

BROOME COUNTY RETIREE, VESTED FORMER EMPLOYEE & SURVIVING SPOUSE HEALTH PLAN

Broome County fully intends to maintain this plan indefinitely. However, the County Reserves the right to terminate, suspend, discontinue or amend this plan at any time upon advance notice to all participants.

I. Definitions:

1. "Retired employee" or "Retiree" means any former Broome County employee, Broome County Library Employee, Broome Community College employee or elected Broome County official that has ten years of full-time equivalent employment or service in office with the county, who is not entitled to health benefits pursuant to a collective bargaining agreement and who is receiving a benefit from the New York State Employees Retirement System or in the case of a former Broome Community College employee, eligibility is pursuant to collective bargaining agreements and administrative rulings.
2. "Elected Official" means the county executive, a county legislator, county clerk, district attorney, and sheriff.
3. "Surviving Spouse" means the widow or widower of a deceased retired employee.
4. "Vested former employee" means any former employee or elected official of Broome County, with ten years of full-time equivalent service, who is not receiving a benefit from the New York State Employees Retirement System.
5. "Health benefits" shall mean any of the health insurance plans currently offered by the county to any of its active employees.
6. "Contribution" shall mean the annual amount that a retiree is billed for health benefits.
7. "Co-pay" shall mean the amount that a retiree is required to pay for a retail prescription medication supply of 35 or fewer days.
8. "Medicare credit" shall mean the \$28.60 per Medicare enrollee per month partial reimbursement for the Medicare Part B premium that the county pays to retirees and their spouses from county service before January 1, 1996.
9. "Gross Household Income" means social security and retirement benefits, interest, dividends, total gain from the sale or exchange of a capital asset which may be offset by a loss from the sale or exchange of a capital asset in the same income tax year, net rental income, salary or earnings and net income from self-employment, all as reported on the applicant's income tax return for the calendar year ending prior to the date of the application but shall not include a return of capital, gifts or inheritances. In computing net rental income and net income from self-employment, no depreciation deduction shall be allowed for the exhaustion, wear and tear of real or personal property held for the production of income for all household members.

II. Retiree Health Plan:

1. Retired Employees are entitled to receive health benefits for their natural life (subject to the provisions of Part 'VP' below), provided that the retired employee maintains coverage continuously with one of the Broome County Health Benefits plans from the date of retirement, and further provided that the retiree has at least two years of qualified participation in a Health Benefits Plan.
2. Effective January 1, 2002 the Retiree's annual contribution shall be 10% of the premium charged to Broome County by third party providers, or in the case of the County self-insured health benefits plan, the premium equivalent amount as determined by the Broome County Risk & Insurance Manager. The contribution shall be payable in equal bi-monthly installments. The amount of the Medicare credit, if any, shall first be deducted from the bi-monthly installment and the retiree shall be billed only for the balance due. In the event that the amount of the Medicare credit exceeds the bi-monthly installment due, a check for the balance shall be issued to the retiree.
3. Effective January 1, 2007, for those employees retiring on or after January 1, 2007, the Retiree's annual contribution shall be equal to the percentage he/she paid as an active employee prior to retirement of the premium charged to Broome County by the third party providers or, in the case of the Broome County Self-Insured Health Benefits Plan, the premium equivalent amount as determined by the Broome County Risk and Insurance Manager. The contribution shall be payable in equal bi-monthly installments.

III. Vested Former Employee and Surviving Spouse Benefit

1. Vested Former Employees and elected officials are entitled to receive health benefits, if they so elect, for their natural life (subject to the provisions of Part "VI" below), provided that the vested former employee or elected official maintains coverage continuously with one of the Broome County Health Benefits plans from the date of his or her termination of employment with Broome County and provided further that the vested former employee has at least two years of qualified participation in a Health Benefits Plan as of the separation from service date. Exception: a former employee with ten years of qualified service shall not be entitled to purchase or maintain any such health benefits if that employee was terminated for gross misconduct.
2. A surviving spouse is entitled to receive individual health benefits, if he or she so elects, for his or her natural life (subject to the provisions of Part "VI" below), provided that the surviving spouse maintains coverage continuously with one of the Broome County Health Benefits plans from the date of death of his or her spouse and provided further that his or her spouse maintained health coverage continuously from the date of his or her separation from service with Broome County.
3. A surviving spouse may continue family health benefits for the dependent children of his/her deceased spouse, subject to the ordinary health plan rules regarding dependent coverage.
4. The Surviving spouse's and Vested Former Employee's annual contribution to the cost of health benefits shall be 100% of the premium charged to Broome County by third party providers, or in the case of the County self-insured health benefits plan, the premium equivalent amount as determined by the Broome County Risk & Insurance Manager. The annual contribution shall be payable in bimonthly installments.

VII. Joint Survivor Benefit

Effective January 1, 2002, in lieu of the annual contribution amount defined in Part II paragraph 2 a retired employee, upon termination of eligible service from Broome County may make a one time irrevocable election for a joint survivor benefit as follows:

1. The amount of the annual contribution shall be 25% of premium charged to Broome County by third party providers, or in the case of the County self-insured health benefits plan, the premium equivalent amount as determined by the Broome County Risk & Insurance Manager. If the former employee's spouse predeceases the former employee, then the former employee shall be charged in accordance with Part II Paragraph 2.
2. Upon the death of the retiree, the surviving spouse, shall be charged an annual contribution of 25% of the premium charged to Broome County by third party providers, or in the case of the County self-insured health benefits plan, the premium equivalent amount as determined by the Broome County Risk & Insurance Manager.

VIII. Annual & Lifetime Major Medical Limits

The annual major medical coverage cap shall be \$50,000 per participant. The Lifetime Major Medical cap shall be \$500,000 participant.

IX. Annual Deductible

The annual deductible for major medical shall be as follows:

Category	Annual Deductible Per Person
Waiver or Reduction Qualified	\$75
Ordinary Plan	\$100
Joint Survivor	\$125

X. Commercial Insurance Products

Any health benefit product offered by Broome County to retirees or vested former employees, other than the self-insured health plan, is offered subject to all the rules of the issuing carrier.

XI. Eligibility Interpretation

The Risk & Insurance Manager and Personnel *Officer* shall jointly decide on the eligibility for coverage under this plan consistent with the intent and purpose of this resolution. In the event that the Risk & Insurance Manager and Personnel Officer cannot agree on the eligibility of a person that has applied for coverage pursuant to this plan, the County Executive or his designee shall determine the eligibility after due consideration of all of the facts, circumstances and controlling laws.

IV. Annual Contribution Waiver or Reduction:

1. Any Retiree whose gross household income is less than the amount of the senior citizens tax exemption income limit fixed by the Broome County Legislature pursuant to §185-31(A) of the Broome County Charter and Code shall be entitled to a waiver of the annual contribution. Application for the annual contribution waiver **shall** be made on a form prescribed by the Office of Risk & Insurance and subscribed to by the retiree or the retiree's legal representative. The Office of Risk & Insurance may require any reasonable proof of income to be attached to the waiver application. All annual contribution waiver applications shall be made no later than April 1st of the current plan year. Approved waivers shall be effective for the period from May 1st through April 30th of the following year. A waiver must be approved annually, and will not continue in effect in the subsequent plan year beyond April 30th.
2. The surviving spouse of a former county employee that retired prior to January 1, 2002 whose gross household income is less than the amount of the senior citizens tax exemption income limit fixed by the Broome County Legislature pursuant to § 185-31(A)' of the Broome County Charter and Code shall be charged 50% of the annual contribution. Application for the annual contribution reduction shall be made on a form prescribed by the Office of Risk & Insurance and subscribed to by the surviving spouse or the surviving spouse's legal representative. The Office of Risk & Insurance may require any reasonable proof of income to be attached to the application for reduction. All annual contribution reduction applications shall be made no later than April 1st of the current plan year. Approved reductions shall be effective for the period from May 1st through April 30th of the following year. A reduction must be approved annually, and will not continue in effect in the subsequent plan year beyond April 30th.
3. The Office of Risk & Insurance shall notify all Retirees and surviving spouses via written communication of the availability of the contribution waiver or reduction. Such written correspondence must be included with the billing for the first bi-monthly installment or via a first class mailing mailed within 15 days of the first bi-monthly billing statement.
4. Notwithstanding paragraph 1 of part IV hereof, the Risk & Insurance Manager is authorized to issue an immediate waiver or reduction of contribution for the balance of the current plan year, at any time during the plan year, whenever the retiree or his legal representative can show that he has experienced an unforeseen economic hardship. Any such emergency waiver by the Risk & Insurance Manager shall be issued in writing.

V. Drug Co-Pay Provisions:

Category	Retail 35 Day Supply		Mail Order 90 Day Supply	
	Generic & "DAW"	Brand Name	Generic & "DAW"	Brand Name
Waiver or Reduction of Premium	\$2	\$5	\$4	\$10
Ordinary Plan	\$5	\$10	\$10	\$20
Joint Survivor	\$7	\$15	\$14	\$30

VI. Coordination with Medicare:

In order to qualify or remain qualified for Health Benefits, retired employees, vested former employees and surviving spouses, upon becoming Medicare Eligible, must enroll in both Parts A and B of the Medicare Program and remain enrolled for so long as they receive Health Benefits.