



POLICY ON RETIREE BENEFITS

Dated: July 20, 2015

Supersedes: HR.326 Retiree Benefits dated March 24, 1994

I. PURPOSE

To establish guidelines for providing retirees of the College with certain benefits.

II. POLICY

It is the policy of New York Medical College to provide retirees of the College with life insurance, medical and dental insurance benefits.

III. SCOPE

This policy applies to all College regular full-time faculty and non-CBU employees.

CBU employees are covered under the Collective Bargaining Agreement.

The College reserves the right to amend or suspend this benefit at any time.

IV. DEFINITIONS

A. *Retiree*

1. Prior to July 1, 1994 - An individual who elects to terminate employment with the College having worked at the College as a regular full-time member of the faculty or non-union staff for ten (10) continuous years or more and is fifty-five (55) years of age or older; or has been employed for five (5) years or more and is sixty-five (65) years of age or older.
2. Effective July 1, 1994 - An individual who elects to terminate employment with the College having worked at the College as a regular full-time member of the faculty or non-union staff for ten (10) continuous years or more and is sixty (60) years of age or older.

B. *Life Insurance* - Term insurance, payable only upon the death of the insured and subject to the contract guidelines of the group policy.

C. *Annual Salary* - The basic annual salary paid through the College payroll system, exclusive of overtime pay, bonuses and other types of additional compensation.

D. CBU - Union represented employee (Collective Bargaining Unit).

V. PROCEDURE

A. Notification

1. The Department Administrator or Affiliation Office must notify the Human Resources Department when an eligible employee's termination is due to retirement by submitting a Personnel Action Form (HR-31) form.
2. The Human Resources Department will send a letter to the retiree in order to outline his/her retiree benefits and provide the necessary forms for updating the retiree file.
 - a. The retiring employee will be transferred from active status and placed in the inactive retiree status in the HRMS database.
 - b. The retirees will be placed on a billing cycle for contributions to retiree medical and dental benefits where applicable, in accordance with the retiree schedule and prevailing premium charge.

B. Life Insurance

1. The College will maintain a non-contributory life insurance policy for all retirees equal to 10% of the last annual salary to a maximum of \$10,000 and a minimum of \$3,000.
2. Any contributory life insurance through the College coverage will end at retirement.
3. Retired employees have the option of converting their current life insurance coverage within 31 days from the date of termination.

C. Medical Benefit

1. For retirees who retired prior to July 1, 1994:
 - a. Age fifty-five (55) through age sixty-four (64): Active employee coverage for major medical and hospitalization will continue at 50% of College cost, through age sixty-five (65).
 1. Retirees are billed semi-annually in advance for this insurance. January and July are normal billing dates.

2. Rates are subject to change based on the premium rates charged to the College.
 - b. Age sixty-five (65) and older:

Family or individual medical and dental coverage will be continued as a supplement to Medicare, both Parts A and B, at no cost to the retiree for the retiree's lifetime.
 - c. Surviving spouses of retired employees are eligible for continuation of health benefits for their lifetime at no cost to them. Contact Human Resources regarding Benefits Payable upon the Death of an Employee/Retiree.
2. For retirees who retired after July 1, 1994:
 - a. Age sixty (60) through age sixty-four (64) – active employee coverage for medical and dental will continue through age sixty-four (64) with the following contributions:
 1. Ten percent (10%) of health insurance premium for each participant in 1994.
 2. Thirty percent (30%) of health insurance premium for each participant in 1995.
 3. Fifty percent (50%) of health insurance premium for each participant in 1996.
 4. Seventy percent (70%) of health insurance premium for each participant in 1997.
 5. Ninety percent (90%) of health insurance premium for each participant in 1998 and thereafter.
 - b. Age sixty-five (65) and older - family or individual medical and dental coverage will be continued with the same retiree contributions as detailed in C.2.a. above.
 - c. Surviving spouses of retired employees are eligible for continuation of health benefits for their lifetime with the same contribution schedule as C.2.a above.
 - d. Retirees are billed semi-annually in advance for this insurance. January and July are normal billing dates.
 - e. Rates are subject to change based on the premium rates charged to the College.
 3. For employees hired on or after July 1, 1994, retiree medical and dental insurance will be fully contributory by the retiree at 100%.

D. Dental Benefits

1. Effective July 1, 2002, dental insurance was offered to retirees. Retirees hired prior to July 1, 1994 pay 90% of the dental insurance premium. Retirees hired on or after July 1, 1994, pay 100% of the dental insurance premium.
2. The retiree will be responsible for payments at the group premium rate plus administrative fees.

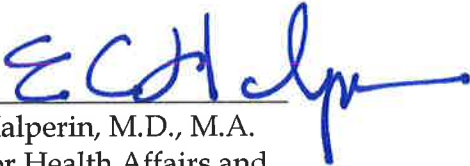
VI. EFFECTIVE DATE

This policy is effective as of the date signed below.

VII. POLICY MANAGEMENT

Responsible Officer:	Director of Human Resources
Responsible Executive:	Vice President of Operations
Responsible Offices:	Human Resources Department

APPROVED:



Edward C. Halperin, M.D., M.A.
Chancellor for Health Affairs and
Chief Executive Officer



Date