

Post Retirement Medical Plan & Trust
a single employer plan sponsored by
Truckee Meadows Water Authority



TO: Board of Trustees of the Post Retirement Medical Plan & Trust
FROM: Nanette Quitt, TMWA Human Resources Manager
DATE: August 1, 2011
SUBJECT: **Discussion and approval of Trustee Administrative Policy Revisions**

Recommendation

TMWA staff recommends the Post Retirement Medical Plan and Trust (PRMT) approve the revisions to the Retiree Premium Payment Administrative policy.

After approval of the policy revisions, per plan document guidelines, copies of the revised policy adopted by the Trustees will be provided to each participant and each dependent of a participant.

Suggested Motion

The PRMT Trustees move to approve revisions to the Administrative Policy governing Premium Payment, as presented.

Background

Per the PRMT plan document, the Trustees shall adopt policies pertaining to the timing and the manner in which plan participants and dependents of participants are to pay their share of the health coverage premiums and costs.

The revisions to the Premium Payment Policy are minimal and are a result of the recent plan document revisions such as incorporating permanent waiver language.

Subject: Retiree Premium Payment Policy			ADM001
Source:			Supersedes: N/A
Origination Date: 03/09/2010	Revision Date: 08/23/2011	Reviewed Date:	Page 1 of 4

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Post Retirement Medical Plan & Trust Administrative Policy & Procedure

Purpose:

Prompt payment of the Truckee Meadows Water Authority (TMWA) retiree medical, dental, vision and life insurance premiums is important to maintain uninterrupted retiree insurance benefits.

This policy outlines the Retiree Insurance Premium Payment Policy and provides information regarding the billing process that will assist retirees and the Post Retirement Medical Plan and Trust (PRMT) to ensure retiree benefits are promptly paid on time each month.

Procedures:

Notice of Premium/Billing

- Retirees ("~~participant~~Participants") are responsible for ensuring prompt and accurate payment of their medical premiums, regardless of the vehicle used for payment (i.e. deducted from a pension, retirement health savings account, etc.).
- TMWA, or designee, will notify ~~retirees~~Participants annually of their required monthly premiums amounts, any changes in premiums during the plan year, and the date the monthly premiums ~~are~~is due.
- TMWA will notify the Nevada Public Employers Retirement System (NV PERS) annually of the required monthly premium requirements or as qualifying events arise that change premium costs.
- TMWA will not provide "coupon books" or monthly reminder notices.
- Participants who receive an annual or lifetime lump sum credit, who elect not to participate in the group medical insurance plan(s) offered by the Employer, are required to follow the Reimbursement Request Policy.

Methods of Payment

- Unless Nevada law provides otherwise, TMWA will require ~~retirees~~Participants to elect the Nevada Public Employees Retirement System (PERS) pension payment or ICMA RC Retirement Health Savings Account deductions for all health and/or life insurance benefits premium collections. These providers will remit monthly payments to the ~~With this, the Nevada Public Employees Retirement System (PERS) and ICMA-RC will deduct the participant~~Participant's premium and remit the payment to the Post Retirement Medical Plan and Trust on the ~~participant~~Participant's behalf ~~monthly~~.
- No checks or cash payments are accepted by ~~participant~~Participant to pay for post retirement medical or life benefits, unless applicable Nevada law provides otherwise.
- Questions concerning the billing or the retiree insurance premiums should be directed to TMWA Human Resources at (775) 834-8031.

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Source:			Supersedes: N/A
Origination Date: 07/01/09	Revision Date: 08/23/2011	Reviewed Date:	Page 2 of 4

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Written correspondence:

Post Retirement Medical Plan and Trust
ATTN: TMWA Human Resources
PO Box 30013 Reno, Nevada 89520

Payment Due Date

- Participant's premium payments are due a month in advance and are required by the last day of the month prior to the month of coverage (example: August premiums are due no later than July 31).
- To the extent authorized ~~under~~ by Nevada law, a Participant's premium payments will be deducted from Nevada PERS pension check or Retirement Health Savings Account and remitted to the Post Retirement Medical Plan and Trust on the ~~participant~~ Participant's behalf. If applicable Nevada law precludes TMWA from requiring ~~retirees-Participants~~ to elect pension payment and retirement health savings account deductions for health and life insurance benefits, then those ~~retirees~~ Participants whose premiums are not deducted from their pension payments must submit the monthly premium payment to the Post Retirement Medical Plan and Trust.

Grace Period

- If payment is not received on the payment due date outlined above, the Participant will have a 30-day grace period to pay the outstanding account balance.
- Participants will have until the end of the grace period to make the required premium payments to bring their account current.

Cancellation of Insurance / Termination of Participation

- A Participant shall cease to be covered under health insurance plans on the earliest of the following dates: a) the ~~Retiree's Participant's~~ Retiree's death; b) ~~the date the participant~~ Participant's post retirement health coverage is cancelled due to the ~~execution of a permanent waiver~~ Participant Notice from the Participant to waive participation; c) Notice from the ~~Retiree~~ Participant to stop annual enrollment; d) the Participant's failure to pay premiums in a timely manner; or e) termination of this plan.

Failure to Make Premium Payments

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- If a Participant fails to pay their required premium payments by the end of the 30-day grace period, then the Participant will receive notification from the Post Retirement Medical Plan & Trust.
 - The notification will include the Participant's past due balance and present balance. The notification will provide the ~~retiree-Participant~~ 10 calendar days from the receipt of the notice to pay the delinquent premiums in full. If the ~~retireeParticipant~~ fails to pay all delinquent premiums in full prior to the expiration of the 10-day period, the ~~retiree'sParticipant's~~ coverage under the health and other benefit plans will be cancelled.
- Failure to make premium payments and comply with past due notifications, will result in the Participant forfeiting participation for the remainder of the plan year. Participants may reenroll in the Plan during subsequent open enrollment periods.
- The cancellation date will be retroactive to the last day of the month the Participant's paid premium.

Waiving Coverage

- A Participant can elect to waive coverage in Post Retirement Medical plans. **Waiving coverage is a permanent election.**

Participant's Responsibility

- Participants are responsible to pay their monthly premiums by the scheduled payment due date each month.
- Participants are responsible for ensuring their payment adequately covers the required premium.
- Participants are required to notify Truckee Meadows Water Authority Human Resources of an address and/or telephone number change immediately, changes in Medicare eligibility or enrollment as well as any changes in dependent coverage.

Death of a Participant

- Should a Participant pass away, the surviving dependent should contact TMWA Human Resources immediately to determine continuation of benefits and payment methods.

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Policy & Procedure**

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<p>REFERENCES:</p> <ul style="list-style-type: none"> ▪ Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust (As Restated) plan document <p>RESOURCES:</p> <ul style="list-style-type: none"> ▪ Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust (As Restated) plan document ▪ Collective Bargaining Agreement between TMWA and IBEW Local #1245 (valid through June 30, 2012) ▪ TMWA Board Resolution No. 6 	
APPROVAL(S):	Title
_____ Jeff Tissier	Chairman, PRMT Board of Trustees
_____ Michael Nevarez Steve Enos	Vice Chairman, PRMT Board of Trustees

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- No checks or cash payments are accepted by Participants to pay for post-retirement medical or life benefits, unless applicable Nevada law provides otherwise.
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