

# APPENDIX G

## RETIREE HEALTH INSURANCE

Section 4. Same - Discrimination

Any applicant for county employment, county employee or former county employee who has reason to believe that employment, promotion, training or transfer was denied him to that demotion, layoff or termination of employment was forced upon him because of his age, sex, race, color, religion, national origin, creed, political affiliation or physical disability except where specific age, sex or physical requirements constitute a bona fide occupational qualification necessary to proper and efficient administration, shall have the right to appeal directly to the county manager (in the case of general county employment) or the state personnel commission (in the case of competitive service employment). A permanent county employee has the right to appeal using the grievance procedure outlined in Section 4 if he so desires. An employee or applicant must appeal an alleged act of discrimination within thirty (30) days of the alleged discriminatory action.

ARTICLE IX. EMPLOYEE BENEFITS

Section 1. Insurance Benefits

The county provides hospital and medical, dental, and life insurance for all employees including the following:

- (a) Employees and Retirees with Less than 20 Years Service. All retired employees of Rutherford County who have continuously maintained their health coverage since their last day of work and who are receiving benefits under the North Carolina Local Governmental Employees' Retirement System will be eligible as of January 1, 1988 for health coverage under a non-group certificate provided such employees meet the requirements of the Administrative Services Agreement between Rutherford County and the Health Insurance Carrier the same may be amended from time to time, and provided such employee pays the requisite premium associated with such coverage. Surviving spouses of deceased retirees who maintained their health coverage from their last day of work until their death and who receive a survivor's alternate benefit under the North Carolina Local Governmental Employees Retirement System will be eligible for this same benefit provided they meet the requirements stated above. This policy is subject to amendment upon majority vote of the County Commissioners.
- (b) Employees with 20 Years Service. All county employees who retire after January 1, 1988 and who have twenty years creditable service with Rutherford County and who receive benefits under the North Carolina Local Government Employees' Retirement System upon retirement will have their health insurance premiums under the county health plan paid for by Rutherford County if said employee is in the employment of the county at the time of retirement. All retired employees of Rutherford County who have twenty years creditable service with Rutherford County and who are covered as of January 1, 1988 under the county health plan will be eligible for this same benefit.
- (c) Totally and Permanently Disabled Employees. Health insurance premiums will be paid by Rutherford County as of January 1, 1988 for all employees who become totally and permanently disabled while in the employment of Rutherford County and are eligible for disability retirement benefits under the North Carolina Governmental Employees' Retirement System. Those employees who are currently receiving disability benefits under this system are totally and permanently disabled, and are currently covered under the county health plan will be eligible for this benefit.

- (d) Commissioners and Coroners. As of January 1, 1988, health premiums will be paid by Rutherford County for all County Commissioners and Coroners with twenty years service with Rutherford County which includes both time as an employee of the county or as an elected official of the county provided he/she is provided coverage after January 1, 1988.

The county may make other group insurance plans available for its employees upon authorization of the Board of Commissioners.

## Section 2. Unemployment Insurance

In accordance with Public Law 94-566 and Chapter 1124 of the Session Laws of 1977 of the North Carolina General Assembly, local governments are covered by unemployment insurance effective January 1, 1978. County employees who are laid off or released from the county service may apply for unemployment compensation through the local office of the Employment Security Commission who will determine the employee's eligibility for this benefit.

## Section 3. Old Age and Survivor's Insurance

The county, to the extent of its lawful authority and power, has extended social security benefits for its eligible employees and eligible groups and classes of such employees.

## Section 4. Retirement Benefits

The county provides retirement benefits for its employees. The county provides a retirement program for employees through the North Carolina Local Governmental Employees' Retirement System and the Law Enforcement Officers' Benefits and Retirement Fund.

Each employee appointed to a permanent position shall be required to join one of the county retirement plans.

# ARTICLE X. PERSONNEL RECORDS AND REPORTS

## Section 1. Personnel Records Maintenance

Such personnel records as are necessary for the proper administration of the personnel system will be maintained by the county manager. The county shall maintain in personnel records only information that is relevant to accomplishing personnel administration purposes.

The following information on each county employee shall be maintained:

- (a) name;
- (b) age;
- (c) date of original employment or appointment to county service;
- (d) current position title;
- (e) current salary;

**Approved July 5, 2005**

**Retiree Health Insurance**

1. All full-time employees that are hired on or after August 1, 2005 and who obtain a minimum of twenty (20) years of credible service with Rutherford County or the Rutherford-Polk-McDowell District Health Department and who receive benefits under the North Carolina Local Government Employee's Retirement System upon retirement will be entitled to have a maximum of fifty (50%) percent of their health insurance premiums under the Rutherford Health Plan paid for by Rutherford County or the Rutherford-Polk-McDowell District Health Department if said employee is in the employment of Rutherford County or the Rutherford-Polk-McDowell District Health Department at the time of retirement. Effective August 1, 2005 this funded liability is capped at \$164.40 per month per employee.
2. All full-time employees that are hired on or after August 1, 2005 who become totally and permanently disabled while in the employment of Rutherford County or the Rutherford-Polk-McDowell District Health Department and are eligible for disability retirement benefits under the North Carolina Local Government Employee's Retirement System will be entitled to have a maximum of fifty (50%) percent of their non Medicare health insurance premiums under the Rutherford Health Plan paid for by Rutherford County or the Rutherford-Polk-McDowell District Health Department for a period not to exceed thirty-six (36) months. Effective August 1, 2005 this funded liability is capped at \$164.40 per month per employee. Upon receipt of Medicare benefits by the employee or at the end of said thirty-six (36) month period, whichever event occurs first, the employee will be entitled to have a maximum of fifty (50%) of their Medicare health insurance premiums under the Rutherford Health Plan paid for by Rutherford County or the Rutherford-Polk-McDowell District Health Department. Effective August 1, 2005 the funded liability is capped at \$124.77 per month per employee.
3. All full-time employees that are hired on or after August 1, 2005 and who obtain twenty (20) years of credible service with Rutherford County or the Rutherford-Polk-McDowell District Health Department and who receive benefits under the North Carolina Local Government Employee's Retirement System and are sixty-five (65) years of age will be entitled to have a maximum of fifty (50%) percent of their Medicare health insurance premiums under the State Health Plan paid for by Rutherford County or the Rutherford-Polk-McDowell District Health Department if said employee is in the employment of Rutherford County or the Rutherford-Polk-McDowell District Health Department at the time of retirement. Effective August 1, 2005 this funded liability is capped at \$124.77 per month.

Please return completed forms directly to the Retirement System.

### Your First Monthly Benefit

Your first monthly retirement benefit will be mailed to you. Thereafter, it is the policy of the Retirement Systems Division for your monthly payment to be directly deposited in your account when your financial institution opens for business on the 25th day of each month, except in December, when it will be deposited on the 20th. If the day the Retirement System would normally make your deposit is a Saturday, Sunday, or holiday, then your deposit will be made on the last workday *before* that Saturday, Sunday, or holiday. Direct deposit is fast, is automatic, and is free of cost to you.

### Post-Retirement Increases

Your benefit may be increased periodically after retirement to help you keep up with the cost-of-living. Increases depend on changes in the Consumer Price Index, the availability of funds, and how much active working members of the System receive in salary raises.

The cost-of-living increases granted are usually figured as a percentage increase in your monthly benefit. That percentage increase becomes a permanent part of your monthly benefit, under all payment plans, and the monthly benefit to be paid to your beneficiary, after your death, under Options 2, 3, 6-2, and 6-3. (See page 11 regarding Option 4 increases.)

## Retiree Health Insurance Coverage

When you retire, you are eligible to enroll in the State Health Plan, with the cost determined by when you began State employment and which health coverage you select, if you contributed to the Teachers' and State Employees' Retirement System for at least five years (not including credit for unused sick leave or credit transferred from the Local Governmental Employees' Retirement System) while employed as a teacher or State employee.

At the time you complete your retirement application, be sure to complete an application to enroll in the retiree group of the State Health Plan.

Under current law, if you were first hired prior to **October 1, 2006**, and retire with five or more years of State System membership service, the State will pay either all or most of the cost, depending on the plan chosen, for your individual coverage under one of the Preferred Provider Organization (PPO) plans. Based on the conditions described above, if you were first hired **on or after October 1, 2006**, in order to receive individual coverage at no cost, you must retire with 20 or more years of retirement service credit;

if you have 10 but less than 20 years of retirement service credit, you will have to pay 50% of the cost for your coverage, and with five but less than 10 years, you will have to pay the full cost for your coverage. In all cases, the full cost of dependent coverage, if elected, must be paid by you.

As a retiree, when you or covered dependents become eligible for Medicare, both Parts A (Hospital) and B (Medical) must be elected in order to maintain the same level of coverage provided before retirement.

For information on prescription drug coverage under the State Health Plan and Medicare Part D (Prescriptions), please contact the State Health Plan at 1-800-422-4658 or visit the State Health Plan Web site at [www.shpnc.org](http://www.shpnc.org).

Coverage under the retiree group of the State Health Plan begins on the first day of the month following the effective date of retirement. For example, if your effective date of retirement is January 1, 2008, your retiree group health coverage will begin on February 1, 2008.