



2016 RETIREE BENEFIT CHANGES
Frequently Asked Questions
August 11, 2015

Q. When will the change in retiree insurance benefits take effect?

A. January 1, 2016

Q. What will change for retirees under age 65?

A. Retirees under age 65 may continue their same coverage, at the same rates through June 30, 2016. The District will calculate the employer insurance contribution using the current methodology based on years of service with the MCSD. However, the maximum contribution amount will change to \$6,500 as of January 1, 2016.

Q. What will change for retirees age 65 and over?

A. Retirees age 65 and over will receive a health insurance subsidy based on years of service with the MCSD. The retiree may choose an annual payment, paid directly to the retiree, for the intended purpose of purchasing health insurance. However, the retiree may choose to simply continue their coverage on a District sponsored insurance plan and have the subsidy amount applied to the premium. Keep in mind that a subsidy is not the same as a contribution and the retiree must pay the District for any remaining insurance premium balance that is due.

Q. If a retiree under age 65 but is on Medicare due to a disability, may they get a subsidy?

A. Retirees under age 65 but already on Medicare may elect to receive the insurance subsidy.

Q. How much is the health insurance subsidy?

A. Retirees 65 and over will receive a subsidy based on their years of service with the MCSD starting at a rate of \$5.00 per month for fifteen years, up to a maximum of \$150 per month for thirty (30) years of service.

Q. Do I have to do anything to receive the subsidy?

A. Yes, retirees age 65 and over must complete a MCSD health insurance subsidy election form. This form can be found on the Risk & Employee Benefits Department webpage or obtained from the Risk & Employee Benefits Department.

Q. If I elect to receive a subsidy check when should I expect to receive payment?

A. For current retirees age 65 and over who elect to receive a health insurance subsidy check, they will receive a one-time payment, probably the first check-run in December. New retirees in 2016 will receive their check each year probably during the month in which they retired.

Q. Is a subsidy check taxable?

A. Yes, for retirees age 65 and over, the health insurance subsidy check is considered taxable income. Those retirees will receive an IRS Form 1099 each year in January.

Q. If I elect to receive a subsidy to purchase my own health insurance, can I change that election and get medical insurance from the District in the future?

A. No, if a retiree elects to receive a subsidy check and purchase insurance elsewhere, the retiree waives the option to elect any future health insurance provided by the MCSD.



Martin County School District
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Q. If the monthly premium for my insurance with the MCSD is less than my subsidy amount, what will happen?

A. Retirees age 65 and over who choose to have their subsidy amount applied to their MCSD sponsored insurance plan will not receive a payment for any remaining subsidy amount.

Q. When will I be able to make my election to receive a subsidy or continue insurance?

A. November 2 – 13, 2015, a special open enrollment will be held for all current retirees. This coincides with Medicare's open enrollment period for those who would rather purchase a Medicare policy. Changes to your insurance with the MCSD, as well as Medicare coverage, are all effective 1/1/2016.

Q - What happens if I do not make an election by the deadline of November 13, 2015?

A. Retirees who do not make an election by November 13, 2015, will remain in their current MCSD insurance plan with the applicable adjusted premium(s).

Q. If I elect to purchase health insurance on my own, can I continue my other benefits?

A. Yes, all MCSD retirees may elect or keep their current elections for dental, vision and life insurance and pay 100% of the additional premium.

Q. If I choose to continue my insurance with the MCSD, how can I pay for it?

A. Retirees may pay their insurance premiums by deduction directly from the retiree's FRS pension and/or an automatic withdrawal from the retiree's bank account.

Q. How will these changes affect active employees who may be planning to retire?

A. The MCSD's retiree insurance benefit program is subject to change, and is not guaranteed. Retiree benefits may change from time to time based on prevailing school board policy.

Q. If I have additional questions, who can I contact for assistance?

A. The Risk & Employee Benefits staff is available to answer your questions and help those who need additional assistance. Please remember that the information contained herein may change as additional information becomes available.

Phone – 772-219-1200 extensions 30386, 30478 or 30247

Email – benefitshotline@martin.k12.fl.us