

TOWN OF STRAFFORD
RETIREE HEALTH INSURANCE POLICY

The Town of Strafford has established a Retiree Section, which will offer a Medicare Supplement for health insurance to retirees over age 65. Continuation of this coverage under a Medicare Carveout plan is subject to the coverage continuing to be offered by the Town's health insurance provider. Any full-time Town of Strafford employee who retires from his/her position with the Town is eligible to join the Retiree Section and will be given the option of joining provided they are age 65 or older and carry Medicare Parts A and B coverage. If an employee chooses to join the Retiree Section, he/she will continue to be covered under the Town's Health Insurance plan in effect with the Medicare Carveout plan, provided they fully reimburse the Town for all monthly premiums associated with their coverage.

In the event of the death of the employee who is enrolled in the Retiree Section, the spouse's coverage would continue under the terms described above, until the date of the spouse's death.

It is the employee's responsibility to apply for and complete all materials necessary for their enrollment in Medicare coverage, and the employee will contact Medicare directly to do this. The employee will be responsible for obtaining and maintaining the Medicare Parts A and B coverage and providing the Town with evidence of this coverage.

The employee and the employee's spouse will be removed from the Retiree Section in the event the Town is not fully reimbursed for the monthly insurance premium, per payment terms described below, or in the event the employee notifies the Town in writing that he/she no longer wishes to be enrolled in the Retiree section. If an employee and/or spouse elect to not join the Retiree Section at the time the employee retires, or is removed from the Retiree Section for any reason, they will not be allowed to rejoin the Retiree Section at a later date.

PAYMENT

Payments for the insurance coverage will be due in advance by the 15th of each month, for coverage in the following month. Exceptions to this payment schedule will only be made in extreme circumstances as determined by and subject to approval of the Town Select Board.

EARLY RETIREMENT


Employees who retire before age 65 may elect, at the time of retirement, to continue health insurance coverage under the Town's health plan provided the benefit is still offered by the town, and/or the Town's health insurance provider, and the employee fully reimburses the Town for all premiums associated with this coverage. The employee's spouse is also eligible for this coverage, provided the employee fully reimburses the Town for all monthly premiums for the spouse's coverage. If an employee elects not to continue health insurance coverage when he/she retires or if the coverage is discontinued at any time, they may not obtain this coverage at a later date.

Dated September 17, 2003

The Strafford Select Board


Stephen Willbanks, Chair


Kathleen Campbell


John Freitag