

**AMERICAN LIBRARY ASSOCIATION
PERSONNEL POLICY MANUAL**

Item Number 407

Page 1 of 2

RETIRED EMPLOYEE HEALTH AND LIFE
INSURANCE BENEFITS

Reviewed 05/01/2013
Revised 10/1/2019

Objectives

To make retirement financially viable for employees when they reach normal retirement age.

Definition

For purposes of eligibility for retirees' health and life insurance benefits, normal retirement age is 62 or older.

Position Elimination

In Fiscal Year 2020, should an employee's position be eliminated, they will be credited 365 days towards years of service and age, effective their last day of work, towards eligibility for retiree health and life insurance benefits.

Provisions

ALA expects to continue the benefits as outlined in this policy, but reserves the right to change or end them at any time with written notice of at least 12 months before the effective date of the change.

This policy does not change the health and life insurance benefits for retirees who retired prior to the adoption of this policy, however, ALA reserves the right to change or end them at any time with written notice of at least 12 months before the effective date of the change.

Health and Life Insurance Benefits

To qualify for health, dental, and life insurance benefits when retiring from the Association, an employee must be 62 years of age or greater and have the equivalent of at least 5 years of full-time continuous service as an ALA employee. Employees must also have at least five (5) years of continuous health insurance coverage at the time of their retirement.

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ALA's contribution to the health insurance premium is based on the length of full-time regular employment but not to exceed the Association's contribution made for regular full-time ALA employees. (Part-time regular employment will be converted to the full-time equivalent to determine eligibility.)

<u>Length of Full-Time Service</u>	<u>ALA Premium Contribution</u>	<u>Retiree Contribution</u>
5-14 years	25%	75%
15-19 years	50%	50%
20 years or more	75%	25%

Coverage is applicable to spouse, domestic partner, and dependents if in effect for the consecutive 5 years prior to retirement and continues in the event of the retiree's death.

If an employee declines to sign up for retiree health plans at retirement, or at a later date drops coverage or if a dependent drops coverage, then they forfeit the ability to enroll again in the future.

Retirees' life insurance benefits are reduced from the level provided for regular ALA employees. Upon retirement and up to age 70, the life insurance is \$5,000. At age 70 and above the death benefit is reduced to \$2,500. ALA pays the entire premium for retiree life insurance.