

Certificated Retiree Health Plan

Retirement Planning Guide



 Be smart
Live well

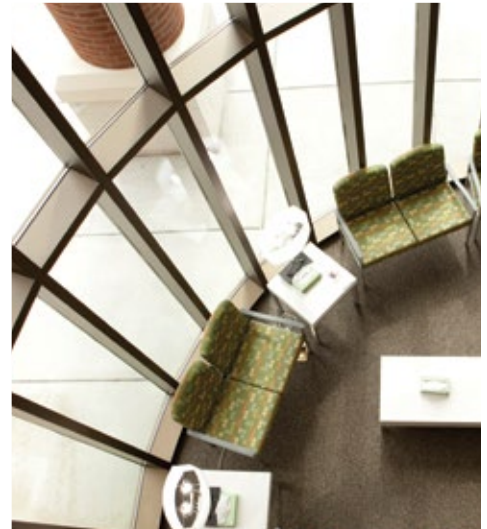
2019



METRO
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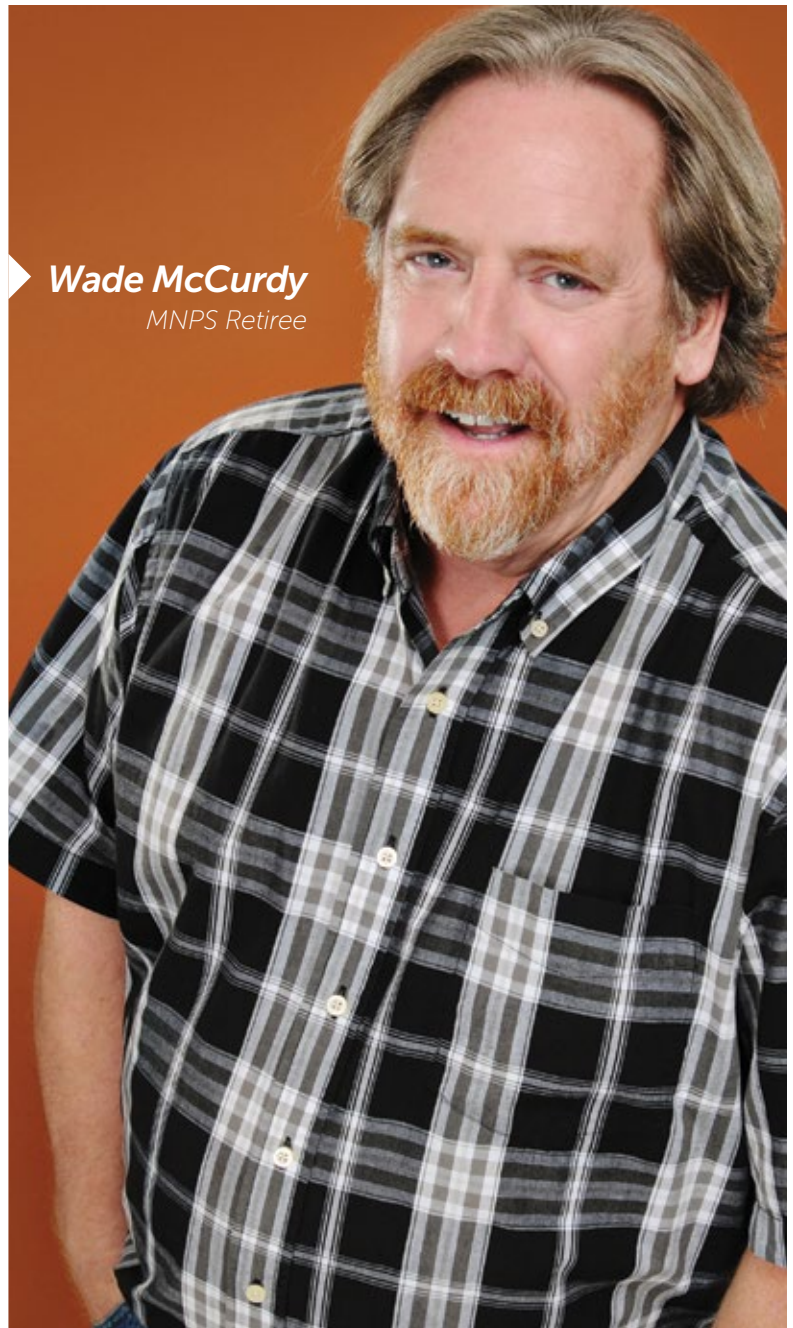


“A highlight of working for Metro is the richness of benefits.”

“A highlight of working for Metro is the richness of benefits. Over 35 years, I’ve used just about every one of them. Counseling services, health care, financial planning...every single thing that was available. Didn’t use the maternity leave though....

I love that the Center has satellite locations. My last job was convenient to the Berry Hill clinic, and they have wonderful nurses. As far as I’m concerned, it’s my primary care — I was there when they first opened and have been going there ever since.”

Wade McCurdy
MNPS Retiree



Medical/Dental/Vision/Hearing

Can I keep my medical, dental, vision and hearing insurance when I retire?

You may continue this coverage for yourself and any enrolled eligible dependents throughout your retirement if:

- You have at least 10 years of active employment with Metro Schools
- You begin receiving a monthly pension payment immediately following termination

AND

- You have been enrolled in the group plan for three continuous years immediately prior to retirement

If you have at least 20 years of service with Metro Schools, you may defer commencement of pension and re-enroll when your monthly pension begins.

How will my medical, dental, vision and hearing coverage change when I retire?

The Insurance Trust has arranged a medical/dental/vision/hearing plan for retirees and their eligible dependents, whether they are under age 65, over age 65, eligible for Medicare or not eligible for Medicare. Your share of the cost is based on the medical option you are covered by.

If you and/or any covered dependents are under age 65 and have no Medicare, your medical benefits will be provided through the Cigna Medical Plan.

If you and/or any covered dependents age 65 or older have Medicare Parts A and B, your medical benefits will be provided through the Cigna Medicare Surround plan with Cigna-HealthSpring Rx (PDP). During Annual Transfer, held each fall, you will have the option to enroll in the Cigna-HealthSpring Medicare Advantage Plan (MAPD) with Medicare Part D prescription drug coverage.

Important: The Cigna-HealthSpring MAPD may only be elected during Annual Transfer in the fall. If you turn age 65 during the year and have Medicare Parts A and B, you will automatically be enrolled in the Cigna Medicare Surround plan. If you wish, you may switch to the Cigna-HealthSpring MAPD during the next Annual Transfer.

The Cigna Medicare Surround supplements what Medicare pays for Medicare Parts A and B. You can use any health care provider who accepts Medicare.

The Cigna-HealthSpring MAPD covers everything Original Medicare (Parts A and B) covers, plus many extras, including prescription drug and other value-added benefits. The plan is designed for retirees looking for a lower-cost option. When you enroll in the plan, you will choose a primary care physician from Cigna-HealthSpring's network to coordinate all your care.

See your Retiree Benefits Guide, which you will receive at your retirement appointment, for more information about these two plans.

Your dental, vision and hearing coverage will continue under the same plans you had as an active employee.

Note: Retirees and dependents eligible for Medicare must enroll in both Part A (hospital) and Part B (physician) and mail a copy of their Medicare card to Employee Benefit Services BEFORE the first day of the month that Medicare becomes effective in order to receive the reduced premium. Otherwise, the premium will not be reduced until the following month. Spouses covered under our plan who are eligible for Medicare must enroll in Parts A and B, even if they are currently working and not covered by their employer's medical plan.

Additionally, you may not enroll in more than one Medicare plan.

Can I add a dependent(s) to my coverage?

Retirees can only add dependents to their coverage due to a qualifying event; you cannot add dependents during Annual Transfer. Qualifying events include:

- Change in marital status: marriage (including domestic partnership), divorce, legal separation, death of a spouse
- Change in number of dependents: birth, death, adoption, award of legal guardianship
- Change in employment status: termination, layoff, moving from full-time to part-time resulting in loss of benefits

You have 60 days from the date of a qualifying event to request a change in your benefits. If you do not, you will not be able to add that dependent.

Continued

Medical/Dental/Vision/Hearing...continued

What if I (the retiree) have Medicare A and B but my spouse is not covered by Medicare?

Retirees and their eligible dependents may be enrolled in different plans. In your case, you will be covered by the Cigna Medicare Surround (you can elect the Cigna-HealthSpring MAPD only during Annual Transfer). Your spouse will be covered by the Cigna Medical Plan. See your Retiree Benefits Guide, which you will receive at your retirement appointment, for more examples.

How much will my medical/dental/vision/hearing coverage cost?

The Board of Education continues to pay its share of the cost of this coverage. Your insurance premium is deducted from your pension check.

Your 2018-2019 monthly cost per member is listed in the chart below:

Plan*	With or without Medicare A and B	Monthly cost**
Cigna Medicare Surround with Cigna-HealthSpring Rx (PDP)	Retiree and/or spouse with Medicare A and B	\$123.69/member
Cigna-HealthSpring Medicare Advantage with Part D drug coverage (may elect only during Annual Transfer)	Retiree and/or spouse with Medicare A and B	\$51.00/member
Cigna Medical Plan	Retiree or spouse without Medicare	\$196.48/member
	Dependent child without Medicare	\$83.84/dependent child

* All plans include dental coverage through Delta Dental, vision coverage through EyeMed Vision and hearing coverage through Epic Hearing Healthcare.

** Monthly premium for a surviving spouse is four times the cost shown above; MNPS does not pay 75% of the cost for a covered surviving spouse. A few members may incur an Income Related Monthly Adjusted Amount (IRMAA). IRMAA affects higher-income Medicare beneficiaries, who are required to pay an increased monthly Medicare premium based on the income they report to the IRS. Income limits for Part D prescription drug coverage are the same as income limits for Medicare Part B. IRMAA is deducted automatically from Social Security payments, or direct billed monthly or quarterly. Qualifying members must pay IRMAA or lose coverage; however, MNPS will reimburse members the additional cost for Part D prescription drug coverage incurred by IRMAA. To receive this reimbursement, affected members must submit to MNPS a copy of the invoice titled "Notice of Medicare Premium Due."

I am retired, over age 65 and covered under my spouse's active employee medical plan, with Medicare Part A. My spouse is also covered under my retiree medical plan. Which medical option is available to us?

You will have the Cigna Medical Plan with regular prescription drug coverage until your spouse retires. At that time, you will both be required to have Medicare A and B and will be enrolled in the Cigna Medicare Surround plan with Cigna-HealthSpring drug coverage. During Annual Transfer, either of you may elect the Cigna-HealthSpring MAPD or choose to remain in the Cigna Medicare Surround plan.

Life insurance

What happens to my life insurance when I retire?

The term life insurance you have as an active employee will terminate upon retirement; however, you do have options to continue coverage:

Portability

Both your basic and supplemental group term life coverages are portable, which means you can transfer those benefits to an individual **term** life insurance policy. When you choose to “port” your coverage, you pay premiums directly to Dearborn National. Rates are based on age and will increase over time. You can port up to the amount of your current coverage. Spouse coverage can be ported independent of employee coverage; however, you must port either your or your spouse’s coverage to be eligible to port child coverage.

To port coverage, you must complete the Portability Application form and send it to Dearborn National within 31 days after your group coverage ends, along with your first premium payment. The Portability Application, which includes all applicable rates, will be provided during your retirement interview.

Conversion

Alternatively, both your basic and supplemental group term life coverages may be converted to an individual **whole** life insurance policy. When you choose to “convert” your coverage, you pay premiums directly to Dearborn National. Rates are based on age at the time of retirement. You can convert up to the amount of your current coverage. Employee, spouse and child coverage can be converted independently.

To convert coverage, you must complete the Conversion Application and send it to Dearborn National within 31 days after your group coverage ends, along with your first premium payment. The Conversion Application, which includes all applicable rates, will be provided during your retirement interview.

Special note regarding supplemental AD&D

Basic and supplemental group accidental death and dismemberment (AD&D) coverage cannot be continued after retirement.

\$500 death benefit

The Charter of Metropolitan Government provides that \$500 be paid at the time of your death. You have a named beneficiary on file with Employee Benefit Services; you will update this information at your retirement appointment. Please keep your beneficiary’s complete address current. You may change your beneficiary at any time.

Social Security death benefit

Current Social Security law provides a \$255 death benefit, paid on behalf of an individual eligible for Social Security as a wage earner, providing he or she has a qualifying spouse or dependent child. A claim for this benefit is made directly to the Social Security Administration.

Disability

Can I keep my disability coverage after retirement?

Your disability insurance (short-term and long-term) is designed to protect your income as an active employee; therefore, coverage cannot be continued after retirement.

Flexible Spending Accounts

Can I continue to participate in the flexible spending accounts?

IRS regulations do not permit retirees to participate in FSAs.

If you are a 10-month employee retiring at the end of the school year, you can continue to incur expenses through July 31. You have 90 days after July 31 to submit claims and get reimbursed from your existing FSA.

If you are a certificated employee retiring during the school year, you may continue to incur expenses until the end of the month in which you retire. You have 90 days after the end of the month in which you retire to submit claims and get reimbursed from your existing FSA.

Unused sick leave

Do I get credit for unused sick leave at retirement?

Accrued, unused sick leave days at the time of retirement are recognized in two ways:

1. One month of additional retirement credit is given for every 20 days of unused sick leave

and

2. An employee who is at least age 60 **or** has at least 20 years of service with Metro Schools AND notifies Human Resources or Employee Benefit Services in writing **no later than the last day of February** of their plans to retire upon completion of their current fiscal year assignment will receive a lump-sum payment for unused sick leave at the rate of:
 - \$50 per day for the first 50 days accrued
 - \$75 per day for days 51-100
 - \$100 per day for days 101+

If you revoke or rescind your notice of intent to retire more than three business days after submitting the notice, you forever waive your right to receive payment for both the \$500 early notification incentive (see next section) and the higher daily rates for MNPS accrued sick leave.

An employee who is at least age 60 **or** has at least 20 years of service with Metro Schools but notifies Human Resources **after the last day in February** will be paid \$50 for each unused sick day at the time of retirement.

For employees under age 60 or with fewer than 20 years of service with Metro Schools, a scheduled percentage of accrued days will be paid, as contained in the Education Agreement.

How is unused sick leave paid?

Unused sick leave can be paid to your State of Tennessee 401(k) Deferred Compensation Program that you currently have through MNPS, allowing you to avoid paying the 25% federal income tax at the time of payout. This option is only available if you are enrolled in the 401(k) **and** have 401(k) deductions coming out of your active paycheck.

How is unused vacation leave paid?

For certificated employees, up to 50 unused vacation days can be paid out at a full day's pay rate.

Early notification incentive

How can I qualify for the early notification incentive?

As the result of an agreement between MNEA and the Board of Education, teachers who notify Human Resources or Employee Benefit Services **in writing and no later than the last day in February** of their plans to retire upon completion of their current fiscal year assignment will receive a \$500 early notification incentive.

Notification must be received in writing no later than the last day in February. A Notice of Retirement is available to use for written notice. All other retirement papers do not have to be signed by that date. Only individuals applying for service pension are eligible for the incentive (excludes disability or deferred retirement).

Important: If you revoke or rescind your notice of intent to retire more than three business days after submitting the notice, you forever waive your right to receive the \$500 early notification incentive.

Requesting retirement

How do I apply for retirement?

1. Discuss your decision to retire with your principal or supervisor BEFORE submitting your Notice of Retirement to Employee Benefit Services. After your notice is received, your position may be posted as a vacancy.
2. Complete the Notice of Retirement Form included in this packet. Send it to:
Metro Nashville Public Schools
Attn: Employee Benefit Services
2601 Bransford Avenue
Nashville, TN 37204
3. Contact Tennessee Consolidated Retirement System (TCRS) at 1-800-922-7772 to schedule an appointment to get an estimate of benefits. The estimate will show your monthly pension payment amount.
4. Once you have submitted your Notice of Retirement and received a TCRS estimate of benefits, Employee Benefit Services will send you a list of available dates to come in and sign all other retirement papers. Do not schedule this appointment until you receive your TCRS estimate of benefits.
5. Complete an application for Service Retirement or Early Retirement. You have two options:
 - Written: Go to treasury.tn.gov/tcrs. Click Forms (on side menu) > Retirement Applications > Application for Retirement. Print, complete and bring the application to your retirement appointment.
 - Online: Go to mytcrs.tn.gov. Log in or create a login. Click Online Retirement Application on the home page. Print the application before logging off and bring a copy to your retirement appointment.

What should I bring to my retirement appointment?

1. Printed copy of your Application for Service or Early Retirement
2. TCRS estimate of benefits
3. Proof of your identification (driver's license or birth certificate)
4. Proof of your beneficiary's identification (driver's license or birth certificate)
5. Two voided personal checks: one to designate the account where you want your pension check deposited; the other attached to a premium draft form provided at your appointment
6. Beneficiary's name, address and phone number for the \$500 death benefit

This booklet explains what happens to your employee benefits when you retire. It does not address your retirement income, including such items as how the monthly amount is calculated, the selection of options, cost-of-living adjustments or income taxes. These areas are addressed separately. The Board of Education, like all employers, retains the right to modify group insurance benefits as may be deemed appropriate and/or necessary.



**METRO NASHVILLE
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EMPLOYEE BENEFIT SERVICES

615-259-8464

2601 Bransford Avenue
Nashville, TN 37204

Vanderbilt Health at MNPS Employee & Family Health Care Centers

Can I continue to use the Health Care Centers after retirement?

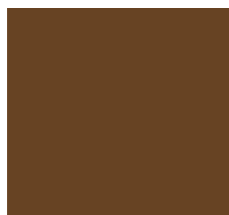
Yes! You can use the Health Care Centers and take advantage of all offered services and programs, just like you did as an active employee. There is one exception: If you elect the Cigna-HealthSpring MAPD (allowed during Annual Transfer only), Medicare rules require that Cigna-HealthSpring members pay their regular copay amounts for office visits, labs and prescription drugs. However, overall copay amounts and out-of-pocket costs are generally lower with the MAPD.

“I’m a cheerleader for the MNPS Health Care Centers.”

“I think the Centers are great. I like the convenience of their hours and the fact that I can get in quickly.

The Centers also provide health coaches. I eat lots of vegetables and walk about three days a week, but I’d still like to lose some weight. I’m considering using a coach. I like that they aren’t pushy. They simply make the service available and say, ‘If you want to talk to me, give me a call.’ I like that.”

Dorcel Benson
MNPS retiree



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Live well

