

## Early Retirement Program

### *Group Health Care Benefits for Retirees*

An employee of Finney County who may find it necessary or desirable to retire from employment with the county prior to normal retirement age may elect to retire under the terms and conditions hereinafter specified. Early retirement is voluntary and at the discretion of an **eligible** employee. This program is independent of the County's requirements per K.S.A. 12-5040.

1. **Eligibility:** an employee is eligible for early group health care benefits if such employee:
  - a. Currently works full-time;
  - b. Is less than 65 years old at effective date of retirement;
  - c. Has completed 15 years or more of full-time employment with the county (last 10 years continuous employment);
  - d. Currently has 8 years of continuous health coverage through the county's group health plan; and
  - e. Is eligible for unreduced KPERS benefits and will participate in KPERS retirement (85 points or more) immediately after leaving the county.
  - f. Military service leave will count toward years of service if such leave took place during employment with the County.

The County Administrator and/or the Human Resource Director will determine eligibility in accordance with guidelines listed as 'a-f' above. An employee applying for early group health care benefits shall have the responsibility to provide all facts and information necessary to prove eligibility.

2. **Application:** an employee may apply for early group health care benefits by giving written notice to the Human Resource office. Such written notice by the employee shall be submitted at least ninety (90) days preceding the anticipated retirement date, and the notice shall include the following information:
  - a. A statement of the applicant's desire to take early retirement;
  - b. The anticipated date of retirement;
  - c. The applicant's birth date and age on the effective date of retirement;
  - d. The number of years the applicant has been employed full-time by Finney County;
  - e. The number of years the applicant has been continuously covered by the group health insurance plan sponsored by Finney County; and
  - f. The current mailing address and telephone number of the applicant.

The application will need to be approved by the employee's department director, the Human Resources Director and the County Administrator. Human Resources shall notify the employee in writing the amount that they will owe for the health insurance and the date on which the money must be turned into the County Treasurer.

3. **Early Group Health Care Benefit:** an eligible employee who has been approved to take the early retirement will be entitled to receive health insurance coverage under either the employee or the family option. The cost for the retiring employee will be equal to the applicable employee cost for family coverage. The county will contribute the employer's administrative fee based on the type of coverage selected. Retiree is subject to annual increases relative to employee increases and any changes in the type of plan that is offered, i.e. change from self-insured to premium-based plan. The type of plan (single – family) that the retiree has at the time of

retirement is the plan that they are eligible for at the beginning of retirement. The plan type can decrease in size, but cannot increase without a life-changing event per Blue Cross/Blue Shield of Kansas.

**4. *Terms and Conditions:***

- a. Should the Board choose to discontinue the program, notification shall be given to the employees one year prior to the health insurance contract year in which the program will be discontinued.
- b. Should the Board decide not to continue the early group health care incentive program, all employees currently participating in the program will continue on the program until the employee reaches the age of 65.
- c. After the early retiree reaches age 65, the early-retired employee will be allowed to keep their spouse/dependents insured through the county's plan for an additional 36 months or until the spouse is also 65. At this point, the retiree is responsible for all premium costs.
- d. An employee who waives continuing participation in the county sponsored group health insurance plan after the effective date of retirement shall not be eligible to participate at a later date.
- e. Failure of the retired employee to pay any required monthly health insurance premiums will terminate the retired employee's right of continued participation in the county sponsored group health insurance plan.
- f. An employee who takes early retirement shall have the responsibility to keep the county informed of his/her current mailing address and telephone number.
- g. Early group health care benefits shall cease upon the death of the retired employee, but remain in effect for any spouse/dependents currently on the plan for three (3) years following the death of the employee or until the spouse's age 65, whichever comes first.
- h. If the early retiree takes other employment and is eligible for group health insurance with that employer, the early retiree will notify the county and the early group health care benefit offered by Finney County will be terminated.
  - i. If an early retiree is eligible for health insurance with another employer but fails to inform the county, the county shall be compensated for medical costs during such time and the benefit will be terminated from then on.
- i. If a provision of the early group health care incentive plan is determined to be in violation of Federal or Kansas State laws or insurance company regulations, the plan shall then immediately be terminated by Board of County Commissioners action and shall not be in further force or effect unless re-adopted by the Board of County Commissioners.