

# Retiree Insurance Eligibility, Funding



## For members who work for a state agency, public higher education institution, public school district or charter school that participates in both insurance and retirement

Eligibility for retiree group insurance is not the same as eligibility for retirement. Determining retiree insurance eligibility is complicated, and only PEBA can make that determination. It is very important to contact PEBA before making final arrangements for retirement. To schedule a phone or video consultation with Customer Service, visit [peba.sc.gov/visit-us](https://peba.sc.gov/visit-us).

As an active employee, your employer pays part of the cost of your health and dental insurance. When you retire, several factors determine if you pay all or part of your insurance premiums. These factors include your years of earned service credit, the type of employer from which you retire and the date you were hired into an insurance-eligible position.

### When reviewing the charts on Page 2, keep these things in mind:

- For any retiree coverage, your last five years of employment must have been served consecutively in a full-time, insurance-eligible permanent position with an employer that participates in the State Health Plan.
- Changing jobs could affect your eligibility for funding. The information on Page 2 applies only if your last employer prior to retirement is a state agency, public higher education institution, public school district or other employer that participates in the state's Retiree Health Insurance Trust Fund. Contact your employer if you are unsure whether it participates in the Retiree Health Insurance Trust Fund.
- To receive state funding toward your premiums, your last five years of employment must have been in service with a state agency, public higher education institution, public school district or other employer that participates in the state's Retiree Health Insurance Trust Fund. Early retirement from the South Carolina Retirement System under the 55/25 provision will delay your eligibility for funding.
- If the charter school for which you work does not participate in a PEBA-administered retirement plan, and you meet the eligibility requirements for retiree group insurance, employer funding, if any, is at the discretion of your charter school.
- Earned service credit is time earned and established in one of the defined benefit pension plans PEBA administers. Earned service credit does not include any purchased service credit not considered earned service in the retirement plans (e.g., non-qualified service).
- For State ORP participants, eligibility is determined as if the participant were a member of the South Carolina Retirement System. This means one year of employment under State ORP equals one year of earned service credit.
- For members whose employer does not participate in a PEBA-administered retirement plan, eligibility is determined as if the participant were a member of the South Carolina Retirement System. This means one year of employment is equated to one year of earned service credit.



The charts below illustrate eligibility and funding guidelines for retiree group insurance. Please refer to the [Plan of Benefits](#) for more detailed information on these and other eligibility and funding rules.

## Employees hired into an insurance-eligible position before May 2, 2008

Retirement status	Earned service credit with an employer participating in the State Health Plan	Responsibility for paying premiums
<b>Left employment after reaching service or disability retirement eligibility</b> Learn more about retirement eligibility at <a href="http://peba.sc.gov">peba.sc.gov</a> .	Five years, but less than 10 years	You pay the full premium (employee and employer share).
	10 years or more	You pay only the employee share of the premium.
<b>Left employment before reaching retirement eligibility</b>	Less than 20 years	You are not eligible for retiree insurance coverage.
	20 years or more	You are eligible for coverage upon reaching retirement eligibility. <sup>1</sup> You pay only the employee share of the premium.

## Employees hired into an insurance-eligible position on or after May 2, 2008

Retirement status	Earned service credit with an employer participating in the State Health Plan	Responsibility for paying premiums
<b>Left employment after reaching service or disability retirement eligibility</b> Learn more about retirement eligibility at <a href="http://peba.sc.gov">peba.sc.gov</a> .	Five years, but less than 15 years	You pay the full premium (employee and employer share).
	15 years, but less than 25 years	You pay the employee share of the premium and 50% of the employer share of the premium.
	25 years or more	You pay only the employee share of the premium.
<b>Left employment before reaching retirement eligibility</b>	Less than 20 years	You are not eligible for retiree insurance coverage.
	20 years, but less than 25 years	You are eligible for coverage upon reaching retirement eligibility. <sup>1</sup> You pay the employee share of the premium and 50% of the employer share of the premium.
	25 years or more	You are eligible for coverage upon reaching retirement eligibility. <sup>1</sup> You pay only the employee share of the premium.

<sup>1</sup> Retirement eligibility means that you have met the minimum statutory requirements for retirement eligibility established for the plan in which you are a member. For State ORP participants and members whose employer does not participate in a PEBA-administered retirement plan, eligibility is determined as if the participant were a member of the South Carolina Retirement System (SCRS), including reaching retirement eligibility.