

## Preparing for Retirement

### PEBB Health Insurance Options Checklist

#### When Leaving School District/Educational Service District Employment

As a school district or educational service district employee, you may be eligible for Public Employees Benefits Board (PEBB) retiree coverage. Please review these materials to familiarize yourself with procedures to enroll now or protect this benefit for future enrollment.

PEBB provides a quality, comprehensive insurance package for school district and educational service district retirees. Your employer contributes to a fund that subsidizes the premiums for PEBB retiree insurance, so PEBB coverage may be a smart choice for you.

**Contact PEBB at 1-800-200-1004 or 360-725-0440** to request a *Retiree Coverage Election* form or ask questions regarding your eligibility to enroll in or defer PEBB retiree coverage.

Certain eligibility requirements must be met to receive PEBB retiree coverage:

1. You must enroll in or defer coverage no later than 60 days after your employer-paid or COBRA coverage ends. If you do not submit an application to enroll in or defer coverage within your 60-day window, you lose all rights to enroll in PEBB retiree coverage in the future. To regain eligibility, you would have to return to work in a PEBB benefits-eligible position.
2. You must be vested in a Washington State-sponsored retirement plan.
3. Department of Retirement Systems (DRS) Plan 1 and 2 members must immediately receive a monthly retirement plan payment or lump sum payment as allowed by the plan. DRS Plan 3 members are not required to receive a retirement plan or lump sum payment, but must be at least age 55 and have at least 10 years of service under Plan 3.

Depending on your situation, you may be able to enroll in PEBB retiree coverage now or take action to protect your eligibility for future enrollment. Several scenarios are described below. Identify which one best fits your situation.

- A. If you are retiring and meet DRS criteria for retirement, go to [section A](#).
- B. If you are separating from employment and do not meet the criteria for retirement according to DRS, go to [section B](#).
- C. If you are enrolling in COBRA through your employer or using COBRA as a “bridge” to retirement, go to [section C](#).
- D. If you are retiring, separating employment, or leaving employment under disability retirement, go to [section D](#).
- E. If you are a DRS Plan 3 member separating from employment and you meet the age and years of service requirements for the retirement plan, go to [section E](#).

## A. Retiring (*Meet DRS retirement eligibility*)

### 1. If you are enrolling in PEBB retiree insurance:

#### a. **6 months** prior to retirement

- Contact DRS or visit [www.drs.wa.gov](http://www.drs.wa.gov) to request an estimate of your benefit and register for a retirement seminar.

#### b. **3 months** prior to your 65<sup>th</sup> birthday or terminating employment at age 65 or older

- Contact Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability.

#### c. **3 months** prior to retirement

- Request a *Retiree Enrollment Guide* from PEBB.

#### d. **30-60 days** prior to retirement

- Submit your retirement application to DRS.
- If you are eligible and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election* form, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to PEBB.
- Submit the *Retiree Coverage Election* form to PEBB no later than 60 days after employer-paid insurance or COBRA coverage ends.

### 2. If you are deferring PEBB retiree insurance:

#### a. **30-60 days** prior to retirement

- Request a *Retiree Enrollment Guide* from PEBB.
- If you are eligible for PEBB retiree coverage and wish to defer, you must be continuously enrolled in:
  1. Other employer-based group medical insurance as an employee or the dependent of an employee; or
  2. Medical as a retiree or the dependent of a retiree enrolled in a federal retiree plan (e.g., Tricare); or
  3. Medicare Parts A and B and a Medicaid program that provides credible coverage (*dependents not eligible for creditable coverage under a Medicaid program may be enrolled in a PEBB health plan if they meet PEBB eligibility criteria*); or
  4. Exchange coverage, if not eligible for Medicare Parts A and B; or
  5. District COBRA coverage.

- a. Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.

- Make 2 copies of your completed *Retiree Coverage Election* form, submit one copy to PEBB, and keep a copy for your files. The form should be submitted to PEBB no later than 60 days after your employer-paid insurance or COBRA coverage ends.

## B. Employment Ending without Retirement (*e.g. resignation, layoff*)

If you do not meet DRS criteria for retirement or you choose to not retire when your employment ends, you may have the option to use COBRA coverage as a “bridge” to retirement. To use COBRA as a “bridge,” you must enroll in COBRA and be eligible to retire when your coverage ends. If you are not eligible to retire according to DRS requirements when your COBRA coverage ends, you are not eligible for PEBB retiree coverage.

If you are eligible to retire when your COBRA coverage ends and plan to apply for PEBB retiree coverage, go to [Section C](#).

If you are a DRS Plan 3 member separating from employment and meet the age and length of service requirements for your plan but are not retiring with DRS, go to [Section E](#).

## C. COBRA (*Consolidated Omnibus Budget Reconciliation Act of 1986*)

COBRA is a continuation of health coverage for individuals and families, at the individual’s own expense, when the individual terminates employment.

1. Enroll in COBRA through your employer.
2. If you wish to apply for PEBB retiree coverage when your COBRA coverage ends, you must meet the requirements of your retirement plan at the time of application to be eligible to enroll in or defer PEBB retiree coverage. Contact PEBB if you are unsure of the eligibility requirements for PEBB retiree coverage.
  - a. **6 months** prior to COBRA coverage ending
    - Contact DRS or visit [www.drs.wa.gov](http://www.drs.wa.gov) to request a retirement estimate.
  - b. **3 months** prior to your 65<sup>th</sup> birthday or terminating employment at age 65 or older
    - Contact Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability.
  - c. **3 months** prior to COBRA coverage ending
    - Request a *Retiree Enrollment Guide* from PEBB.
  - d. **30-60 days** before your COBRA coverage ends
    - Submit your DRS retirement application to DRS.



- If you are eligible for and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election* form, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to PEBB.
  - Submit the *Retiree Coverage Election* form to PEBB no later than 60 days after employer-paid insurance coverage ends.
2. If you are deferring PEBB retiree insurance:
- Request a *Retiree Enrollment Guide* from PEBB.
  - Once you apply and are approved by DRS for Disability Retirement, and if you are eligible for PEBB retiree coverage and wish to defer, you must be continuously enrolled in:
    1. Other employer-based group medical insurance as an employee or the dependent of an employee; or
    2. Medical as a retiree or the dependent of a retiree enrolled in a federal retiree plan (e.g., Tricare); or
    3. Medicare Parts A and B and a Medicaid program that provides credible coverage (*dependents not eligible for creditable coverage under a Medicaid program may be enrolled in a PEBB health plan if they meet PEBB eligibility criteria*); or
    4. Exchange coverage, if not eligible for Medicare Parts A and B; or
    5. District COBRA coverage.
      - a. Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.
  - Make 2 copies of your completed *Retiree Coverage Election* form, submit one copy to PEBB, and keep a copy for your files. The form must be submitted to PEBB no later than 60 days after the date on your approval letter from DRS.

E. Separating Employment (*DRS Plan 3 members not retiring, but meet DRS requirements*)

1. If you are enrolling in PEBB retiree insurance:
- a) **3 months** prior to separating employment
    - Request a *Retiree Enrollment Guide* from PEBB.
  - b) **3 months** prior to your 65<sup>th</sup> birthday or terminating employment at age 65 or older
    - Contact Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability.

- c) **30-60 days** prior to retirement or separating employment
  - If you are eligible and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election* form, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to PEBB.
  - Submit the *Retiree Coverage Election* form to PEBB no later than 60 days after employer-paid insurance coverage ends.
- 2. If you are deferring PEBB retiree insurance:
  - a) **30-60 days** prior to separating employment
    - Request a *Retiree Enrollment Guide* from PEBB.
    - If you are eligible for PEBB retiree coverage and wish to defer, you must be continuously enrolled in:
      1. Other employer-based group medical insurance as an employee or the dependent of an employee; or
      2. Medical as a retiree or the dependent of a retiree enrolled in a federal retiree plan (e.g., Tricare); or
      3. Medicare Parts A and B and a Medicaid program that provides credible coverage (*dependents not eligible for creditable coverage under a Medicaid program may be enrolled in a PEBB health plan if they meet PEBB eligibility criteria*); or
      4. Exchange coverage, if not eligible for Medicare Parts A and B; or
      5. District COBRA coverage.
        - a. Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.
    - Make 2 copies of your completed *Retiree Coverage Election* form, submit one copy to PEBB, and keep a copy for your files. The form must be submitted to PEBB no later than 60 days after employer-paid insurance coverage ends.
- 3. When you are ready to retire: (*receive your monthly retirement plan payment*)
  - a) **6 months** prior to retirement
    - Contact DRS or visit [www.drs.wa.gov](http://www.drs.wa.gov) to request a retirement estimate and register for a retirement seminar.
  - b) **30-60 days** prior to retirement
    - Submit your retirement application to DRS.

## Resources

PEBB Customer Service: 1-800-200-1004 | 360-725-0440

DRS Customer Service: 1-800-547-6657 | 360-664-7000

[2015 Retiree Coverage Election form](#)

[2015 Retiree Enrollment Guide](#)

[www.drs.wa.gov](http://www.drs.wa.gov)

For more information on Medicare

[What PEBB insurance plans are available to a retiree on Medicare?](#)

[PEBB employee health plans and Medicare](#)

[Social Security Administration](#): 1-800-772-1213

[Medicare](#): 1-800-MEDICARE (1-800-633-4227)

Statewide Health Insurance Benefits Advisors ([SHIBA](#)): 1-800-562-6900