Meredith College
Post Retirement Health Benefit

- The term “retired employee” is defined to be an employee who voluntarily terminates employment with the College, in good standing, and who is at least 60 years old and has at least 12 years of full time, continuous, non-temporary employment with the College.
- Employees who meet the above definition of “retired employee” are eligible to participate in the post retirement health program.
- The College will establish a fixed “cap” that will be used to calculate the benefit amount for eligible employees. The initial amount of the fixed “cap” is $300 per month. This can be changed at the College’s discretion.
- The amount of an eligible employee’s benefit is based on the established “cap” and the retiring employee’s years of service at retirement in accordance with the following:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>College Pays</th>
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<tbody>
<tr>
<td>At least 12 years but fewer than 16 years</td>
<td>65% of cap</td>
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<tr>
<td>At least 16 years but fewer than 20 years</td>
<td>75% of cap</td>
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<tr>
<td>20 years or greater</td>
<td>85% of cap</td>
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- For eligible employees who retire prior to age 65, the benefit amount (established cap times appropriate percentage above) is applied to the cost of the College’s group health insurance plan in effect at the time of retirement, with the retiree being responsible for payment of the difference between the benefit amount and the cost of the benefit. Coverage under this plan and costs of the plan are subject to change as a part of the plan’s annual renewal negotiations. If the retiree does not wish to continue coverage on the College’s group plan, the benefit amount will be contributed to a medical spending account to be used at the retiree’s discretion (within legal limits).
- For eligible employees who retire at age 65 or later, the benefit amount (established cap times appropriate percentage) will be deposited into a medical spending account to use at the retirees’ discretion within limits established by Federal law. This will provide the opportunity for the retired employee to use their own discretion as to appropriate uses of these funds to meet their individual needs. This will also apply to eligible employees who retire prior to age 65 once they reach age 65.

**TRANSITION:**

- These changes will be effective for employees who retire on or after September 1, 2011.
- Employees already retired at the time this new policy is adopted or who retire prior to its September 1, 2011 effective date will continue under the rules and policies in effect at their date of retirement.
- Employees hired on or after September 1, 2009 will not be eligible for retiree health care coverage after age 65. If they retire prior to age 65, the benefit will be as listed above until they reach age 65, at which time they will no longer be eligible for coverage under this plan.