



*Janet T. Mills, Governor
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STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
Bureau of Human Resources
Office of Employee Health, Wellness, & Workers' Compensation
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Disability Retirement for State of Maine Employees

Information you need to know about your Health,
Dental and/or Vision insurance while you wait a
decision from Maine Public Employees Retirement
System (MainePERS)

**If you have questions not outlined in this brochure, please
contact Employee Health, Wellness, & Workers' Compensation:
1-800-422-4503 or (207)624-7380**

Statutory Reference

Title 5, Chapter 423, Subchapter 5, § 3, 3-A & 3-B

Title 5, Chapter 13, Subchapter 2, §1-A

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1-800-422-4503 or (207)624-7380
TTY users dial Maine Relay 711
www.maine.gov/bhr/oeht

It's important to understand your State of Maine insurance options while MainePERS decides on your Disability Retirement application.

IF YOU ARE...

➤ **STILL RECEIVING PAYCHECKS**

If your paychecks continue, your health, dental, and/or vision premium deductions will be taken from your check.

➤ **NOT RECEIVING PAYCHECKS**

If you are on:

- an unpaid Family Medical Leave (FML)
- unpaid Voluntary Employee Incentive Program (VEIP), or
- unpaid Worker's Compensation Leave (W/C)

the State of Maine will continue paying its portion. Premiums normally deducted from your paycheck will be billed to your home address.

If your leave type changes to:

- a non-FML
- non-VEIP, or
- non-W/C unpaid leave

the State of Maine discontinues its portion of the premium payment. You can cancel your health, dental, and/or vision policies within 60 days of changing leave types. You will be billed for the full amount of the premium.

Please read the section **"What happens if my health insurance is canceled"** to **understand how canceling** your health insurance affects your eligibility if you are approved for disability retirement.

HEALTH INSURANCE

If you wish to continue your health insurance, you must consider your employment status to determine how to proceed. (see below). *Please note that the options listed below may not be available to all pending disability retirees.*

➤ **State-paid health insurance is only available to employees who have been terminated from Workers' Compensation leave status after one year.**

You may be offered up to a six-month employer-paid option while you await a decision on your disability retirement application. The State of Maine will pay your premiums at the rate they were paid while you were actively working. This will continue until you receive your first disability retirement check or for a period up to six months, whichever comes first. The State of Maine will also pay 60% of any dependent premiums. A letter and election form will be mailed to you if this option applies.

FREQUENTLY ASKED QUESTIONS

What happens to my health insurance policy after six months under the State-paid option? If you are still awaiting a decision from MainePERS, you will receive another letter from EHW&WC explaining the options available to you. You will be offered to continue your coverage through the Consolidated Omnibus Reconciliation Act (COBRA). You will receive a continuation notice from the State's COBRA administrator, explaining your continuation rights and offering you the opportunity to continue coverage based on COBRA rules.

What happens to my health insurance policy if I leave state service, but my application is still pending MainePERS? If you stop receiving a paycheck because you left State service (non-Worker's Compensation Leave termination) your health insurance policy will automatically end based on your current paid through date. This coverage will also end for any dependent(s) you cover on your policy. You will automatically be offered to continue your health coverage through COBRA. COBRA continuation information will be mailed to you. It will include information on your continuation rights and the monthly cost of the coverage levels available to you and your dependents. You will be billed the full premium plus a 2% administrative charge to continue coverage.

Can I make changes to my plan? Yes. You can discontinue your entire health insurance policy OR remove dependent(s) from coverage. Please contact EHW&WC if you choose one of these options. Please see "What happens if my health insurance is canceled?" on page 3.

What happens if I'm approved for Disability Retirement? MainePERS will notify EHW&WC of your approval and your disability retirement effective date. You may continue health insurance in retirement if enrolled in the State of Maine health plan exactly one year before your disability retirement effective date. If your dependents were covered at the time your coverage was canceled, you have the option of covering them in retirement. Once EHW&WC confirms your eligibility for retiree health insurance, we will mail you the necessary information and forms to enroll in retiree health insurance. Please contact our office at either (207) 624-7380 or info.benefits@maine.gov for further details.

Will the State of Maine pay towards my health insurance benefit when I retire under disability? The State's contribution to your health insurance is dependent upon your initial hire date with the State and your years of participation as a member of State's health plan as displayed in this chart.

| Date First Employed | The State of Maine shall pay: |
|------------------------------|--------------------------------------|
| On or before July 1, 1991 | 100% of the retiree premium |

| | | |
|--|-------------------------------|---------------------------|
| After July 1, 1991 but before July 1, 2011 | <u>Years of Participation</u> | <u>State Contribution</u> |
| | Less than 5 | No contribution |
| | 5 but less than 6 | 50% |
| | 6 but less than 7 | 60% |
| | 7 but less than 8 | 70% |
| | 8 but less than 9 | 80% |
| | 9 but less than 10 | 90% |
| | 10 or more | 100% |
| After July 1, 2011 | <u>Years of Participation</u> | <u>State Contribution</u> |
| | Less than 10 | No contribution |
| | 10 but less than 15 | 50% |
| | 15 but less than 20 | 75% |
| | 20 or more | 100% |

What happens if I receive a denial for disability retirement? If you are still employed, your portion of health insurance premiums will either continue to be deducted from your paycheck or you will be billed if you are on an unpaid leave of absence. If you did not continue your health benefits while awaiting a decision from MainePERS, you will need to contact our office for re-enrollment options.

What if I am denied disability retirement but qualify for regular service retirement?

The rules for determining your qualifications for health insurance under regular retirement are different from those of disability retirement. Contact the Office of Employee Health & Benefits at either (207)624-7380 or info.benefits@maine.gov before making any changes to your health insurance while your disability retirement application is pending.

What happens if my health insurance is canceled? If your health insurance policy is canceled (voluntarily or because of non-payment of premiums), you may be ineligible for retiree health insurance benefits when you retire. Eligibility depends on your disability retirement effective date, which is determined by MainePERS. We confirm your health insurance coverage status on the day before your effective date.

Example #1: You would not be eligible for health insurance as a retiree if your insurance was canceled on 10/31/2019 and your effective date of retirement is 1/1/2020.

Example #2: You would be eligible for health insurance as a retiree if your insurance was canceled on 1/31/2020 and your effective date of retirement is 2/1/2020.

My spouse or domestic partner works for the State of Maine and/or is covered under the State of Maine retiree health insurance plan. Can I be added to their policy while I wait for a decision from MainePERS? Yes. Your spouse or domestic partner would need to complete an enrollment application to add you as a dependent. If you are then approved for disability retirement while on your spouse or domestic partner's policy, you will then be eligible for health benefits as a retiree. The time covered under your spouse's/domestic partner's State of Maine health policy counts toward meeting the eligibility requirements when determining retiree health insurance. Your spouse or domestic partner will need to remove you from their policy when you enroll in your own retiree health coverage. This change can be made for a current date and not retroactive to the date your spouse or domestic partner added you on

their policy. Your spouse or domestic partner will not receive any refund of premiums paid for your coverage.

What if I am approved for another FML, VEIP or W/C leave as an active employee while I am still awaiting a decision? Please refer to page 1.

When my FML, VEIP or W/C leave ends, what happens to my insurances? Please refer to page 1.

DENTAL AND VISION INSURANCES:

If I terminate employment while my application is still pending with MainePERS, what happens to my dental and/or vision coverage? You will automatically be offered to continue your dental coverage through COBRA. COBRA continuation information will be mailed to you from the COBRA administrator.

If you are enrolled in vision coverage, your coverage will end based on your paid through date. If MainePERS approves your disability retirement application, you may enroll in our retiree vision plan. Please contact our office for the applicable form.

*PLEASE NOTE – when you terminate state service, federal law requires an offer of COBRA coverage for health, dental and vision in which you were enrolled on the last day of employment. You will receive COBRA continuation information in the mail.

If I leave state service BEFORE I apply to MainePERS for disability retirement, would I be eligible for retiree insurance benefits? The answer depends on whether you had 25 years of service at the time you leave state service. You must complete the "One Time Election Form" to be eligible for retiree benefits if MainePERS approves your application. If you did not have 25 years of service at the time you leave state service, then no you would not be eligible. COBRA continuation information will be mailed giving you the option to continue your health, dental and/or vision coverage.

**Please note employees who are terminated due to being on a worker's compensation leave of absence for more than one year have 60 days from termination to apply to MainePERS for disability retirement to reserve their right to retiree insurance benefits*