



Important Changes to Retiree Health Insurance Eligibility (Nov. 20, 2020, Reminder)

The cost of providing medical benefits to retirees has increased substantially over time and continues to be a significant financial liability for the State of North Carolina.

To address the projected higher costs associated with providing retiree medical coverage, the State of North Carolina* has implemented a change such that State employees, including employees of the University of North Carolina System (UNC System) and its constituent institutions, hired on or after Jan. 1, 2021, will no longer be eligible for retiree health coverage.

The purpose of this notice is to help you understand the upcoming changes, know who is impacted, and remind you of the retiree medical coverage eligibility rules.

WHAT'S CHANGING

Employees hired on or after Jan. 1, 2021, who enroll in either the Teachers' and State Employees' Retirement System (TSERS) or the University of North Carolina Optional Retirement Plan (ORP) will not be able to continue health insurance coverage under the North Carolina State Health Plan (State Health Plan) when they retire. **This change will not affect current employees, retirees, or anyone hired before Jan. 1, 2021.**

WHAT'S STAYING THE SAME

Eligibility rules for current employees and retirees are unchanged. As a participant in either TSERS or the ORP, you may be eligible to continue health care coverage under the State Health Plan when you retire if you have met the years of service requirement and elect a monthly retirement benefit from TSERS or ORP.

If you were first hired prior to Oct. 1, 2006

If you retire with five or more years of contributory retirement services, you will be eligible for retiree medical coverage at no cost, under certain plan options. Contact the UNC Charlotte Benefits Office at Benefits@uncc.edu or 704-687-8134 for details on plans and premiums.

If you were first hired between Oct. 1, 2006 and Dec. 31, 2020

To receive retiree medical coverage at no cost, you must retire with 20 years of retirement service credit. If you have at least five years of contributory retirement service, but less than 20 years of retirement service credit, you may be eligible for coverage by paying a larger percentage. Contact the UNC Charlotte Benefits Office at Benefits@uncc.edu or 704-687-8134 for details on plans and premiums.

* General Statute 135-48.1(18) SL 2017-57 changed the eligibility for retiree health coverage.

Important Reminders

If you withdraw, transfer or roll over your entire account from the ORP or TSERS to an individual retirement account (IRA) or another employer's retirement plan, you will forfeit your right to retiree medical coverage provided by the State Health Plan. Also, if you leave employment and receive a refund on retirement contributions and are hired back after January 1, 2021, you will no longer be eligible for retiree medical coverage provided by the State Health Plan.

QUESTIONS?

Please contact the UNC Charlotte Benefits Office at Benefits@uncc.edu or 704-687-8134 for details on plans and premiums.