

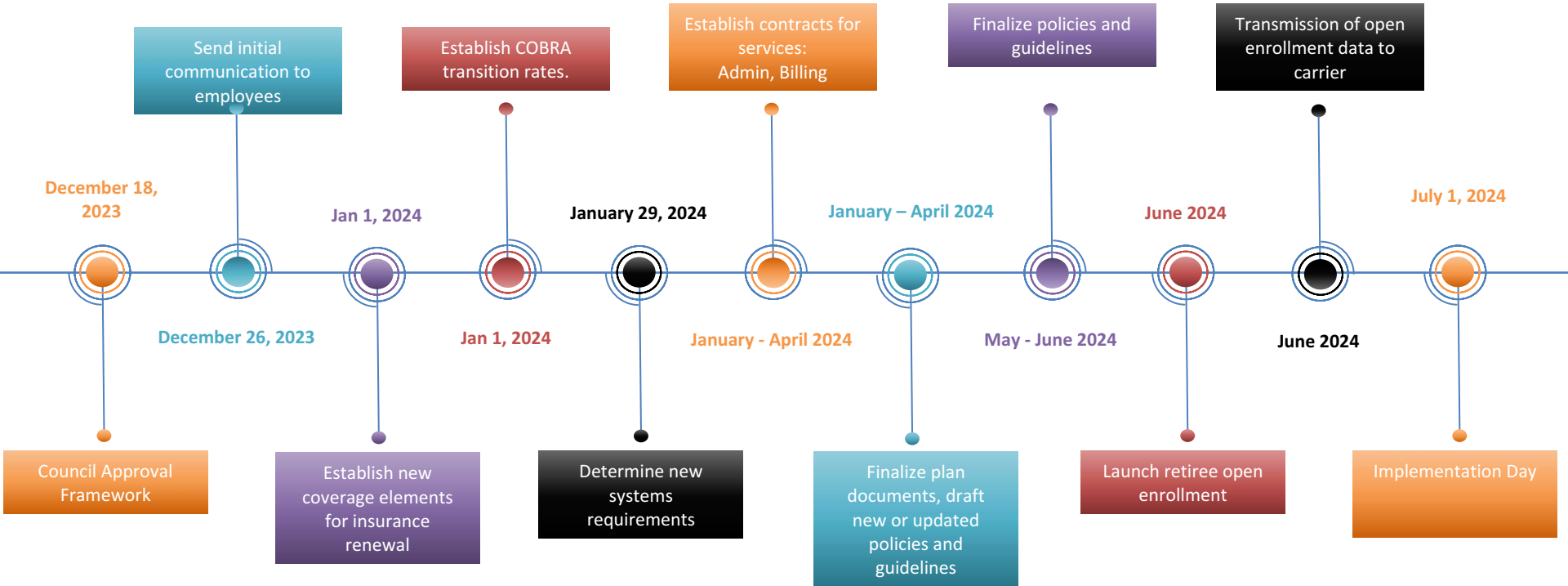




Retiree Healthcare Key Decision Points



Retiree Healthcare Implementation Timeline



Key Decision Points



CONSIDERATIONS

- Stakeholder feedback
- Long-term plan sustainability
- Ease impact of coverage transitions

Disability Type



ELIGIBILITY RULES SUMMARY

Type of Retirement	Covered	Coverage Rules
Normal	Yes	10 Years continuous employment with the city of Goodyear immediately preceding retirement - Must meet “normal retirement” eligibility as defined by ASRS or PSPRS
Work-Related Disability	Yes	- Retiree and Spouse or dependent covered until normal eligibility ends - Retiree – age of Medicare eligibility - Spouse - age of Medicare eligibility, coverage ends if remarried following retirees' death - Dependent(s) - age 26 - PSPRS - Accidental & Catastrophic covered regardless of years of service - ASRS – Long Term Disability (LTD) due to work-related illness or injury regardless of years of service
Council Disability	Yes	- Council member offered coverage for 36 months * - Council member is unable to complete 2nd term or any term there after due to medical condition

* This allows adequate time to transition to Social Security Disability and Medicare or another form of coverage

Loss of Coverage



ELIGIBILITY RULES SUMMARY

Loss of Coverage Reason	Covered	Coverage Rules
Retiree Reaches Age of Medicare Eligibility	Yes	Eligible spouse and dependents remain on the retiree healthcare plan for 60 months[*], or until they are no longer eligible (spouse - age of Medicare eligibility and dependent(s) age 26), whichever comes earlier.
Death of Retiree (Survivor Benefit)	Yes	- Eligible spouse and dependents remain on plan until the date the retiree would have reached Medicare eligibility or for 60 months whichever is longer[*] - If spouse or dependent(s) eligibility status ends earlier, coverage ends. (spouse - age of Medicare eligibility and dependent(s) age 26)
Line of Duty Death	Yes	- Eligible Spouse and Dependent(s) remain on plan as long as eligible - Spouse age of Medicare eligibility and dependent(s) age 26 - Eligibility ends if spouse remarries
Retiree Opts Out -Fails to pay premium -Transitions to other coverage - Etc.	No	- Coverage ends at the end of the month in which retiree opts out - Retiree is ineligible for future coverage under the plan

^{*} This allows adequate time to transition to Social Security Disability and Medicare or another form of coverage

Next Steps



- Council action – Retiree Healthcare policy
- City Manager approval of administrative guideline
- Open enrollment period for transition plan retirees
- Program will start on July 1, 2024

Feedback & Consensus

Reference Slides



The following slides
are for reference
purposes

Normal Retirement



PSPRS & ASRS

PSPRS Normal Retirement	
Tier 1 Hired before January 1, 2012	• 20 years of credited service + no age minimum; or • 15 years of credited service + age 62
Tier 2 Hired on or after January 1, 2012	• 15+ years of credited service + minimum age 52.5
Tier 3 Hired on or after July 1, 2017	• 15+ years of credited service + minimum age 55

ASRS Normal Retirement	
Hired on or before June 30, 2011	• At age 65; or • At age 62 + 10+ years of credited service; or • At any combination of years of credited service and age, totaling 80 points.
Hired on or after July 1, 2011	• At age 65; or • At age 62 + 10+ years of credited service; or • At age 60 + 25+ years of credited service; or • At age 55 + 30+ years of credited service.

Retiree healthcare framework

Plan Design – Required Service & Retirement Status			
Plan Design Components	Covered Groups		
	PSPRS	ASRS	Council
Continuous Years of Service with City of Goodyear	10 - Years		Two Full-Terms
Retirement Status	Must meet eligibility requirements as defined by ASRS or PSPRS <i>(Includes LTD w/ASRS or Disability Retirement w/PSPRS)</i>		N/A
Wellness Center Access	Includes access to Goodyear Wellness Center		
Premium Equivalency	50% Retiree / 50% City (Based on total established premium rate for active employees)		
Medical Plan	Provides option to enroll in same plan(s) provided to active employees		