



STATE PLAN RETIREMENT FAQ

Do I qualify for State Plan Retiree Benefits?

To continue your State Plan coverage when you retire, you must be eligible to receive retirement benefits under the applicable provisions of your retirement system when you leave active State employment. You must notify the State Plan of your decision to elect retiree benefits by submitting the Retiree Election Form within sixty (60) days of the end of your State of Montana service.

A member of the judges' retirement system who leaves judicial office but continues to be an inactive vested member of the judges' retirement system may continue coverage under the State Plan if the judge notifies the State Plan by completing and submitting the Retiree Election Form within ninety (90) days of the end of the judge's judicial service.

Legislators may continue coverage under the State Plan if the Legislator is covered under the State Plan at the time they leave active service, and they are eligible to receive a monthly retirement benefit under the applicable provisions of the Montana Public Employee Retirement Administration System. Legislators must enroll in the State Plan retiree option within 90 days of the date active service ends to continue post-retirement coverage.

Can my spouse/domestic partner and/or dependent child(ren) remain on the State Plan when I retire?

If you are enrolled as a retiree in the State Plan, your eligible spouse/domestic partner and/or child(ren) may remain on the State Plan. Dependent children may remain on the State Plan through age 25. Survivors may remain on the retiree's State Plan coverage unless they become eligible for another group health plan.

What coverage can I keep if I stay on the State Plan as a retiree?

You are required to enroll in medical benefits which includes medical coverage, prescription drug coverage, basic vision coverage, and if you are a non-Medicare eligible retiree, basic life insurance. Medicare eligible retirees do not qualify for basic life insurance. Medicare and non-Medicare eligible retirees may also enroll in medical coverage for spouse/domestic partner and/or child(ren), dental coverage, and vision hardware coverage.

What if I leave the State Plan but want later to come back?

Retirees who leave the State Plan will not have an opportunity to reenroll at a later date. Once a retiree terminates State Plan coverage, they are no longer eligible for State Plan coverage.

What happens to my life insurance when I retire?

If you elect to continue State Plan coverage during retirement and you are not Medicare eligible, your basic life insurance coverage of \$14,000 will continue until you become Medicare eligible. All other group life insurance coverage will be terminated. If you are Medicare eligible when you retire, or become Medicare eligible after retirement, you are no longer eligible for any group life insurance.

As you plan for retirement, we strongly recommend you contact BlueCross BlueShield of Montana (BCBSMT) at (866) 739-4090 or ancillaryquestionsMT@bcbsmt.com to discuss the portability and conversion options available to you for your current life insurance coverage. Portability and conversion are not available for accidental death and dismemberment (AD&D) coverage.

When you lose eligibility for group life insurance coverage you are eligible to port or convert your life insurance coverage to an individual policy with BCBSMT by making application to BCBSMT. The deadline to apply and pay premium for portability is 31 days after employment terminates. For conversion, the deadline to apply and pay premium is 31 days after coverage was reduced or ended.

Please note the termination date for employment may differ from the termination date for coverage.

How much will it cost to remain on State Plan benefits as a retiree?

As a retiree, you will no longer receive the State of Montana employer contribution and you will be responsible for the full cost of the retiree coverage. For current rates, go to benefits.mt.gov/resources/rates/2024.



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When does my active employee State Plan coverage end?

Your State Plan coverage will end the last day of the month in which you were employed. If you were hired prior to August 1, 1998, and have maintained State Plan coverage since that time, you may qualify for an additional month of State Plan coverage (known as the grandfathered month). Benefit contributions for your grandfathered month will be collected from your last paycheck.

What will I receive from HCBd when I retire?

COBRA packet from Businessolver, which contains information, rates, and instructions for electing COBRA benefits for 18 months.

Retiree packet from HCBd, which includes information regarding your options to enroll in the State Plan retiree coverage if you are eligible and the associated rates.

Please be aware, COBRA and retiree options are very different. It's important to carefully review the materials and make a decision that works the best for you and your dependents.

How do I pre-pay my monthly benefits?

You can prepay your State Plan Retiree Benefits from your last paycheck. If you are a VEBA group member, you are not able to use any of your remaining sick or annual leave balance(s) to prepay benefits from your last paycheck. If your VEBA group election includes only sick leave, you can prepay using the vacation leave remaining balance. You are only able to prepay for the current Plan Year. This option should be discussed with your agency HR/Payroll. You cannot pre-pay COBRA benefits.

What if I am, or my spouse/domestic partner, are Medicare Eligible?

If you enroll on the State Plan as a retiree and you, or your spouse/domestic partner, are eligible for Medicare regardless of age, the State Plan will become secondary to Medicare and your rates will automatically reduce to the retiree Medicare rates found at benefits.mt.gov/Resources/Rates/2024 the first of the month in which you, or your spouse, are Medicare eligible.

What if I need help transitioning to Medicare or SSDI?

The State Plan partnered with Public Consulting Group (PCG) to assist retirees with applying for Social Security Disability Insurance (SSDI) and early Medicare coverage. This service applies to retirees, their spouses, and dependents, who are experiencing health conditions that would prevent them from working full-time. These services are paid for by the State, with no cost to you. To learn more call PCG at (800) 805-8329 or email disability@pcgus.com.

What if I'm in a VEBA HRA?

The Affordable Care Act (ACA) regulations state participation in a VEBA HRA may potentially disqualify participants from becoming eligible for a premium tax credit to purchase qualified health insurance from the Health Insurance Marketplace. If you are a State of Montana VEBA HRA participant, contact Rehn & Associates, at (800) 832-2101 or montana@rehnonline.com to inquire about your options.

What should I do before I retire?

Make sure you review all options available. HCBd's website, benefits.mt.gov, has information that will be helpful in deciding whether to continue with State Plan coverage as a retiree. Also, make sure your agency has your most current mailing and email addresses. Many materials will be sent based off what mailing and email addresses are in the system.