City of Hickory
Retiree Health Insurance

1. Retirees who were hired prior to July 1, 2008, may be eligible for continuation of health coverage in one of three ways:

   A. Coworkers who retire from the North Carolina Retirement System and have 15 years of service with the City of Hickory are eligible to participate in the City's health insurance policy at the retiree's expense.

   B. The City of Hickory will pay 25% of the individual premiums for retirees who retire from the City and have 20 to 29.99 years of service with the City of Hickory.

   C. The City of Hickory will pay 100% of the individual premium for retirees who retire from the City and have at least 30 years of service with the City of Hickory. Sick leave credit with the N.C. Retirement System will count toward the 30 years of service.

2. Eligibility for health and dental coverage ceases when the retiree and/or dependent become Medicare eligible.

3. The retiree will be offered coverage at the time of retirement. A decision not to participate in the health coverage will be final and a retiree may not choose to participate at a later date. A retiree may opt out of the health plan at any time, but once a retiree has opted out, he/she will no longer be eligible for coverage. The retiree's dependents may be covered at the retiree's expense subject to the provisions of the City's health coverage policy.

4. Eligible dependents may be covered as long as the retiree continues coverage provided they were covered when the coworker retired. Once the retiree becomes Medicare eligible, dependents that were covered will have the opportunity to convert to a COBRA policy for 36 months or to Medicare eligibility whichever comes first.

5. Retirees will pay the current rate for coverage for themselves and/or their eligible dependents whichever is applicable. Payment is due to the City of Hickory Finance Department no later than the tenth day of the month covered. Failure to pay premiums will result in termination of coverage. Retirees will be notified of changes in premiums in writing during the City's open enrollment period in May of each year.

6. The retiree is responsible for notifying the City of Hickory's Human Resources Department of any events which would affect the retiree's coverage, eligibility for coverage, or the City's administration of the health plan, such as family status changes, name and address changes, and Medicare eligibility. The retiree must complete all necessary documentation to process changes in coverage.

7. The City reserves the right to amend or discontinue any of the provision of the employee health coverage provided to employees and/or retirees. The City also reserves the right to amend or discontinue any portion of the retiree health coverage as determined by the City of Hickory. Should a decision to discontinue this benefit be made, such decision will be communicated to covered retirees in writing 60 days prior to termination of coverage.

Mick Berry, City Manager

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