

3% STATE OF CONNECTICUT RETIREE HEALTH FUND CONTRIBUTIONS

Frequently Asked Questions (FAQs)

For NEW Healthcare Eligible Employees

Q. What is the Retiree Health Fund?

- A. The SEBAC 2011 Agreement requires that healthcare eligible employees will begin contributing ½% of their gross compensation in fiscal year 2014 (which starts July 1, 2013), a total of 2% in fiscal year 2015, and a total of 3% in fiscal year 2016 to offset the cost of future retiree healthcare benefits. Beginning July 1, 2017, the state will match each employee's contributions with 3% a contribution of their own.

Q. Who is subject to the contribution?

- A. ALL state employees not currently contributing to the Retiree Health Care Trust Fund and those who were previously paying under SEBAC 2009.

Q. Why do I need to complete the CO-1300 Form?

- A. Newly hired and rehired employees are required to fill out the **CO-1300 Form** which will set the start date and estimated stop date for your 3% deduction, and record prior State service.

Q. When will deductions begin?

- A. Deductions will begin with your first paycheck.

Q. When will the deductions end?

- A. Deductions will end after paying the equivalent of 3% for ten (10) years.

Q. Who is exempt from the 3% contribution?

- A. No employees are exempt.

Medicare, COBRA, or coverage under a spouse's policy does **not** exempt you from the 3% contribution.

Q. What if I decide not to enroll in State healthcare benefits – do I still have to pay the 3% contribution?

- A. Yes. Waiver of active State-paid healthcare benefits will not exempt you from making the contribution.

Q. I have retiree health coverage from another employer. How do I obtain the exemption?

- A. Indicate on the *CO-1300 Form* an exemption claim based on "Other retiree coverage." Request a *CO-1303 Form (Affidavit from Prior Plan Sponsor)* and a *CO-1304 (Waiver of Retiree Health Plan Participation)* from the CCSU Human Resources Office. The *CO-1303* must be completed by the prior employer who sponsors your retiree health coverage. The completed, notarized affidavit (*CO-1303*) and the completed *CO-1304* must be returned to the CCSU Human Resources Office in order for the exemption to occur.

Q. Can I get a refund if I leave State employment?

- A. Employees who leave State service prior to completing 10 years of service may request a refund of their Retiree Health Fund contributions. To obtain a refund, request a *CO-1301 Form (Application for Refund of Retiree Health Contributions)* from the CCSU Human Resources Office.