

# HealthTrust Retiree Coverage Rules

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## Introduction

New Hampshire RSA 100-A:50 requires every political subdivision of the State to permit its employees upon retirement to continue to participate in the same group health plan coverage as is provided to active employees. RSA 100-A:50 also provides that Retirees shall be deemed to be part of the same group as active employees of the same employer for purposes of determining medical and dental plan contribution rates. Each political subdivision, as employer, may require a Retiree to pay any part or all of the cost of the Retiree's participation in the Retiree health plan.

Local Government Center HealthTrust, LLC ("HealthTrust") has adopted these Retiree Coverage Rules ("Rules") to provide guidance to and assist HealthTrust Risk Pool Groups that are political subdivisions subject to the Retiree coverage requirements of RSA 100-A:50 in their efforts to comply with RSA 100-A:50. HealthTrust Groups that are not political subdivisions subject to the Retiree coverage requirements of RSA 100-A:50 nevertheless may voluntarily extend continued group health plan coverage to Retirees.

The following Rules govern which former employees of a HealthTrust Group are eligible for continued group health plan coverage through HealthTrust as Retirees. The Rules describe the terms and conditions on which HealthTrust will make Retiree coverage available to HealthTrust Groups for their qualifying Retirees. Subject to these rules each HealthTrust Group must establish its own policy regarding Retiree coverage eligibility which, at the Group's option, may include rules that are more restrictive than those established by HealthTrust. Provided an individual satisfies the standards set forth in these Rules and the Group's rules, a HealthTrust Group may enroll the Retiree in the Group's Retiree health plan through HealthTrust.

Each HealthTrust Group is itself responsible for ensuring the Group's compliance with any applicable Retiree coverage obligations under RSA 100-A:50 and these Rules, including determining which former employees are eligible for enrollment as a Retiree. The HealthTrust Group must have a written policy regarding Retiree coverage eligibility and such policy must be made available to HealthTrust upon request.

HealthTrust reserves the right to amend these Retiree Coverage Rules, in whole or in part, at any time without prior notice. HealthTrust has sole discretion and authority to interpret and apply these Retiree Coverage Rules. Any decision of HealthTrust regarding interpretation and application of these Rules shall be final and binding.

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## Definitions

As used in these Retiree Coverage Rules, the following terms have the meanings set forth in this section:

“Dental plan” means a group dental benefit plan maintained by a HealthTrust Group and offered to eligible employees and/or Retirees as a separate benefit plan coverage.

“Group health plan” or “health plan” means a medical or dental plan. For purposes of these Retiree Coverage Rules, each medical or dental plan of a HealthTrust Group is treated as a separate group health plan. See Rule 3.4.

“HealthTrust” means Local Government Center HealthTrust, LLC.

“Medical plan” means a group medical benefit plan, including any indemnity, managed care or Medicare supplemental (with or without prescription drug benefits) coverage options, maintained by a HealthTrust Group and offered to eligible employees and/or Retirees as a separate benefit plan coverage.

“NHRS” means the New Hampshire Retirement System.

“HealthTrust Risk Pool Group,” “HealthTrust Group” or “Group” means any New Hampshire municipality or other New Hampshire entity that is a participant in HealthTrust and provides one or more group health plan coverages to its employees through HealthTrust. A HealthTrust Risk Pool Group will include a group, employer unit, subgroup or collective bargaining unit, or any combination thereof, which is eligible for separate HealthTrust group status in HealthTrust. See Rule 5.6.

“Retiree” means an individual who qualifies as a Retiree under any of the alternative standards set forth in Rule 1.1 (Immediately Eligible Retiree), 1.2 (Vested Deferred Retiree), or 1.3 (Age and Service Retiree).

“Rules” or “Retiree Coverage Rules” means these HealthTrust Retiree Coverage Rules.

## RULES

- 1. Retiree Coverage Eligibility and Enrollment** – Subject to the specific terms of a HealthTrust Group’s Retiree coverage policy, a former employee may qualify to participate in the Group’s Retiree health plan provided that all of the requirements for eligibility and enrollment under one of the following standards are satisfied.

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**1.1 Immediately Eligible Retiree** – An individual who, upon termination of employment with a HealthTrust Group, is immediately eligible to commence pension plan benefits from NHRS or another pension plan sponsored by the HealthTrust Group will qualify as a Retiree and be eligible to enroll in the Group’s Retiree medical or dental plan as follows:

**a. For Retirees who elect to immediately commence pension plan benefits at the time of termination of employment –**

i. If the Retiree is enrolled in the HealthTrust Group’s health plan at the time of termination of employment, he or she may, at that time, immediately enroll in the HealthTrust Group’s Retiree health plan.

If the Retiree does **not** immediately enroll in the HealthTrust Group’s Retiree health plan, but instead immediately enrolls in another employer sponsored group health plan, the Retiree may be eligible to enroll in the Group’s Retiree health plan (through HealthTrust) at a later date upon involuntary loss of the other employer coverage pursuant to the reinstatement rules set forth in Rule 2.

ii. If the Retiree is eligible for but **not** enrolled in the HealthTrust Group’s health plan at the time of termination of employment (because he or she is enrolled in another employer sponsored group health plan), the Retiree, at that time, may either (a) immediately enroll in the HealthTrust Group’s Retiree health plan, or (b) continue participation in the other employer group health plan and be eligible to enroll in the Group’s Retiree health plan (through HealthTrust) at a later date upon involuntary loss of such other coverage pursuant to the reinstatement rules set forth in Rule 2.

iii. If a Retiree who immediately enrolls in a HealthTrust Group’s Retiree health plan at the time of termination of employment pursuant to (i) or (ii) above later elects to leave the Retiree coverage to enroll in other employer sponsored group health plan coverage, the Retiree may be eligible to re-enroll in the Group’s Retiree health plan (through HealthTrust) at a later date upon involuntary loss of such other coverage pursuant to the reinstatement rules set forth in Rule 2.

**b. For Retirees who elect to defer commencement of their pension plan benefits at the time of termination of employment –**

i. If the Retiree is enrolled in the HealthTrust Group’s health plan at the time of termination of employment, he or she may, at that time, immediately enroll in the Group’s Retiree health plan through HealthTrust.

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If the Retiree does **not** immediately enroll in the HealthTrust Group's Retiree health plan, but instead immediately enrolls in another employer sponsored group health plan, the Retiree may be eligible to enroll in the Group's Retiree health plan (through HealthTrust) at a later date either (a) at the time the Retiree commences pension plan benefits or (b) upon involuntary loss of the other employer coverage pursuant to the reinstatement rules set forth in Rule 2.

- ii. If the Retiree is eligible for but **not** enrolled in the HealthTrust Group's health plan at the time of termination of employment (because he or she is enrolled in another employer sponsored group health plan), the Retiree, at that time, may either (a) immediately enroll in the HealthTrust Group's Retiree health plan, or (b) continue participation in the other employer group health plan and be eligible to enroll in the Group's Retiree health plan (through HealthTrust) at a later date either (1) at the time the Retiree commences pension plan benefits or (2) upon involuntary loss of the other employer coverage pursuant to the reinstatement rules set forth in Rule 2.
- iii. If a Retiree who immediately enrolls in a HealthTrust Group's Retiree coverage at the time of termination of employment pursuant to (i) or (ii) above later elects to leave the retiree coverage to enroll in other employer sponsored group health plan coverage, the Retiree may be eligible to re-enroll in the Group's Retiree health plan (through HealthTrust) at a later date upon involuntary loss of such other coverage pursuant to the reinstatement rules set forth in Rule 2.

**Note:** In accordance with NHRS rules, a Retiree who is eligible for an NHRS medical subsidy and immediately enrolls in the HealthTrust Group's Retiree health plan will not receive the subsidy until the Retiree commences NHRS pension plan benefits.

**1.2 Vested Deferred Retiree (not immediately eligible to commence pension plan benefits upon termination of employment)** – An individual who, upon termination of employment with a HealthTrust Group, is not immediately eligible to commence pension plan benefits, but is entitled to vested deferred pension plan benefits from NHRS or another pension plan sponsored by the HealthTrust Group, will qualify as a Retiree and be eligible to enroll in the Group's Retiree medical or dental plan under the following rules:

- a. If the individual is enrolled in the HealthTrust Group's health plan at the time of termination of employment, or is eligible but not enrolled (because he or she is enrolled in another employer sponsored group health plan), the Retiree may enroll in the Group's Retiree health plan at a later date either:

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- i. At the time the Retiree's deferred pension plan benefits commence provided the Retiree elects to return to the HealthTrust Group's Retiree health plan within 30 days of the date the pension plan benefits commence; or
  - ii. If at the time the Retiree's deferred pension plan benefits commence the Retiree is and remains enrolled in another employer sponsored group health plan, upon involuntary loss of such other coverage pursuant to the reinstatement rules set forth in Rule 2.
- b. If a Retiree who enrolls in a HealthTrust Group's Retiree health plan pursuant to 1.2.a above later elects to leave such retiree coverage to enroll in other employer sponsored group health plan coverage, the Retiree may be eligible to re-enroll in the Group's Retiree health plan (through HealthTrust) at a later date upon involuntary loss of such other coverage pursuant to the reinstatement rules set forth in Rule 2.
- c. This Rule may be illustrated by the following example:

Example 1: Sally, who is age 45 and an administrative assistant with a HealthTrust Group, terminates employment with 15 years of service and a vested deferred NHRS pension benefit which will not commence until at least age 50. At the time of termination, Sally was eligible for but not enrolled in her employer's HealthTrust Group health plan due to enrollment in her husband's employer group health plan. Sally will be eligible to enroll as a Retiree in her HealthTrust Group's Retiree health plan at the time she commences her deferred NHRS pension benefit, provided she elects to enroll within 30 days of when the NHRS pension payments begin.

If Sally decides to remain enrolled in her husband's group health plan at the time her NHRS pension benefit commences, she will be eligible to enroll as a Retiree in her HealthTrust Group's Retiree health plan upon involuntary loss of coverage under her husband's group health plan provided that she satisfies the reinstatement rules set forth in Rule 2.

**1.3 Age and Service Retiree** - An individual who, upon termination of employment with a HealthTrust Group, is not eligible for immediate or vested deferred pension plan benefits through NHRS or another pension plan sponsored by the HealthTrust Group will qualify as a Retiree and be eligible to enroll in the Group's Retiree medical or dental plan **only if** the following three requirements are satisfied:

- a. The individual is either (1) age 60 or older at the time of termination of employment (regardless of the term of employment), or (2) is age 50 or older at the time of termination of employment and has a total of at least ten (10) years of employment with one or more HealthTrust Groups; and

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- b. The individual is enrolled in the HealthTrust Group's health plan for active employees at the time of termination of employment; and
- c. At the time of termination of employment, the individual immediately enrolls in either the HealthTrust Group's Retiree health plan or in another employer sponsored group health plan.

If the Retiree does **not** immediately enroll in the HealthTrust Group's Retiree health plan, but instead immediately enrolls in another employer sponsored group health plan, the Retiree may be eligible to enroll in the Group's Retiree health plan (through HealthTrust) at a later date upon involuntary loss of the other employer coverage pursuant to the reinstatement rules set forth in Rule 2.

If a Retiree who immediately enrolls in a HealthTrust Group's Retiree coverage at the time of termination of employment or at a later date pursuant to c) above later elects to leave the Retiree coverage to enroll in other employer sponsored group health plan coverage, the Retiree may be eligible to re-enroll in the Group's Retiree health plan (through HealthTrust) at a later date upon involuntary loss of such other coverage pursuant to the reinstatement rules set forth in Rule 2.

**1.4 Individuals Not Eligible for Retiree Status** – If upon termination of employment with a HealthTrust Risk Pool Group, an individual does not qualify as a Retiree under any of the alternative standards set forth in Rules 1.1 through 1.3 above, he or she will not be eligible for Retiree coverage through HealthTrust.

**2. Reinstatement Upon Involuntary Loss of Other Coverage** – An individual who qualifies as a Retiree under Rule 1 and is enrolled in coverage through another employer-sponsored group health plan (either as an employee or covered spouse) may be reinstated to (or enrolled in) Retiree coverage through the Retiree's former HealthTrust Group upon an "**involuntary loss of the other coverage**" (as defined below), provided that:

- a. the Retiree stated in writing, either at the time of retirement (if the Retiree did not immediately enroll in Retiree health plan coverage through his or her HealthTrust Group) or upon leaving Retiree coverage through his or her HealthTrust Group, that coverage under another employer-sponsored group health plan was the reason for declining or leaving Retiree coverage;
- b. the Retiree requests reinstatement to the HealthTrust Group's Retiree health plan not later than sixty (60) days after the date of an involuntary loss of the other coverage;

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- c. at the time of reinstatement, the HealthTrust Group is then offering to its active employees and Retirees the HealthTrust benefit plan coverage (medical or dental plan) in which reinstatement is to occur; and
- d. the Retiree's HealthTrust Group consents in writing to the reinstatement either at the time the Retiree declines or leaves the Group's Retiree coverage or at the time of reinstatement.

For the purposes of this Rule 2, an “**involuntary loss of the other coverage**” means (i) the loss of eligibility for such other employer group coverage as a result of the Retiree's, or Retiree's spouse's, termination of employment or reduction in hours of employment, legal separation, divorce, death or other COBRA qualifying event, but only after the exhaustion of any COBRA, Retiree or other available coverage continuation period with respect to such other employer plan; or (ii) in the case of a Retiree who is eligible for a Retiree medical plan subsidy through either NHRS or their HealthTrust Group, a loss of eligibility for such other employer group coverage which triggers a right to reinstatement to their HealthTrust Group's plan pursuant to applicable rules of NHRS and the HealthTrust Group.

If a Retiree declines Retiree coverage through his or her HealthTrust Group for any reason other than obtaining coverage through another employer-sponsored group health plan (e.g., leaves for non-group coverage through another insurer or Medicare), the Retiree will not be eligible for later reinstatement to Retiree coverage through his or her HealthTrust Group.

This Rule 2 may be illustrated by the following examples:

Example 1: Officer Joe, a police officer, retires from employment with a HealthTrust Group at age 55 after 30 years of service. At the time of his retirement, Joe was enrolled in medical plan coverage through the HealthTrust Group as an active employee and therefore is eligible both for retiree medical plan coverage and an NHRS medical subsidy. Immediately upon retiring, Joe goes to work for a private sector employer who offers fully paid group health plan benefits in which Joe enrolls. Once Joe terminates service with the new employer and is no longer eligible for the new employer's health plan coverage, he may return to Retiree medical plan coverage with his HealthTrust Group and receive his NHRS medical subsidy provided the requirements of 2(a)-(d) above and applicable NHRS rules are satisfied.

Example 2: Mary retires as superintendent of SAU ## in 2011, elects Retiree coverage under SAU ##'s medical plan through HealthTrust, and commences receiving her NHRS pension benefit. Mary is not eligible for an NHRS subsidy with respect to her Retiree medical coverage. In 2012, Mary's husband accepts a job with Acme Hardware which includes employer paid group medical plan coverage for its active employees and their spouses, but not Retirees. Mary may stop participating in SAU ## Retiree medical plan while her spouse is employed and eligible for coverage with Acme. Mary may later return to the SAU ## Retiree medical plan coverage upon her spouse's termination of employment with Acme

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and the exhaustion of any applicable COBRA coverage continuation period, provided the requirements of 2(a)-(d) above are satisfied.

Example 3: Sue retires as an administrative assistant with a HealthTrust Group and qualifies as a Retiree under Rule 1.1. Sue is not eligible for an NHRS subsidy with respect to her Retiree medical coverage. At the time of retirement, Sue was eligible for but not enrolled in a HealthTrust Group's medical plan due to enrollment through her spouse's employer sponsored group health plan. Sue may later enroll in her HealthTrust Group Retiree medical plan coverage upon her spouse's termination of employment and the exhaustion of any applicable COBRA coverage continuation period, provided the requirements of 2(a)-(d) above are satisfied.

3. **Nature and Extent of Retiree Coverage** - Retirees who satisfy the eligibility requirements for coverage through HealthTrust (as set forth in Rules 1 and 2) generally will be eligible to participate in the same group health plan coverage options as are provided to active employees of the Retiree's HealthTrust Group, subject to rules 3.1 through 3.5 below. Coverage will be available to spouses and eligible dependents of covered Retirees to the extent that coverage is provided to spouses and eligible dependents of active employees in the HealthTrust Group.
  - 3.1. **Non-Medicare Eligible Retirees (Generally Retirees Under Age 65)** - Retirees under age 65 and their family members who are not Medicare eligible are entitled to the same medical and/or dental plan coverage options as are provided to active employees of the HealthTrust Group. Upon retirement, the Retiree (and covered family members) may maintain the same coverage then in effect until the next open enrollment, or they may exercise the Special Enrollment Rights at Retirement described in Rule 3.3 below.
  - 3.2. **Medicare Eligible Retirees** - Medicare eligible Retirees and Medicare eligible spouses and dependents of Retirees will be offered medical plan coverage through the Medicare supplemental plans offered by HealthTrust. Medicare supplemental plan coverage currently available to Retirees include Medicomp Three **with** Prescription Drug Coverage, and Medicomp Three **without** Prescription Drug Coverage (if offered by the Retiree's HealthTrust Group).

Unless the Medicare eligible individual elects to remain covered under the medical plan offered to active employees of the HealthTrust Group, conversion to coverage under a Medicare supplemental plan will occur either (i) immediately upon retirement if the Retiree (or family member) is then Medicare eligible (e.g., age 65 or older), or (ii) at the time of the individual's initial Medicare eligibility.

To be eligible for coverage under the HealthTrust Group's Retiree medical plan, any Medicare eligible Retiree or covered family member must be enrolled in both Parts A and B of Medicare.



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**3.3. Special Enrollment Rights at Retirement** - At the time of retirement, a Retiree (and covered family members) will have the right to remain enrolled in the same medical plan coverage option or to enroll in another medical plan option then offered by the HealthTrust Group to Retirees. For Medicare eligible Retirees and Medicare eligible family members, Retiree coverage options at retirement shall include any Medicare supplemental plan option(s) then offered by the HealthTrust Group.

**3.4. Annual Open Enrollment Rights** - At each open enrollment of a HealthTrust Group, a Retiree may elect **only** among available coverage options then offered by the HealthTrust Group, and **only** with respect to each group health plan coverage (*i.e.*, medical or dental plan coverage) in which the Retiree was participating immediately prior to the open enrollment period.

This means that a Retiree who is participating in a medical plan shall have the right at open enrollment to choose between all medical plan coverage options (*e.g.*, HMO, POS, Medicomp) available to active employees and Retirees of the HealthTrust Group. However, a Retiree who prior to open enrollment was participating only in dental plan coverage (and not medical plan coverage) will not have the right at any open enrollment to add medical plan coverage. Similarly, a Retiree enrolled only in medical plan coverage (but not dental plan coverage) may not at any subsequent open enrollment also elect to be covered under the HealthTrust Group's dental plan.

**3.5. Special Rules for Retirees or Spouses Electing Medicomp Three without Prescription Drug Coverage** - A Retiree or Medicare-eligible spouse of a Retiree who enrolls in Medicomp Three **without** Prescription Drug Coverage (MCNRX) and at the same time enrolls in Medicare Part D coverage will have a one-time opportunity to later return to his or her HealthTrust Group's Medicomp Three **with** Prescription Drug Coverage Plan. The Retiree or spouse must elect to return to Medicomp Three **with** Prescription Drug Coverage within 24 months of his/her election of the MCNRX plan, and may only return at his or her HealthTrust Group's annual open enrollment or a Medicare open enrollment. A Retiree or spouse who does not return to Medicomp Three **with** Prescription Drug Coverage within 24 months will forfeit any future right to return to Prescription Drug Coverage through their HealthTrust Risk Pool Group.

A Retiree or spouse who enrolls in Medicomp Three **without** Prescription Drug Coverage (MCNRX) but does not at the same time enroll in Medicare Part D coverage will immediately forfeit all rights to later return to his or her HealthTrust Group's Medicomp Three **with** Prescription Drug Coverage Plan.

**4. Contribution Obligations for Retiree Coverage** - As a general rule, the HealthTrust Group is responsible for payment to HealthTrust of all required contributions for Retirees enrolled

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for HealthTrust coverage through the HealthTrust Group. Retirees may be required by their HealthTrust Group to pay all or a portion of their coverage contributions.

NHRS Remitted Contributions - NHRS Retirees may elect to have the Retiree's portion of medical or dental plan contributions remitted as a deduction from their pension payments. Certain NHRS Retirees also may be eligible for an NHRS medical subsidy (as determined by NHRS). NHRS Retirees may elect to have these annuity deduction and/or medical subsidy payments ("NHRS Remitted Contributions") paid by NHRS directly to either HealthTrust (if the Group has elected Retiree Billing Services as described in 4.1 below) or the Group (as described in 4.2 below).

Each HealthTrust Group may elect to have HealthTrust administer retiree billing on the Group's behalf. The following rules apply with respect to contribution payments for Retiree coverage depending upon whether or not the Group elects HealthTrust Retiree Billing Services.

**4.1 For Groups that Elect HealthTrust Retiree Billing Services** - For a Group that elects this billing service, HealthTrust will bill the Retiree the balance of any contribution for such Retiree's coverage that is not paid either by NHRS Remitted Contributions or by the Group directly. HealthTrust will receive any NHRS Remitted Contributions for the Retiree's coverage directly from NHRS. HealthTrust will bill the Group for the portion of the contribution (if any) that the Group has agreed to pay with respect to the Retiree's coverage. It is the HealthTrust Group's responsibility to pay the balance of any contribution obligation for the Retiree's coverage that is not otherwise paid in a timely manner by the Retiree or NHRS Remitted Contributions.

Special Rules Regarding NHRS Remitted Contributions - The following special rules apply with respect to NHRS Remitted Contributions:

- a. NHRS Medical Subsidy Payments - NHRS is solely responsible for determining a Retiree's eligibility for an NHRS medical subsidy as well as the amount of such subsidy. From time to time NHRS may retroactively recover directly from HealthTrust medical subsidy overpayments made by NHRS with respect to a Retiree. In such a case, NHRS notifies the Retiree and HealthTrust of the medical subsidy overpayment and recovers the overpayment amount from HealthTrust. HealthTrust then bills the Retiree for and notifies the HealthTrust Group of the amount of subsidy recovered from HealthTrust and owed by the Retiree. In the event the Retiree does not pay all or any portion of the amount owed to HealthTrust in a timely manner, HealthTrust will bill the HealthTrust Group directly for any unpaid balance due on the Group's applicable monthly invoice. The Group is responsible for timely payment to HealthTrust of any amount so billed relating to any medical subsidy overpayment recovered by NHRS that is not timely paid by the Retiree.

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b. NHRS Annuity Deductions – From time to time, NHRS may notify HealthTrust that a Retiree’s NHRS annuity deduction is no longer sufficient to cover the balance of the contribution due for such Retiree’s medical plan coverage. In such a case, HealthTrust will bill the Retiree any additional amount then due beginning with the next invoice following HealthTrust’s receipt of notification from NHRS. In the event the Retiree does not pay all or any portion of the amount owed to HealthTrust in a timely manner, HealthTrust will bill the HealthTrust Group directly for any unpaid balance due on the Group’s applicable monthly invoice. The Group is responsible for timely payment to HealthTrust of any amount so billed relating to any NHRS annuity deduction shortfall that is not timely paid by the Retiree.

**4.2 For Groups that Do Not Elect Retiree Billing Services** – For HealthTrust Groups that do not contract with HealthTrust for retiree billing services, HealthTrust will bill the Group directly for all contributions due for the Group’s covered Retirees. The Group shall be responsible for timely payment to HealthTrust of the entire amount billed for the Group’s Retirees. The Group shall be responsible for collecting any NHRS Remitted Contributions for the Group’s covered Retirees directly from NHRS and for collecting any amounts due from the Retirees. HealthTrust will not collect NHRS Remitted Contributions or amounts due from Retirees with respect to Retirees of these Groups.

**5. General Rules** – The following are general rules that apply to Retiree eligibility situations:

**5.1 Definition of HealthTrust Group Coverage** – For purposes of these Rules, an individual will be considered as receiving coverage through a HealthTrust Group if (i) the HealthTrust Group offers any medical or dental plan through HealthTrust and (ii) the individual is currently enrolled in any medical or dental plan option then offered by the HealthTrust Group, whether or not such coverage is actually provided through HealthTrust. For example, if a HealthTrust Group offers its employees the option of point-of-service plan coverage through HealthTrust (e.g., BlueChoice), or an HMO coverage directly from another health plan carrier, an individual who is enrolled in the HMO option qualifies as being enrolled in the HealthTrust Group’s medical plan coverage for purposes of determining Retiree coverage eligibility under these Rules.

**5.2 Coverage of Retirees for New HealthTrust Groups** – When a political subdivision or other eligible governmental unit first becomes a HealthTrust Group, coverage will be extended by HealthTrust to all then current Retirees of the new HealthTrust Group who are then participating (or eligible for participation) in the Group’s Retiree medical or dental plan coverages. Enrollment of such then current Retirees in the new Group’s Retiree plan coverage through HealthTrust must occur at the initial open enrollment upon the Group’s commencement of participation in HealthTrust.

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- 5.3 Group Coverage through HealthTrust** – At the time of enrollment of any Retiree, the HealthTrust Group must then be offering to its active employees and Retirees group health plan coverage through HealthTrust of the type (i.e., medical plan or dental plan) in which the Retiree is to enroll.
- 5.4 No Retiree Coverage through HealthTrust After Group Terminates Participation** – When a HealthTrust Group voluntarily or involuntarily terminates the entire Group’s participation in HealthTrust, Retirees of the terminating Group will no longer be eligible to participate in group health plan coverage through HealthTrust.
- 5.5 No Retiree Participation in HealthTrust Plan Unless Group Offers Plan to Active Employees** – If a HealthTrust Group terminates its medical plan and/or dental plan coverage for active employees but continues its participation in one or more other coverages offered by HealthTrust, the Group’s Retirees will no longer be eligible to participate in any medical and/or dental plan coverage that has been terminated for active employees.
- 5.6 Rules Apply Separately for Each Subgroup, Collective Bargaining Unit, etc.** – The requirements of Rules 5.4 and 5.5 above will be applied by HealthTrust separately to each group, employer unit, subgroup or collective bargaining unit that is eligible to be a separate HealthTrust Group. These Rules will be applied separately even if at any time or from time to time the group, subgroup, collective bargaining unit or subunit is or was combined as part of a HealthTrust Group for HealthTrust enrollment or other purposes. For example, a town may have all of its employees at one time enrolled in HealthTrust coverages. If a collective bargaining unit of such town elects not to continue coverage, it will be treated separate from the town that is continuing as a HealthTrust Group. Under such circumstances, Retirees of the collective bargaining unit shall no longer be eligible for Retiree coverage through HealthTrust after the collective bargaining unit ceases participation.
- 5.7 Family Member’s Coverage Based Upon Retiree’s Coverage** – Subject to any applicable COBRA or other spouse or dependent coverage continuation rights, family members of a Retiree are not eligible for health plan coverage through a Retiree’s HealthTrust Group unless the Retiree is enrolled. Surviving spouses and dependents of a Retiree will be eligible to continue coverage only under applicable COBRA or NHRS coverage continuation rules, and/or pursuant to applicable rules of the HealthTrust Group.
- 5.8 All Other Underwriting Rules Apply** – All other underwriting rules commonly applied by HealthTrust will continue to be in effect and be applied in conjunction with these Retiree Coverage Rules.

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- 5.9 Amendment, Interpretation and Application of Rules** – HealthTrust reserves the right to amend these Retiree Coverage Rules, in whole or in part, at any time without prior notice. HealthTrust has sole discretion and authority to interpret and apply these Retiree Coverage Rules. On occasion HealthTrust may, at its option, choose not to enforce all of the terms and conditions of these Rules; however, HealthTrust does not thereby waive or give up any rights to enforce any term or condition in the future. Any decision of HealthTrust regarding interpretation and application of these Rules shall be final and binding.
- 5.10 Coordination with NHRS Statute and Interpretation** – HealthTrust intends that these Retiree Coverage Rules be interpreted and applied consistently with the requirements of RSA 100-A:50 and with NHRS’s interpretation of such requirements and the related requirements of RSA 100-A:51 through 55 governing NHRS medical subsidy eligibility and payments. However, HealthTrust makes no representation or warranty that Retiree coverage offered pursuant to these Rules necessarily satisfies all requirements of RSA 100-A:50 through 55 or NHRS’s interpretation of such statutory provisions. NHRS may, from time to time, change its rules or interpretation of the statutory provisions and such changes may result in corresponding changes to these Rules.
- 5.11 Coordination with COBRA Benefits** – If an individual is not eligible for or does not enroll in Retiree coverage upon retirement, COBRA continuation rights will be made available to the former employee and covered family members under the same rules as apply generally to terminating employees.
- 6. Special Rules** – The following are special situations or issues faced by HealthTrust Groups when interpreting and applying these Retiree Coverage Rules.
- 6.1 Coverage for Disabled Employees** – If an active employee covered under a HealthTrust Group’s medical plan becomes disabled but does not qualify for NHRS disability retirement or otherwise satisfy any Retiree definition (e.g., is under age 50), then he or she will not be entitled to Retiree coverage, but may be entitled to COBRA coverage. Each HealthTrust Group should establish a written policy to address the issue of health benefits coverage for disabled employees.
- 6.2 Medical Plan Coverage for Disabled Retirees** – If an individual qualifies as a Retiree due to disability (e.g., NHRS disability retirement) but was not enrolled in a HealthTrust Group’s medical plan coverage as an active employee at the time of the disability (due to an opt out election or otherwise), the disabled Retiree nevertheless will be allowed to elect, within 60 days of the disability retirement determination, Retiree medical plan coverage through his or her HealthTrust Group.
- 6.3 Retiree Re-Employment with Another HealthTrust Group** – If a Retiree who is receiving Retiree coverage through an HealthTrust Group becomes employed and

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eligible for active employee benefits with another HealthTrust Group, the individual can elect to cancel his or her Retiree coverage and take the coverage through the new employer. Alternatively, the Retiree may remain on the Retiree coverage of the original HealthTrust Group. If the employee chooses to drop the original coverage for the new HealthTrust Group's coverage, the individual will then become the subsequent employer's Retiree upon terminating that employment if he or she otherwise then qualifies for Retiree coverage with that employer. If the individual does not qualify for coverage as a Retiree through the new HealthTrust Group, then the individual may return as a Retiree to the original HealthTrust Group's coverage as long as that former employer consents and the other conditions for reinstatement set forth in Rule 2 are satisfied.

- 6.4 Retiree Coverage for Public Officials** - Publicly elected or appointed officials who receive active coverage through a HealthTrust Group, but who otherwise do not qualify as employees of the group, are entitled to status as a Retiree and coverage through the HealthTrust Group upon termination of their status as a public official **only if** they meet all eligibility requirements as a Retiree for coverage under these Rules and pursuant to applicable rules of the HealthTrust Group, and the HealthTrust Group consents in writing to providing such coverage to the official.

As amended and restated March 2013.