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FOR DISTRIBUTION TO EMPLOYEES

TO: State and County Employees
FROM: Derek M. Mizuno, Administrator 
SUBJECT: EUTF Retirement Related FAQs

Employer Contribution to Retiree Healthcare Premiums

True or False: The employer contribution to a retiree's healthcare premiums is a percentage of the total premium.

False: The employer contribution to a retiree's premiums is a percentage of the Base Monthly Contribution (BMC). The BMC was established in statute (HRS 87A-33) for Medicare and non-Medicare retirees and for self, two-party and family plans and changes as Medicare Part B premiums change annually. The employer contribution percentage is based on your Employees' Retirement System of the State of Hawaii (ERS) membership date and years of service as follows:

Years of ERS Credited Service (excluding sick leave)	Employer's Contribution Percentage of the Base Monthly Contribution* If your ERS Membership Date was:		
	On or Before 6/30/96	On or Between 7/1/96–6/30/01	On or After 7/1/01**
Less than 10	50%	0%	0%
10 and less than 15	100%	50%	50%
15 and less than 25	100%	75%	75%
25 or more	100%	100%	100%

*The employer contribution percentage for the year determines the maximum employer contribution. Any difference between the employer contribution and total premium for plans selected is paid by the retirees.

**If your ERS Membership Date was on or after 7/1/01, the monthly employer contribution will be applied to the self only BMC. Retiree is responsible for dependent premiums.

Over the past 7 years, the EUTF retiree medical and prescription drug premiums have grown at a slower rate than Medicare Part B premiums. As a result, in most situations 75% retirees who started prior to 7/1/01 do not have to pay for premiums for themselves and eligible dependents and 75% retirees who started on or after 7/1/01 do not have to pay premiums for themselves. This may change in the future. Go to <https://eutf.hawaii.gov/retirees/eutf-premium-calculators> to calculate your share of premiums.

Retiree Enrollment

True or False: If I'm enrolled in health benefits coverage as an active employee, I will be automatically enrolled in coverage as a new retiree.

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

False: You must enroll in retiree health benefits coverage within sixty days of your retirement date (e.g., retirement date 10/1, enrollment form and supporting documents must be submitted by 11/30). Get started by attending an EUTF Pre-Retirement Workshop (go to <https://eutf.hawaii.gov/pre-retirees/pre-retirement-health-benefits-workshop> for the workshop schedule). If you are not able to attend a workshop, follow instructions in the [Pre-Retirement](#) and [Medicare](#) Checklists (if you or any dependents are eligible for Medicare Part B) at <https://eutf.hawaii.gov/eutf-forms/all-eutf-forms/?target=future-retirees>.

Medicare Part B Requirements

True or False: I and/or my spouse do not have to enroll in Medicare Part B, if I and/or my spouse are still actively employed elsewhere.

False: Retirees and dependents who are eligible for Medicare Part B (e.g., age 65 or disabled) must enroll in Medicare Part B to enroll in EUTF retiree medical and/or prescription drug plans. Employers reimburse the retiree and will only reimburse spouse's Medicare Part B premiums if hired on or before 6/30/23. Act 040 passed by the 2023 Legislature eliminated reimbursement of Medicare Part B premiums for spouses of new hires after 6/30/23. Act 040 does not impact employees; terminated, vested employees; and retirees hired prior to 7/1/23.

Medicare Part B Premium Reimbursements and Enrollment in EUTF Retiree Plans

True or False: I and/or my spouse must be enrolled in EUTF retiree health plans to receive a Medicare Part B premium reimbursement.

False: You and your spouse do not have to be enrolled in EUTF retiree health plans to receive reimbursement of your and your spouse's Medicare Part B premiums as long as you are receiving an ERS pension. If you fall into this group, to initiate your Medicare Part B premium reimbursements, follow instructions in the Medicare Checklist at <https://eutf.hawaii.gov/wp-content/uploads/2019/05/Medicare-Checklist-secured.pdf>. The EUTF does not reimburse Medicare Part B related penalties or Medicare Part D premiums.

EUTF Retiree and Active Employee Plan Designs

Key differences between the EUTF retiree and active employee plan designs.

Category	Active Employees	Retirees
Child eligibility	Medical/prescription drug until age 26 Dental and vision until age 19, extended until age 23 if a full-time student	Medical/prescription drug, dental and vision until age 19, extended until age 23 if a full-time student
Medical	Generally higher copayments/coinsurance	HMSA Medicare retiree plan coordinates with Medicare
Prescription drug	Generally higher copayments/coinsurance	There is no annual maximum out-of-pocket limit for non-specialty drugs
Chiropractic	Covered under the medical plan	Limited to Medicare covered chiropractic services
Dental Basic Care (e.g., fillings, root canals, gum/bone surgeries and maintenance, oral surgeries)	80% coverage subject to the \$2,000 per person annual maximum	60% coverage subject to the \$2,000 per person annual maximum
Dental Orthodontic Care	50% coverage subject to the \$1,000 per person lifetime maximum	No coverage
Life insurance (100% employer paid)	\$33,770 (age reductions apply)	\$1,487