

Auburn University Group Health Insurance Continuation Policy for Employees' Retirement System of Alabama Retirees

I. POLICY STATEMENT

Auburn University acknowledges the important contributions made by its employees who participate in the Employees' Retirement Systems of Alabama. In recognition of their service, the university provides eligible retirees with access to health insurance continuation through Auburn University's group health insurance plan.

II. POLICY PRINCIPLES

The Employees' Retirement System of Alabama group health insurance continuation policy is designed to help employees continue their health insurance after retirement. If the retiree elects to participate in the health insurance continuation plan, they will be responsible for paying their monthly health premiums and Auburn University will continue to pay the employer's portion of the cost for such benefits.

A. Eligibility Requirements

This plan is only available to full-time Auburn University employees who retire from the Employees' Retirement Systems of Alabama. To be eligible for coverage under this policy, the following conditions must be met by the retiree:

- Must have been employed with Auburn University for 10 consecutive years in a benefits-eligible position immediately prior to retirement; *and*
- Must have participated in the applicable insurance plan for 6 consecutive years, all immediately prior to retirement and are not eligible for insurance under the Public Education Employees' Health Insurance Plan (PEEHIP).

III. EFFECTIVE DATE

June 16, 2020

IV. APPLICABILITY

This policy applies to all eligible university employees who are retiring from Employees' Retirement System of Alabama that are not eligible for health insurance under PEEHIP.

V. POLICY MANAGEMENT

Responsible Office: Human Resources

Responsible Executive: Associate Vice President, Human Resources

Responsible Officer: Executive Director, Payroll, Benefits and Records

VI. DEFINITIONS

Retiree

- **Tier 1** members are eligible for retirement benefits at age 60 with at least 10 years of service. If you have 25 years of service, you can retire at any age and apply for full retirement benefits from RSA.
- **Tier 2** members are eligible for retirement benefits at age 62 with at least 10 years of service. There is no early retirement option.

Benefit Eligible Position – A full-time employee that meets the requirements to participate in Auburn University’s group health insurance plan.

VII. POLICY PROCEDURES

Employees must submit an application to elect group health insurance continuation within 45 days of retirement, and should be cognizant of the following considerations:

- The retiree may add a spouse or eligible dependents to the coverage plan during the original application process only. A newly acquired spouse or dependent cannot be added to the coverage plan at a later date.
- If the retiree elects to remove a spouse and/or dependent(s) for any reason the retiree is not able to add them back to the coverage at a later date.
- Premiums must be paid to BlueCross BlueShield of Alabama by the 1st of each month.
- If a payment is not received within 30 days of the premium due date, which is the 1st of each month BlueCross BlueShield of Alabama will cancel the policy.
- If the policy is cancelled by either BlueCross BlueShield of Alabama, or the retiree, it will not be reinstated and there will not be an opportunity for reenrollment.

VIII. SANCTIONS

There are no sanctions for this policy.

IX. EXCLUSIONS

There are no exceptions to this policy.

X. INTERPRETATION

Associate Vice President, Human Resources