

CHANGE IN DEPENDENT HEALTHCARE ELIGIBILITY RULES FOR CINCINNATI RETIREMENT SYSTEM (CRS) RETIREES

(Effective January 1, 2011)

In May 2010, Cincinnati City Council adopted Ordinance #175-2010 changing the healthcare eligibility rules for certain dependents and spouses of retirees. Certain individuals will be required to pay the full premium cost for healthcare coverage if they choose to continue coverage effective January 1, 2011.

The following individuals are NOT AFFECTED by this change:

- A retiree's legally married spouse **MARRIED PRIOR TO THE RETIREE'S RETIREMENT DATE;**
- A retiree's biological or legally adopted children **BORN OR ADOPTED PRIOR TO THE RETIREE'S RETIREMENT DATE** who are under 19 years of age; or who are under 24 years of age, unmarried and are full time students (at least 7 months a year) at an accredited school;
- A retiree's biological or adopted children **BORN OR ADOPTED PRIOR TO THE RETIREE'S RETIREMENT DATE** who are permanently and totally disabled, as defined by the U.S. Social Security Administration, and who were **DESIGNATED AS DISABLED PRIOR TO ATTAINING 19 YEARS OF AGE** and who live in the retiree's household.

The following individuals **ARE AFFECTED** and may purchase CRS healthcare coverage by paying 100% of the monthly insurance premium:

- A retiree's legally married spouse **MARRIED ON OR AFTER THE RETIREE'S RETIREMENT DATE;**
- A retiree's biological children OR legally adopted children, **BORN OR ADOPTED ON OR AFTER THE RETIREE'S RETIREMENT DATE.** Eligible children must live in the retiree's household and claimed by the retiree as dependents for Federal income tax purposes for the most recently completed tax year and meet one of the criteria below:
 1. Less than 19 years of age, OR
 2. Less than 24 years of age, unmarried, and a full time student (at least 7 months a year) at an accredited school, OR
 3. Permanently and totally disabled (as defined by the U.S. Social Security Administration), and designated as disabled prior to attaining 19 years of age.
- One minor grandchild legally claimed by the retiree as a dependent for Federal income tax purposes for the most recently completed tax year, **PROVIDED THAT THE GRANDCHILD IS BORN TO AN UNMARRIED, UN-EMANCIPATED MINOR CHILD OF THE RETIREE. Coverage ends for the grandchild when the minor reaches age 18.**



These changes in eligibility rules apply to all CRS retirees. Refer to the Frequently Asked Questions on the back for more information and details about purchasing coverage.

FREQUENTLY ANSWERED QUESTIONS

What do I need to do if my spouse and dependents are NOT AFFECTED by this change?

If you are not impacted by this change, you are still required to complete and submit the Healthcare Eligibility Form and any associated documents by October 31, 2010.

What if my spouse and/or dependents ARE AFFECTED by this change?

If you are impacted by this change and want to purchase coverage for your affected spouse and/or dependents beginning January 1, 2011, you must contact CRS at 513-352-3227.

You must contact CRS by October 31, 2010.

Whether or not you choose to purchase coverage, you are required to complete and submit the Healthcare Eligibility Form and any associated documents by October 31, 2010.

How much will this coverage cost?

The cost for affected spouses who are 65 years of age or older is: \$585 per month

The cost for affected spouses who are under 65 years of age is: \$1,012 per month

The cost for each affected dependent is: \$232 per month

How do I purchase coverage?

If you choose to purchase healthcare coverage for certain affected family members, the monthly insurance premiums will be deducted each month from the CRS pension benefit check. For example, if the purchased coverage begins January 1, 2011, the monthly premiums will be deducted from the February 1, 2011 pension check. Payment of healthcare premiums through payroll deduction helps ensure no lapse in coverage occurs due to late or missing payments.

What happens if a family member does not meet any of the definitions of dependent?

These family members will not be eligible for healthcare coverage from CRS effective January 1, 2011.

Is CRS impacted by recent Federal and State of Ohio healthcare initiatives that expand the definitions of dependent children for healthcare coverage purposes? No. CRS is not subject to recent legislation that extends access to healthcare coverage for certain adult children.

Why were the eligibility rules for certain dependents changed?

These changes were primarily made to make CRS rules consistent with Federal tax law. The changes in eligibility requirements apply to all CRS retirees.