



Insurance Continuation Program

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Medicare Access and CHIP Reauthorization Act (MACRA)

- Prior to January 1, 2020 “newly eligible” Medicare beneficiaries could enroll in Plan F.
- As of January 1, 2020 Plan F is no longer open to new enrollments. Plan G is the new alternative.
- Anyone who turned 65 prior to 01/01/2020 can enroll/continue in Plan F for as long as they choose.
- Anyone who turns 65 on or After 01/01/2020 will only be allowed to purchase Plan G.
- PEC insurance continuation program provides reimbursement for enrollment in Plan F, to employees that retired prior to July 1, 2005.

Impact to Pedernales Electric Cooperative

- Employees and their spouses that retired prior to July 1, 2005 but will turn 65 after January 1, 2020
 - 20 individuals
 - 16 Employees
 - 4 Spouses
- Coverage Difference: Plan F covers the deductible in Plan B, Plan G does not
- Cost: Due to less coverage Plan G is less expensive than Plan F
- PEC Action: PEC will fund retirees an amount equivalent to the deductible no longer covered, but will pay less in premiums, overall result is a “wash”
- Overall benefit coverage will stay the same among both groups of retirees

Requested Approval: Update the wording in PEC Insurance Continuation Program

- New language includes coverage for Plan F and the new Plan G
- New language includes open wording for any future changes



