

STATE EMPLOYEE RETIREMENT PROGRAM

Regarding HEALTH INSURANCE

State employees who meet certain criteria and retire by January 31st have an opportunity to **pay lower health insurance premiums** under the terms of a new provision signed into law by Governor Deval Patrick on August 7th.

The new provision, called the “Healthcare Contribution Program,” establishes an 85-15 split on Group Insurance Commission premiums for employees who **formally file with the State Retirement Board by October 1 and then retire by January 31, 2010**. As a result of legislative action, health insurance premiums for current state employees recently increased from 15 to 20 percent for those hired before July 1, 2003.

This benefit is available to state employees in the State Employees Retirement System who are eligible to retire by the January 31, 2010 deadline.

Employees who elect the Healthcare Contribution Program **will not receive their entire sick leave buy-back or vacation pay at the time of their retirement**. Instead, the amount will be paid in four equal installments in January 2010, July 2010, July 2011 and July 2012.

An outstanding issue remains. There is a question about whether this benefit is available to employees enrolled in the Optional Retirement Program. MTA is working to clarify this issue and will send out another notification with an answer to this question as soon as possible.

Employees interested in the Healthcare Contribution Program are advised to contact the State Retirement Board and the human resources office at their place of work.