

# Retiree Insurance Eligibility, Funding



## For members who work for optional employers, such as county governments and municipalities

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.

As an active employee, your employer pays part of the cost of your health and dental insurance. As a retiree who meets the eligibility requirements for retiree group insurance, your employer determines if you pay all or part of your insurance premiums. Premiums for optional employers may vary. To verify your rates, contact your employer.

The chart on the back of this page illustrates eligibility and funding guidelines for retiree group insurance.

### When reviewing the chart, keep these things in mind:

- 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 an optional employer or other employer that does not participate 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.
- Earned service credit is time earned and established in one of the defined benefit pension plans PEBA administers; time worked while participating in the State Optional Retirement Program (State ORP); or time worked for an employer that participates in the State Health Plan, but not the retirement 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).
- If your employer does not participate in a PEBA-administered retirement plan, your eligibility is determined as if you were a member of the South Carolina Retirement System.

## Employees hired into an insurance-eligible position

| Retirement status   | Earned service credit with an employer participating in the State Health Plan | Responsibility for paying for premiums   |
|---|---|--|
| <b>Left employment after reaching service or disability retirement eligibility</b><br><i>Learn more about retirement eligibility at <a href="http://www.peba.sc.gov">www.peba.sc.gov</a>.</i> | At least five years   | Your portion of the premium, up to the full amount of the employee and employer share, is at your employer's discretion. |
| <b>Left employment before reaching retirement eligibility</b>   | Less than 20 years  | You are not eligible for retiree insurance coverage.   |
|   | 20 or more years  | Your portion of the premium, up to the full amount of the employee and employer share, is at your employer's discretion. |