

**Policy on Group Health and Life Insurance Coverage  
for Active Employees and Retirees**

The Town of Littleton offers the following life and health insurance coverage to its employees. Permanent employees working a minimum of 20 hours per week are eligible for coverage under the Town's health and life insurance policies.

**HEALTH INSURANCE**

**Active Employees**

An HMO type health insurance plan, or its equivalent, shall be offered to all benefit eligible employees. Currently, the Town contributes 70% of the total premium on the HMO plan. The employee deduction for health insurance is taken automatically from the employee's paycheck. Health insurance selection is available at the time of employment, during open enrollment or if triggered by a qualifying event. If you do not take this insurance you must sign a HIRD waiver form. Under the COBRA law, employees may be entitled to continued coverage in our group health insurance plan effective upon termination of employment. The employee is responsible for 102% of the premium. Specific information is available at the Treasurer's office.

Open enrollment is offered once a year, usually in April. At this time employees have the opportunity to change their current benefit plans and coverage to suit their personal needs. Employees will be notified by the Finance Department of the dates of open enrollment and when any changes become effective.

If you are an active employee 65 or over you will remain on your current Health insurance plan until you retire. At age 65, if you are Medicare eligible, you must apply for your Medicare coverage through Social Security and defer your part B coverage until retirement. You are entitled to Medicare coverage even if you are not yet collecting Social Security benefits.

**Retired Employees**

To be eligible for retirement, the employee must meet all the criteria to be retired; e.g. appropriate age and years of service, or, bona fide "early retirement" participant due to State sanctioned credit for additional years or service to bring the employee to minimum retirement qualifications. A participant is considered to be "Not Eligible" when they meet the requirements for post-employment benefits but have drawn all of their assets from the plan.

Employees are eligible for continued medical coverage with the Town of Littleton after retirement if they have been employed by the Town for at least 10 years in a benefit eligible position. For employees hired prior to July 1, 2010, the Town will contribute 70% of the premium. The retiree or surviving spouse will be responsible for the remaining 30%. For employees hired after July 1, 2010, the Town will contribute 50% of the premium. The retiree, or surviving spouse, will be responsible for the remaining 50%.

Should you have ten or more years in a benefits eligible position and leave municipal service without retiring, you may elect Deferred Retirement coverage provided you keep your money in the municipal retirement system. At retirement, you may resume health coverage; the town will contribute its portion of the premium based on the employees hiring date described above. If you are not obtaining health coverage elsewhere when you elect deferred retirement, you may keep your health insurance coverage through the Town, paying 100% of the premiums until retirement.

Retired employees under 65 will be covered by the Town's health plans, based on the same premium contributions described in the active employee section until age 65 at which time they must carry Medicare as their primary insurance and can also be covered by the town's Medicare supplemental insurance plans. Retirees under the age of 65 who are ineligible for the HMO plan(s) will be provided coverage under a PPO plan at the same contribution rates stated previously until such time that they become eligible for the Medicare supplemental plans.

Retired employees not eligible for Medicare will be able to remain on their present coverage by providing a copy of an official letter of Medicare ineligibility from Social Security.

## **LIFE INSURANCE**

### **Basic Life Insurance**

The Basic Life Insurance is for \$10,000. The Town currently pays 70% of the premium. The employee pays the remaining 30% of the cost. The employee portion of the premium is automatically deducted from the employee's paycheck. Basic life is a term insurance policy and provides for a conversion to a private policy upon employment termination. At that time the employee is responsible for 100% of the premium. If the employee elects to continue coverage after retirement, coverage drops to \$5,000. Life insurance is offered to new hires at the time of their employment and at open enrollment, though the guaranteed amounts are subject to medical investigation at open enrollment. If you do not take this insurance you must sign a waiver.

### **Optional Life Insurance**

Employees can carry additional life insurance through Boston Mutual for themselves and dependants. Rates are based upon the amount of insurance and age. Premiums are fully paid by the employee through payroll deductions. You must carry the basic life insurance to qualify for optional life insurance. Like basic life, optional carries an conversion option at the time of employment termination.