



Town of Ipswich
Human Resources Office

Ipswich Town Hall, 25 Green Street, Ipswich, Massachusetts 01938
Tel: 978-356-6602 Fax: 978-356-6616

Town of Ipswich Retirement Guide

Find out what benefits you have as a Town of Ipswich retiree

This brochure is intended to provide you with a general outline of retirement benefits offered by the Town of Ipswich. It explains eligibility, service, and contribution requirements. Often there are special circumstances concerning retirement and it would be impossible to outline all of the possibilities in this brochure. You are encouraged to contact the Town Human Resources Office for individual counseling. **Early planning is the key to a successful retirement!**

Thinking About Retirement

You should review this packet in its entirety, it will answer a lot of your questions and covers various topics surrounding the retirement process. If you have additional questions, please contact:

Town/School Employees
Human Resources Department
25 Green Street
Ipswich, MA 01938
978-356-6602
hr@ipswichma.gov

You should also contact the Essex Regional Retirement System (ERRS) or the Massachusetts Teachers' Retirement System (MTRS) when you have started to think about retirement. Both systems have important deadlines and dates for you to file retirement paperwork. Contact information is found below:

Essex Regional Retirement System

491 Maple Street
Suite 202
Danvers, MA., 01923
(978) 739-9151

Massachusetts Teachers' Retirement System

500 Rutherford Avenue
Suite 210
Charlestown, MA 02129
(617) 679-1661



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Medicare Questionnaire from MIIA

As you approach the age of 65, if you are enrolled in the Town's health insurance plan, you will receive a Medicare Questionnaire. Enclosed in this packet is an example letter from MIIA regarding the Medicare Questionnaire. Please review this letter carefully when you receive it.

Retiree Health Insurance

Included with this brochure is the Town of Ipswich Group Insurance Regulations adopted by the Board of Selectmen. These regulations govern eligibility for participation in the Towns group insurance plans.

A retired employee who has left the Town of Ipswich service with pension rights vested and award under ERRS or MTRS shall be eligible to receive a fifty percent (50%) Town contribution toward the monthly premium cost for group health insurance in accordance with Chapter 32B of M.G.L.

If you are eligible for health insurance, you may also cover your family members. Eligible family members include: children (until they reach age 26); your spouse (as defined by Massachusetts state law); and any disabled children you have over the age of 26. They need to depend on you for principal support and be unable to earn a living due to their mental or physical condition. The disability needs to have started before age 19 (or before age 26 if they were still depending on you for principal support), and your child must continue to meet the plan's definition of "disabled." Contact your health plan directly to confirm disability status.

At least 45 days but not more than 120 days before your retirement date you should forward the included health insurance enrollment form to the Town of Ipswich Human Resources office to change to retiree health insurance, even if you are enrolled in health insurance as an active employee. You must be changed over to the retiree group.

When changing from an active health insurance plan to a retiree health insurance plan, you cannot make other changes, such as adding a dependent. Adding a dependent to your health coverage can only be done during open enrollment.

Retiree under 65-year-old

Eligible retirees under the age of 65 may elect to participate in the Retiree HMO or PPO plan. The benefits available to retirees under the HMO or PPO plans are identical to the benefits available to active employees. The only change is the contribution amount is 50% of the premium as a retiree.

The current rates for these plans are included in this packet. Updated rate information is distributed via standard mail in the Spring and will be available on the HR page of the Town website. Please make sure you



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keep your mailing address current with the Town so you can receive this information. An address change form is included with this packet.

Retirees 65 years old and over

Eligible retirees 65 and older who qualify for Medicare Part A shall be required to enroll in Medicare Part A and B and shall be further required to enroll in (one of) the Town's Medicare Supplement Plan(s) as a precondition for participation in the Town's group insurance program.

If you and your spouse are enrolling in the Town's Medicare Supplement Plan(s), you each must complete an enrollment form. Medicare Supplement Plan(s) is an individual plan.

The current rates for these plans are included in this packet. Updated rate information is distributed via standard mail in the Fall. Please make sure you keep your mailing address current with the Town so you can receive this information. An address change form is included with this packet.

The Town's Medicare Supplement Plan has a prescription drug plan included and therefore, in accordance with Federal Law, has very strict enrollment deadlines. Applications must be received and process by the Town no later than the 1st of the month prior to retirement. See examples:

Retirement Date	Application Deadline
March 1 st	February 1 st
March 15 th	February 1 st
March 31 st	February 1 st

As part of the enrollment packet for the Medicare Supplement Plan, the Town must receive copies of your Medicare Part A & B cards at the time of enrollment. If you have not received your cards by the enrollment deadline you may substitute an official letter from the Social Security Administration confirmed your enrollment in Medicare Part A & B, included a firm effective date.

For those individuals who are not able to obtain their cards or an official letter from the Social Security Administration prior to the enrollment deadline will remain on an HMO or PPO plan at the 50% premium contribution level.

Additional information about Medicare can be obtained here: <https://www.medicare.gov/> or 1-877-486-2048.

Additional information about the Social Security Administration can be obtained here: <https://www.ssa.gov/> or 1-800-772-1213. Employees are encouraged to visit the Social Security Administration in person for the best available service. The local office is located at: Suite 406, 10 Federal St, Salem, MA 01970.



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How to pay for Health Insurance

Just like active health insurance plans, retiree health insurance plans are prepaid a month in advance. It's important to keep this in mind as you approach retirement. The Town will work directly with you to ensure the correct health insurance premiums are deducted from your final paychecks or arrange for direct payment to cover your retiree health insurance premium. Sometimes you will not be receiving a retirement check from ERRS or MTRS immediately upon retirement and will have to make direct payment for health insurance coverage.

There are two ways to pay for health insurance during retirement:

1. **Automatic Deduction from Retirement Check:** The most convenient and preferred way is to have your health insurance payment automatically deducted from your retirement check, either ERRS or MTRS. Monthly premium rates are updated automatically with ERRS and MTRS. Deductions are taken from your last check of the month and are applied to the preceding months coverage.
2. **Direct Payment:** Retirees can mail or drop off direct payments at the Town Hall. Payments must be received by the 15th of the month preceding the month to which coverage applies.

In the event a retiree in the health insurance plan falls in arrears of their share of premium in excess of two months, the Town shall have the right to terminate coverage for said retiree.

Additional Benefits Available through Health Insurance:

If you are a subscriber to any Town's health insurance plan, you are eligible for some additional benefits.

MIIA Sponsored Fitness Programs and Seminars:

The Town offers a variety of fitness programs and seminars for employees & retirees to participate in. Programs range from Yoga to Bootcamp and Nutrition seminars to FitBit Challenges. Classes are typically held in the Town Hall Gym and are open to retirees and their spouses who are on a Town Health Insurance Plan. Information on classes is emailed to all employees. To be added to the notification list please email: hr@ipswichma.gov.

Blue Cross Wellness Benefits & Resources - Including but not limited to (benefits may vary by plan type):

- Free 24-hour nurse phone-line- call 1-888-247-BLUE (2583)
- Fitness Benefit - up to \$150 annual reimbursement for health club membership
- Naturally Healthy Rewards- 5-25% discount on approved nutritionists, acupuncturists and massage therapists.
- On-line resources at: www.bluecrossma.com; www.ahealthyme.com; www.blue-365.com; www.mybluehealthma.com



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- Free Apps: Available @ www.bluecrossma.com/goal-getter
 1. Goal Getter - Pedometer, GPS mapping, measures progress on every screen.
 2. EatBetter - Tracks intake and calories, calculates calories burned with exercise, measures water intake.
 3. Blue National Doctor and Hospital Finder - Locates urgent care centers, doctors, and hospitals.

Retiree Dental Insurance

The Town of Ipswich offers the following retiree dental plan(s). The Town does NOT contribute towards dental. The cost of the dental plan can be paid in the same manner as your health insurance plan (noted earlier in the packet). The **monthly** rates for the **Altus Dental** plan are as follows:

Altus Dental			
	<i>Individual</i>	<i>Individual +1</i>	<i>Family</i>
	\$49.07	\$98.14	\$171.74

If you wish to enroll in the dental plans, please complete the Dental Enrollment forms and return to the Payroll & Benefits Coordinator no later than 45 days prior to your retirement.

Retiree Life Insurance

The Town of Ipswich offers a \$1,000 life insurance policy through Dearborn National. Retirees electing to participate in this program must complete the yellow Enrollment and Change Form included with this packet and return it to the Payroll & Benefits Coordinator 45 days prior to your retirement. If you are participating in the Life Insurance plan as an active employee and wish to terminate that plan upon retirement, please complete the yellow Enrollment and Change Form included with this packet and return it to the Payroll & Benefits Coordinator 45 days prior to your retirement. The cost of the plan can be paid in the same manner as your health insurance plan (noted earlier in the packet).

The monthly rates for retiree life insurance are as follow:

Dearborn Life Insurance	
\$1,000 Life Insurance	<i>Employee Pay 50%</i>
	\$0.37



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Open Enrollment Periods for Retirees

Open Enrollment is the only period you can make changes to your health or dental plan outside of a qualifying event. Qualifying events include, but are not limited to: Loss of health coverage, changes in household (ex: getting married or divorced, death) and other events found here:

<https://www.healthcare.gov/glossary/qualifying-life-event/>

<i>Open Enrollment Period</i>	<i>Change Effective</i>	<i>Plan</i>	<i>People Eligible</i>
Mid-May	July 1	HMO & PPO Plans	Non-Medicare eligible retirees and dependents of retirees on non-Medicare plan
November	January 1	Medicare Supplement Plan(s)	All retirees and dependents of retirees on Medicare Supplement Plan(s)
Mid- May	July 1	Altus Dental	All retirees and dependents of retirees



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FAQ Section:

Q: Will my premiums go up when I retire?

A: Retirees pay the fifty percent (50%) of health and life insurance. Premiums are withheld from your monthly retirement or pension check, and we collect them one month in advance. For example, June deductions pay for coverage in July.

Q: Are the rules different for retirees?

A: Retiree health insurance coverage follows the same rules as coverage for active employees. Retirees can newly enroll in or change plans during the annual enrollment period each spring for non-Medicare Plan(s) and each fall for Medicare Plan(s) for coverage that begins on July 1. Retirees can also enroll any time during the year due to a loss of coverage. Retirees can add or remove dependents due to a qualifying life event, including:

- a marriage or birth
- a spouse or dependent losing their coverage, or
- a spouse or dependent gaining coverage elsewhere. You need to drop them from your plan within 30 days of them getting new coverage.

Q: How do I update or change my address?

A: You can update your address by completing the Change of Address form (included with this packet) and submitting it to the Payroll & Benefits office within 30 days of your move. If you move out of your plan service area, this is considered a qualifying event, and you can enroll in a different plan within 30 days. For questions about the plan service areas, please call Payroll & Benefits office at 978-356-6602.

Q: What do I need to know if I'm covering my spouse?

A: Upon a retiree's death, their surviving spouse may continue coverage at the same cost as when the retiree was alive. Please also keep in mind:

- Choosing Option A, B, or C for your pension allowance does not affect your surviving spouse's eligibility for continued health insurance. But, if you choose Option A or B, they your spouse must pay premiums to the Town.
- If you choose Option C for your pension allowance, we will take monthly deductions from your surviving spouse's pension check.
- Surviving spouses are no longer eligible for health insurance if they remarry.

Q: Do I have to enroll in Medicare?

A: Effective July 1, 2011, [Massachusetts law](#) mandated that all cities and towns require retirees age 65 and older to apply for Medicare Parts A and B. If eligible, these retirees must also transfer to a Medicare plan to continue their health insurance coverage. This includes:

- retirees
- the spouses of retirees



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- Medicare eligible dependent children (if they are disabled), and
- surviving spouses.

If you are eligible to receive Medicare Part A for free, you must enroll in both Medicare Parts A and B.

Q: How do I know if I'm eligible for Medicare?

A: You could be eligible for Medicare Part A for free if:

- you worked 40 credits into Social Security
- you have a current spouse, former spouse, or a deceased spouse who worked 40 credits into Social Security
- you paid the Medicare tax (employees hired after July 1, 1986 have paid the Medicare tax), or
- you have Military service that counts toward eligibility.

This list is not comprehensive. Even if you think you are not eligible for Medicare, you must go through the process of applying through Social Security.

Q: What is Medicare?

A: *Medicare Part A - Hospital Inpatient Insurance:* The insurance helps cover inpatient hospital care, skilled nursing facility care, nursing home care, hospice, and home health care. This is not for long-term care, and limits apply. If you are eligible for Medicare, Part A is **FREE**.

Medicare Part B - Medical Out-Patient Insurance: This insurance helps cover doctors' services, hospital outpatient care, and home health care. It also helps cover some preventive services. Please keep in mind:

- Most people pay the standard monthly Medicare Part B premium (\$135.50 in 2019).
- Higher Part B premiums (Income-related Monthly Adjustment Amounts) may apply to some retirees based on their income level.
- If you collect a Social Security check, your premium will be withheld from your check.
- If you do not collect a Social Security check, you will be billed on a quarterly basis for your premium. You must pay this invoice or you will lose your Medicare and your Medicare plan through the Town.

Q: What if I'm ineligible for Medicare?

A: If you are ineligible for Medicare (Part A is not free), you must provide proof. We need a copy of a letter on Social Security letterhead stating that you are not eligible for Medicare Part A for free. You may remain enrolled in a non-Medicare plan.

Q: Do I have to enroll in Medicare if I'm covering dependents?

A: *Family Exemption:* If you are covering two or more family members (a spouse and dependents) who are not eligible for Medicare, you may continue coverage in your non-Medicare family plan.

(<https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIV/Chapter32B/Section18A>)



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Q: I'm covering a spouse, but only one of us is eligible for Medicare, what do we do?

A: If you retire and are not eligible for Medicare, but your spouse is eligible:

- your spouse must enroll in a Medicare plan, and
- you must enroll in individual coverage in a non-Medicare plan.

If you retire and are eligible for Medicare, but your spouse is not eligible:

- you must enroll in a Medicare plan, and
- your spouse must enroll in individual coverage in a non-Medicare plan.



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Important Contacts:

Essex Regional Retirement System

491 Maple Street
Suite 202
Danvers, MA., 01923
<http://www.essexregional.com/Pages/index>
(978) 739-9151

Medicare

Centers for Medicare & Medicaid Services
7500 Security Blvd
Baltimore, MD 21244-1850
<https://www.medicare.gov/>
1-800-MEDICARE (1-800-633-4227)

Massachusetts Teachers' Retirement System

500 Rutherford Avenue
Suite 210
Charlestown, MA 02129
<http://www.mass.gov/mtrs/>
(617) 679-1661

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Ipswich, MA 01938
978-356-6602
maryg@ipswichma.gov or
risah@ipswichma.gov

Social Security Administration

Suite 406
10 Federal St, Salem, MA 01970
<https://www.ssa.gov/>
1-800-772-1213

MIIA/ Blue Cross Blue Shield of Massachusetts

www.bluecrossma.com
HMO or PPO: 1-800-782-3675
Medex: 1-800-258-2226
Prescription Drug Plan: 1-888-543-4917
CVS Caremark Mail Order: 1-888-543-4917