

CONTINUED BENEFITS FOR RETIRED PERSONNEL

1.0 Purpose:

- 1.1 To establish rules and procedures for the provision of City-sponsored benefits, including group health and dental insurance for retired personnel.

2.0 Scope:

- 2.1 Certain City-sponsored benefits are extended to retired personnel.
- 3.2 City-sponsored group health and dental insurance plans are being extended to all retired personnel under Police, Fire and IMRF Pension Programs.

3.0 Policy:

- 3.1 To take advantage of this benefit, a retiree must have 8 years or more of creditable service (Tier 1) or 10 years or more of creditable service (Tier 2) under the Illinois Municipal Retirement Fund (IMRF) and be eligible to immediately receive a pension or have 20 years or more of creditable service under the Police or Fire pension programs.
- 3.2 Group health and dental insurance:
 - 3.2.1 The retiree must accept or reject the plan at the time of retirement and may not join at a later date. Acceptance must be shown by written consent within 15 days of receiving the notice from the City that the plan may be continued as provided for in the Illinois Insurance Code.
 - 3.2.2 The Plan will be extended to the retiree and only to those dependents covered prior to the time of retirement of the City employee.
 - 3.2.3 The retiree will pay the entire premium as established by the insurance carrier, and the City will administer the plan.
 - 3.2.4 Once terminated, the insurance is not renewable.
 - 3.2.5 When a retiree becomes eligible for Medicare and enrolls in Medicare Parts A and B, the retiree may enroll in a City-sponsored Medicare supplement plan and prescription drug program or leave the City's plan and find independent coverage. Medicare Part D is not necessary, as the City's plan is a Medicare-approved Prescription Drug Plan.
 - 3.2.6 The spouse of a deceased employee is eligible to continue on the plan until his or her death or remarriage under normal plan provisions. In the case of dependents, they may remain covered following normal plan provisions. All other provisions in this Directive shall apply.

- 3.2.7 The provision of this benefit is subject to the contract extended by the insurance carrier. Any change in the contract or the firm providing insurance may result in a change in benefits, a change in costs or termination of the coverage.
- 3.2.8 The provisions of the Public Safety Employee Benefits Act, 820 ILCS 320/1, et seq., shall apply to those employees who are fulltime sworn police officers or firefighters killed or catastrophically injured in the line of duty. The City's "Basic Plan" plan option is considered the City's basic insurance plan for these purposes.

3.3 Other benefits available to retirees:

- 3.3.1 Upon showing proof of retirement from City service, a retired employee and his/her dependents, if non-residents, may utilize the following at resident rates:

- Golf Course
- Boat Ramp
- Beach*
- Recreation Center

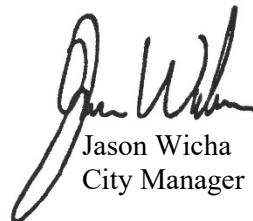
*Current retirees or spouse of a deceased retiree is eligible to receive one beach pass or City vehicle sticker, if a resident, at no cost each year. This beach sticker also allows access to the Compost Center.

- 3.3.2 Retired employees and a guest may be invited to employee events as funds are available for these events.

4.0 Distribution:

- 4.1 Employee Information Site: www.citylf.org under HR/Personnel Policies

All those retiring from City service will be given a copy of this Directive.



Jason Wicha
City Manager

Revised 1983, 1985, 1990, 1991,
5-95, 5-99, 5-04, 5-05, 5-08,
5-11, 5-16, 5-18, 5-21