

## 2021 Retirement Benefits Guide

This guide provides basic information about retiring from the City of Minneapolis. The Benefits staff can answer your questions about the City's group insurance plans but cannot give financial advice or answer your questions about Social Security, Medicare, pension or deferred compensation benefits. Contact information to find the answer to those questions are included on the last page of this guide.

### Getting Ready to Retire

- **Meet with financial and legal professionals.** You may want to consult with a financial advisor before you make any final decisions regarding retirement. Your financial advisor will be able to help you decide if you can afford to retire and set financial goals. You may also wish to obtain legal advice about creating or updating such documents as your will, durable power of attorney, and durable power of attorney for health care and/or a living will. The employee assistance program (1-800-626-7944) can provide resources and referrals for financial and legal assistance.
- **Contact your retirement plan office** to obtain pension estimates and start the pension application process. You should apply for benefits at least 60 days before your retirement date. If you participate in PERA, you should plan to attend a pre-retirement planning workshop and/or schedule a group counseling session with a PERA benefits counselor. Many employees have found it helpful to meet with PERA in person. PERA participants can also obtain an estimate of monthly retirement benefits at My PERA, the online access portal on the PERA webpage. PERA's website is very user-friendly at [www.mypera.com](http://www.mypera.com). *NOTE:* PERA will give you a packet with information that includes a Verification of Termination form. You do NOT need to have the City fill this out because when your separation is added into CityLife, the payroll department does that out for you and sends it directly to PERA. Contact information is on the last page of this guide.
- **Contact the Minnesota Deferred Compensation Plan** to obtain benefit information including payout options. Contact information is on the last page of this guide.
- **Contact past employers**, including the military, if applicable, to find out if you are eligible for retirement benefits under their plans.
- **If you will be age 62-64 when you retire, call Social Security** to get benefit estimates at various ages and to apply for benefits.
- **If you are age 65 or older when you retire**, please refer to the information provided on pages 2 and 3 of this guide.
- **Gather documents**, you may need when you apply for a benefit, including birth marriage certificates.

## Benefit Plan Coverage after Retirement

You will be covered under most City of Minneapolis health and welfare plans until the last day of the month in which you retire. The following pages explain what happens to your benefit plans after you retire and your options for continue certain benefit plans.

### Retiree Medical Continuation

You may continue the medical plan available to active employees if:

- You are eligible to begin receiving benefits under a public pension plan at the time you retire, **and**
- You are enrolled in a City-sponsored medical plan immediately before you retire.

If you are enrolled in family coverage when you retire, you may continue medical coverage for all eligible family members, or you may elect to continue single coverage for yourself. If you decline coverage when you retire or switch from family to single coverage, you may not re-enroll yourself or your family at a later date.

If you choose to continue medical coverage, you will be assigned a new Medica group number and will receive a new ID card. You will also need to re-register at [mymedica.com](http://mymedica.com) with your new number since your former log- in will no longer work. Remember to continue your participation in the City's wellness program. Retirees who complete the annual program by the August 31 deadline will be eligible for lower premium rates in 2021.

Expenses that apply to calendar **year** deductible and out-of-pocket limits will transfer from your active City group to your new retiree group. 2021 monthly premiums are shown in the chart below.

<b>Network</b>	<b>Wellness Rate</b>		<b>Standard Rate</b>	
Medica Choice Passport	\$682.00	\$1,900.00	\$732.00	\$2,402.00
Medica Elect	\$634.00	\$1,774.00	\$680.00	\$1,904.00
VantagePlus (Fairview/N. Memorial/HealthEast) ACO	\$602.00	\$1,682.00	\$644.00	\$1,802.00
Park Nicollet First ACO	\$584.00	\$1,636.00	\$626.00	\$1,756.00
Ridgeview Community ACO	\$584.00	\$1,636.00	\$626.00	\$1,756.00
Clear Value ACO <i>*New in 2021</i>	\$584.00	\$1,636.00	\$626.00	\$1,756.00

Monthly medical premium costs are adjusted at the beginning of each calendar year. You will be advised in advance of any premium changes. During the annual open enrollment period which occurs in November each year, you will have the opportunity to change your network election effective the following January 1st.

**When you become eligible for Medicare at age 65** are no longer eligible for the medical plan offered to active employees. You should apply for Medicare Part B approximately three months before you want Medicare insurance coverage to start. After your part B is in place, you are eligible to enroll in Medicare Parts C and Part D.

You may enroll in one of the Medicare supplement plans offered through the City by the Public Employees Insurance Plan (PEIP)/Innovo Benefits Administration (Innovo). Contact Innovo directly and they will answer questions about plan benefits, provider networks and the enrollment process. Deductible and out-of-pocket expenses do not transfer from the active, under-age-65 plan to one of the Medicare supplementary plans. Medicare plans begin on the first of the month in which you attain age 65 unless your birthday falls on the first of the month. If that is the case, you are eligible for Medicare the first of the month before the month you attain age 65.

**Spouse:** If your spouse is covered under the City's medical plan but is not yet eligible for Medicare, they may continue to participate in the active medical plan until becoming eligible for Medicare. At that time, they may also elect coverage under a Medicare supplement plan offered through Innovo.

If you have family coverage when you become eligible for Medicare and do not have a spouse but have eligible dependent children, they will have the opportunity to continue coverage for up to 36 months.

**If you are over 65 when you retire** you will need to have Benefits staff fill out a "Request for Employment Information" form (#CMS-L564). You need this form to enroll in Part B of Medicare to avoid penalties. You can request this through the HR Service Center portal. Click on Services>Benefits>Forms – Submit a form" It is not necessary to send or give Benefits the form. When you receive the completed form, consider making an appointment with Social Security office. Bring the form with you so you can be assured you are signed up for Parts A and B. You will need to know the exact date you will start Part B. It will always be the first of a month. Again, you must be completely enrolled in Parts A and B in order to enroll in Parts C and D of Medicare.

## **Retiree Dental Benefits**

You may continue the dental plan through Delta Dental indefinitely by paying the full cost of this coverage. For 2021, the monthly cost is \$32.00 for single coverage and \$86.00 for family coverage. If you are enrolled for family coverage when you retire, you may continue coverage for all eligible family members or you may elect to continue coverage for yourself only. If you decline dental coverage at the time you retire or if you drop coverage at a later date, you may not re-enroll yourself or your family at a later date.

## Life Insurance

You may continue your basic, dependent and additional life insurance through The Standard at full group rate for 18 months following retirement. Following the 18-month continuation period, you would then have the option of converting to an individual policy without submitting evidence of insurability. A few months before your continuation period is ending, you will receive notice from *121 Benefits*. If you wish to convert at that time, please contact the Benefits office at the City.

## **Minneflex Spending Accounts**

Continuation options will be based your elections and account balances at the time you retire.

**Health care spending account:** You may continue to submit claims for eligible health care expenses incurred on or before your retirement date. If you have a positive account balance at the time you retire, you may continue to submit AND incur expenses through the end of the calendar year by electing to continue contributions to the plan monthly on an after-tax basis.

**Dependent care spending account:** Eligible dependent care expenses incurred before and after your retirement date can be reimbursed but only up to the amount actually deducted from your pay.

Claims for reimbursement for the flex accounts must be filed by the April 15th following the end of the year in which you retire.

## **HRA/VEBA**

It is NOT necessary enroll in VEBA when you enroll in COBRA. If you elect to continue contributing your own after-tax funds to the HRA/VEBA account through COBRA, your account will be closed at the end of the 18-month continuation period and any funds remaining in your account at that time will be forfeited.

Without electing to continue with the VEBA, the funds in your Further HRA/VEBA account after retirement continues to be available to you to pay for eligible health care expenses (including your medical and dental premiums) until the earlier to occurs: (1) your account balance reaches zero or (2) you and the last of your eligible dependents die or cease to be eligible dependents. Eligible expenses generally include any health expense incurred by you or an eligible dependent that is reimbursable under Internal Revenue Code Section 213(d) and that is not paid under any other health plan or insurance policy. The funds are available until depleted, and you have 18 months from the date an expense was incurred to submit a claim for that specific expense.

It is important to inform the City and the HRA/VEBA administrator about address changes. If the plan has been unable to contact you for a 36-month period at your last known address, you will forfeit any money remaining in your account. Forfeitures are used to pay administrative expenses. After you retire, there is a small monthly administrative fee to maintain the account at Further which will be deducted monthly from your account.

## [Submitting Eligible Expenses for Minneflex Flexible Spending Accounts and the HRA/VEBA](#)

You may use these options to access funds in your accounts:

- **Reimbursement.** You pay for the expense with your own funds and then request reimbursement. For the best experience, submit claims using your online account at [hellofurther.com](http://hellofurther.com)
- **Direct payment to your provider.** From your online account, you will enter the service date, claim details, and upload a receipt. Payment is sent directly to your provider.
- **Health care card.** Pay eligible expenses directly from your HRA/VEBA account using the Further Health Care Card. Make sure to keep a receipt every time you use your health care card and check your online account to find out if the receipt needs to be submitted.

Whether or not you elect COBRA continuation, you will continue to have access to your online account at [HelloFurther.com](http://HelloFurther.com) to view account activity, submit claims, and upload receipts.

## [Electing and Paying for Benefit Continuation](#)

*121 Benefits* administers the benefit continuation program. You will receive information directly from *121 Benefits* about your insurance continuation options. You will return an election form directly to *121 Benefits* indicating whether you want to “accept” or “waive” each plan.

You will pay *121 Benefits* directly for continued medical, life insurance, and FSA coverage. However, you will pay Delta Dental directly for continued dental coverage. *121 Benefits* and Delta Dental both offer a variety of ways to pay for continued coverage. If you receive a pension from **Fire Relief, Police Relief or Police & Fire PERA**, you may elect to have medical premiums deducted from your pension checks. You must contact Kathy Garlock at PERA to set up the deductions.

## [Long Term Disability](#)

Coverage ends on your retirement date. It cannot be continued nor converted. If you are receiving long term disability benefits at the time you retire, payments will continue to be paid according to the terms of the plan.

## [Metropass and Pre-tax Transportation Plans](#)

Payroll deductions for the Metropass are taken from the second paycheck each month to pre-pay for the next month. Cancellation requests are available on the HR ServiceNow portal, and must be submitted by the first Friday of the month during which you wish participation to end.

Payroll deductions for the qualified parking and van pool programs are taken from the first paycheck of the month to pay current month expenses. To cancel your pre-tax transportation plan, you must log into your online account with Further and complete that action through your online portal. This must be completed by the 4<sup>th</sup> of the month prior to the month you would like to cancel. For example, if you would like to cancel coverage effective June 1, 2021, you need to cancel coverage on the Further portal by May 4, 2021.

## [MSRS Health Care Savings Plan](#)

If you contribute to the Minnesota State Retirement System (MSRS) Health Care Savings Plan, through ongoing contributions or with vacation or sick leave pay or through a payout at retirement, you may use the money in your account for eligible health care expenses after you retire. You will receive information directly from MSRS about how to use these funds to pay eligible health care expenses. All final payouts of sick and vacation plans are determined by your labor union contact. The contracts are available on CityTalk. Navigate to: *Departments>Human Resources>Labor Agreements*. If you need to talk to the Union leader, that information is on the same page under *Bargaining Unit & Contract Info*. The only options allowed are for employees who qualify due to a circumstance listed below. Payouts are processed automatically by our Payroll Department.

**OPT OUT NOTICE:** Employees must participate in the HCSP as adopted by their bargaining unit or employer. However, you may opt out of the plan if you qualify under one of the circumstances listed in the chart below, provide appropriate documentation, and are pre-approved by MSRS. If you would like to opt out, it is a requirement of MSRS that their Waiver of Participation application be completely processed and approved before you retire. If not, your payout will be sent to MSRS without recourse for a refund.

<b>Qualifying Circumstances</b>	<b>Notes</b>
<b>You or your spouse is eligible for TRICARE retiree benefits</b>	Must be retired military (20 years of service) at time you apply for waiver and therefore, eligible for TRICARE retiree benefits now <b>or</b> in the future.
<b>Service-connected disability</b>	Must be priority group 1, 2, or 3
<b>Foreign national</b>	Must plan to return to your country of origin after you leave MN public employment
<b>Eligible for comprehensive, lifetime health insurance</b>  Medicare does not qualify	To qualify, the insurance coverage must be: 1. provided until death; 2. 70% paid for by the employer; and 3. provided by a source other than the employer who sponsored the HCSP (coverage can be provided by a former employer or spouse's employer).
<b>Native American eligible for tribal insurance</b>	

### [Waiver of participation](#)

If you have questions about the health care savings plan or opting out, please contact MSRS directly.

# Contacts After Retirement

Organization / Address	Contact Information
<b>City of Minneapolis Benefits Office</b> <b>Carol Madden</b>	612-673-2282 Option 2 612-673-3347 <a href="http://www.ci.minneapolis.mn.us/hr/benefits">www.ci.minneapolis.mn.us/hr/benefits</a> <i>Use the ServiceCenter/CityLife link</i>
<b>Medica</b>	952-945-8000 800-952-3455 <a href="http://www.medica.com">www.medica.com</a> Personal Account Website: <a href="http://www.mymedica.com">www.mymedica.com</a>
<b>Delta Dental of Minnesota</b>	651-406-5916 800-553-9536 866-764-5350 – <i>Find a separate senior dental plan—not with the City</i> <a href="http://www.deltadentalmn.org">www.deltadentalmn.org</a>
<b>Further/Further</b>	651-662-5065 <a href="http://www.hellofurther.com">www.hellofurther.com</a>
<b>121 Benefits</b>	612-877-4321 800-300-1672 Option 2 <a href="mailto:cobra@121benefits.com">cobra@121benefits.com</a>
<b>Minnesota Deferred Compensation Plan (MNDCP)</b> <b>MSRS Health Care Savings Plan</b>	651-296-2761, Option 3 800-657-5757 <a href="http://www.msrs.state.mn.us">www.msrs.state.mn.us</a>
<b>David Wrightsmith, Retirement Counselor</b>	612-964-8094 <a href="mailto:David.wrightsmith@msrs.us">David.wrightsmith@msrs.us</a>
<b>Public Employees Retirement Association (PERA)</b>	651-296-7460 800-652-9026 <a href="http://www.mnpera.org">www.mnpera.org</a>
<b>Kathy Garlock, Benefits Counselor</b> <b>PERA P/F - Fire Relief/Police Relief/Police &amp; Fire PERA</b>	651-355-0068
<b>Innovo Benefits Administration (Medicare plans)</b>	952-746-3101 800-829-5601
<b>Social Security and Medicare</b> Local offices: Suite 800, 190 East 5 <sup>th</sup> Street, St. Paul 1811 Chicago Avenue S, Minneapolis 5215 Edina Industrial Boulevard, Edina 3280 Northway Drive, Brooklyn Center	800-772-1213 (Social Security) 800-633-4227 (Medicare) <a href="http://www.ssa.gov">www.ssa.gov</a> <a href="http://www.medicare.gov">www.medicare.gov</a>
<b>Ameritas (Union Central) Defined Contribution Plan</b>	800-825-4546
<b>Central Pension Fund of the IUOE and Participating Employers (IUOE Local 49)</b>	1-202-362-1000 <a href="http://www.cpfuoe.org">www.cpfuoe.org</a>
<b>Laborers International Union of North America (Liuna)</b>	800-544-7422