Article VI, Section 3. Retiree Health Insurance

Employees hired prior to July 1, 2020

An employee who meets the conditions set forth under the provision of the North Carolina Local Government Employee's Retirement System (NCLGERS) may elect to retire and receive all benefits earned under the retirement plan. An employee who retires directly from the Town with 15 years of Town service may elect to continue on the Town's group health insurance plan if requested within 30 days of the retirement date. The retiree may continue dependent coverage (and pay the cost of this coverage) if enrolled in dependent coverage at the time of retirement. The Town will subsidize the cost of the health insurance premiums for the retiree as follows:

15* years of service: 50% subsidy
20* years of service: 75% subsidy
25* years of service: 100% subsidy

**Unused sick leave counted by the NCLGERS as creditable service time will count in determining total years of Town service.*

When a retiree reaches age 65, the retiree enroll sin Medicare Part A and B and pays the cost. The Town provides Medicare supplement insurance for the retiree and subsidizes the cost of the Medicare supplement (as shown above) not to exceed the Town's monthly premium contribution toward employee health insurance coverage. If the Town's Medicare plan is not available in the retiree's residing State, a plan with the most comparable coverage, as identified by the Town, will be offered.

Employees who were hired prior to July 1, 2020 and separate from Town service will forfeit this benefit unless re-hired with the Town into a benefits eligible position within ~~2~~1 year~~s~~ of the separation date, at which point previous service years will count towards overall service with the Town for the purpose of this benefit.

Employees who separate from service and are re-employed ~~2 or more years~~more than 1 year later will be considered a new hire and will not be eligible for the retiree health insurance benefit.

Employees hired on or after July 1, 2020

Employees hired on or after July 1, 2020 are not eligible for retiree health insurance.