



**CITY RETIREE PREMIUM  
REIMBURSEMENT PROGRAM**

**Effective January 1, 2012**

## PLAN EXECUTION

The City of Winston-Salem hereby establishes a program that provides the option to waive participation in the City-offered Medicare Advantage HMO Group Plan and purchase an individual Medicare Supplemental Plan for retirees who are eligible for Medicare. If an eligible retiree chooses to purchase an individual Medicare Supplemental Plan, the City will reimburse up to \$200 per month or the equivalent premium amount of the City-offered Medicare Advantage HMO Group Plan, whichever is less.

~~Is this space empty by accident, or is it planned this way?~~

This program will take effect as of 12:01 a.m. Eastern Standard Time on January 1, 2012. "Program" shall mean the benefits described herein and be called the City of Winston-Salem Retiree Premium Reimbursement Program.

"Eligible Retiree or Spouse" shall mean retiree meeting the requirement to participate in the City's retiree health plan. Eligible spouse must meet the requirement to participate in the City's retiree health as defined under approved July 2010 amendment for Surviving Spouses and Employee Work-Related Death that are determined eligible for retiree medical premium subsidy.

"Eligible Premium for Reimbursement" means monthly premiums paid for medical (Medicare Part C) or combination of medical and prescription (Medicare Part C and D) coverage not to exceed \$200 per month or an amount equal to the monthly premium cost the City pays for an offered Medicare Advantage HMO Group Plan, whichever is less. Retiree must continue to pay original Medicare coverage premiums for Part A, if applicable, and Part B. Monthly premiums for Part A and/or Part B and participation in the Preferred Provider Organization (PPO) Plans are not reimbursable.

"City offered Medicare Advantage HMO Group Plan" means the Medicare Advantage HMO Plan administered by BlueCross BlueShield of NC for Medicare eligible retirees.

"CMS" means Center for Medicare and Medicaid Services.

## REIMBURSEMENT PROCEDURES

Retirees- must notify the City of Winston-Salem Human Resources Department of their intention to participate in the Premium Reimbursement Program by submitting a Premium Reimbursement Program Participation Form to the department. A copy of the form will be submitted to Flores and Associates as notification of the retiree's eligibility to participate in the reimbursement program.

The retiree must complete and submit via fax or mail directly to Flores and Associates the Premium Reimbursement Affidavit Form along with appropriate documentation of medical and/or prescription plan,- and copy of premiums paid-. Acceptable forms of documentation for plan participation and premium payment are as follows:

Acceptable documentation of Medical and/or Prescription coverage:

- ❖ Current billing statement listing retiree as covered member
- ❖ Statement from insurance carrier with plan name

Formatted: Space After: 0 pt, Line spacing: single

Formatted: Space After: 0 pt, Line spacing: single

(Copy of insurance ID card is not considered an acceptable documentation)

Acceptable forms of premium paid documentation such as:

- ❖ Paid receipt
- ❖ Stamped receipt or statement from carrier indicating payment received
- ❖ Copy of bank or credit card statement with notation of premium payment
- ❖ Copy of cancelled check

Program participants are eligible to receive reimbursement of monthly premiums paid for medical or combination of medical and prescription drug coverage not to exceed \$200 per month or an amount equal to the monthly premium cost the City pays for an offered Medicare Advantage HMO Plan, whichever is less. ~~The maximum reimbursement amount for plan year 2012 will be \$175.64.~~

Acceptable documentation of medical and/or prescription coverage and receipt of paid premium must be submitted to Flores and Associates within ninety (90) days of payment to insurance carrier. Reimbursements may be requested on either a monthly or quarterly basis, but may not exceed a ninety (90) day period. Reimbursement requests received after ninety (90) days will not be processed without approval by City of Winston-Salem.

Issuance of premium reimbursements will follow the same schedule as Flexible Spending Account & Tuition Reimbursement Plans. Checks are generated for reimbursement requests received by 4:00 PM eastern time the day before the published reimbursement date.

Flores and Associates will submit to the City's Human Resources and Finance Departments a weekly electronic wire transaction request that contains the total premium reimbursement and activity report for that period.

### **ENROLLMENT**

Retirees may opt to waive participation in the City-offered Medicare Advantage HMO Group Plan at anytime during the plan year due to a change in residency or eligibility as determined by CMS, enrollment in an individual Medicare plan, or change in Medicare eligibility status due to age or disability. Retirees waiving participation in the City-offered Medicare Advantage HMO Group Plan and purchasing individual Medicare Supplemental Plans as described herein, may enroll in the Premium Reimbursement Program.

Eligibility for retiree medical must be determined by City's Human Resources Department.

Retirees are not eligible for the Premium Reimbursement Program if enrolled in one of the City-offered Basic or Basic Plus PPO Plans.