

**HIDALGO COUNTY, TEXAS
PERSONNEL POLICY MANUAL**

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MEDICAL PLAN FOR COUNTY RETIREES

ELIGIBILITY

You must be a benefits-eligible employee in good standing and have not been terminated for misconduct from Hidalgo County at the time of retirement in order to receive retiree medical benefits under the Plan. An individual whose employment with the County has been terminated for misconduct (as defined in Hidalgo County Civil Service Commission Rules: Standards Of Conduct, Chapter 5 and/or Hidalgo County Personnel Policy Manual: Standards of Conduct, Chapter 9) shall not be eligible to participate. Any eligible dependents of the employee terminated for misconduct will also be ineligible to participate unless he or she is eligible to participate other than as a dependent.

To become an official retiree:

- An employee must have 1) 20 years of service regardless of age 2) Years of service and retirement age equal to 75, or 3) have at least 8 years of service and be 60 years of age.
- Be an elected official over the age of 55 who has served a minimum of TWO (2) full FOUR (4) year terms in office.

To enroll you must contact the Department of Budget and Management - Employee Benefits Division **within 30 days of your employment termination date** and provide the following information:

- Driver's License
- Social Security Cards of enrollees
- Birth Certificate if enrolling dependent under age of 26
- Marriage License or Common Law Declaration if enrolling Spouse
- TCDRS Letter verifying retirement eligibility

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- Copy of Medicare Part A and Part B enrollment card if applicable

PLAN OF BENEFITS

The plan of benefits for all retirees and eligible dependents shall be the low plan offered to all active employees of the County. The retiree will not be allowed to “buy up” to the high plan. The initial effective date of the Hidalgo County Retiree Benefit shall be **December 1, 2014**. Benefits will be renewed on an annual calendar year basis.

Premium

The premium for the retiree plan shall be an amount determined by the County annually. See Amendment #1 for premium determinations.

Eligible Dependents (must be enrolled as dependent under the employee's plan)

Your dependents may also be eligible for coverage. Eligible dependents include your:

- Spouse – if not legally separated
- Surviving spouse until remarried
- Children to age 26

Unmarried children over the age limits if:

- They are dependent on you for primary financial support and maintenance due to physical or mental disability;
- They are incapable of self-support; *and*
- The disability existed before reaching age 19. You must provide documentation or proof of disability to your medical plan for its review and approval of continued coverage. In most cases, coverage for a disabled child can continue for as long as the child is incapable of self-support, unmarried, and fully dependent on you for support. Documentation must be provided annually showing parents full support of disabled child. Documentation to include attending physician's statement of diagnosis, prognosis and general statement of disability.

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Children who are eligible to be covered must be on the retiree's health plan at retirement:

- Natural children
- Stepchildren
- Legally adopted children
- Children for whom you are the legal guardian
- Foster children
- Children placed with you for adoption
- Unmarried children for whom you are legally responsible to provide health coverage under the terms of a Qualified Medical Child Support Order (QMCSO).

If you die while eligible for or enrolled in the retiree health care program, your eligible dependents can still receive coverage. Your surviving spouse must have been covered by the plan at the time of death and request enrollment in the retiree medical plan within 30 days of the death of the eligible retiree. If your eligible surviving spouse then dies, coverage continues for the remaining eligible children to age 26 or when they cease meeting the eligibility requirements.

While the County provides access to these health care benefits for the surviving dependents they must pay the cost. The premium cost shall be determined by the County on an annual basis. The County reserves the right to require proof of dependency.

If you have met the age and service requirements to qualify as an official retiree but die before officially retiring from Hidalgo County, your eligible dependents covered at the time of your death may be covered under the retiree health care program upon your death. Please contact the Department of Budget and Management - Employee Benefits Division for further information about dependent eligibility in these circumstances. Request for coverage must be made within 30 days of the death of the eligible retiree.

Waive Coverage

You may decline or drop retiree health care coverage at retirement or at any time. This means you permanently waive your right to retiree health care. It is the retiree's

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responsibility to notify the Department of Budget and Management -Employee Benefits Division within 30 days of Plan eligibility to participate in the retiree medical plan. If you do not apply within 30 days you will forfeit your eligibility for the County's retiree medical plan.

Medicare

All retirees and eligible dependents age 65 or older must be enrolled in Medicare Parts A and B to participate in County's retiree medical plans. Since prescription drugs are included in your medical plan and the coverage is considered to be credible coverage, as defined by Medicare, you do not need to enroll in Medicare Part D (prescription drug coverage).

If retirees or their eligible dependents are enrolled in County retiree medical plan before Medicare eligibility, they must enroll in Medicare Part A and B upon becoming Medicare eligible to avoid cancellation of medical plan coverage.

To apply for Medicare, go to your local Social Security office three months before retiring. If you work past age 65 and delay signing up for Medicare Part B, contact Social Security three months before you retire to enroll.

It is important to enroll in Medicare prior to your retirement date as you have only 30 days from the date of your retirement or termination of employment whichever occurs first to show proof of Medicare coverage to qualify for the retiree medical plan.

Cancellation of Your Retiree Health Coverage

You may cancel your or your eligible dependents' medical coverage at any time for any reason. In order for the cancellation to take effect, you must notify the Department of Budget and Management- Employee Benefits Division. The cancellation will be effective on the first day of the following month in which County receives your notice. However, once you cancel medical coverage, you and your eligible dependents *lose all future eligibility for County's retiree health care.*

If you die, your surviving spouse may likewise cancel medical coverage at any time for any reason, but the cancellation means that your surviving spouse and eligible dependents *lose all future eligibility for County retiree health care.*

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If you do not pay premiums as required, your retiree health coverage will be cancelled. Coverage is cancelled back to the end of the prior month in which a premium payment had been made. Premium payments are to be made in advance for the month in which coverage is effective and each month in advance afterwards. If premiums are not paid on a timely basis coverage will be terminated. A premium is considered unpaid if not received within 30 days of the premium due date. When coverage is cancelled for this reason, you and all eligible dependents lose all future eligibility for County retiree health care.

If you are or become eligible to enroll in Medicare Part A and Part B at the time you enroll in this Plan, or if you become eligible when already receiving benefits under this Plan, you must enroll in Medicare Part A and Part B. Failure to do so will result in your retiree health coverage under this Plan being cancelled. When coverage is cancelled for this reason you and all eligible dependents lose all future eligibility for County retiree health care.

If your eligible dependents are or become eligible to enroll in Medicare Part A and Part B at the time they enroll in this Plan, or if your eligible dependents become eligible when already receiving benefits under this Plan, they must enroll in Medicare Part A and Part B. Failure to do so will result in their health coverage under this Plan being cancelled. When coverage is cancelled for this reason, the eligible dependents *lose all future eligibility for County retiree health care.*

If your surviving eligible dependents do not pay premiums as required, their health coverage will be cancelled. Coverage is cancelled back to the end of the prior month in which a premium payment had been made. When coverage is cancelled for this reason, they *lose all future eligibility for County retiree health care.*

If you retiree and are rehired by Hidalgo County you will be treated as a newly hired employee. Your years of active service will be grandfathered.

Payment for Benefits

At retirement you will receive information on the cost of coverage and the premium payment process. If you enroll in coverage, you must pay your premiums in the manner and on the schedule set by County.

At each annual Open Enrollment, you will receive information on the coverage options and their cost for the next plan year. These costs may change each year. If you choose to enroll

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for coverage, you are responsible to pay your premiums as required by County. Your coverage can be cancelled for non-payment of premiums.

WHEN COVERAGE ENDS

Your coverage under the County retiree health care program ends on the date:

- The Plan ends;
- You are no longer eligible for the Plan;
- Your coverage is cancelled for nonpayment of premiums, in which case you and your eligible dependents lose all future eligibility for County retiree health care;
- You fail to provide status of Medicare enrollment, as requested by the County;
- You voluntarily terminate coverage, in which case you and your eligible dependents lose all future eligibility for County retiree health care,
- You accept re-employment by the County and become eligible for County-sponsored medical coverage or
- You die.

Your eligible dependents' coverage ends on the date:

- The Plan ends;
- You are no longer eligible for the Plan;
- They are no longer eligible for the Plan;
- Coverage is cancelled for nonpayment of premiums, in which case they lose all future eligibility for County retiree health care;
- You fail to provide status of Medicare enrollment, as requested by the County;
- They voluntarily terminate coverage, in which case they lose all future eligibility for County retiree health care; or
- They die.

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Coverage ends on the last day of the month in which the event occurs. If County terminates the plan, coverage will end on the date determined by County.

The County reserves the right to change, alter, restate, terminate, and rescind retiree benefits at any time in the future that the County determines it is in its best interest to do so.

Plan Amendment # 1

The following premium rates will apply for the Hidalgo County Retiree Benefit Plan from December 1, 2014 until such time as the Commissioner's Court shall revise such. Premiums will be adjusted annually from January 1 through December 31 of each calendar year.

2014 RETIREE HEALTH INSURANCE RATES

PLAN	TIER	AGE 64 OR LESS	AGE 65 OR GREATER
		MONTHLY PREMIUM	MONTHLY PREMIUM
BASIC	RETIREE ONLY	469.00	250.00
	RETIREE/CHILD(REN)	571.00	352.00
	RETIREE/SPOUSE	700.60	482.00
	RETIREE/FAMILY	801.40	584.00
	SURVIVING SPOUSE	469.00	250.00
	SURVIVING SPOUSE/CHILD(REN)	571.00	352.00
	SURVIVING CHILD(REN)	469.00	250.00

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2015 RETIREE HEALTH INSURANCE RATES

PLAN	TIER	AGE 64 OR LESS	AGE 65 OR GREATER
		MONTHLY PREMIUM	TOTAL
BASIC	RETIREE ONLY	494.00	250.00
	RETIREE/CHILD(REN)	596.00	352.00
	RETIREE/SPOUSE	726.00	482.00
	RETIREE/FAMILY	828.00	584.00
	SURVIVING SPOUSE	494.00	250.00
	SURVIVING SPOUSE/CHILD(REN)	596.00	352.00
	SURVIVING CHILD(REN)	494.00	250.00

If you are currently covered under the Hidalgo County Retiree Benefit plan you will be allowed to continue to participate in the low option plan only. When you become eligible for Medicare you must make application for Medicare on a timely basis as coverage under the benefit plan will cease at age 65 and you will not be eligible for benefits under the Hidalgo County Low Plan unless you provide proof of Medicare coverage. Proof of eligibility must be provided and full premium payments must be made within 30 days of the date you become eligible for the retiree plan.