

Preparing for Retirement

PEBB Health Insurance Options Checklist

When Leaving School District/Educational Service District Employment

As a school district or educational service district employee, you may be eligible for Public Employees Benefits Board (PEBB) retiree coverage. Please review these materials to familiarize yourself with procedures to enroll now or protect this benefit for future enrollment.

PEBB provides a quality, comprehensive insurance package for school district and educational service district retirees. Your employer contributes to a fund that subsidizes the premiums for PEBB retiree insurance, so PEBB coverage may be a smart choice for you.

Contact PEBB at 1-800-200-1004 to request a *Retiree Coverage Enrollment Guide*, which includes forms, or ask questions regarding your eligibility to enroll in or defer PEBB retiree coverage.

Certain eligibility requirements must be met to receive PEBB retiree coverage:

1. You must enroll in or defer coverage **no later than 60 days** after your employer-paid coverage, COBRA coverage, or continuation of coverage ends. If the PEBB Program does not receive the application to enroll in or defer coverage within your 60-day window, you lose all rights to enroll in PEBB retiree coverage in the future. To regain eligibility, you would have to return to work in a PEBB benefits-eligible position.
2. You must be vested in a Washington State-sponsored retirement plan.
3. Department of Retirement Systems (DRS) Plan 1 and 2 members must immediately receive a monthly retirement plan payment or lump sum payment as allowed by the plan. DRS Plan 3 members are not required to receive a retirement plan or lump sum payment, but must be at least age 55 and have at least 10 years of service under Plan 3.

Depending on your situation, you may be able to enroll in PEBB retiree coverage now or take action to protect your eligibility for future enrollment. Several scenarios are described below. Identify which one best fits your situation.

- A. If you are retiring and meet DRS criteria for retirement, go to [Section A](#).
- B. If you are separating from employment and do not meet the criteria for retirement according to DRS, go to [Section B](#).
- C. If you are enrolling in COBRA through your employer or using COBRA as a “bridge” to retirement, go to [Section C](#).
- D. If you are retiring, separating employment, or leaving employment under disability retirement, go to [Section D](#).
- E. If you are a DRS Plan 3 member separating from employment and you meet the age and years of service requirements for the retirement plan, go to [Section E](#).

A. Retiring (*Meet DRS retirement eligibility*)

1. If you are enrolling in PEBB retiree insurance:
 - a. **6 months** prior to retirement
 - Contact DRS or visit www.drs.wa.gov to request an estimate of your benefit.
 - b. **3 months** prior to your 65th birthday or terminating employment at age 65 or older
 - Contact Social Security Administration (SSA) to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability. Make certain you understand the Initial Enrollment Period (IEP) and Special Enrollment Period (SEP) for Medicare and how these timelines effect the start date of Medicare.
 - c. **3 months** prior to retirement
 - Request a *Retiree Enrollment Guide* from PEBB.
 - d. **30-60 days** prior to retirement
 - Submit your retirement application to DRS.
 - If you are eligible and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election/Change* form and any other applicable forms, a copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and payment for your first month's health coverage premium (if not using pension deduction) to PEBB.
 - PEBB must receive the *Retiree Coverage Election/Change* form **no later than 60 days** after employer-paid coverage, COBRA coverage or continuation of coverage ends. If enrolling in a Medicare plan, we should receive the forms prior to the month the retiree coverage begins.
2. If you are deferring PEBB retiree insurance:
 - a. **30-60 days** prior to retirement
 - Request a *Retiree Enrollment Guide* from PEBB.
 - If you are eligible for PEBB retiree coverage and wish to defer, you must be continuously enrolled in:
 1. Other employer-based group medical insurance as an employee or the dependent of an employee; or
 2. Medicare Parts A and B and a Medicaid program that provides credible coverage (*your dependents may continue their PEBB health plan enrollment if they meet PEBB eligibility criteria and are not eligible for creditable coverage under a Medicaid program*); or
 3. Medical insurance as a retiree or the dependent of a retiree enrolled in a federal retiree plan* (e.g., Tricare); or
 4. Exchange coverage, if not eligible for Medicare Parts A and/or B*

*Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.

- Make 2 copies of your completed *Retiree Coverage Election/Change* form, submit one copy to PEBB, and keep a copy for your files. The form must be received by PEBB **no later than 60 days** after your employer-paid coverage, COBRA coverage or continuation of coverage ends.

B. Employment Ending without Retirement (*e.g. resignation, layoff*)

If you do not meet DRS criteria for retirement or you choose to not retire when your employment ends, you may have the option to use COBRA coverage as a “bridge” to PEBB retiree coverage. To use COBRA as a “bridge,” you must enroll in COBRA and be eligible to retire when your coverage ends. If you are not eligible to retire according to DRS requirements when your COBRA coverage ends, you are not eligible for PEBB retiree coverage.

If you are eligible to retire when your COBRA coverage ends and plan to apply for PEBB retiree coverage, go to [Section C](#).

If you are a DRS Plan 3 member separating from employment and meet the age and length of service requirements for your plan but are not retiring with DRS, go to [Section E](#).

C. COBRA (*Consolidated Omnibus Budget Reconciliation Act of 1986*)

COBRA is a continuation of health coverage for individuals and families, at the individual’s own expense, when the individual terminates employment.

1. Enroll in COBRA through your employer.
2. If you wish to apply for PEBB retiree coverage when your COBRA coverage ends, you must meet the requirements of your retirement plan at the time of application to be eligible to enroll in or defer PEBB retiree coverage. Contact PEBB if you are unsure of the eligibility requirements for PEBB retiree coverage.
 - a. **6 months** prior to COBRA coverage ending
 - Contact DRS or visit www.drs.wa.gov to request a retirement estimate.
 - b. **3 months** prior to your 65th birthday
 - Contact Social Security Administration (SSA) to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability. Be sure to apply for Medicare prior to the month you turn age 65. The SSA does not allow you to defer Medicare when you are on COBRA coverage and you could incur a penalty.
 - c. **3 months** prior to COBRA coverage ending
 - Request a *Retiree Enrollment Guide* from PEBB.
 - d. **30-60 days** before your COBRA coverage ends
 - Submit your DRS retirement application to DRS.
 - If you are eligible and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election/Change* form and any other applicable forms, proof of continuous COBRA coverage, a copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and payment for your first month’s health coverage premium (if not using pension deduction) to PEBB.

- PEBB must receive the *Retiree Coverage Election/Change* form **no later than 60 days** after COBRA coverage ends. If enrolling in a Medicare plan, we should receive the forms prior to the month the retiree coverage begins.

3. If you are deferring PEBB retiree insurance:

a. **30-60 days** prior to COBRA coverage ending

- Request a *Retiree Enrollment Guide* from PEBB.
- If you are eligible for PEBB retiree coverage after COBRA coverage ends and wish to defer, you must be continuously enrolled in:
 1. Other employer-based group medical insurance as an employee or the dependent of an employee; or
 2. Medicare Parts A and B and a Medicaid program that provides credible coverage (*your dependents may continue their PEBB health plan enrollment if they meet PEBB eligibility criteria and are not eligible for creditable coverage under a Medicaid program*); or
 3. Medical as a retiree or the dependent of a retiree enrolled in a federal retiree plan* (e.g., Tricare); or
 4. Exchange coverage, if not eligible for Medicare Parts A and/or B*

*Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.
- Make 2 copies of your completed *Retiree Coverage Election* form, submit one copy to PEBB, and keep a copy for your files. The form must be received by PEBB **no later than 60 days** after COBRA coverage ends.

D. Disability Retirement (*Meet PEBB eligibility and procedural requirements per WAC 182-12-171 or 182-12-211*)

- Request a disability estimate from DRS.
- Contact Social Security Administration to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability.
 1. If you are enrolling in PEBB retiree coverage:
 - Once you are approved by DRS for Disability Retirement, request a *Retiree Enrollment Guide* from PEBB.
 - If you are eligible for and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election/Change* form and any other applicable forms, a copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and payment for your first month's health coverage premium (if not using pension deduction) to PEBB.
 - PEBB must receive the *Retiree Coverage Election/Change* form and any other applicable forms, **no later than 60 days** after employer-paid coverage, COBRA coverage or continuation of coverage ends or the date of the DRS determination letter.
 2. If you are deferring PEBB retiree insurance:
 - Request a *Retiree Enrollment Guide* from PEBB.
 - Once you apply and are approved by DRS for Disability Retirement, and if you are eligible for PEBB retiree coverage and wish to defer, you must be continuously enrolled in:

1. Other employer-based group medical coverage as an employee or the dependent of an employee; or
2. Medicare Parts A and B and a Medicaid program that provides credible coverage (*your dependents may continue their PEBB health plan enrollment if they meet PEBB eligibility criteria and are not eligible for creditable coverage under a Medicaid program*); or
3. Medical insurance as a retiree or the dependent of a retiree enrolled in a federal retiree plan* (e.g., Tricare);* or
4. Exchange coverage, if not eligible for Medicare Parts A and/or B*

*Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.

- Make 2 copies of your completed *Retiree Coverage Election/Change* form, submit one copy to PEBB, and keep a copy for your files. The form must be received by PEBB **no later than 60 days** after the date on your approval letter from DRS.

E. Separating Employment (*DRS Plan 3 members not retiring, but meet DRS requirements*)

1. If you are enrolling in PEBB retiree insurance:

- a. **3 months** prior to separating from employment
 - Request a *Retiree Enrollment Guide* from PEBB.
- b. **3 months** prior to your 65th birthday or terminating employment at age 65 or older
 - Contact Social Security Administration (SSA) to enroll in Medicare Parts A and B if you or any family members you wish to cover are entitled to Medicare due to either age (65) or disability. Make certain you understand the Initial Enrollment Period (IEP) and Special Enrollment Period (SEP) for Medicare and how these timelines effect the start date of Medicare.
- c. **30-60 days** prior to retirement or separating employment
 - If you are eligible and wish to enroll in PEBB retiree coverage, send your *Retiree Coverage Election* form and any other applicable forms, a photo copy of your Medicare ID card showing enrollment in Medicare Parts A and B (if entitled), and the first month's health coverage premium (if not using pension deduction) to PEBB.
 - PEBB must receive the *Retiree Coverage Election* form/s no later than 60 days after employer-paid coverage, COBRA coverage or continuation of coverage ends. If enrolling in a Medicare plan, we should receive the forms prior to the month the retiree coverage begins.

2. If you are deferring PEBB retiree insurance:

- a. **30-60 days** prior to separating from employment
 - Request a *Retiree Enrollment Guide* from PEBB.
 - If you are eligible for PEBB retiree coverage and wish to defer, you must be continuously enrolled in:
 1. Other employer-based group medical insurance as an employee or the dependent of an employee; or
 2. Medicare Parts A and B and a Medicaid program that provides credible coverage (*your dependents may continue their PEBB health plan enrollment if they meet*

PEBB eligibility criteria and are not eligible for creditable coverage under a Medicaid program); or

3. Medical as a retiree or the dependent of a retiree enrolled in a federal retiree plan* (e.g., Tricare); or
4. Exchange coverage, if not eligible for Medicare Parts A and/or B*

*Federal or exchange coverage retirees have a one-time opportunity to enroll in PEBB coverage.

- Make 2 copies of your completed *Retiree Coverage Election/Change* form, submit one copy to PEBB, and keep a copy for your files. The form must be received by PEBB **no later than 60 days** after employer-paid coverage ends.

3. When you are ready to retire: *(receive your monthly retirement plan payment)*

- a. **6 months** prior to retirement
 - Contact DRS or visit www.drs.wa.gov to request a retirement estimate.
- b. **30-60 days** prior to retirement
 - Submit your retirement application to DRS.

Resources

PEBB Customer Service: 1-800-200-1004 | 360-725-0440

DRS Customer Service: 1-800-547-6657 | 360-664-7000

[Retiree Coverage Election/Change form](#)

[Retiree Enrollment Guide](#)

[COBRA election/change form \(continuation of coverage\)](#)

www.drs.wa.gov

For more information on Medicare

[How PEBB retiree plans work with Medicare](#)

[Social Security Administration](#): 1-800-772-1213

[Medicare](#): 1-800-MEDICARE (1-800-633-4227)

Statewide Health Insurance Benefits Advisors ([SHIBA](#)): 1-800-562-6900