

Change in status

IRS regulations state that unless you experience a qualified change in status event (described below), you cannot change your benefit choices until the next annual enrollment period.

The qualified change in status event must result in either becoming eligible for or losing eligibility under the plan. The change must correspond with the specific eligibility gain or loss.

Spouse enrollment after you retire

If your spouse is still working and enrolled in their benefits at work, you can delay your spouse's enrollment in your retiree plan if you wish. If your spouse then loses their employer health benefits due to an **employment-related event**, you can add your

spouse to your applicable retiree benefits at that time, provided you meet the timing rules for a qualifying change in status event.

Examples of a spouse's **employment-related event** are spouse retirement (and spouse's employer does not offer retiree benefits), loss of job or employer cancellation of benefits. An **employment-related event** is not a spouse's voluntary cancellation of their employee or retiree benefits or termination from this benefit due to late or non-payment. You cannot add your spouse to your retiree coverage if your spouse is not on your plan when you retire unless they experience the loss of spouse coverage as described above. If you are enrolled in the PPO plan or HDP, the spouse surcharge could apply. Refer to page 2 of this guide for more information.



Important deadlines apply

You must take action **within 31 days of the qualifying event** – coverage elections are not retroactive.

- **31-day notification rule** – You must notify your Human Resources department of the event AND turn in required paperwork (including proof of the change) within 31 days of the event date.
- **Effective date** – The change is effective the first day of the month following the date you notified your employer of the qualified change in status event. Effective date exception: Newborns are effective on the date of birth, and adoptions are effective the date placed for adoption or on the adoption date.

Qualified events

Change in family status

Applies to employee, employee's spouse or employee's dependents:

- Marriage, divorce or annulment
- Death of your spouse or dependent
- Child's birth, adoption or placement for adoption
- An event causing a dependent to no longer meet eligibility requirements, such as reaching age 26

Examples of events that do not qualify:

- Your doctor or provider is not in the network.
- You prefer a different medical plan.
- You were late turning in your paperwork.

Change in employment status

The following changes in the employment status of an employee, spouse or dependent may affect benefit eligibility under your benefit plan or the employer benefit plan of your spouse or your dependent:

- Switching from a salaried to an hourly paid job (or vice-versa)
- Reduction or increase in hours of employment, such as going from part-time to full-time
- Any other employment-related change that results in becoming eligible for or losing eligibility for a particular plan
- Termination or commencement of employment
- Strike or lockout
- Start or return from an unpaid leave of absence
- USERRA (military) leave

Retirement

Thinking about retirement?

If you are flipping through this guide because you are thinking about retiring, make sure you review your employer's retiree health plan policies before you retire. Your employer offers retiree health benefits, but retiree health benefits cost more than your active employee coverage. Make an appointment to discuss your retiree benefit options with your Human Resources department at least 60 days before you retire.

If you are age 65 or older, or if you are turning 65 soon, contact the Social Security Administration at least 90 days before you retire. Carefully review the Retiree Health Benefits Guide, available at pebcinfo.com or from your employer.

Countdown to retirement

- 60 to 90 days before you retire – Contact the Social Security office. If you are age 65 or older, sign up for Medicare Part A and Part B (you and your spouse).
- 60 days before you retire – Contact your Human Resources department and complete retirement paperwork. Choose your retiree health benefits.
- 30 days before you retire – Make sure your retiree health benefits are chosen and your premium is paid.
- If you move – Let your Human Resources department know as soon as possible.

Did you know?

Medicare becomes effective on the first day of the month in which you turn 65, regardless if you are at full retirement age for Social Security benefits. If your 65th birthday is on the first day of the month, then Medicare becomes effective the first day of the prior month. This applies to your covered spouse as well.