ELK GROVE BENEFITS EMPLOYEE RETIREMENT TRUST

EGBERT 101

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This power point and more information about EGBERT can be found at www.egbertbenefits.com

INTRODUCTION

- EGBERT was established in July of 1995 through negotiations between the Elk Grove Unified School District (“District”) and the employee associations. EGBERT is governed by its own Board of Directors and is a separate entity from the District.
- The EGBERT trust was established with the goal of providing post-retirement health insurance benefits to you for many years to come. Because retiree health care premiums were projected to continue to rise sharply, a “pay-as-we-work” contribution model was agreed to by all bargaining units.
- With this agreement, EGBERT is considered a part of the active employee benefit package toward which both employees and the District contribute funds. The District issues payment of contributions to EGBERT monthly.
- Once contributions from the District have been paid to EGBERT, the District cannot reclaim or otherwise access them. The funds are used to pay current retiree benefits and, if there is any surplus, invested to help keep the fund healthy for future retirees.
- ***The level of benefits provided by EGBERT will at all times be dependent on the assets currently in the trust fund, the contributions committed to be paid into the trust fund, and on the current and projected costs of providing benefits.***

ELIGIBILITY – EGUSD Service

What is Qualified Service?

- A benefit eligible position, i.e., a minimum of 50% of an annual full-time position, each school year, whether you took benefits or waived them.
- The 10, 15, or 20 years of benefit eligible service (whichever applies) do not have to be consecutive.
- If an employee leaves before eligible and/or without retiring and returns outside the 39 month rehire period, they must meet the full eligibility requirements in place at the time of reemployment to qualify for EGBERT, regardless of previous service/eligibility.
- If an employee has worked under different collective bargaining agreements that provide for different contribution rates/benefits, to qualify for the higher benefit level they must
  - have a minimum of 10, 15, or 20 years (whichever applies) of benefit eligible service **at the higher benefit level**.
  - *and* the employee's final 39 months of benefit eligible service prior to retiring also must be **at the higher benefit level**.

ELIGIBILITY CHART*

Years of Benefit Eligible Service:

Tier 1 – Hire date prior to July 1, 2006	10 Years / 120 Months
Tier 2 – Hire date on or after July 1, 2006 and prior to July 1, 2015	15 Years / 180 Months
Tier 3 – Hire date on or after July 1, 2015	50% Maximum Benefit – 15 Years / 180 Months 100% Maximum Benefit – 20 Years / 240 Months
Tier 3 – Retirement Age Requirements	15 Years / 180 Months Age 65 to receive permanent 50% of maximum benefit No benefit if retire prior to Age 65 20 Years / 240 Months Age 62 to receive maximum benefits 50% benefit if retire prior to Age 62 increases to 100% when retiree reaches Age

Dependent Coverage:	
CSEA Retirees on or after July 1, 2010	Coverage for Retiree Only
All other bargaining units & CSEA Retirees prior to July 1, 2010	Coverage for Retiree + 1 Dependent

*See your collective bargaining agreement for detailed eligibility requirements.

ELIGIBILITY – PERS/STRS RETIREMENT

- Your service retirement effective date with PERS/STRS must be within 90 days following your last day of active employment with Elk Grove Unified School District.
- You must provide proof of application for retirement benefits no later than one day following your last day of active employment with the District.
- You must provide an award letter from PERS/STRS confirming your first day of retirement, as soon as available but no later than 90 days following your last day of active employment with the District.
- Retirees must be actively drawing retirement or disability benefits from either STRS or PERS. Those who cash out their STRS/PERS retirement in a lump sum will not be eligible for EGBERT.

ELIGIBILITY – Dependents

Eligible family members include:

- The covered retiree's spouse/domestic partner under a legally valid marriage or domestic partner registration.
- The covered retiree's children will be eligible for coverage until they attain age 26. There will be no conditions to eligibility such as student status, parent financial support, requirement to live with a parent or that the children are unmarried (spouses of children are not eligible). A “child” is a son, daughter, stepchild, foster child or adopted child.
- Grandchildren will be eligible only if documentation can be provided showing that the covered retiree is the primary and legal guardian for the child.
- Unmarried dependent children incapable of self-sustaining employment because of a mental or physical handicap that began before reaching the age limit. Satisfactory proof of his or her incapacity should be submitted by a physician within 31 days prior to the date termination would occur (age 26).
- To add dependents, you must make your benefit change within 30 days of the Qualifying Event or during the annual Open Enrollment for EGBERT.

MEDICARE – EGBERT Plan Requirements

- The retiree and dependent must each, **when they first become eligible**, apply for Medicare Parts A (Hospital Insurance) & B (Medical Insurance) and provide EGBERT with a copy of your Medicare card as soon as you receive it.
  - Typically, your initial enrollment period is the 90 days before your 65th birthday. If you become eligible for Medicare before age 65 on the basis of disability, you must enroll in Parts A & B upon your initial eligibility.
- Medicare eligible members must enroll in an EGBERT Medicare plan option to continue receiving a medical benefit through EGBERT.
- **Failure to enroll in Medicare Parts A & B and in an EGBERT Medicare plan option when you are initially eligible may result in a lapse in coverage, an increased cost of your EGBERT monthly premiums, and/or a permanent penalty cost added to your Medicare Part B.**

MEDICARE – EGBERT Plan Requirements

- The retiree and/or their dependent may delay enrolling in Medicare Part B if the retiree is waiving EGBERT medical coverage and they are enrolled in an employer group health plan. This may be through the job of a partner/spouse or through the retiree working another job after retirement from EGUSD.
- If you and/or your spouse become Medicare eligible when you are still an active employee and receiving your benefits through EGUSD, you should only enroll in Medicare Part A. You may delay enrolling in Medicare Part B until you and/or your spouse retire.
- If a retiree and/or dependent has medical coverage through a group health plan outside of EGUSD or EGBERT, they should check what the Medicare rules and requirements for that plan.
- Employees Not Eligible for Part A Coverage:
  - If you are not eligible for Part A coverage on your own, you may be eligible through your present or former spouse. Contact the Social Security Administration for details.

DEATH OF RETIREE

- At the time of a retiree's passing, covered dependents of the deceased member may opt to continue their enrollment in EGBERT health benefits but must pay the full premium cost of the insurance plans selected.
- Covered dependents may opt to enroll only medical, only dental, only vision, or a combination of the three.
- Surviving Dependent members will be able to make changes during the annual Open Enrollment period.
- Those who choose not to continue with EGBERT (or completely disenroll at a later date) will permanently forfeit their access to EGBERT coverage.
- Surviving Dependents may not enroll future spouses or dependents.

MONTHLY COSTS – WHAT DO I PAY?

EGBERT currently pays a subsidy toward medical, dental, and vision coverage for a retiree and one dependent (if eligible). For subsidized members:

- The Trust is currently paying 100% of the premium cost of dental and vision coverage.
- The Trust is currently paying 100% of the premium cost of the least expensive medical plan in a given category. Medicare eligible retirees currently have an option available with no monthly cost due to EGBERT.
- The benefit plan cost covered by EGBERT is subject to change in the future based on changes in the collective bargaining agreements and EGBERT funding.

Invoices are issued on/around the 1st of each month. Cost to the retiree depends on plan(s) or benefits chosen, Medicare eligibility, and whether additional qualified dependents are enrolled.

- A retiree or dependent isn't required to enroll in all benefits offered (medical, dental, & vision). However, a dependent can only be enrolled in a benefit which the retiree is also enrolled in.
- Should you choose a medical plan other than the least expensive plan, you will be responsible for the difference in premium cost between the chosen plan and the least expensive plan.
- A monthly contribution amount is charged for each retiree and/or qualifying dependent who is not yet eligible for Medicare and the amount may be adjusted each year. This contribution doesn't apply to retirees who waive their EGBERT medical coverage.
- The retiree is responsible for the full premium cost of qualified dependents not subsidized by EGBERT.
- Monthly cost for some retirees may also be affected by Medicare Late Enrollment Penalties or Low-Income Subsidies passed on to EGBERT by the chosen medical plan.

HEALTH CARE BENEFITS - MEDICAL

- For 2026, the non-Medicare medical and prescription drug benefits are provided to you through the same health insurance carriers that contract with EGUSD.
  - Sutter Health Plan
  - Western Health Advantage
  - Kaiser – In addition to local area/in-state coverage, there is a Kaiser Northwest plan available that covers select parts of Oregon and Washington.
- For 2026, the Medicare medical and prescription drug benefits are provided through Anthem and Kaiser.
  - Anthem – This plan will cover most providers that accept Medicare, both locally and nationwide. Most members currently using Sutter or Dignity Health medical groups will continue to have access to their doctors as well as to UC Davis.
  - Kaiser – In addition to local area/in-state coverage, there is a Kaiser Northwest plan available that covers select parts of Oregon and Washington.

***** Please be aware of the "live or work rule" *****

Some active employees may currently be in a plan that doesn't cover the area where they live but they were able to enroll anyway due to working in the coverage area.

This exception does not apply to retiree plans.

HEALTH CARE BENEFITS – Dental and Vision

- Both plans are very similar to what the District offers.
  - The dental benefit is through Delta Dental.
  - The vision benefit is through VSP.
- The biggest difference is that there are no orthodontia benefits on the dental plan.
- For the dental plan, the incentive level works the same as at the District. Your percentage level at the time you retire from EGUSD should transfer to your EGBERT coverage, as long as you continue to maintain your preventative care.
- The benefits and limits for both plans are based on the calendar year (Jan-Dec).
- Coverage is currently provided to you and one dependent (if eligible) at no cost.
- You have the option of covering additional qualified dependents at your own expense.
- Your coverage will follow you out of state so long as you keep your address updated with EGBERT.

HEALTH CARE BENEFITS – Alternative Medical Coverage

Private Pay Reimbursement Plan

- Retirees may elect to participate in the Private Pay Reimbursement Plan if the current medical plans offered are not available in their area, are cost prohibitive, or if access to out-of-network providers is needed.
- The retiree is responsible for obtaining their own medical plan and then submitting documentation of their insurance premium cost for reimbursement.
- EGBERT will reimburse up to the premium cost it would have otherwise subsidized in a given category. Categories are determined by Medicare eligibility and whether the reimbursement is for one or two subsidized members (retiree and/or dependent).
- In the Private Pay Reimbursement Plan, the monthly retiree contribution is to be paid for any retiree and/or qualifying covered dependent who is not yet eligible for Medicare.
- Private Pay Reimbursements are direct deposited to your bank account monthly. Contributions and other amounts due to EGBERT are deducted from the reimbursements prior to payment.
- Enrollment in the Private Pay Reimbursement Plan must be renewed annually.
- You may re-enroll in an EGBERT medical plan during Open Enrollment or within 30 days of the loss of your alternative medical coverage (with proof of coverage end date).

HEALTH CARE BENEFITS – Alternative Medical Coverage

Medical Waiver Reimbursement

- Retirees who have alternative medical coverage and either have little/no premium cost or do not meet the criteria for Private Pay Reimbursement may choose Medical Waiver Reimbursement.
- The Medical Waiver Reimbursement will reimburse retirees with alternative coverage for qualifying medical expenses through a Health Reimbursement Arrangement (HRA) administered by Navia Benefit Solutions.
- The annual maximum Medical Waiver Reimbursement is $780.00 for retirees not eligible for Medicare and $390.00 for Medicare-eligible retirees.
- Medical Waiver amounts are pro-rated and HRA accounts are funded on a quarterly basis.
- The Medical Waiver must be renewed each year during the annual Open Enrollment period.
- You may re-enroll in an EGBERT sponsored plan during Open Enrollment or within 30 days of the loss of your alternative medical coverage (with proof of coverage end date).

EGBERT Contact Information

Phone: 916-684-7120

9297 Office Park Cr. Suite 110
Elk Grove, CA 95758
(North side of the EGEA Office)

Office hours are Tuesday, Wednesday & Thursday from 9:00am to 3:00pm

This power point and the EGBERT Summary Plan Description can be found on the EGBERT web site at www.egbertbenefits.com

Questions regarding retirement/Medicare can be emailed to egbertbenefits@gmail.com

Other Sources of Information:

- Medicare- www.Medicare.gov or 1-800-633-4227
- Social Security – www.socialsecurity.gov or 1-800-772-1213
- Railroad Retirement Board www.rrb.gov or 1-877-772-5772