
Individual deductible	\$600	\$300
Copay for PCP visit	\$20-\$40	\$5
Emergency room copay	\$300	\$75
Prescription drug copays (90-day supply)	\$15-\$75	\$10-\$50 <i>(including specialty)</i>

- Active employee plan renews on July 1<sup>st</sup> of each year; the Medicare Advantage plan is January 1<sup>st</sup>
- Prescription copays are the same; formulary and catastrophic coverage is slightly different on the Medicare Advantage plan

# OTHER THINGS TO CONSIDER

- Turning 65 after retirement
  - Retiree
  - Spouse
  - Medicare eligibility changes after retirement
- Eligible for other health insurance plans?
  - Choose appropriate level of coverage

Ahhhh Retirement

GOLF Yesterday

GOLF TODAY™

GOLF TOMORROW!

WELLNESS PROGRAMS

Wellness programs available to retirees



# WELLNESS PROGRAMS

- Active Employee Plan
  - Anthem health and wellness discount programs
- Aetna Medicare Advantage Plan
  - Silver Sneakers
  - Aetna Healthy Lifestyle Coaching program
- State of Maine On-Site Gyms
  - East Side (Augusta) & Bangor Wellness Centers



## DENTAL INSURANCE

Options for  
dental  
insurance  
after  
retirement

# DENTAL INSURANCE

- Dental insurance is not a retiree benefit
- Federal COBRA Law
  - May purchase existing coverage for up to 18 months
- Other group policies
  - MSEA
  - Maine Association of Retirees
  - You may also purchase as an individual policy directly through the insurance carriers

# DENTAL INSURANCE: MONTHLY COBRA RATES

- One person \$26.78
- Two people \$47.88
- Family \$91.62
  
- The retiree does not need to enroll in order to cover family member(s).



## VISION INSURANCE

Supplemental  
vision  
insurance  
program  
available to  
retirees

# BLUE VIEW VISION

- Current participants - it follows you into retirement
  - Same coverage as active employee plan
  - You will be directly billed by Anthem Blue View Vision (*premiums are not withheld from MainePERS pension*)
- Not a member? You can enroll during open enrollment as a retiree. You will notified by Anthem.

# BLUE VIEW VISION

## ○ Quarterly Retiree Rates

- Retiree only \$15.75
- Retiree + 1 dependent \$25.29
- Family rate \$41.01

\*Directly billed by Anthem as premiums cannot be withheld from your pension



## COBRA NOTIFICATION

What to expect from the COBRA offer as a retiree



# “COBRA”

- Consolidated Omnibus Budget Reconciliation Act of 1985
- Federal requirement to extend current coverage for a limited time
  - Health Insurance
  - Dental Insurance
  - Vision Insurance

# COBRA – WHAT TO EXPECT

- You will receive
  - COBRA Election Notice
  - A letter from Employee Health & Benefits
- COBRA Program Administrator:

CS One

McKenzie MacDougall

1-888-227-9745 ext. 2023

**MAINESAVES457B**

Learn more about what to do with your existing 457b account or if not enrolled, it's never too late to start saving!



# MAINESAVES 457B PLAN

- Vacation pay deferral option
  - Plan ahead!
- Work with your local representative; many distribution options available
- If you're not enrolled, it's never too late to start saving
- Update your beneficiary information

[www.MaineSaves457.com](http://www.MaineSaves457.com)



## FLEXIBLE SPENDING ACCOUNTS

Things to consider if you have either the medical or the day care spending account when you retire.

# FLEXIBLE SPENDING ACCOUNTS

## ○ Current participants

- Positive account balance=COBRA will be offered\*
- Negative account balance=account is closed

\*Navia Benefit Solutions will provide  
COBRA administration

Call 1-800-669-3539 for more information

## ○ This is not a retiree benefit



## LIVING RESOURCES PROGRAM

The services provided by the Living Resources Program continue to be available once you retire. And remember, these are available at **no cost** to you!



# LIVING RESOURCES PROGRAM

- Continues as a no cost benefit to retirees and members of their household
- Up to 5 confidential counseling visits offered per year
- Legal & financial discount programs available

1-800-207-LINK (5465)

[www.GuidanceResources.com](http://www.GuidanceResources.com)





## **STAY INFORMED & KEEP IN TOUCH**

It's important to stay informed about your retiree health benefits. We encourage you to become familiar with the tools and resources available to you!

# WWW.MAINE.GOV/BHR/OEH (NEW!)

 [FF-LEO/LD1021](#)

## Did you know...?

*Unreimbursed medical expenses can be paid on a pre-tax basis by using the State's [Flexible Spending Account Program](#)*

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## Contact

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or 1-800-422-4503  
TTY: dial Maine Relay 711

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61 State House Station

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Employee Health & Benefits

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(207) 624-7380

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Thank you for attending!