



<p style="text-align:center"><b>SUMMARY PLAN DESCRIPTION</b> <b>RETIREE PARTICIPATION IN BENEFIT PLANS</b></p>
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Employees who have benefits through Lee County may participate in the following upon retirement: Health, dental, life (limited), and vision. They must join the plan(s) directly upon retirement or as stated in the last paragraph of this summary.

Benefit eligible retirees are defined as employees who are vested in FRS and retire from the County or a covered entity **directly** to the Florida Retirement System (FRS), and opt to take the health, dental or life insurance immediately upon retirement (or who have continuous coverage as defined below). This includes:

- Employees in the defined benefit plan who have 6 or more years of creditable service and are receiving a pension check from FRS;
  - Employees with six or more years of creditable service who are in the FRS investment plan and who have attained the age of 59 ½ ;
  - Employees with 30 or more years of creditable service with FRS (25 years for Special Risk employees);
  - Contract employees, members of the FRS Senior Management Service Class, or elected officials with six or more years of service with Lee County who have chosen an alternate investment plan, attain the age of 59 ½, and retire from Lee County;
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- A retiree, only at the time of retirement, can elect to enroll in all benefits available to retirees, whether or not he/she was enrolled in those plans as an active employee. Or the retiree may drop coverage that he/she had as an active employee and no longer wants. Also, the retiree is not required to enroll all dependents that were active at the time of retirement.
  - Benefits which have not been elected at the time of retirement cannot be added in the future. A limited life insurance benefit is available to retirees **only** if elected at the time of retirement.
  - Only those dependents on the plan at the time of the employee's retirement may be enrolled at the time of retirement. A retiree has the option to add or drop eligible dependents at each open enrollment.
  - A retiree must elect a benefit for himself/herself in order for the dependents to have the benefit.

If a retiree, who is retired for less than one year, "suspends" his/her retirement in order to return to employment with an employer who participates in the FRS system, he/she loses the status of a retiree and cannot participate in the benefits plans as a retiree.

If a retiree returns to work after one year of retirement the following applies:

- If he/she is not in a benefit eligible status (30+hours per week in a regular position), benefits remain the same as he/she elected as a retiree. For persons over 65, we are secondary to Medicare.
- If he/she works more than 30 hours per week:
  - If the retiree had life insurance, it is provided as an employee (one times salary) at the first of the month following employment, and the limited benefit resumes when he/she again retires (\$5,000). If the retiree did not have life insurance it is effective the first of the month following one full month of employment, and may be elected as a limited benefit when retirement resumes.
  - Any benefits the new employee had may be resumed at the first of the month following employment. Additional benefits may be added at the first of the month following one full month of employment. Otherwise the employee must wait until open enrollment.
  - Disability insurance is effective the first of the month following one full month of employment.
  - The new employee may choose to "opt out" in favor of using Medicare or another insurance, but may not opt out as an employee and keep our health insurance with the status of retiree.
  - When the employee resumes the status of retiree, he/she may elect any benefits he/she had as an employee.

Retirees who wish to participate in any plan must do so immediately upon retirement. If a plan (health/dental/vision/life) is not elected at the time of retirement it cannot be elected at a later date. If any plan is dropped by a retiree at open enrollment, it cannot be elected in the future. A retiree cannot change his/her election mid year unless he/she experiences a "qualifying event" as defined in the eligibility section of the Summary Plan Description. Medicare eligibility is considered a qualifying event. We must be notified of the intention make a change within 60 days of a qualifying event.

A person who terminates employment and does not retire cannot elect benefits as a retiree at a later date unless he/she has had continuous coverage for each plan he/she wishes to continue up to the time of retirement; i.e., COBRA.

For BoCC employees, once a retiree or spouse becomes eligible for Medicare, the premium is reduced by the amount of the Medicare Part B premium. It is the responsibility of the retiree to notify the Lee County Benefits Unit, and furnish a copy of the Medicare card. Premium reduction will be effective the first of the month following receipt of the MC card.

The continuation of this reduction in premium is subject to future Board action. We are secondary to Medicare whether or not the retiree chooses to take Medicare Part B.

We will continue to provide prescription drug coverage in lieu of a Medicare eligible retiree's electing Medicare Part D (Medicare's prescription drug plan), or similar plan. A Medicare eligible retiree must either continue to enroll in the health plan, including prescription drug coverage, or drop the health plan. A retiree cannot keep the Lee County health plan and enroll Medicare Part D or any other Medicare supplement.

The premiums for employees who retire from the Board of County Commissioners and several of the entities are currently subsidized at 50% of the total employer plus employee cost. This is subject to Board approval in the future, but may not be more than the total premium cost, in accordance with Florida Statute 110.123 and 112.081.

Upon the death of the employee or retiree, the spouse has the option to continue the insurance as a retiree in his/her own right which he/she currently has under the following conditions:

- Deceased retiree elected option 2, 3, or 4 of the defined benefit plan from FRS; and
- The spouse was on the insurance plan at the time of the death; and
- The spouse remains a member of FRS via survivor benefits; and
- The spouse informs Lee County Benefits within 60 days of the event and pays premiums starting the first of the month after the event.
  - If the spouse is not eligible for continuation of coverage under the above conditions, he/she is entitled to coverage under COBRA.
  - Option 2 has a limited benefit of 10 years after retirement or DROP.

If an employee has ceased employment, he/she may remain on the benefit plans through participation in COBRA. If he/she is granted disability retirement by FRS, or chooses regular retirement, the retiree may switch from COBRA to retiree status. ***Coverage must be continuous from the date the employee ceases employment.*** This means all premiums due must be paid up-to-date.

**The County reserves the right to modify or terminate this plan for whatever reason at any time.**

### Eligibility for Retiree Health Insurance Matrix

Situation	Eligible for Benefits	HIS Subsidy
Person retires @ 62, 6+ years FRS, DBP; elects health immediately	Yes	Yes
Person retires any age. DBP 8+ years FRS & determined disabled by FRS	Yes	Yes
Person retires <62, vested DBP & draws pension, takes penalty for early retirement	Yes	Yes
Person "retires" (resigns) DBP, <6 years FRS	No	No
Person retires @ 62+, vested in InvP (6+ years)	Yes	Yes
Person retires @ 59 ½+ InvP (6+ years )	Yes	No until 62
Person retires @62+ vested InvP, <6 years	No	No
Person retires < 59 ½ InvP and/or <6 years	No	No
Person returns to regular employment after 1+ years retiree	Eligible for benefits as employee if 30+ hours & regular employee	Yes
Person returns to regular employment < 1 year retiree, suspends retirement	Eligible for benefits as employee (30+ hours)	No for remainder of year
Person returns to temp/part time employment after 1+ years retired	No, keeps benefits (if any) as retiree	Yes
Person returns to temp/part time employment <1 year retirement, suspends retirement	No – forfeits benefits, no longer a retiree	No for remainder of year
SMSC employee elects annuity, retires @ 62+, 6+ years with Lee County	Yes	No
SMSC employee elects annuity retires @ 59 ½ , 6+ years with Lee County	Yes	No
SMSC employee elects annuity retires < 59 ½, or < 6 years with Lee County	No	No
Surviving spouse of <b>retiree</b> DBP (+ dependents)	Yes, if option 3 or 4 & on plan at time of death	Yes
Surviving spouse of <b>retiree</b> DBP (+ dependents)	No, if option 1 or not on health plan at time of death	No if option 1, yes if has other insurance
Surviving spouse of <b>retiree</b> DBF (+dependents)	For 10 years after election of option 2	Yes, for remainder of 10 years
Surviving spouse of <b>employee</b> DBF (+dependents)	Yes if takes FRS immediately & is on plan at time of death	Yes when retires
Surviving spouse of employee or retiree InvP	No – COBRA only	No
Employee InvP becomes disabled. 8+ years FRS	May switch to DBP if determined disabled by FRS	Yes if determined disabled
Employee retires or resigns does not take insurance immediately	No	Yes when retired if has other insurance
Employee has 30+ years of service (25 years Special Risk) either plan	Yes	Yes
Person takes COBRA, retires while still on COBRA – otherwise eligible	Yes	Yes
Employee not on health plan at time of retirement	May elect upon retirement	Yes, if has any insurance
Employee retired from another FRS agency, leaves County, not vested – on health plan	Yes	Yes

### Eligibility for Retiree Health Insurance Matrix

**DBP = Defined Benefit Plan (regular pension plan) [vesting = 6 years]**

**InvP = Investment Plan (defined contribution plan) [vesting = 1 year]**

**HIS = Health Insurance Subsidy paid by FRS**

**Service = Creditable service with FRS**

**SMSC = Senior Management Service Class**

**Notes:** Dependents must be on plan when employee retires to be eligible. May only take plan if retiree is on plan. Retiree has ability to add/drop dependents at open enrollment.

"Employee" includes contract employees, elected officials or members of Senior Management Service Class (SMSC) as well as DROP participants and re-employed retirees. Eligibility for elected officials is same as for employees.