

BOSTON COLLEGE  **BENEFITS OFFICE**

**BENEFIT INFORMATION (FOR “GRANDFATHERED”
EMPLOYEES) AT RETIREMENT**

[Note: The following information describes benefit policies, coverages, and costs in effect at the time of printing (January 2020). Boston College reserves the right to change or terminate these benefits at any time.]

Retirement Planning

In planning for retirement there are many issues to be considered such as timing, financial, medical, personal, etc. You should start gathering information well in advance of your expected retirement date, in order to be fully prepared for a successful retirement.

Having a sound financial plan is the cornerstone of a good retirement. One way to achieve that goal is to meet on a regular basis with a TIAA or Fidelity representative. Representatives come to the campus monthly and will meet with you on a confidential one-to-one basis to assist you with your investment decisions. When you are close to retirement they can help to prepare a plan to create income from your accumulated savings.

You can use the following information to schedule a counseling session:

Fidelity 1-800-642-7131 or getguidance.fidelity.com

TIAA 1-800-732-8353 or www.tiaa.org/moc

Both TIAA and Fidelity also offer more advanced retirement planning services for participants who meet certain criteria. Ask the counselor if those services would make sense for you.

You should normally contact the Benefits Office at least three months before your retirement date in order to ensure a smooth transition. This is especially important if you are age 65 or older and will be enrolling in the University’s retiree medical plan (certain forms need to be filed with Medicare and the process can take some time).

Retiree Medical Plan Eligibility

Grandfathered Employees

Effective January 1, 2006, a “grandfathering” formula was developed to determine the actual contribution percent that Boston College employees would pay for retiree medical coverage in the future. Under this formula, an employee’s “points” were determined as of January 1, 2006. The “points” were derived by adding the employee’s age to the years of eligible service as of January 1, 2006. The total “points” determine the percent of the post-65 medical premium to be paid by the retiree (see *Medical Benefits for the Retiree at Age 65*” on page 6).

As of January 1, 2012, those “grandfathered” employees who had 55 or more “points” on 1/1/2006 were deemed to be eligible for the medical benefit described in this handout. “Grandfathered” employees will generally be eligible for the retiree medical benefit upon completion of 15 years of continuous **full-time** service after age 47 (i.e., at age 62 or older). There is no benefit available for part-time employment, regardless of length of service.

For “grandfathered” retirees whose spouse also works at Boston College and has a Retiree Medical Savings Account (RMSA), upon retirement, the spouse may choose either the “grandfathered” spouse benefit or the RMSA benefit but not both. Additionally, the decision is irrevocable.

Non-Grandfathered Employees

Effective January 1, 2012, Boston College implemented a new type of retiree medical program, a Retiree Medical Savings Account. This new plan will apply to full-time Boston College employees who were hired on or after January 1, 2006. It will also apply to full-time employees who were already employed on January 1, 2006, but whose age plus service on that date totaled less than 55 “points” (as described above).

Please be aware that there is no “either/or” option. If you qualify for grandfathered benefits, you are not eligible for a Retiree Medical Savings Account.

Note: The retiree medical information in this handout applies only to those employees who qualify as “grandfathered” as indicated above.

Medicare Program

Medicare is a government program that provides medical coverage to qualified people, 65 years of age or older. Medicare now has three parts. Part A is Hospital Insurance; Part B is Supplementary Medical Insurance; and Part D is Prescription Drug Coverage. Part A pays some of the costs of hospitalization and limited nursing-home care. Part B primarily covers doctors’ fees, most outpatient hospital services, and certain related services. Parts A and B also cover many home health services. Part D pays some prescription costs.

Part A is free for eligible participants.

You pay a **Part B** premium each month. Most people will pay the standard premium amount. However, if your modified adjusted gross income as reported on your IRS tax return from 2 years prior to your Medicare Part B enrollment date is above a certain amount, you may pay more.

The 2020 Medicare Part B Rates are as follows if your Yearly Income in 2018 was:

Individual Return	Joint Return	You Pay Each Month for Medicare Part B
\$87,000 or less	\$174,000 or less	\$144.60
above \$87,000 up to \$109,000	above \$174,000 up to \$218,000	\$202.40
above \$109,000 up to \$136,000	above \$218,000 up to \$272,000	\$289.20
above \$136,000 up to \$163,000	above \$272,000 up to \$326,000	\$376.00
above \$163,000 & less than \$500,000	above \$326,000 and less than \$750,000	\$462.70
\$500,000 or above	\$750,000 and above	\$491.60

Part D (prescription program) needs to be purchased from a private insurance vendor. Programs and costs vary by vendor. Normally, due to the design of Boston College's Medicare supplement plans, **retirees do not need to purchase a separate Part D product, because Part D prescription coverage is incorporated into our plans.** As is the case with the Part B premium, if your modified adjusted gross income, as reported on your IRS tax return from 2 years prior to your Medicare Part B enrollment date, is above a certain level amount, Social Security may also charge you an additional amount due to the Part D prescription component in your plan. Social Security will notify you if this is the case (please see above for adjusted premium amounts).

Part A has a deductible of \$1,408 for each benefit period in 2020 and, once the deductible is met, generally pays 80% to 100% for covered services, leaving a patient co-payment of up to 20%. **Part B** has a \$198.00 deductible in 2020 and then pays 80% for covered services.

If at retirement (age 65 or older) you were only enrolled in Medicare A and B, you would not have the same level of comprehensive insurance that you enjoyed as an active employee at Boston College. In order to have more comprehensive insurance coverage at retirement, a person needs a Medicare supplement insurance policy. These types of policies generally cover one or more of the applicable deductibles, as well as the 20% co-insurance costs, and they often have a comprehensive prescription benefit. While Medicare now offers prescription coverage, it is limited.

More detailed information about the Medicare program can be obtained by calling **Social Security** at **1-800-772-1213** or going on-line at www.ssa.gov.

Medicare Supplement Plans Available to Retirees through Boston College

Before you can be enrolled in a Medicare Supplement Plan you must be enrolled in Medicare Part A and Part B. Most employees over the age of 65 are enrolled in Part A while still working but most are *not* enrolled in Part B. Since it takes Social Security approximately 4 to 6 weeks to process a Part B application, it is imperative that you submit certain forms to Social Security in a timely manner. You can obtain these forms from Social Security, either in person, on-line or via telephone, or request them from the Benefits Office. You will need to submit to Social Security two completed forms, an “*Application for Enrollment in Medicare*” and a “*Request for Employment Information*.” The Benefits Office will need to complete the “*Request for Employment Information*” form for you. You need this form to be eligible for a “Special Enrollment Period (SEP)” enrollment. This enrollment will allow you to enroll at a time other than a Social Security open enrollment window and without the penalties exacted when you don’t enroll in Part B at age 65. Please feel free to call the Benefits Office at 2-3329 for details or questions.

As of January 1, 2012, Boston College offers two Medicare supplement plans to eligible retirees, age 65 or older. Again, in order to participate, **you must be enrolled** in both Parts A and B of the Medicare program.

Tufts Medicare Preferred Supplement PDP Plus Plan

Participants may go to any Medicare-approved hospital or any doctor who accepts Medicare anywhere in the United States. Patients are not restricted by any network limitations (although an individual provider could decide not to accept the plan). With Medicare and this plan, participants have comprehensive coverage and the freedom to choose their providers, Tufts does all the paperwork, and participants pay set co-payments for services and prescriptions. The plan includes a Medicare Part D 3-tier prescription drug plan. Please refer to the *Tufts Medicare Preferred Supplement PDP Plus* summary of benefits for coverage specifics.

Tufts Medicare Preferred HMO

This is a Medicare Advantage plan provided by Tufts Health Plan with a network of providers including the Harvard Vanguard health centers. Services are not available outside of the network unless approved by a plan provider, and you will need referrals from your primary care physician to utilize specialists. You must also live within a specific service area in Massachusetts. Please see *Tufts Medicare Preferred HMO*’s summary of benefits for plan coverage specifics.

Medical Benefits for the Retiree between Age 62 and 65

If you are an eligible retiree and retire between age 62 and 65, you may remain in a Boston College active employee plan until you reach age 65. You will be responsible for paying the employee rate (see below) for your coverage each month. You cannot enroll in a Medicare supplement plan, because you are not yet eligible for Medicare. When you reach age 65, your active employee

coverage will end, and you will have the option to enroll in a Medicare supplement plan available to employees at that time.

Employee Cost, Effective January 1, 2020 through December 31, 2020

	Individual	Family
Harvard Pilgrim HMO	\$152.80	\$415.20
Harvard Pilgrim PPO	\$216.16	\$586.96

Medical Benefits for a Retiree’s Spouse prior to age 65

At retirement an eligible employee’s **spouse, who is under age 65, but at least age 55**, will be eligible for up to 3 years of medical coverage with University contributions. If the retiree is also under age 65, the spouse will stay on the retiree’s family membership, and they will pay the normal family deduction rate for up to 3 years, or until either party turns 65. At that point the under-65 party will switch to an individual membership and the over-65 party will enroll in one of the retiree medical plans (there is no option for active plan coverage over age 65). If the retiree is over 65 at retirement, or turns 65 during the initial 3-year period, the spouse will pay 50% of an individual premium until the end of the 3-year period or until the spouse turns 65, if earlier.

After 3 years, the spouse will be eligible for coverage to age 65 by paying 100% of the individual premium. At age 65, the spouse will be eligible to enroll in one of the retiree medical plans and will be responsible for paying 50% of the premium.

A retiree’s **spouse who is under age 55** at retirement will be eligible only for the 3 years of coverage with University contributions as outlined above. He/she will not be eligible for post-65 coverage in the Boston College retiree medical plans, nor be eligible for COBRA continuation. The 3 year period of subsidized premiums runs concurrently with the COBRA eligibility period.

If a retiree **is not** married at the time of retirement, any future spouse will not be eligible for coverage under a Boston College group plan.

Effective January 1, 2020 through December 31, 2020

	<u>50% Cost</u>	<u>100% Cost</u>
Harvard Pilgrim HMO	\$382.02	\$764.03
Harvard Pilgrim PPO	\$432.34	\$864.68

Medical Benefits for the Retiree at Age 65

As an eligible “grandfathered” employee, when you retire at age 65 or older, you may choose coverage in either *Tufts Medicare Preferred Supplement PDP Plus* plan or the *Tufts Medicare Preferred HMO* plan. You must be enrolled in **Parts A and B** of Medicare for the coverage to be in effect, but **you should not be enrolled in Part D** (see page 2).

Under the “grandfathering” formula (described on Page 2), an eligible employee’s “points” were determined as of January 1, 2006. In March 2005 employees were sent individualized letters indicating their personal “points.” The “points” were derived by adding the employee’s age to the years of eligible service as of January 1, 2006. The total “points” determine the percent of the post-65 medical premium to be paid by the retiree according to the sliding scale listed below. The percent will apply to the cost of the *Tufts Medicare Preferred Supplement PDP Plus* plan or the *Tufts Medicare Preferred HMO* plan. (Note: This policy is always subject to change in the future.)

If you were full-time and actively employed prior to January 2006, you can call the Benefits Office at 2-3329 to obtain the “points” that were assigned to you at that time. Please be aware, however, that the points were calculated based on raw data from the HR/Payroll system. The dates used were assumed to reflect full-time years of employment. At retirement, if it is found that there was a miscalculation (e.g, if some of the years used in the calculation were part-time years), a new corrected calculation will take precedence. Please call the Benefits Office prior to retirement, if some of your service was part-time, to verify your correct number of “points.”

The “grandfathering” formula will apply to employees with 55 or more “points,” and their contribution will range from 10% to 45%. [Note: The percent determined as of 1/01/06 will apply regardless of when the employee actually retires.]

<u>No. of Points as of January 1, 2006</u>	<u>Percent Paid By Retiree</u>	<u>Tufts Health Plan’s Premiums</u>	
		<u>Supplement</u>	<u>HMO</u>
		<u>Premiums</u>	
90 +	10%	\$41.90	\$39.20
85 – 89	15%	62.85	58.80
80 – 84	20%	83.80	78.40
75 – 79	25%	104.75	98.00
70 – 74	30%	125.70	117.60
65 – 69	35%	146.65	137.20
60 – 64	40%	167.60	156.80
55 – 59	45%	188.55	176.40
Spouses pay	50%	209.50	196.00
100% (effective 1/1/2020)		\$419.00	\$392.00

Medical Benefits for a Retiree’s Spouse at Age 65

Your *eligible* spouse may also enroll in one of the retiree supplement plans available to employees when he/she reaches age 65 and enrolls in Medicare, as long as your spouse was at least age 55 when you retired. For spouses of retirees who retired after September 1, 1996, the University will pay 50% of the cost of the retiree medical plan.

	Effective January 1, 2020	
	<u>Full Cost</u>	<u>Spouse Cost (50%)</u>
Tufts’ Medicare Preferred Supplement	\$419.00	\$209.50
Tufts’ Medicare Preferred HMO	\$392.00	\$196.00

Dental Benefits at Retirement

When you retire from Boston College, under provisions of the federal law known as “COBRA,” you may remain in the Boston College group dental plan for up to 18 months after your termination date. The first month after you retire, you will be responsible for paying the employee portion of the premium cost. For the next 17 months, you will be responsible for paying the total cost of coverage. If you have a family plan covering you and your spouse, you may enroll in two individual plans at retirement, which will lessen the cost of the premium. You may cancel either plan during the 18 months, but once you cancel, you cannot re-enroll.

Non-group dental coverage is also available through Delta Dental when the COBRA period ends. You should contact Delta Dental directly for details (1-800-872-0500). The COBRA *Delta Premier* dental rates are as follows:

January 1, 2020 through December 31, 2020

	Employee Cost (1st Month)	Full COBRA Cost
Individual	\$15.76	\$39.37
Individual (2 plans)	\$31.52	\$78.74

Life Insurance Benefits at Retirement

As an employee, you are enrolled in a Basic Group Life Insurance plan paid for by Boston College. You may also have Supplemental and/or Dependents life insurance coverage for which you pay through payroll deductions. All of these insurance programs are term insurance plans, which means there is no cash reserve or surrender value in the policies. The coverage stops on your termination date. You can apply during the next 60 days to “port” (if you are under 99 years of

age) your Basic, Supplemental and/or Dependents group term life insurance into an individual term policy with pooled term rates.* The portable coverage amount is limited to a minimum of \$10,000 and a maximum of the lesser of your current coverage or \$500,000 (including Basic and Supplemental life coverage). For a personalized portability kit, which includes rates, please call the The Standard customer service number at 800-378-4668 or e-mail *CBT@standard.com*.

If you are retiring due to illness or injury, or if you prefer “whole-life” insurance, you have the opportunity, within 60 days of your termination date, to “convert” your Basic and/or Supplemental Life to an individual “whole-life” insurance policy. Please note that “whole-life” insurance is usually expensive, especially at retirement age. If you would like to pursue the conversion option further, please call The Standard at 800-378-4668 or e-mail *CBT@standard.com for information*.

*(The portability option is not available if you are disabled at the time of retirement.)

Financial Planning Subsidy

Prior to retirement, Boston College provides a partial subsidy for certain financial planning services. The primary purpose of this policy is to encourage staff to seek professional assistance with retirement and estate planning decisions. Full-time staff members age thirty and over, with at least one year of full-time service at Boston College, are eligible to participate in this program. The University will subsidize eighty percent of the cost of eligible financial planning services, up to a maximum contribution of \$650 per person. If you have not utilized this benefit, or if you have and it has been at least five years since your reimbursement, you may be eligible for the Financial Planning Subsidy benefit. However, the services must have been provided and the benefit must be paid-out prior to your retirement date.

To be eligible for the subsidy, you must utilize recognized professionals in the financial planning field, including but not limited to Certified Financial Planners, Chartered Financial Consultants, Certified Public Accountants, and attorneys specializing in financial and/or estate planning.

In order to participate, you must complete, in advance, a Financial Planning Subsidy request form, indicating the person or persons whose services are to be used, and furnishing appropriate information about the planner’s financial planning credentials. It is the University’s intent to allow participants as much flexibility as possible in selecting a financial planning advisor. Nevertheless, the University reserves the right to seek additional information about the planner’s credentials and, when deemed appropriate, to decline to subsidize the planner’s services. For additional guidelines about the subsidy and to obtain an application form, go to www.bc.edu/hr and click on ‘Resources and Forms,’ or contact the Benefits Office.

Automobile and Homeowners Insurance (MetPay)

Retirees continue to be eligible for discounts through the **MetPay** Group Automobile and Homeowners Insurance Program. For information or to arrange to continue the insurance on a direct-bill basis, participants should call **MetPay** directly at 1-800-438-6388 or contact Boston College's on-campus representative, Stacey Taylor at 978-433-7821 (cell). You must inform **MetPay** of your "retiree" status in order to keep the Boston College group discounts.

Metro Credit Union

If you are a member of the Metro Credit Union you can maintain your membership after retirement. Since you will no longer have payroll deductions, arrangements will have to be made with the Credit Union regarding any loan repayments.

Parking

If interested, you should call the Transportation and Parking Office at 617-552-0151 to discuss parking options after retirement. Options may include purchasing a "G" parking permit directly through the Transportation Office, or paying as a visitor in the garages.

Maintaining Your E-Mail Address

If you are a faculty member the Provost Office will automatically request that you be allowed to keep your Boston College e-mail address. If you have any questions or concerns, please call the Provost Office at 2-4780.

If you are a staff member and would like to keep your e-mail address, please contact Anabelle Murphy or Karen Fleming (2-3329) in the Benefits Office at the time of your retirement.

Mailing Checks / On-line Payments

If you will be paying for any portion of your health or dental coverage, you will receive a monthly invoice from Boston College with a self-addressed return envelope. Please make checks **payable to Boston College** and send them to the following address:

**Boston College
Benefits Office – 129 Lake
140 Commonwealth Avenue
Chestnut Hill, MA 02467**

Payments may also be made on-line:

www.bc.edu/benefitsbilling

You'll need the Employee ID # (Eagle ID #) listed on the statement. If you are making payments for both yourself and your spouse, you'll need to make **two separate payments** since you each have your own unique Employee ID #.

If you have any questions concerning your premium payment you can call the Benefits Office at 617-552-3329.