

STATE HEALTH BENEFIT PLAN RETIREE FACT SHEET

- If you are actively working for the state at age 65 or older, State Health Benefit Plan (SHBP) will pay primary benefits on you and your spouse; you are not required to enroll for Medicare until you retire
- Medicare does not impose penalties if you enroll in Medicare after you first become eligible if the reason for delay is that you were actively working and had group health insurance. However, you must apply within Medicare's time limits once you retire. For information regarding Medicare enrollment call 1-800-MEDICARE (1-800-633-4227) or visit the Web site at www.medicare.gov

When You Retire

You may keep your health coverage if you are eligible to receive a monthly retirement benefit from a Georgia-sponsored retirement system **and** are enrolled in SHBP coverage at the time you retire. You cannot enroll in SHBP after you retire

- Your eligible dependents must also be enrolled in SHBP coverage at the time you retire to continue their coverage. Dependents may not be added after retirement unless you experience a qualifying event
- Your health insurance automatically “rolls over” into retirement with the same option and dependents you currently have covered – you do not have to complete any paperwork to continue your coverage
- If you are retired and cover your spouse under SHBP, premiums will be based on the parts of Medicare coverage you and/or your spouse have even if your spouse is actively working and is covered by another group health plan. If you or your spouse are not enrolled in Medicare, your premiums will be higher than they are now
- Once you are set up as a retiree at a Georgia-sponsored retirement system, you will receive a letter from SHBP that allows you to change your option or discontinue your coverage within 31 days of the receipt of the letter. **Note: If you drop your coverage, you can never re-enroll**

Important Note: You cannot continue your health insurance if you take a lump sum distribution from a Georgia-sponsored retirement system and do not receive a monthly retirement benefit payment.

Changing Options

- Annual Retiree Option Change Period (ROCP) is held each fall and corresponds with the annual open enrollment period. A ROCP packet will be mailed to your home prior to the start of the ROCP if SHBP has your correct address
- Any changes made during the ROCP will be effective the following January 1

- You can only change your option during the ROCP. You can not add dependents during the ROCP unless you have experienced a qualifying event. See Qualifying Events below for the time limits

Qualifying Events

Qualifying events allow you to make changes in your health insurance as listed below. You must submit the request to SHBP **within 31 days prior to or after the qualifying event**. The effective date of the change in coverage will be the first of the month following the request.

NOTE: Birth of Child or Adoption - If the qualifying event is for birth of a child or adoption, you can request to have the dependent covered as of the date of birth or date of adoption contract and placement. You must make the request on the Retirement Surviving Spouse Form which can be obtained on our Web site or by calling SHBP and must make the appropriate coverage premium payment(s) for coverage for the month of the birth or adoption contract and placement.

You have 31 days from the date of the qualifying event to notify SHBP of the qualifying event. If SHBP needs more information, you will receive a letter requesting information. If SHBP receives the documentation within the Plan Year, coverage will be retroactive to the first of the year. If not received within this timeframe, you will be able to add the dependent to your coverage during the next open enrollment.

Qualifying Event	Action Allowed
<ul style="list-style-type: none"> • Eligibility for retiree coverage • Annuity no longer covers premium amount • Become eligible for Medicare Parts A and B 	Change to another option
<ul style="list-style-type: none"> • Acquire dependent because of marriage, birth, adoption or Qualified Medical Child Support Order • Loss of dependent’s health benefit coverage through spouse’s or former spouse’s Medicaid, Medicare, group coverage through active employment or COBRA coverage 	Add dependent(s) – proper documentation required
Spouse or enrolled dependent’s employment status changes affecting coverage eligibility	Change coverage tier - proper documentation is required

Refer to your 2009 Retiree Decision Guide or you can access an electronic copy at www.dch.georgia.gov/shbp_plans or you may call the SHBP Call Center at (800) 610-1863 or (404) 656-6322.

Changes without a Qualifying Event

- You can drop to single coverage at any time with proper written notice to SHBP
- If you and your spouse are retired, covered by SHBP and are both drawing a monthly retirement benefit from a Georgia sponsored retirement system – you may change from family coverage to each having single coverage at any time. (The request for you and your spouse must be filed at the same time)

- You can drop coverage at any time but you won't be able to get the coverage back unless you return to work with the state of Georgia in a benefits eligible position

Surviving Spouses (living spouse of a deceased retiree) and eligible Dependents

If your surviving spouse or eligible children receive(s) an annuity:

- Apply within 31 days of retiree's death
- Current coverage can continue
- Premium deducted from annuity if the annuity is large enough to cover the premium. If not, payments must be made directly to the Plan
- New dependents or spouses cannot be added to survivor's coverage

If your surviving spouse does not receive an annuity:

- Coverage can continue if married at least one year
- Apply within 31 days of retiree's death
- Premium paid directly to Plan
- Coverage ends if spouse remarries
- Cannot add new dependents to coverage

If your surviving child does not receive an annuity and there is no surviving spouse – the child may continue the coverage for 36 months through COBRA provisions.

What if you and your spouse both work for the state and are eligible for SHBP coverage?

- If you need family coverage because you need to cover a dependent, the retiree or active employee may take family coverage. However, the retiree must have picked up family coverage during the last Open Enrollment period as an active employee
- If you are retiring and are covered as a dependent under your active spouse's SHBP coverage, you have two options:
 - A. Remain as a covered dependent under your active spouse's coverage or
 - B. Enroll as a single employee during the last Open Enrollment period as an active employee
- If one spouse is retired and the other spouse is still actively working, when your last dependent becomes ineligible for coverage, the active employee can drop to single coverage and the retiree can pick up single coverage. The request must be submitted for both members within 31 days of the qualifying event. Both members must request the change to single. One cannot keep family while the other requests single coverage
- If you or your spouse have family coverage as a retiree, you may drop to single coverage at any time and the spouse may pick up single coverage if the request is made within 31 days of your spouse dropping to single coverage

If you and your spouse are retired and under age 65

- SHBP will remain your primary insurer and premiums will be the same as an active employee until you or your spouse turn 65 or become eligible for Medicare
- You may want to consider one of the consumer driven health plan options – HDHP or HRA

When you and/or your spouse reach age 65

- You should consider enrolling in Medicare - Medicare is provided to persons at age 65 or those eligible by Medicare due to certain disabilities
- SHBP premiums are based upon each part of Medicare (A, B and D) in which you and your spouse have coverage
- **You have the same options as active employees plus a NEW exciting Medicare Advantage Private Fee for Service Plan for retirees with Medicare Parts A and B. This plan has enhanced benefits over traditional Medicare and includes the Part D prescription drug benefit**
- A SHBP discount is given for each part of Medicare (A, B and D) that you and your spouse have
- SHBP health plans may coordinate with Medicare differently. Check with your health plan for specific details
- If you and or your spouse enroll in Medicare (A, B and D) send a copy of your and your spouse's Medicare cards to SHBP, P.O. Box 38342, Atlanta, GA 30334
Premiums cannot be reduced until copies of your Medicare cards are received and the change in premium is processed by the retirement system. Delay in submission of Medicare information does not qualify for a refund of the difference in premiums. Medicare information must be received by the first of the month in which you become eligible for Medicare (to receive the discount immediately)

Medicare Enrollment

- Eligibility is age 65 or earlier for certain disabilities
- Part A – inpatient hospitalization – usually no cost
- Part B – covers physician visits, tests and outpatient hospital care – monthly premium. Contact Social Security for information on the premium amount
- Part D – prescription drug coverage – monthly premium depends on the plan you select

How do I Select a Part D Plan?

- Multiple plans are offered based on state and region
- A list of plans can be found in your *2009 Medicare and You Handbook*
- You can review the plans on the Medicare Web site, www.medicare.gov or by calling (800) 633-4227. The site compares plans based on your current prescription medications or you may call Georgia Cares at (800) 669-8387 for assistance
- You should not enroll in Medicare Part D if you have enrolled in the Kaiser Medicare Option, the Kaiser Senior Advantage Plan and/or the CIGNA or UHC Medicare Advantage Plans

New Medicare Advantage Private Fee for Service Plan with Prescription Drugs (MA PFFS-PD)

- **This option limits your medical out of pocket expenses to \$1,000 for covered services**
- **Has a low premium**
- **Provides benefits for hearing aids, vision, podiatrist**

- **Provider must accept Medicare Reimbursement and agree to the terms and conditions of CIGNA and or UnitedHealthcare**

Address Change

- If your address changes, you must notify SHBP to continue to receive health plan information. SHBP will not be responsible for missed enrollment change opportunities or deadlines if you do not keep your contact information updated
- Please send a letter with your name, social security number and new address to SHBP, P.O. Box 38342, Atlanta, GA 30334

Disclaimer: This material is for informational purposes and is not a contract. It is intended only to highlight principal eligibility and benefits. Every effort has been made to be as accurate as possible; however, should there be a difference between this information and the Plan documents, the Plan documents govern. It is the responsibility of each member, active or retired, to read the Summary Plan Description and all Plan materials provided in order to fully understand the eligibility and option provisions.