



Retirement

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Rancho Santiago Community College District
2323 N. Broadway, Santa Ana, CA 92706

Retirement — General Information

Retirement from the District is defined as an employee’s termination from full-time District employment which is concurrent with his/her retirement under PERS or STRS.

When you meet the requirements stated in your collective bargaining group’s agreement (see page 3 & 4), you will be eligible to receive the same medical/dental benefits that you currently receive as an active employee.

It is advisable to contact PERS or STRS prior to retirement. They will advise you of their criteria that must be met in order to retire. They can also advise you the best time to retire in order to maximize your monthly compensation upon retirement.

Once you have made a decision on your retirement date, notify your supervisor in writing of your upcoming retirement. HR will then be notified and your retirement will be placed on Docket for approval by the Board. Once on Docket the Employee Benefits Department will be notified and will mail you the retiree health packet.

For CSEA Chapter 579, CSEA Chapter 888 and FARSCCD employees please refer to your Contract Bargaining Contract for District Retiree Health Eligibility.

Management/Supervisory/Confidential Employees: Please refer to BP 7132 for Retiree Health Eligibility.

PERS	STRS	Medicare	Social Security Administration
(888) 225-7377 www.calpers.ca.gov	STRS (800) 228-5453 www.calstrs.com	(800) 633-4227 www.medicare.gov	800) 772-1213 www.socialsecurity.gov Social Security FAQ Social Security Administration Website

How Medicare works with Retiree Benefits

- **If Neither You nor Your Spouse are Eligible for Medicare:** The District retiree coverage will be your only plan until one of you becomes Medicare eligible
- **If You or Your Spouse are Eligible for Medicare:** When one of you becomes Medicare eligible and enrolled in Medicare Part A or B, Medicare will be the primary form of coverage for the Medicare-eligible family member. This means Medicare pays benefits first; your coverage through the District will be secondary. District Benefits will continue to be the primary for the other family member until he or she is Medicare eligible.

To avoid claim processing delays, you are required to tell your health care provider that your primary health care coverage is through Medicare. This means that Medicare pays for your medical care first. Notifying your provider of this change will help ensure that your claims are submitted correctly and processed in a timely manner.

	Medicare Part A	Medicare Part B
What does it Cover?	Inpatient care (hospitalization, Skilled nursing, hospice)	General medical services (physician visits, diagnostic and lab, durable medical equipment), preventative care
What does it cost?	Free for those who are age 65 and older or those who are disabled	Monthly premium is subject to change each year, based on income
Do I need to enroll?	Yes, it is important that you enroll in these benefits as soon as you are eligible. Remember, it's a good idea to request your Medicare enrollment package three months before your 65th birthday.	You must actively enroll when you become eligible to avoid a potential cost increase for these benefits. If you're unsure if this coverage is right for you, consult a Medicare Representative.
How does Medicare coordinate with my current benefits?	Medicare part A pays first, then District Benefits pays for eligible care not paid by Medicare, up to the amount allowed under the district plan	Medicare Part B pays first, then District Benefits pays for eligible care not paid by Medicare, up to the amount allowed under the district plan.

Medicare details and when to apply

The Districts retiree health benefits coordinate with Medicare to give you comprehensive medical coverage.

Individual situations vary and you need to determine what is best for you. Please confirm your enrollment eligibility with Medicare @ (800) 633-4227.

· **Part A** - Hospitalization

- Hospital insurance that helps cover inpatient care in hospitals, skilled nursing facilities, hospice and home health care.
- RSCCD requires all eligible employees to sign up for Part A when turning 65.
- Sign up 3 months before the month of your 65th birthday @ www.Medicare.gov.
- Cost: You won't pay a premium if you paid Medicare taxes while working.

Part B - Doctor Visits, hospital outpatient care and home health care

- There is a monthly charge for Part B
- If you don't sign up when you are first eligible, you will be assessed a 10% penalty for each year you did not sign-up.
- If an employee is turning 65 and is still actively working and covered by the Districts group health plan, they may decline Medicare part B without a penalty. This is also true for your spouse if they are covered under your current plan. It's important to note that COBRA and retiree coverage does not count towards this exception.
- As of January 1, 2022, retirees and dependent spouses are required to enroll in Medicare A & B. This also applies to active full-time employees who retire on or after January 1, 2022.
- Once you retire you will have 8 months to enroll in Part B without incurring a penalty. To apply for Part B, go to www.Medicare.gov, click on "I have employer or union coverage" and download the application for enrollment in Part B.

Working after Retirement PERS/STRS Impact

Many RSCCD Employees elect to return to work, after retiring from full time service, but there are limitations on the amount of money you may earn before your PERS/STRS benefit will be affected.

Please call to Confirm: **CALSTRS @ 800-228-5453**

CALPERS @ 888-225-7377

Both PERS and STRS have a 180 *calendar* day waiting period before you can return to PERS or STRS employment. You can continue to receive your full retirement benefit, with no earnings limitation, if you take a job outside of PERS or STRS covered employment.

There is a different earning limit on PERS/STRS, which is adjusted each year, be sure to check with them for details.

Working after Retirement Social Security Impact

If you decide to continue working once you begin collecting Social Security benefits, there is a maximum amount you can earn if you have not reached full retirement age.

If you are younger than full retirement age during the entire calendar year, there is a maximum you can earn. For each \$2 earned over the maximum, \$1 will be deducted from your benefit.

If you reach full retirement age *during* the calendar year, there is a maximum you can earn. For each \$3 earned over the maximum, \$1 will be deducted from your benefit until the month you reach full retirement age.

To help determine the amount of your benefit you can use Social Security's online Retirement Estimator at

www.socialsecurity.gov/estimator .

To begin collecting your benefit, you can apply online at www.socialsecurity.gov or call 1-800-772-1213. You can also make an appointment at your local Social Security office.

Voluntary Plan Conversions

Optional voluntary plans that can be continued after retirement are as follows:

Life Insurance Conversion - As an active employee, RSCCD has provided Basic employee Life insurance coverage at no cost to you. The amount is 1-times your annual salary (\$50,000 min). When you retire you will have the opportunity to convert this coverage to an individual plan. If you enrolled in Spouse and Child Life insurance, your dependents will also have the option to convert coverage. A "Notice of Conversion and or Portable Rights" will be included in your retiree health packet.

Voluntary Employee Life insurance Portability— This coverage is portable for the Employee coverage only. An "Election of Portable Coverage Form for Group Life Insurance Coverage" will be included in your retirement packet.

Hyatt Legal Plan - MetLaw - If you wish to continue your legal plan benefit after retiring or terminating employment with RSCCD you must enroll for portable enrollment within **30 days** of your date of employment termination. To apply for portable enrollment contact Hyatt's client service center at 800-821-6400.

AFLAC - If you are interested in continuing your voluntary plans, please call Customer Service at (800) 992-3522.

American Fidelity—If you are interested in continuing your voluntary plans, please call Customer Service at 800-323-3748

United Pet Care - This program is portable when you leave RSCCD. Simply call United Pet Care at (949) 916-7374 to let them know you would like to continue at the same low payroll deduction rate you had with the district. Provide them with a credit/debit card so you can continue to receive all your veterinary savings.