

**\*\*\* PLEASE CAREFULLY READ ENTIRE LETTER \*\*\***

**\*For all MVTA Retirees\***

**REVISED SEPT. 6, 2013**

Health Benefit Update #3/

**MEDICAL HEALTH BENEFIT ENROLLMENT for Retirees ONLY**

by David Chen, MVTA Bargaining Team, MVTA Health Benefits Chair

MVTA will mail to ERHB\* Retirees 1 document:

--Update Letter about Medical Health Benefit Enrollment(This letter)

The whole process for enrolling in the Medical part of Health Benefits is changing.

This information is divided into 2 parts, Enrollment and Billing/Contributions.

**Enrollment**

This part is for **all retirees of MVSD/MVTA**.

This includes all retirees that are eligible for ERHB\*.

This includes all retirees that are **not** eligible for ERHB\*.

This includes all retirees even if you are receiving Medicare.

\* ERHB=Early Retirement Health Benefit

All Retirees will be mailed a packet of information and enrollment documents from CalPERS.

All Retirees are being offered the opportunity to enroll for Medical Health Benefits through CalPERS because MVTA is joining CalPERS for Medical Health Benefits.

All Retirees **will not enroll at MVSD** with active employees.

All Retirees **can/will be able to enroll for the Medical part of Health Benefits through CalPERS no matter what age as long as retired from MVSD (within 120 days of separation from the District) and collecting STRS/PERS check.**

CalPERS will conduct open enrollment for all retirees.

CalPERS will mail a packet of information to all retirees by September 11, 2013.

If you do not receive a packet. Contact David Chen

Retirees are to complete the Health Benefit Plan Enrollment Forms for CalPERS.

On the Enrollment Form for Health Enrollment Effective Date:

Choose and mark October 1, 2013.

Retirees are to make **2 copies (1 for yourself and 1 for MVSD)** of all forms.

Retirees are to **return by mail** the original Health Benefit Plan Enrollment Forms to CalPERS by **with a postmark by September 16, 2013/ASAP.**

If Enrollment forms are mailed on time and CalPERS has received them,

CalPERS will have you effectively enrolled on October 1, 2013.

Your actual medical cards may be a little late getting to you, but you are effectively enrolled.

**ERHB Retirees** are to mail and return to MVSD/Geri Payne:

--1 copy of the Health Benefit Plan Enrollment Form

After mailing the Health Benefit Plan Enrollment forms to CalPERS for the 2013 coverage,

**Wait until October 1, 2013** to do the next step.

**If you wish to make plan changes for 2014 coverage:**

Call CalPERS Member services at 888-225-7377.

Tell them you wish to change plans for 2014. Identify the plan and any other changes.

Deadline for completion is **October 10, 2013.**

If you do **not** wish to make any changes, do nothing.

### **The Billing Process and Handling of Contributions**

**All Retirees are being offered \$1/month** of assistance for the cost of the premium for Medical Health Benefits through the CalPERS billing process for 2013. This is identified by CalPERS as \$1 of the employer's (MVSD) contribution. **MVTA is funding this for all retirees.**

All Retirees will be billed on their STRS checks monthly for the Medical Health Benefit premiums.

All Medical premiums are paid on a 12 month billing cycle. Not 10 months.

CalPERS will deduct the cost less the \$1/month employer's (MVSD) contribution.

**For ERHB Retirees, MVSD will reimburse you** the current \$5,617 annual/12 = \$468.08/month less the \$1 and less the Dental and/or Vision premiums. Reimbursement will be on a monthly basis.

Example: \$468.08 - (\$1) - (Dental) - (Vision) = reimbursement check.

In order to receive a reimbursement check, the ERHB Retiree must be enrolled in Medical Health Benefits and have provided a copy of the Enrollment document cited.

--1 copy of the Health Benefit Plan Enrollment Form

MVSD will mail a confirmation of info to you,

including a MVSD 2013-2014 District Retiree Contribution Worksheet of their accounting.

### **Additional info from CalPERS**

#### **Will these deductions be pre- or post-tax?**

Federal law states that only "wage income" qualifies for pre-tax deductions. A pension or retirement warrant is considered "1099 income." Retiree health premium deductions are post-tax.

#### **When will my deductions for this insurance begin?**

If we receive your enrollment form by the fifth of the month, the deduction will be on the warrant issued the first of the following month. For example, your deduction will begin January 1st if we receive the enrollment form in our office by December 5th. If the election form is received in our office after December 5th but prior to January 1st, the first deduction would be on your February 1st warrant. Your share of the premium for January's coverage would be a "One Time Adjustment" on the February warrant.

#### **How do I use medical services prior to receiving my member card?**

Notify the doctor's office or hospital that you are a new enrollee with your health plan.

If you have your copy of the enrollment form, take it with you when you go so that they know the effective date and plan code. This form is your proof of enrollment if the HBD processed stamp appears in the upper right hand corner. Some health insurance carriers will start providing services with no restrictions, others may have certain requirements such as having you sign an agreement to pay if the enrollment is not valid, or having you pay for your prescriptions prior to receiving your card. Any monies paid by you for covered benefits will be reimbursed by the plan less any applicable co-payments and/or deductibles.

#### **Additional Download available at MVTA website:**

2013 CalPERS Medicare Enrollment Guide

**If you have any questions feel free to contact David Chen at  
dchen@mountainviewta.org**

**Provide a detailed question and a phone number**