



TEAMSTERS LOCAL 700 • ISP MASTER SERGEANTS

• BULLETIN •

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WHAT YOU NEED TO KNOW ABOUT HEALTH CARE COVERAGE IF YOU'RE CONSIDERING RETIREMENT

A MESSAGE FROM ILLINOIS STATE POLICE MASTER SERGEANT CHIEF STEWARD ROB FIERSTEIN:

As you near retirement and consider your options for health insurance coverage, there are some things you need to be aware of. If you are a member of the Teamsters Local 727 Health and Welfare Benefits Fund, you cannot utilize that coverage in retirement.

When you retire, you must go back into one of the traditional state provided health insurance plans available to you. The state must provide health insurance to any employee with 20 years or more of creditable service. Additionally, there are qualifying conditions under which you can opt out of the insurance provided to you in retirement and receive a \$500 monthly stipend. *This information can be found in Section 8 d.6 of Public Act 98-0019.*

Included below are frequently asked questions about transitioning to the retiree healthcare through the state's insurance plan and receiving the monthly stipend for opting out of the coverage.

Specific questions regarding health insurance transition into retirement can be directed to Patricia Casey, SERS Insurance Supervisor by phone at 217-785-7047, by fax at 217-547-9769 or by email to Patricia.Casey@srs.illinois.gov.

Is the 727 Health and Welfare Benefits Plan considered a traditional state insurance plan?

The Teamster 727 Health Insurance Plan is not considered a traditional state insurance plan because it was negotiated independent of other state plans and is not available to all state employees. In order to be covered under the Teamsters 727 Health Insurance plan, Local 700 members are required to opt out of the state's plan. While Central Management Services pays the premiums on behalf of those Local 700 members covered under the Teamsters 727 Blue Cross Blue Shield Plan, it is treated as an outside plan not affiliated with the state plans in place.

Are those enrolled in the 727 Health and Welfare Benefit Plan eligible for a financial incentive program?

No. In order to be eligible for the financial incentive, the member must opt out of the Teamsters plan and go back into the traditional state insurance plan. This can only be done during an open enrollment of qualifying event.

Can a member who is covered under the 727 Health and Welfare Benefit Plan still receive the state stipend in retirement?

Yes, as long as upon retiring, the member enrolls in the state's insurance plan.

If I'm nearing retirement, how long can I stay enrolled in the 727 Health and Welfare Benefit Plan?

A Teamster member who is already enrolled in Teamsters 727 Health Insurance Plan with premiums paid by CMS can keep his eligible coverage until the last day of employment. The Teamster member does not need to opt out of Teamster coverage before retirement in order to enroll in the state's plan after retirement. Upon retiring from state service, the member is then required to enroll back into the state insurance plan and upon proving he has qualifying coverage under the Act, he will be eligible for the stipend.

When is the member required to go back to the state insurance plan?

The member can enroll in the state insurance plan at the time of retirement. There is no requirement to opt out of 727 Health Insurance Plan prior to the time of retirement.

Contact Teamsters Local 700 Chief Stewards Rob Fierstein and Jim Poortinga at (847) 939-9700 with any questions about benefits transition from active service to retirement.