

Planning for Retirement with BSSP

FEBRUARY 21, 2024

A hand is shown placing a wooden block with a red cross on top of a pyramid of blocks. The pyramid consists of four levels of blocks with various medical icons: a bandage, a stethoscope, a syringe, and a pill bottle on the bottom level; a blood drop, a first aid kit, and a wheelchair on the second level; a pill and a heart with a pulse line on the third level; and a cross on the top level.

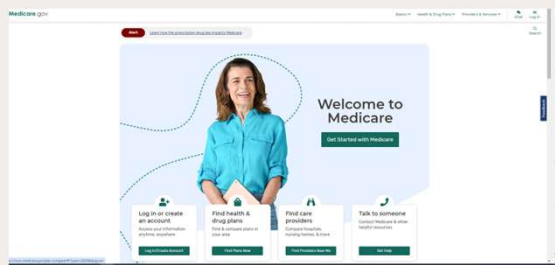
Agenda

- Eligibility for BSSP Benefits
- Retiring Before Medicare
- Eligibility for Medicare
- Retiring with Medicare: CompanionCare
- Dental, Vision & Other Voluntary Benefits
- What's Next

DISCLAIMER

BSSP representatives will not provide recommendations regarding Medicare, BSSP retirement benefits or discuss PERS/STRS eligibility. This presentation is intended to provide the viewer with information regarding what benefits options are available to active employees enrolled in BSSP benefits upon retirement.

For further information about Medicare, visit www.medicare.gov or contact a Health Insurance Counseling and Advocacy Program (HICAP) office near you.



Retiree Coverage is Optional

Participating in a medical, dental and/or vision plan as a retiree is not mandatory.

🌐 If you decline medical, dental or vision at the time of retirement, or terminate coverage later, benefits cannot be reinstated.

🌐 Retiree benefits are not bundled.

Example: Retiree Sally elects medical, only.
Retiree Tom elects dental, only.

5

Eligibility for BSSP Benefits

- ✓ You must be enrolled in coverage immediately prior to retirement to continue coverage as a retiree.
 - 🌐 Attn: Part-Time Employees not currently enrolled in benefits...
If you intend to participate in benefits as a retiree, you **must** enroll during the annual enrollment period immediately prior to retirement.
- ✓ Coverage for spouse and/or dependent children **REQUIRES** coverage as a retiree.



6

Eligibility for BSSP Benefits

Retiree benefits begin on the first of the month following your date of retirement or concurrent with drawing your STRS/PERS benefit.

EXAMPLE:

Last day of work: June 3

Last day of active employee benefits: June 30

STRS/PERS benefits begin: July 1

First day of retiree benefits: July 1

No gap in coverage between "active" and "retiree" status.



7

Eligibility for BSSP Benefits

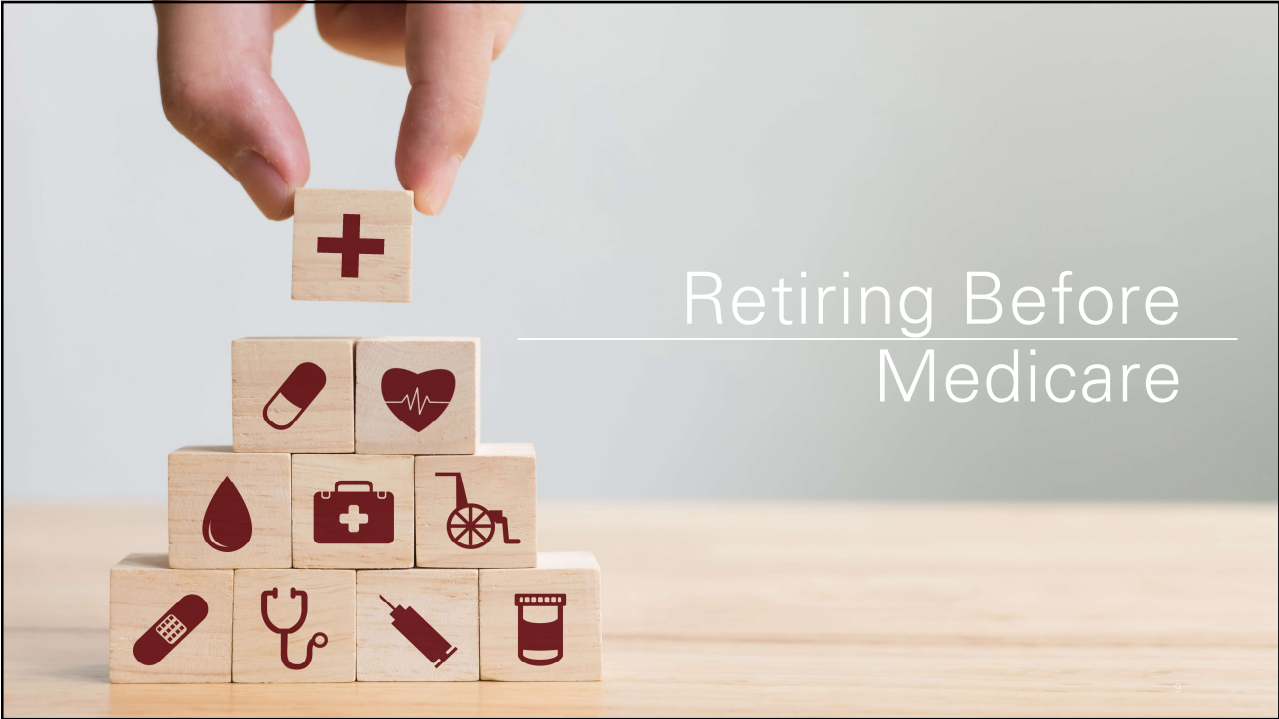
As you approach retirement, meet with an HR representative to determine...

- ✓ WHAT retiree benefits are available to you
- ✓ WHEN eligibility for retiree benefits ends
- ✓ HOW MUCH your employer will contribute towards your retiree benefits

 *These vary by employer, bargaining unit and other factors; BSSP cannot provide this information.*

8



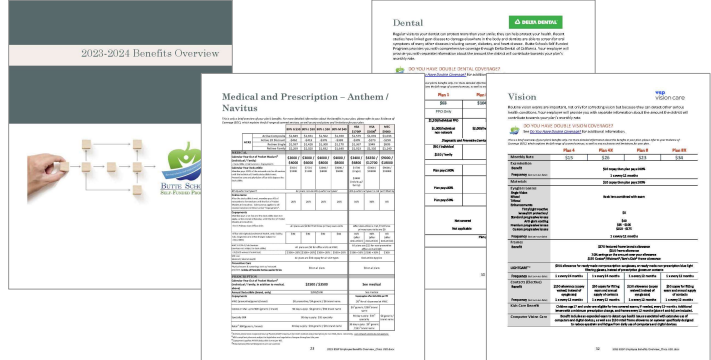


Retiring Before Medicare

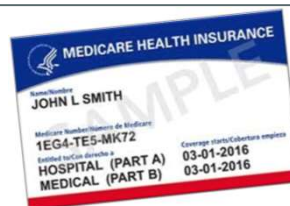
- | | |
|--|---|
| <input type="checkbox"/> Same as Active | <input type="checkbox"/> Change from Active |
| <input type="checkbox"/> Menu of plans | <input type="checkbox"/> Some have limited plan menu |
| <input type="checkbox"/> Benefits within each medical, dental and/or vision plan | <input type="checkbox"/> Coverage is optional |
| <input type="checkbox"/> Monthly dental and vision rates | <input type="checkbox"/> Retiree medical plan rates are 2 or 3-tiered (based on contract) |
| <input type="checkbox"/> Annual Open Enrollment opportunity | |

Retiring Before Medicare

The Benefits Overview (received each annual enrollment period) includes information on the monthly premium and each medical plan available to you during retirement.



Eligibility for Medicare



Most US citizens are eligible for Medicare at age 65 and effective...

- 1st day of 65th birthday month if birthday on 2nd-31st of the month
- 1st day of month prior to 65th birthday month if birthday is 1st of the month

Eligibility due to disability is effective on 1st day of the 23rd month following the date of disability as determined by Medicare.

13

Eligibility for Medicare

Coverage	Medicare Premium	Your Deductible and Coinsurance before a Medicare Supplement*
Part A: Hospitalization	Most @ \$0	<ul style="list-style-type: none"> • \$1,632 deductible • Days 1-60: \$0 coinsurance • Days 61-90: \$408 coinsurance per day of each benefit period • Days 91 and beyond: \$816 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime) • Beyond lifetime reserve days: all costs
Part B: Medical	Most @ \$174~	<ul style="list-style-type: none"> • You pay first \$240 then 20% of Medicare-Approved Amount
Part D: Pharmacy	Included~ in and varies by supplemental plan	

* Supplements vary in cost and what portion of deductible and coinsurance they offset.

~ Subject to Income-Related Monthly Adjustments Amount (IRMAA) from Medicare for those with higher annual earnings.

14

Eligibility for Medicare

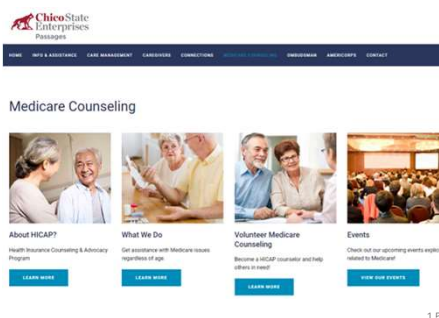


For further information about Medicare, visit www.medicare.gov.

Contact a Health Insurance Counseling and Advocacy Program (HICAP) office near you.

Butte County HICAP:
Passages

www.passagescenter.org/medicare-counseling
(530) 898-5923



15

Eligibility for Medicare as Active Employee

When covered under a BSSP medical plan as an active employee (or active employee's spouse or child) and eligible for Medicare, BSSP recommends...

Medicare Part A: Consider deferring enrollment in Medicare A until you are covered under a retiree plan. Although Medicare A is free to nearly all, enrollment in Medicare A ends eligibility to contribute to a Health Savings Account (HSA).

Medicare Part B: Defer enrollment until you retire. Begin Special Enrollment process 2-3 months prior to planned retirement date.



NO Late Enrollment Penalty for deferring enrollment IF covered under BSSP active employee's medical plan (as an employee or spouse of active employee).

16

Eligibility for Medicare as Active Employee






Full-time employees who are eligible for Medicare may opt-out of BSSP’s medical plan with proof of enrollment in Medicare Part A and Medicare Part B.

- 🌐 Opting out prohibits access to all benefits associated with a BSSP medical plan, including the Health and Wellness Centers.
- 🌐 Coverage in BSSP’s dental and vision plans may continue.






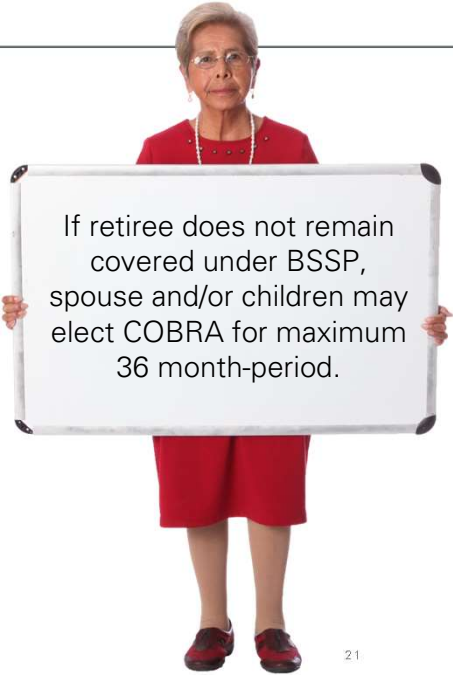
Retiring With Medicare

	<div style="display: flex; justify-content: space-between;"> <div style="flex: 1;"> <h2 style="margin: 0;">Retiree Coverage with Medicare</h2> <p><u>Certificated</u>: California Education Code provides opportunity for continuous medical coverage through employee’s lifetime.</p> <p><u>Classified</u>: Subject to collective bargaining agreement, MOU or contract. If no, then COBRA for 18 months, but not recommended.</p> <p><u>Surviving Spouse</u>: At spouse’s cost:</p> <ul style="list-style-type: none"> • COBRA for 36 months • To spouse’s eligibility for Medicare • Indefinite </div> <div style="flex: 0.5; text-align: right;">  <p style="font-size: small; margin-top: 10px;">19</p> </div> </div>

	<div style="display: flex; justify-content: space-between;"> <div style="flex: 1;"> <h2 style="margin: 0;">Retiree Coverage with Medicare</h2> <p>ALL BSSP medical plans require Medicare Part A and Part B effective as of the <u>later</u> of:</p> <ul style="list-style-type: none"> ✓ Medicare eligibility (1st of 65th birthday month or 1st of month prior when birthday is 1st of month) ✓ Effective 1st of the month following your date of retirement <p> You will not be penalized for late enrollment; before applying for Medicare, request a Request for Employment Information Form (Form CMS-L564) from your employer.</p> <p> Coverage under retiree status + Medicare Eligibility = Medicare Part A and Part B REQUIRED</p> <p>Without A+B, you will pay an additional \$625/month for each missing part of Medicare.</p> <p style="text-align: right; font-size: x-small;">20</p> </div> </div>

Retiree Coverage with Medicare


-  Medicare does not allow enrollment in multiple Medicare Part D plans.
-  Health and Wellness Centers are not included with BSSP's Medicare Supplement, CompanionCare.
-  Retiree must remain covered to provide coverage to spouse and/or children not yet eligible for Medicare.



If retiree does not remain covered under BSSP, spouse and/or children may elect COBRA for maximum 36 month-period.

21

Retiree Coverage with Medicare



CompanionCare - BSSP's Medicare Supplement

Cost	<ul style="list-style-type: none"> \$415 per person, per month through 9/30/2024
Type of Plan	<ul style="list-style-type: none"> Medicare Supplement + Part D Rx Coverage (included in cost) Medicare Part A and B REQUIRED Anthem Blue Cross processes Claims
Provider Network	<ul style="list-style-type: none"> Any US provider that accepts and bills Medicare Generally, \$0 deductible; \$0 copayments for Medicare-covered services
Pharmacy	<ul style="list-style-type: none"> Navitus Medicare Rx Costco for Mail Order No coverage gap or donut hole


22

Retiree Coverage with Medicare Medicare Part A & B + CompanionCare

Part B Services: Office Visits, Labs, X-rays, etc.	Medicare Pays	Companion Care Pays	Member Pays
Travel Coverage (when outside the US for less than 6 consecutive months)	\$0 (not covered)	80% of inpatient hospital, surgery, anesthesiologist and in-hospital visits for medically necessary services for 90 days of treatment per lifetime	20%

23

Retiree Coverage with Medicare CompanionCare Part D Pharmacy



The Medicare Part D prescription drug plan is administered through Navitus Health Solutions.

It is similar but not identical to your BSSP prescription formulary as an active employee or non-Medicare retiree.

	Generic*	Brand-Name
Retail 30-Day Supply	\$9	\$35
Retail 90-Day Supply	\$27	\$105
Costco Mail order 90-Day Supply	\$18	\$90

*\$0 generic copay at Costco is not available.

24

Retiree Coverage with Medicare CompanionCare Part D Pharmacy

- ✓ Plan uses Medicare Part D Formulary
- ✓ No donut hole or coverage gap
- ✓ Some exclusions and prior authorizations may apply
- ✓ Auto refills: Only available when using Costco’s online mail order services at www.Costco.com/home-delivery
- ✓ No-Hold for Mail Order: If you have a new prescription from your provider, please wait to send it to Costco until you are ready to fill it.



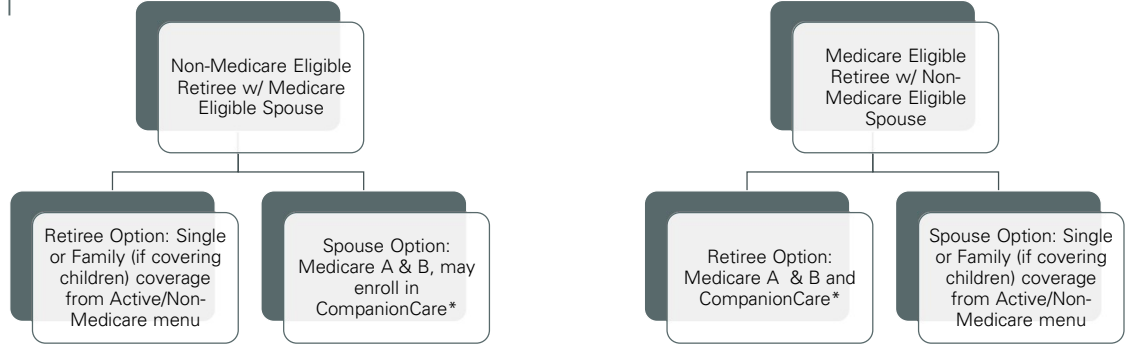
25

Retiree Coverage with Medicare CompanionCare Part D Pharmacy

<div style="background-color: #444; color: white; padding: 5px; display: flex; align-items: center;"> CompanionCare </div> <ul style="list-style-type: none"> <input type="checkbox"/> More expensive <input type="checkbox"/> \$0 out of pocket costs for care <input type="checkbox"/> No provider network, only Medicare assignment 	<div style="background-color: #444; color: white; padding: 5px; display: flex; align-items: center;"> Other Medicare Supplements </div> <ul style="list-style-type: none"> <input type="checkbox"/> Many plans offer lower premiums <input type="checkbox"/> Reasonable out of pocket cost for care <input type="checkbox"/> Provider networks vary
--	---

26

Retiree Coverage with Medicare Medicare + Non-Medicare aka Split Households




**The Medicare-eligible individual may remain enrolled in the non-Medicare Retiree plan with Medicare A & B as the primary coverage. However, it must be allowed by the district/bargaining unit and should be considered only when financially beneficial.*



Dental, Vision & Other Benefits


Dental Benefits



Monthly Rate	Plan 1 \$63	Plan 8 \$104	Plan 10 \$113	Plan 12 \$130
In-Network Benefits	PPO Network	Premier+PPO Network	Plan 8 <i>plus</i> 100% up to \$2,000 lifetime Orthodontia Benefit per covered family member	Plan 10 <i>with</i> \$3,000 Calendar Year Benefit PPO + Premier \$2,000 Calendar Year Benefit non-network
Calendar Year Benefit	\$1,200 PPO \$1,000 non-network	\$2,200 PPO \$2,000 Premier and non-network		
Cal Year Deductible	\$50 / \$150	None		
Cleanings	3	3		
Preventive Care	Plan pays 100%	Plan pays 70-100%		
Fillings, etc.	Plan pays 80%			
Crowns, etc.	Plan pays 50%			
Bridges/ implants	Plan pays 50%			
Night Guard	Plan pays 50% <i>up to \$750</i>	Plan pays 50% <i>up to \$750</i>		
Orthodontia	Not Applicable	Not Applicable		

29

Vision Benefits



Monthly Rate	Plan 4 \$15	Plan 4X \$26	Plan 8 \$23	Plan 8X \$34
Eye Exam	Every 12 months	Plan 4 <i>plus</i> Annual supply of contacts at \$50 with no impact to allowance for glasses	Plan 4 <i>with</i> Frames every 12 months	Plan 4 <i>with</i> Frames every 12 months + Annual supply of contacts at \$50 with no impact to allowance for glasses
Copay	\$10			
Eyeglass Lenses	Every 12 months			
Frames	Every 24 months			
Frame Allowance	\$250			
Costco/Walmart/Sam's Club Frame Allowance	\$135			
Computer Vision Care	✓			
Contact Lenses	Every 12 months			
Contact Lens Exam Copay	\$60 (instead of glasses)			

30

Other Benefits

- 🌐 Life Insurance (The Hartford): This may be converted to a private policy, but it is expensive.
- 🌐 MASA: You may continue this benefit until Medicare-eligibility, as long as you also have BSSP medical, dental and/or vision benefits.
- 🌐 Pet's Best Pet Insurance: You may continue this benefit indefinitely, as long as you also have BSSP medical, dental and/or vision benefits.
- 🌐 American Fidelity: Some may be converted to a private policy.
- 🌐 Long Term Care: You may convert to a private policy.


31



32

Next Steps...

- Notify your employer of your intent to retire
- Employer will provide you with information regarding your district-specific contribution (if applicable) and plan options as a retiree
- Employer will notify BSSP of your upcoming retirement
- BSSP will send information about CompanionCare and enrolling in Medicare, if applicable



This Photo by Unknown Author is licensed under [CC BY-ND](#)
33



We are here to help ...

www.bsspjpa.org
bssp@bsspjpa.org
 530-879-7438

<p>Christy Patterson Executive Director cpatterson@bsspjpa.org</p>	<p>Nicole Strauch Employee Benefits Manager nstrauch@bsspjpa.org</p>
---	---



BUTTE SCHOOLS
SELF-FUNDED PROGRAMS

34