

Bellflower
Unified School District



Certificated

RETIREMENT GUIDE



Eligibility

Do You Qualify To Retire with Medical Benefits?

To qualify for retiree medical benefits through the District, you must be enrolled in a Bellflower Unified School District medical plan at the time of retirement AND meet the following requirements:

Retirement (Article XVII)

You have at least fifteen (15) or more years of service

AND

You are at least age 55

Early Retirement/Reduced Services Program (Article XIX)

You have at least ten (10) or more years of service with at least five (5) of which have been immediately preceding the request for the early retirement/reduced services program

AND

You are at least age 55

AND

You will be able to show verification of your application for retirement benefits (not a disability allowance) has been filed with CalSTRS

How To Opt-Out

Retirees under age 65 have two choices if they wish to opt-out of retiree medical coverage. For either choice below, please contact the Benefits Administrator to obtain the election form. Proof of other coverage is required. Acceptable documentation is a letter from the current medical insurance company or a letter from the employer in which medical insurance enrollment is with.

Permanent Opt-Out

A retiree that will be covered under another medical plan upon retirement may elect to take a one-time lump-sum payment. The allowed annual amount is used to calculate the lump-sum payment. This amount will be pro-rated based on the date of the opt-out to the end of the month of the retiree's 65th birthday. For example, if the allowed amount was \$10,000 annually and there are two years from the date of the opt-out to the retiree's 65th birthday, the lump-sum payment will be \$20,000. Amounts listed here are illustrative. Refer to the opt-out election form for the current annual allowed amount. You will receive a Form 1099 statement for the tax year that your lump-sum payment was distributed to you. Please consult your tax advisor for tax-related questions.

Important: This is a permanent election and the retiree forfeits any right to future coverage provided by the District. The permanent election also waives medical enrollment under COBRA.

Optional Opt-Out

Retirees that will be covered under another medical plan upon retirement have the choice to opt-out of retiree medical coverage. On an annual basis, the retiree is required to complete a new opt-out form and continue to provide proof of other coverage.

Retirees who have opted-out, and are still under age 65, may enroll back in a medical plan only during a qualifying life event or at the next open enrollment period.



Medical Enrollment as a Retiree

Pages 3 to 8 only apply to those that meet the eligibility to be enrolled in a retiree medical plan.

Once your request to retire has been submitted to the District and approved, notification will be sent to CalPERS to transition you from the active division to the retiree division for your medical plan. A medical enrollment form is not required.

This change will be effective the first of the month following the end of one full calendar month after your retirement date.

You are also required to apply for retirement with your pension plan (i.e., CalSTRS, CalPERS) within 120 days of your retirement date to be eligible for the CalPERS retiree medical plan. If you pass this timeframe, you forfeit your eligibility to enroll in a CalPERS retiree medical plan permanently.

Please note that CalPERS may take up to 30 days to review and approve the request to transfer you to the retiree division. This may be dependent on where you are at with your application process to retire from your pension plan. It is recommended that you start your application process to retire from your pension plan at least 3 months prior to your expected retirement date.

Qualified Dependents

A spouse, registered domestic partner or dependent child is eligible if they meet the following:

- is a qualified dependent of the employee who is retiring
- is enrolled in the District medical plan at the time of the employee's retirement
- is not enrolled in medical elsewhere

In addition, the age of the dependent must be:

- spouse/domestic partner – under age 65
- child – under age 26 or age 26+ if certified as disabled by the medical plan

If your spouse/registered domestic partner is age 65 or over at the point you retire, their coverage in the medical plan will terminate the first of the month following the end of one full calendar month after you retire. Optional continuation coverage will be offered to them through COBRA. Your spouse/registered domestic partner may wish to review their eligibility and enrollment for Medicare Part B at this time.

A spouse/registered domestic partner that turns 65 or a child that turns 26 while you are still enrolled in the retiree medical plan will have their coverage end the first of the month after their birthday.



Medical Plan

Contributions

You will continue to be responsible to pay for your portion of your retiree medical plan. This is called your "contribution". Upon retirement, the contribution schedule provided to you will list the dollar amount you are responsible for. This will remain the schedule used while you are enrolled in the retiree medical plan and the dollar amounts listed will remain the same.

If you change plans or have a change in number of dependents, this schedule will be used to calculate what your new contribution may be. All available plans and coverage tiers are listed in this contribution schedule.

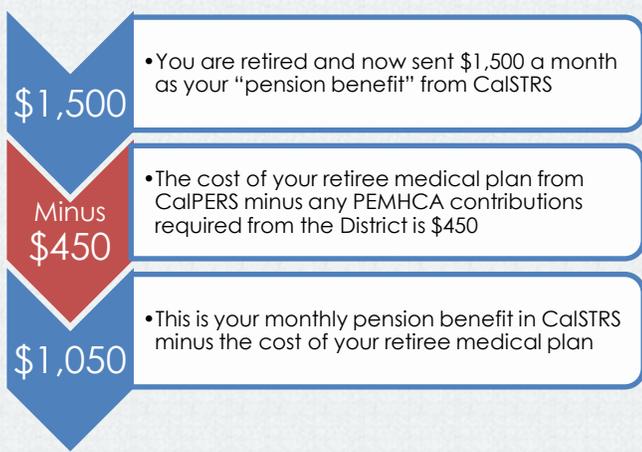
How does it work?

Your retiree medical plan is with CalPERS. CalPERS requires that the cost of the medical plan is deducted from your retirement check on a monthly basis. This cost is referred to as the "premium". The District has engaged with a third-party administrator, P&A Group, to reimburse you the difference of the premium and your contribution.

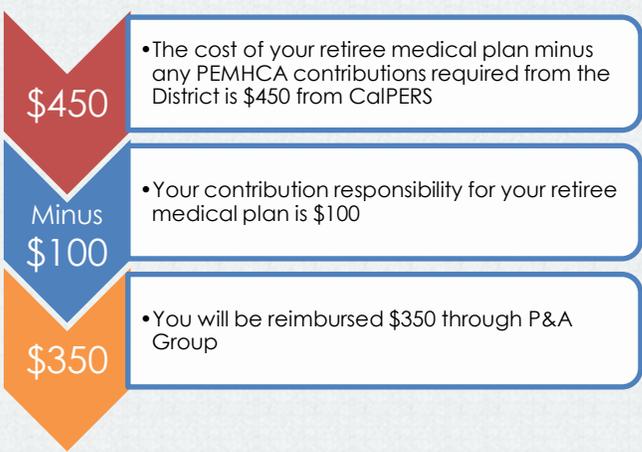
Please review this scenario to better understand how you are charged and reimbursed.

All items below are illustrative and do not reflect any actual plan costs or contribution schedules.

How you are charged the cost of the retiree medical plan



How you are reimbursed after your portion for the retiree medical plan



What is the timing of the charge and reimbursement?

You will be charged immediately on your first pension check for the retiree medical plan. As noted in the scenario above, your pension will be decreased by the cost of the medical plan.

Reimbursement from P&A Group typically occurs at the end of the month in which you were charged for the retiree medical plan. This pattern of timing for the charge and reimbursement will continue while you are enrolled in the retiree medical plan.



Medical Plan

Contributions Continued

How will I receive my reimbursement?

Reimbursements are typically sent at the end of each month. Your first reimbursement will be on a physical check and mailed to your home address on file with the District.

In this first reimbursement, you will receive instructions on how to create a direct deposit account to receive your reimbursement. You may choose to do this at any time.

The administrator that handles your reimbursement is **P&A Group**.

What is my contribution if I change medical plans or have a change in the number of dependents covered?

You may change medical plans within 30 days of a qualifying event or at open enrollment each year. You may also have a change in dependents covered if they are no longer eligible to remain on medical or you add an eligible dependent during open enrollment.

Your contribution will be based on the schedule from the year that you retired. Below is an example of a retiree that experienced several changes: having a child that ages out of the plan, moving out-of-state and enrolling in a PPO plan and finally having a spouse that ages out of the plan. All rates below are illustrative.

	Date of Birth	Benefits End
Retiree	10/15/1965	11/1/2030
Spouse	10/15/1964	11/1/2029
Child	10/15/2000	11/1/2026

Retirement Year **2025**

	Contribution Schedule Plan Year 2025		Contribution Schedule Plan Year 2025		Contribution Schedule Plan Year 2025		Contribution Schedule Plan Year 2025	
	HMO A	PPO A						
Retiree Only	\$50	\$100	\$50	\$100	\$50	\$100	\$50	\$100
Retiree + One	\$100	\$200	\$100	\$200	\$100	\$200	\$100	\$200
Retiree + Family	\$200	\$400	\$200	\$400	\$200	\$400	\$200	\$400

Employee retires in 2025 Retiree + Family coverage Plan: HMO A Schedule: Year of Retirement Contribution: \$200	In 2026 , child ages out Retiree + One coverage Plan: HMO A Schedule: Year of Retirement Contribution: \$100	Retiree/Spouse change plans in 2028 Retiree + One coverage Plan: PPO A Schedule: Year of Retirement Contribution: \$200	In 2029 , spouse ages out Retiree Only coverage Plan: PPO A Schedule: Year of Retirement Contribution: \$100
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Medical Plan

Retiring in June (End of the School Year)

CalPERS will automatically convert an employee that retires in June as effective August 1st for the retiree medical plan. This allows for CalPERS to charge for the cost of the medical plan on the retiree's July pension benefit check. CalPERS considers the month of July as a transitional month.

Please note that the pension benefit check is deducted for the cost of the retiree medical plan for the coverage period of the following month.

Because CalPERS always invoices for the month ahead, a retiree must start to view their current month pension benefit as paying for coverage for the following month. **This one-month shift is an adjustment when transitioning over as a retiree.** The retiree's required contribution paid in the current month is for coverage for the following month.

Understandably, this can be confusing and will take some time to review and process. We have provided a chart to help you navigate through the first few months of retirement. After the first few months, it normalizes, and the timing of charges and reimbursement total will become consistent.

Please note that the chart below assumes the retiree has filed for their CalSTRS pension in a timely manner.

Month	Pension check issued from CalSTRS	Retiree medical cost is deducted from the CalSTRS pension check	Retiree makes a contribution	Reimbursement issued	Amount of reimbursement
June	Not applicable	Not applicable	Not applicable Final 10thly contribution was made as an active employee	Not applicable	Not applicable
July	Yes	Yes This deduction is coverage for August.	No Retiree paid their expected contribution within their 10thly contribution while working actively	Yes	Full Cost The total amount of the retiree medical plan that was deducted from the pension check will be reimbursed.
August	Yes	Yes This deduction is coverage for September.	No Retiree paid their expected contribution within their 10thly contribution while working actively	Yes	Full Cost The total amount of the retiree medical plan that was deducted from the pension check will be reimbursed.
September	Yes	Yes This deduction is coverage for October.	Yes This is the first time the retiree is contributing on a 12thly basis.	Yes A partial amount will be reimbursed.	Difference The reimbursement will be the difference from the cost of the retiree medical plan and the required contribution, which is now converted to a 12thly amount.



Medical Plan

Retiring Mid-School Year

When you are actively working for the District, your contribution is on a 10thly basis. As a retiree, you will be charged on a 12thly basis, or each month of the calendar year. When you retire in a month other than the end of the school year, your contributions-to-date for your medical plan will be reviewed to see if a credit is due. **If a credit is due, it will be applied to each month of your retiree medical plan until exhausted. This calculation will be provided to you from the Benefits Administrator.**

CalPERS will make the retiree medical plan effective the first of the month that follows the end of the first full calendar month from the retirement date. This allows for CalPERS to charge for the cost of the medical plan on the retiree's first expected pension benefit check. CalPERS considers the month between the retirement date and the month retiree medical coverage begins as a transitional month.

Please note that the pension benefit check is deducted for the cost of the retiree medical plan for the coverage period of the following month.

Because CalPERS always invoices for the month ahead, a retiree must start to view their current pension benefit as paying for coverage for the following month. **This one-month shift is an adjustment when transitioning over as a retiree.** The retiree's required contribution paid in the current month is for coverage for the following month.

Understandably, this can be confusing and will take some time to review and process. We have provided an example below to help you navigate through the first few months of retirement. After the first few months, it normalizes, and the timing of charges and reimbursement total will become consistent.

Mid-Year Example

Retirement Date: **February 28** CalPERS Medical Plan Effective Date: **April 1**
 Credit Due: **\$120** Retiree Contribution (12thly): **\$100**

Month	Pension check issued from CalSTRS	Retiree medical cost is deducted from the CalSTRS pension check	Retiree makes a contribution	Reimbursement issued	Amount of reimbursement
February	Not applicable	Not applicable	Not applicable Final 10thly contribution was made as an active employee	Not applicable	Not applicable
March	Yes	Yes This deduction is coverage for April.	No A credit of \$120 is available to debit against the \$100 required contribution.	Yes	Full Cost The total amount of the retiree medical plan that was deducted from the pension check will be reimbursed.
April	Yes	Yes This deduction is coverage for May.	Yes The remaining \$20 credit is used to debit against the \$100 required contribution. The retiree contributes \$80.	Yes	Difference The reimbursement will be the difference from the cost of the retiree medical plan and the required NET contribution of \$80.
May	Yes	Yes This deduction is coverage for June.	Yes This is the first month the retiree contributes the full amount on a 12thly basis.	Yes	Difference The reimbursement will be the difference from the cost of the retiree medical plan and the full required contribution of \$100.

The chart above assumes the retiree has filed for their CalSTRS pension in a timely manner. All amounts are illustrative.



Medical Plan

COBRA Notification Letters

When you retire, you will receive two different COBRA notifications. Below is a summary of both and what action is required.

COBRA notification from the District

Upon retirement, you will receive a required notification from the District informing you of your eligibility to continue your medical coverage through COBRA. This will be sent via mail to your home address on file.

As you are continuing coverage under the retiree medical plan, you may disregard this notice for yourself.

However, this notice will apply to your spouse/registered domestic partner that is age 65+ and not eligible to continue enrollment in your retiree medical plan. Please review the notice as this is one option for your spouse/registered domestic partner to continue coverage for their medical plan but at 100% of the cost.

COBRA notification from McGriff

Upon retirement, coverage under the dental and vision plans for you and any enrolled dependents will end. Please review the notice from McGriff as an option to continue coverage under the dental and/or vision plans but at 100% of the cost. This will be sent via mail to your home address on file.

NOTE: If you retire in June, your dental and vision coverage is paid for by the District through September. However, in order to get this coverage, you must elect COBRA. Under COBRA, payments owed for July through September will be automatically subsidized by the District. See pages 9 and 11.

Open Enrollment

You will receive a communication from the District in the fall each year via mail about your opportunity to make changes to your medical plan. Changes you make may affect your contribution amount.

Qualifying Events

If you experience a qualifying event while enrolled in the retiree medical plan, please contact the District within 30 days of that event. Your event may allow for a change in plans or the addition or removal of a qualified dependent.

Insurance Card

Upon retirement, if you stay in the same plan under Kaiser or Blue Shield, you will not receive new medical insurance cards. Please continue to keep the card you were previously issued.

If your plan is with Anthem, HealthNet, PERS or UnitedHealthcare, new cards will be issued to you.

If You Move

If you move while enrolled in a retiree medical plan, you will need to contact the District within 30 days of your move to ensure that your medical plan will still provide coverage in your new area of residence.

If a new medical plan is required for you to enroll in, your contribution for the new medical plan may change.



Other Health and Welfare Plans

Dental and Vision DELTA DENTAL

If enrolled in dental and vision coverage, these plans will end the last day of the month in which you retire.

You will be offered the opportunity to continue coverage in dental and/or vision along with any dependents enrolled at the time of your retirement. This continuation is through COBRA. A notification letter will be sent via mail from McGriff on how to elect continuation coverage.

Enrollment is optional and you will be responsible for 100% of the cost. Coverage is up to 18 months.

Contact the Insurance Help Desk for information on how to continue dental coverage for life, upon the exhaustion of COBRA, under AB528.

Flexible Spending Account

If you are currently participating in a flexible spending account (FSA), your final contribution will be deducted on your last check.

Your debit card will be inactivated upon termination.

You will have 90 days to submit for reimbursement from your FSA as long as the balance of your funds does not exceed what you have contributed year-to-date.

Retirement Savings Plan

You may be currently contributing or have contributed in the past to a 403(b) plan or a 457(b) plan through the District. Please contact Tax Deferred Solutions (TDS) at 866-446-1072 to discuss how to access your plan funds after retirement.

CTA-Endorsed Insurance

If enrolled in any of The Standard benefits through CTA, please contact them to discuss your options.

- Disability
- Life Insurance



CTA Member Service Center

800-522-0406

<https://www.standard.com/cta/member>

Supplemental Life Insurance

If you are enrolled and contributing for a supplemental life insurance plan through Reliance Standard, you may be eligible to convert your coverage.

You will have 30 days after your retirement date to make your coverage an individual policy. Please contact Reliance Standard as soon as possible if you are interested in keeping your plan.

Reliance Standard

800-351-7500

www.reliancestandard.com



Pacific Educators Benefits

If enrolled in any of the Pacific Educators benefits, please contact them to discuss your options.

- Supplemental Life Insurance
- Cancer Protection
- Disability

Pacific Educators

800-722-3365

www.peinsurance.com





Retirement and After

Keep In Touch!

Remember to contact the District any time you have a change in address. This will ensure that you receive important communications.

When You Turn 65

If you are enrolled in the retiree medical plan, please note the following:

- Your retiree medical plan will end the last day of the month in which you turn 65.
- Contact Medicare within your initial enrollment period window to understand your options.

Contact Information

OneSource Benefits Administrator

healthinsurance@busd.k12.ca.us

310-609-1917

McGriff Benefits Advocate

benefitsadvocate@mcgriff.com

800-914-5096

District Office

16703 S. Clark Avenue, Bellflower, CA 90706

562-866-9011

CalPERS

www.calpers.ca.gov

888-225-7377

CalSTRS

www.calstrs.com

800-228-5453

Medicare

www.medicare.gov

800-633-4227

P&A Group

www.padmin.com

800-688-2611

Social Security

www.ssa.gov

800-772-1213



Frequently Asked Questions

Am I eligible if I am not enrolled in the District medical plan upon retirement?

In addition to meeting the eligibility for age and service, you must also be enrolled in a District medical plan at the time of your retirement to have medical coverage continue as a retiree of the District. If you are currently not enrolled, you should consider enrolling in a District plan during Open Enrollment so that you are covered in a plan when you retire. Keep in mind that changes made during the fall open enrollment are in effect the following January 1st.

Can I enroll in a District plan after I opted-out as a retiree?

You must be enrolled in a District medical plan at the time of your retirement to be eligible. If during retirement, you gain coverage elsewhere, you may choose the Optional Opt-out instead of coverage. Should you lose your other coverage while you are still under age 65, you may contact the District within 30 days of the loss of coverage to opt back into the medical plan. If you chose the Permanent Opt-out, you will not have an opportunity in the future to opt back into the medical plan. See page 2 for opt-out information.

Can my dependents remain enrolled in my coverage?

A dependent that was enrolled in your plan at the time of your retirement may remain enrolled if they continue to meet the eligibility requirements. Please see page 3 for eligibility requirements for dependents. Once you as the retiree are no longer eligible, all dependents enrolled in your plan will also lose coverage at the same time.

If I retire in June, are the summer months covered for medical?

Yes, retirements in June will have the full cost of coverage for August and September paid for by the District. Your contributions on a 10thly basis during the school year also cover the two months in the summer when no payroll is run. Your required contribution will begin for coverage in October and will be on a monthly basis going forward. As a reminder, you are always paying one month ahead for medical coverage. See page 6 for more details.

If I retire in June, are the summer months covered for dental and vision?

Yes, retirements in June will have the full cost of coverage for July, August and September paid for by the District. However, in order to get this coverage, you must elect COBRA. These first three months are automatically subsidized by the District. To continue enrollment beyond September, you will need to pay for the cost starting for October.

Once I turn 65, can I remain enrolled with CalPERS medical?

Yes. You can remain enrolled with CalPERS medical but at 100% of the cost paid for by you. Reimbursements will stop the month after your 65th birthday.

Can I remain on dental and vision coverage for life?

As a certificated retiree, you can elect AB528 dental coverage for life once COBRA has been exhausted. You have one opportunity to enroll in AB528 and upon enrollment, can remain covered as long as you continue to make payments for the cost of dental. Contact the Insurance Help Desk for more information.

AB528 is not applicable for vision coverage.



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Prepared by:



The information in this Retirement Guide is presented for illustrative purposes and is based on information provided by the employer and the insurance companies. While every effort was taken to accurately report your information, discrepancies or errors are always possible. In case of a discrepancy between the Retirement Guide and the actual plan documents, the actual plan documents will prevail. All information is confidential, pursuant to the Health Insurance Portability and Accountability Act of 1996. If you have any questions about this summary, contact Human Resources.