

Council Member \_\_\_\_\_ introduced the following Resolution, which was seconded by Council Member \_\_\_\_\_:



### **RESOLUTION 100923-F**

#### **A RESOLUTION TO CLARIFY INTERPRETATION OF RESOLUTION 092721-D REGARDING RETIREE HEALTH INSURANCE BENEFITS.**

**WHEREAS**, on September 27, 2021, the City Council passed Resolution 092721-D regarding Retiree Health Insurance Benefits, and

**WHEREAS**, questions have arisen regarding retiree health insurance coverage; and

**WHEREAS**, the Council has been asked to clarify its policy.

**NOW THEREFORE, BE IT RESOLVED, RESOLUTION 092721-D IS HEREBY CLARIFIED AS FOLLOWS:**

#### **RETIREE MEDICAL INSURANCE ADMINISTRATIVE POLICY**

##### **City Contributions:**

The portion of the health insurance premiums paid by the City for eligible, retired City employees' group health insurance coverage will be based on the number of years of service the retired employee has at the City of Alabaster prior to retirement. The number of years for this policy reflects full-time years.

- For eligible retired City employees with 25 years of service or more at the City of Alabaster, 75% of the total retiree insurance premium elected at the time of retirement will be covered by the City, regardless of insurance election. If the retiree changes elections after the official retirement date in accordance with Local Government Health Insurance rules, the city's contribution shall not exceed the 75% cost of the retiree single coverage insurance from that date forward.
- For eligible retired City employees with 10 years of service or more at the City of Alabaster, 65% of the total retiree insurance premium elected at the time of retirement will be covered by the City, regardless of insurance election. If the retiree changes elections after an official retirement date in accordance with Local Government Health Insurance rules, the city's contribution shall not exceed the 65% cost of the retiree single coverage insurance from that date forward.
- Any retiree that elects Medicare single coverage prior to the effective date will be grandfathered in at the old contribution rate of \$212.50 per month and will receive the greater of \$212.50 per month or the qualifying coverage amount.
- All elections or changes to Medicare after the effective date of resolution # 092721-D will be covered by the qualifying percentages:
  - 25 years of full-time service or more at the City of Alabaster, 75% of the Medicare retiree insurance premium will be covered by the City.
  - City employees with 10 years of full-time service of more at the City of Alabaster, 65% of the Medicare retiree insurance premium will be covered by the City.

- City will absorb charges for processing cost associated with online payments made by retirees for their health insurance premium that is issued by the city.
- Retirees whose benefits are suspended by the Retirement Systems of Alabama due to post retirement employment is not eligible for the City to pay any portion of their health insurance premium through this insurance program or any other program.
- Employees who apply and are approved for disability retirement under RSA and or Local Government Health Insurance will follow the same guidelines for years of service as listed within this policy for contributions toward retiree insurance.
- Employee(s) applying for retirement with Retirement Systems of Alabama may not use accrued vacation time to remain as an active employee on city payroll to reach a specific retirement date.

All other parts of Resolution 092721-D hereby except as interpreted hereby.

**ADOPTED AND APPROVED THIS 9TH DAY OF OCTOBER 2023.**

ATTEST:

CITY OF ALABASTER

\_\_\_\_\_  
J. Mark Frey, City Clerk

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Sophie Martin, Council President

APPROVED:

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Scott Brakefield, Mayor