

RETIREE MEDICAL GRANT (RMG) AND HEALTH REIMBURSEMENT ARRANGEMENT (HRA) INDIVIDUAL OPTIONS

— IF PLAN CHANGES ARE RATIFIED AND ADOPTED BY THE BOARD OF SUPERVISORS —

NUMBER OF FULL YEARS OF CREDITED COUNTY SERVICE AS OF JUNE 16, 2023

YOUR INDIVIDUAL OPTIONS

LESS THAN ONE FULL YEAR

YOU HAVE NO OPTIONS because you are ineligible for the Retiree Medical Grant (RMG).

The County will begin contributing \$60 per pay period to your new individual Health Reimbursement Arrangement (HRA) the first pay period after you accrue one full year of County service and each pay period you are in paid status thereafter (the County's \$60 per pay period contribution will increase by 2.5% each year beginning the first full pay period in July 2024).

ONE OR MORE FULL YEARS

You are eligible for the RMG upon retirement from the County for ALL full years of service prior to June 16, 2023. Effective June 16, 2023, there is no further accrual of service years towards grant calculation.

YOU HAVE TWO OPTIONS:

- 1. KEEP YOUR GRANT BENEFIT.** Your monthly grant benefit will be fixed at \$25.37 multiplied by your number of years of service prior to July 2023 up to 25 years ($\$25.37 \times \text{full YOS up to 25} = \text{your monthly benefit}$). Any additional YOS above 25 will be credited to your HRA account at \$855/yr. There are NO COLA adjustments and NO age-related adjustments, EXCEPT the grant is still reduced by 50% at age 65. There is NO change in the current limitation to use of the grant for County health plan and Medicare premiums only.

OR

- 2. OPT-OUT OF YOUR GRANT BENEFIT UNDER THE RMG.** The County will contribute \$855 multiplied by your total number of full years of service prior to June 16, 2023, to your new individual HRA ($\$855 \times \text{number of your full YOS prior to June 16, 2023} = \text{amount initially contributed to your new individual HRA}$).

*Whichever option you choose, the County will begin contributing \$60 per pay period to your new individual HRA beginning June 16, 2023, and each pay period you are in paid status thereafter (the County's \$60 per pay period contribution will increase by 2.5% each year beginning the first full pay period in July 2024).

MOST IMPORTANTLY—EVERYONE GETS TO MAKE THEIR OWN CHOICE!



ORANGE COUNTY EMPLOYEES ASSOCIATION

830 N. ROSS ST., SANTA ANA, CA 92701 • (714) 835-3355 • (714) 835-7654 FAX • OCEA.ORG

PRINTED IN-HOUSE