

**CITY OF RICHARDSON
INTERDEPARTMENTAL POLICY AND PROCEDURE**

**CORPLAN INSURANCE PROGRAM
FOR T.M.R.S-RETIRED FULL-TIME EMPLOYEES**

This program is on an optional basis for those who have retired under the Texas Municipal Retirement System and meet the following requirements:

- A. In order to participate in this program, you must be an active full-time employee of the City of Richardson and a member of CORPlan on the day the TMRS application for retirement is filed with the Human Resources Office. Conversion to this program must be immediate at the time of retirement.

- B. Eligibility requirements for employees/retirees who are over 65 and are eligible for Medicare**
 - a. A Medicare supplement along with a prescription drug plan will be offered. Retirees who wish to elect the Medicare supplement plan must also participate in the prescription drug plan.
 - b. Those retirees who attain age 65 after retirement will no longer be covered by CORPlan, but may apply for the Medicare supplement plan.
 - c. If the retiree's eligible spouse is under 65, that spouse may remain on CORPlan until they attain the age of 65, provided they were covered by CORPlan in the month prior to the retiree's 65th birthday.
 - d. Retirees' spouse who attain the age of 65 will no longer be covered by CORPlan, but may apply for the Medicare supplement plan.
 - e. **It is the insured retiree's responsibility to notify the human resources department when the retiree or their dependents attain the age of 65 and become Medicare eligible.**

- C. Eligibility requirements for retirees and dependents under 65**
 - a. As pertains to retirees (only):
When/If a CORPlan retiree becomes employed with another employer and acquires group insurance benefits through his/her other employer, he/she may retain CORPlan coverage. However, CORPlan will pay secondary to the other employer group coverage. If the retiree wishes to drop his/her CORPlan coverage at the time he/she acquires group insurance benefits through his/her other employer, he/she may do so and may be reinstated to CORPlan after termination of the other employer's coverage. (Proper documentation of the change in status must be submitted to Human Resources within 30 days of the commencement or termination of the other employment.)

 - b. As pertains to retirees' dependents:
 - i. A dependent must be an eligible dependent as defined by CORPlan. If a dependent is to be enrolled at a later date, the retiree must submit required paperwork to be added under HIPAA Special Enrollment procedures. HIPAA Special Enrollment procedures allow all retirees (only) who marry to add the new spouse and any new eligible dependents (acquired on or after October 1, 1997) by the first day of the month after the plan receives the retiree's completed request. (Application for enrollment under this provision must be submitted to Human Resources within 30

- days of the associated lifestyle change.) Or such new dependents may be added in the annual open enrollment period.
- ii. If a spouse works for an organization that provides group medical coverage, he/she may NOT be covered by CORPlan. If this occurs, at any time, coverage under CORPlan will cease immediately and can be reinstated only if:
 1. the dependent spouse retires from an organization that does not provide a retiree insurance program. Written documentation from the spouse's organization must be provided to H.R. that such retiree insurance is not available. (If the spouse's employer does offer retiree group medical insurance, the dependent spouse will not be eligible for CORPlan coverage.)
 2. IT IS THE INSURED RETIREE'S RESPONSIBILITY TO NOTIFY HUMAN RESOURCES WHEN A DEPENDENT IS NO LONGER ELIGIBLE FOR CORPLAN COVERAGE. Failure to notify Human Resources of ineligible dependents on a timely basis will not justify refund of premiums or guarantee payment of claims beyond date of eligibility.

D. Eligibility requirements for those retirees/dependents who are Medicare disabled

- a. The Disability Medicare retiree/dependent must apply for both, Medicare A&B. This plan does not pay for expenses paid by Medicare. When the retiree and/or any dependent is eligible for Disability Medicare coverage, CORPlan will begin to pay secondary to Medicare for that person or persons. (Medicare will be the primary insurance.) CORPlan will pay as if the retiree or dependent is enrolled in Medicare Part A and B.
 - b. Disability Medicare retirees/dependents must be enrolled in the CORPlan Prescription drug plan.
- E.** The retiree's spouse (and other eligible dependents) may retain CORPlan coverage after the retiree is deceased, provided the spouse was covered under CORPlan at the time of the retiree's death. However, all other stipulations contained within this policy and procedure will apply. If/When the surviving spouse remarries, all CORPlan coverage shall cease at that time.
- F.** Premiums must be paid in full, by automatic draft or the TMRS HELPS program (for eligible Public Safety employees), one month in advance of actual month covered. (NOTE: the first month's premium must be paid prior to the retirement date.) Coverage will lapse upon failure to make required premium payments.
- G.** Premiums will be the total retiree and/or dependent premium amounts in effect for the month the premium is due and are the responsibility of the retiree to pay in full.
- H.** The City of Richardson reserves the right to revise any and all portions of this plan and/or premium levels when deemed necessary.
- I.** The City of Richardson may cancel this program after providing the insureds with sixty (60) days notice. In the event an insurance carrier cancels the active group medical program, this program would also be canceled.
- J.** Dental coverage may be elected by all retirees for themselves and their eligible dependents; however, premiums for dental coverage are the responsibility of the retiree.

I have read and understand the conditions and requirements of this program. By signing this, I am agreeing to the terms as set forth by this program. I understand that it is my responsibility to remain within the requirements set forth in this contract and that it is my responsibility to notify Human Resources of any change in dependent eligibility and that failure to comply with the terms of this contract could result in loss of coverage for the ineligible dependent with no expectation of premium refund. I further understand that that I must notify Human Resources if I become employed and obtain employer group coverage.

Signature of retiree/representative

Date

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Revised January 1994
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