

RETURN TO WORK RETIREE INSURANCE OPTIONS
EFFECTIVE SEPTEMBER 1, 2004

The Employees Retirement System (ERS) will allow retirees who have retired from state service and return to state employment, the option to enroll in benefits offered by the Employees Group Benefits Program (GBP) as an **active** employee. As a state retiree you may already be enrolled in retiree benefits offered by GBP. This option will give you the opportunity to enroll in other benefits not available to you as a retiree such as Accidental Death and Dismemberment (AD&D) coverage, short term disability, long term disability insurance, additional life insurance, TexFlex and automatic enrollment in premium conversion. In addition, your retiree basic term life and dependent term life insurance benefits will increase from \$2,500 to \$5,000 while you are employed.

You do not have to enroll in benefits as an active employee, but it is an option you may want to consider. Below is a chart showing you the difference in active benefits and retiree benefits:

Retiree Benefits	Active Employee Benefits
Health + \$2,500 Basic Term Life	Health + \$5,000 Basic Term Life
Dental	Dental
Optional Term Life-Election I, II or \$10K	Optional Term Life – Election I-IV
Dependent Tem Life - \$2,500	Dependent Term Life - \$5,000
	Tex Flex
	Accidental Death & Dismemberment
	Short & Long Term Insurance
State contributes toward health: 100% of retiree premium 50% of dependent premium	State contributes toward health: 100% of retiree premium ¹ 50% of dependent premium ¹ -or- 50% of retiree premium ² 25% of dependent premium ²
Retiree pays taxes on dependent premiums paid	Retiree does not pay taxes on eligible premiums paid
Retiree receives out-of-area benefit (age 65 or older)	Retiree receive in-area benefit and must choose a PCP
TexaSaver 457 Plan-not eligible for 3 yr. catch up provision. Cannot take distributions while contributing	TexaSaver 457 Plan-not eligible for 3 yr. catch up provision. Cannot take distributions while contributing

¹ For full-time retirees working ½ the year. (These employees would return to retiree benefits during the period they are not working)

² For part-time retirees with 50% FTE or greater.

What you need to know before you make a decision:

1. If you enroll in benefits as an active employee, all benefits you elect will be as an active employee. In other words, you may not keep health coverage as a retiree and enroll in optional coverage as an active employee.
2. You must make your elections by August 31st for a September 1 effective date. After that, you can change enrollment elections or go back to retiree benefits status only if you have a qualifying life event (QLE) during the plan year or during subsequent Summer Enrollment periods.
3. Evidence of Insurability (EOI) is required for Optional Term Life Insurance levels III and IV.
4. If you have already met or are close to meeting Medicare and/or Health Select calendar year deductibles, and are receiving most benefits at 100% reimbursement, you may want to consider staying enrolled in benefits as a retiree.
5. Since most return-to-work retirees work half time all year, you would most likely **not** be interested in the active employee benefit because the health premium cost would increase significantly.

As you can see, there are pros and cons to moving from the retiree status to the active employee status. **Think through this carefully.** Working retirees who want to enroll as an active employee should complete the following forms:

1. Insurance Multipurpose Form (<http://www.ers.state.tx.us/forms/GI-1180.pdf>) to enroll in insurance benefits.
2. Supplemental Information Form (<http://www.ers.state.tx.us/forms/GI-1207.pdf>) to choose your primary care physician (PCP).
3. Dentist Selection Form (http://www.aetna.com/members/ers2004/pdf/2005_py_ers_selection_form.pdf) if you enroll in the Aetna Dental DMO program.
4. TexFlex Enrollment Form (<http://www.ers.state.tx.us/texflex/FB-920.pdf>) to enroll in a TexFlex Health Care or Dependent Care Reimbursement Account.
5. Evidence of Insurability Form (EOI) (<http://www.humanresources.txstate.edu/pdf/forms/EOI.pdf>) if you decide to apply for Optional Term Life Insurance Level III or IV.

Note: You must also enter your Life Insurance Beneficiary Designation via the ERS website at www.ers.state.tx.us.

If you do not have access to a computer, you can come by the Human Resources Benefit Office to enroll.