

Retiree Insurance Eligibility, Funding



For members who work for a state agency, state institution of higher education or public school district

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. 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 agency from which you retire and the date you were hired into an insurance-eligible position.

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

When reviewing the charts, 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 effect your eligibility for funding. The information on Page 2 applies only if your last employer prior to retirement is a state agency, state institution of higher education, 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, state institution of higher education, 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; 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.)
- 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.



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
Left employment after reaching service or disability retirement eligibility <i>Learn more about retirement eligibility at www.peba.sc.gov.</i>	Five years, but less than 10 years	You pay the full premium (employee and employer share).
	10 or more years	You pay only the employee share of the premium.
Left employment before reaching retirement eligibility	Less than 20 years	You are not eligible for retiree insurance coverage.
	20 or more years	You pay only the employee share of the premium at retirement.

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
Left employment after reaching service or disability retirement eligibility <i>Learn more about retirement eligibility at www.peba.sc.gov.</i>	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 or more years	You pay only the employee share of the premium.
Left employment before reaching retirement eligibility	Less than 20 years	You are not eligible for retiree insurance coverage.
	20 years, but less than 25 years	You pay the employee share of the premium and 50% of the employer share of the premium at retirement.
	25 or more years	You pay only the employee share of the premium at retirement.