County of Mendocino
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IMPORTANT INFORMATIONAL MEETING ABOUT RETIREE HEALTH BENEFITS

DATE: **MONDAY, APRIL 12, 2010**

LOCATION: **BOARD OF SUPERVISORS CHAMBERS**
501 LOW GAP ROAD
UKIAH, CA 95482

TIME: **9:00 A.M. – 11:00 A.M.**

ISSUE: Based on the most recent projections, at the current County contribution and plan experience rate, it is anticipated that the retiree health reserves will be exhausted by the end of December 2010. The reserves, along with contributions from the retirees, are the sole source of funding for the Retirement Health Plan. In lieu of the development of an alternative funding source for the retiree health plan, all plan costs will be required to be borne by the retirees in order to maintain the group health plan.

Due to the rapidly depleting reserves, the Board of Supervisors requested the Retiree Health Benefits Committee (RHBC), along with County staff, to evaluate ways to extend the life of the Retiree Health Plan with the existing dollars in the Retiree Health Plan reserves. The RHBC and County Staff have met on numerous occasions to evaluate options for retiree health plan changes and/or contributions which will allow the County to continue providing access to health care for retirees.

MEDICARE ELIGIBILE RETIREES: The RHBC has reviewed options available for supplemental healthcare plans for Medicare-eligible retirees. It has been determined that the County can reduce costs and provide the most flexibility for Medicare eligible retirees by moving this group of retirees to individual Medicare supplemental plans. A recommendation to proceed with this transfer will be presented to the Board of Supervisors on April 6, 2010.

NON-MEDICARE ELIGIBILE RETIREES: There are no group insured plan alternatives available to the non-Medicare eligible retirees. The RHBC has evaluated a number of plan design and contribution changes to allow the County to extend the life of the current plan. Initial recommendations for plan design and contribution level changes will also be introduced to the Board of Supervisors on April 6, 2010 with a recommendation the Board take action on any proposed changes at its April 20, 2010 Board Meeting after an informational meeting with the Retirees and qualifying employees is held to discuss the County Administrative Office and RHBC's recommendations.