

## City Retiree Cash-in-Lieu Information

### What is the purpose of the Retiree Cash-in-Lieu (CIL) program?

Retirees eligible for the City's retiree health contribution may receive this benefit as a reimbursement for individual medical insurance premiums in lieu of enrolling on a City retiree medical plan. The reimbursement will cover up to the total cost of the individual medical insurance.

Any remaining contribution amount will be forfeited if it exceeds the cost your individual medical insurance. If you are enrolled in a City dental and/or vision plan, the cost of these plans will be deducted first from your City retiree health contribution before any remaining funds are applied to your CIL reimbursement.

### Complete the following steps to request CIL for reimbursement of individual medical insurance:

**1. Contact the Benefit Services Division, in advance of event date, and include the following information:**

- a. Name, Address, Phone Number
- b. Retirement program name: CalPERS or SCERS
- c. City Employee ID number or SSN
- d. Effective date of cancellation of City medical insurance

**2. Complete the Cash in Lieu Form provided to you or download**

<https://www.cityofsacramento.gov/HR/employee-retiree-benefits/retiree-benefits>

**3. AND Provide proof of medical insurance showing the following:**

- a. Name of medical insurance carrier
- b. Name(s) of insured
- c. Effective date of new medical insurance
- d. Monthly premium

*Refer to the included samples for reference.*

**4. Mail/Email your CIL form and proof of medical insurance information to:**

City of Sacramento Benefit Services Division  
Attn: Karen Gillham  
915 I St, HCH-Plaza Level Sacramento, CA 95814

Email to: [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org)

The effective date of the change will be either the date specified by the medical insurance provider's policy or, if the completed paperwork is received after the start of the coverage month, the date on which the paperwork is received.

For further questions, please contact Benefit Services at [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org) or (916) 808-5665. Inquiries will be responded to within two (2) business days.

**MONTHLY RETIREE CITY CONTRIBUTION IN LIEU OF CITY MEDICAL INSURANCE**

As a retiree eligible for the City’s retiree health contribution, I am requesting a monthly Cash-in-Lieu (CIL) reimbursement for my individual medical premiums.

First & Last Name: _____			
Social Security #: _____			
Phone #: _____		Email: _____	
Address: _____			
Check if new <input type="checkbox"/>			
Retirement System: <input type="checkbox"/> CalPERS    or <input type="checkbox"/> SCERS			
Insurance:	\$ _____	+ _____	= _____
	Medical Premiums	Prescription Plan Premium (if separate)	Total Monthly Premiums
Effective Date: _____ Coverage is for: <input type="checkbox"/> Retiree Only <input type="checkbox"/> Retiree +Spouse			

**I understand and agree to the following:**

1. My medical premiums are for individual medical coverage only. If eligible for Medicare, I may receive CIL for a stand-alone Medicare Part D prescription drug plan.
2. Medicare Part B premiums are not eligible for CIL reimbursement.
3. Group medical premiums are NOT eligible for CIL reimbursement, such as coverage through another employer as an employee or retiree, or as a spouse of an employee or retiree.
4. Individual medical premiums for myself and my spouse/domestic partner, if applicable, are eligible for CIL reimbursement. I understand that a copy of my marriage certificate or registration of domestic partnership is required if not already on file with the City.
5. I must maintain my coverage to remain eligible for CIL.
6. If my coverage or premium changes, I will submit new proof of coverage, or contact Benefit Services, no later than the first of the month the new coverage or premium takes effect.
7. If I cancel my medical coverage or change to a group plan, I understand I must immediately notify Benefit Services and my CIL reimbursement will stop. In the event I was overpaid, I will reimburse the City the excess funds upon invoice from the City.
8. If I am enrolled on a City dental and/or vision plan (must live in United States), the premiums for dental and vision will be deducted from my City contribution and only the remaining funds are eligible for CIL. Individually purchased dental and/or vision coverage is not eligible for CIL.
9. If I am living outside of the United States and my premium is in a foreign currency, I understand that a currency conversion will be done monthly prior to reimbursement as those conversion rates fluctuate.

***Return this completed form with proof of coverage and premiums to the address below.***

\_\_\_\_\_  
**Retiree Signature**

\_\_\_\_\_  
**Date**

## 2025 Retiree Health Contribution

Effective January 1, 2025, the City’s contributions toward retiree health insurance premiums for retirees eligible to receive the benefit are:

<b>POLICE (Rep 02) and MISCELLANEOUS</b>		<b>RETIREE</b>	<b>RETIREE +1 on medical</b>
20+ YRS / <i>IDR*</i>	100%	\$300.00	\$365.00
15 - < 20 YRS	75%	\$225.00	\$273.75
10 - < 15 YRS	50%	\$150.00	\$182.50
< 10 YEARS	0%	\$0.00	\$0.00

<b>FIRE (Rep 05) – Retired before 1/1/2020</b>		<b>RETIREE or RETIREE +1 or more on medical</b>
20+ YRS / <i>IDR*</i>	100%	\$1,027.55
15 - < 20 YRS	75%	\$770.66
10 - < 15 YRS	50%	\$513.77
< 10 YEARS	0%	\$0.00

<b>FIRE (Rep 05) – Hired on or before 12/31/2019 &amp; Retired on/after 1/1/2020</b>		<b>RETIREE or RETIREE +1 or more on medical</b>
20+ YRS / <i>IDR*</i>	100%	\$980.32
15 - < 20 YRS	75%	\$735.24
10 - < 15 YRS	50%	\$490.16
< 10 YEARS	0%	\$0.00

*\*Employees hired prior to the cutoff date for the City’s retiree health contribution and retire due to industrial disability retirement are eligible for up to 100% of the City’s retiree health contribution, in accordance with their applicable labor agreement.*

Any unused portion of the City’s retiree health contribution is not available to be received as cash, cannot be used to pay a retiree’s cost of Medicare Part A and/or Part B, and cannot be used to pay a Medicare late enrollment penalty.

The retiree health contribution is applied to the cost of enrollment in City-sponsored health plans in the following order: Vision, Dental, and Medical.

Sample #1



### Annual Notice

Phone 1-866-562-0923  
TTY 711

0001077\*\*000004\*\*\*\*\*AUTO\*\*MIXED AADC 07099



0001077

SACRAMENTO CA 95831-1845

Membership Number [REDACTED]  
Date September 7, 2019

### IMPORTANT HEALTH INSURANCE RATE INFORMATION

Dear [REDACTED]

Thank you for allowing UnitedHealthcare Insurance Company to bring you quality health insurance.

#### 2020 Plan and Payment Information

The information below states the total monthly payments for all plan holders in the household for the upcoming year. The new rates for your AARP® Medicare Supplement Plans will take effect on January 1, 2020.

Monthly Household Payment (including your discounts and adjustments <sup>1</sup> )						
Due Date	January	February	March	April	May	June
Amount Due	\$231.28	\$231.28	\$231.28	\$231.28	\$231.28	\$231.28
Due Date	July	August	September	October	November	December
Amount Due	\$231.28	\$231.28	\$231.28	\$231.28	\$238.50	\$238.50

<sup>1</sup> The monthly payment amount may have been adjusted for one or more of the following reasons: (1) Changes in the discounts you may be receiving including electronic funds transfer (EFT), enrollment discounts and/or multi-insured discounts where applicable. Please note that not all discounts are available in all states. (2) Contributions made on your behalf by your former employer if the employer is paying any portion of your payment amount, or funds applied from your pension. Any changes in discounts, employer contribution amounts, or pension deductions may result in changes to your overall monthly household payment.

The amounts above will be deducted automatically each month from your bank account by electronic funds transfer. If there has been any change to your banking information, please tell us right away so you won't miss any payments. The amount due is the total household payment including all of your discounts and adjustments.



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UnitedHealthcare Insurance Company pays royalty fees to AARP for the use of its intellectual property. These fees are used for the general purposes of AARP. AARP and its affiliates are not insurers. Insured by UnitedHealthcare Insurance Company (UnitedHealthcare Insurance Company of New York for New York certificate holders).

PHOTO COPY PROHIBITED

Sample #2

RCUD BN DEC 28 '18 AM 9:12



[REDACTED]

12/17/2018

[REDACTED]

SACRAMENTO, CA 95820

Dear [REDACTED]

Subscriber ID# [REDACTED]

This letter is in response to your request for information about your current Health Net Life Insurance Company ("Health Net") Individual Medicare Supplement Plan. According to our records, you are currently enrolled in plan (MEDICARE SUPPLEMENT PLAN (F) GI NONSMOKING) with an effective date of 1/1/2018. **Your monthly plan premium is \$250.00**

The current total monthly premium for your plan is \$250.00 effective from 1/1/2019 to 6/30/2019. For this plan year, you have paid a total of \$2749.00 premiums from 1/1/2018 to 12/31/2018.

**If you have an optional buy-up package:** the total monthly premium above includes premiums paid for your buy-up package.

If you have any questions, please call our Member Services Department at 1-800-926-4178 (TTY/TDD 711), Monday through Friday from 8:00 a.m. - 6:00 p.m., except holidays.

Thank you,

Health Net Medicare Membership Accounting Department

# Retiree Cash in Lieu (CIL) Annual Renewal Frequently Asked Questions

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*Hold the Ctrl button down on your keyboard and click on any question to be taken to the response section.*

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## Questions and Answers

### 1. **Do I need to participate in the Annual CIL Renewal **and** return my Retiree Open Enrollment form?**

Yes, you must complete your Annual CIL Renewal (forms and letters will go out mid-November) **and** submit your Retiree Open Enrollment Form. Open Enrollment usually starts the end of September/beginning of October each year.

Completing the annual renewal of your CIL is required so the reimbursement received is not subject to income taxes.



**2. What are the different ways I can complete my Annual CIL Renewal?**

You **cannot** complete your CIL Form online. You will need to provide proof of medical coverage with your completed Annual CIL Renewal Form, and consequently, need to email/fax/mail the completed Annual CIL Renewal Form and proof of medical coverage to Benefit Services.

**3. What type of proof of medical coverage is acceptable?**

Any documentation that shows the medical provider's name (examples: Kaiser, UHC, etc.), your name, and the monthly premium. This can be a statement from the provider that states the aforementioned information, an invoice from the provider for the monthly premium, or a copy of a bank statement or credit card statement that lists the monthly premium charge (must include the provider's name).

**4. I am turning 65 soon, what do I do?**

You will still need to participate in the Annual CIL Renewal. If you are turning 65 outside of the Annual CIL Renewal period (mid-November through mid-December), you will manage this separately, as it is a Qualifying Life Event. You may enroll in Medicare up to 90 days before you turn 65. You will also research and select the Medicare Supplemental plan that meets your needs and enroll in the plan with an effective date for the first day of the month you turn 65. You will then need to provide proof of your new Medicare Supplemental plan and cost to Benefit Services for CIL reimbursement. The City's retiree health contribution may not be used to pay for your cost of Medicare Part B.

**5. What do I do if I am making changes?**

If you are making changes to your medical coverage you will need to provide the completed Annual CIL Renewal Form, and proof of the new coverage (including the provider's name, your name, effective date and new monthly premium) to Benefit Services. If you are making changes to your City dental and/or City vision, you will complete your changes during Open Enrollment, and the changes will then be included in the calculation for your CIL reimbursement.

**6. What if I am not making changes?**

If you are not making changes to your individual medical coverage eligible for CIL reimbursement, you still need to complete the Annual CIL Renewal Form and provide proof of medical coverage (including the monthly premium) as required by the IRS for your CIL reimbursement to not be subject to income taxes.

**7. What if my premium does not change with the new year, but rather with my anniversary date?**

If your premium does not change with the new year, but rather with your enrollment anniversary date, you will need to provide the proof of medical coverage including what you will be paying for January of the new calendar year with your completed Annual CIL Renewal Form. Then later when you receive a premium change, you will provide that proof of the premium change for the month of change to Benefit Services.

**8. What if the provider is unable to provide proof of coverage (including monthly premium) by the deadline?**

We understand the concern caused by your provider being unable to provide the required proof of coverage by the deadline, therefore the following option is available:

You can provide a statement from the provider that includes their name, your name, and the monthly premium. Acceptable proof can also include an invoice from the provider for the monthly premium, or a copy of a bank statement or credit card statement that lists the monthly premium charge (must include the provider's name - examples: Kaiser, UHC, etc.).

**9. What if I miss the 2025 Annual CIL Renewal deadline?**

If you miss the deadline to turn in your 2025 Annual CIL Renewal Form and proof of medical coverage, your CIL reimbursement will be cancelled until we receive the required form and proof of coverage. Additionally, your CIL reimbursement will be effective the month we receive the required documents and will not be retroactive.

**10. Since I am eligible for the City's Retiree Health Contribution, why am I not receiving all of it?**

The amount of City retiree health contribution you receive is dependent on the labor agreement covering the job classification from which you retired. If you enroll in a City vision and/or dental plan, these premiums are deducted first from your retiree health contribution, and the remaining contribution amount is available for CIL reimbursement towards the cost of your individual medical plan. Please note that you cannot receive any excess contribution that is not used for your health coverage.

**11. I need assistance with completing the forms and/or have questions.**

For assistance contact Benefit Services via email at [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org) or call (916) 808-5665.

**12. I emailed or called Benefit Services, and I have not heard back yet.**

Benefit Services strives to respond within *two business days* from the date an inquiry is received. It is important to not wait for assistance until the final two days of the Annual CIL Renewal period. Demand for assistance is highest during this time, and we may not respond by the deadline.