

ORDINANCE NO. 005-050

AN ORDINANCE REVISING THE TOWN'S POLICY CONCERNING HEALTH INSURANCE FOR RETIREES OF THE TOWN OF ADDISON.

Section 1. Whereas on October 1, 1995, the Town approved a policy providing that all retiring employees could continue their health insurance through the Town's group plan provided that the retiree would immediately begin receiving retirement benefits from TMRS, and whereas the retiree was responsible for the entire premium, and

Whereas on May 14, 1996, the Council approved a subsidy of \$150.00 per month toward the payment of medical insurance premiums for retirees who met certain eligibility criteria, which were as follows:

- (1) must be at least 55 years of age,
- (2) must have at least 10 years full-time employment with the Town of Addison
- (3) must voluntarily retire with a satisfactory record of service,
- (4) must begin receiving TMRS benefits immediately upon retirement, and
- (5) must have no coverage as the primary insured person on any other medical insurance plan, and

Whereas, on November 23, 1999, the Council expanded this policy by providing that employees with 25 years of Town service, regardless of age, but meeting the remaining criteria, would be eligible to receive an insurance subsidy of \$150.00 per month, and in addition, a subsidy of \$75.00 per month would be provided for retirees over age 65 to help defray the costs of insurance to supplement Medicare benefits.

Section 2. BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

The Town of Addison does hereby continue to allow participation in the Town's group health insurance plan only for those retirees who meet the five conditions as specified above for receiving a subsidy from the Town. Retirees who qualify will continue to receive \$150.00 per month toward payment of the insurance premium. Retirees who qualify may also continue to carry any dependents on the insurance that were carried on the insurance at the time of the employee's retirement. It is further recommended that only those retirees who receive a subsidy toward the insurance premium, or those who retire at age 65 or older, will be eligible for the \$75 subsidy. Any other retirees not meeting the five criteria will henceforth be ineligible to remain in the Town's group health insurance plan. This includes those with 25 years of Town service who have not reached the age of 55.

The Town reserves the right to alter, modify, amend, limit or terminate at any time the Town's policy concerning health insurance for retirees.

Section 3. This ordinance shall become effective on the 28th day of September, 2005

Passed and approved this the 27th day of September, 2005.

ATTEST:

APPROVED:



City Secretary



Mayor

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