

Leaving K-C – The Impact on Retiree Medical and RMCs Video Transcript

In this video, we'll provide a basic overview of Retiree Medical and Retiree Medical Credits, RMCs for short.

More information can be found in the Leaving K-C Guide located on mykcbenefits.com, or for even greater detail, review the Summary Plan Descriptions located on kcbenefitcompass.com.

Retiree Medical provides you with medical coverage options after you leave K-C. You're eligible for Retiree Medical if you're age 55 or older and have 15 or more years of eligible service when you leave K-C. Keep in mind that you don't have to enroll in Retiree Medical right away.

If you're eligible for retiree medical, how you pay for your care depends on when you were hired.

- If you were hired before January 1, 2004, you may be eligible for RMCs that provide financial support in paying for coverage.
- If you're not eligible for RMCs, you have access to retiree medical, but you pay the full cost out of your own pocket.

The number of RMCs you receive is based on your years of service when you leave K-C. If you're eligible, you can call Empyrean about your RMC allotment. If you're age 55 or older with 15 years or more of eligible service, you can also view your RMC allotment online at kcbenefitcompass.com if you're age 55 years or older with more than 15 years of eligible service.

If you don't enroll in Retiree Medical right away, your RMC balance will remain in place until you choose to use them – they're yours to keep.

If you enroll in retiree medical and are not eligible for RMCs or choose not to use them immediately you'll be billed directly for the cost of coverage.

How and when you elect Retiree Medical depends on your Medicare eligibility. If neither you nor your eligible dependents are Medicare eligible, you'll have access to several K-C medical plan options.

So how do you use your RMCs if you fall into this group? Let's say you're age 60 at retirement with 30 years of service and 104,500 RMCs. You elect the CDHP Blue and use your RMCs to cover the monthly premium cost.

You can enroll in Retiree Medical within 30 days of your last day of employment or other qualifying life event, opt-in after COBRA coverage has ended, or enroll during Annual Enrollment.

Now let's say you and your eligible dependent are Medicare eligible. In this case, how you elect medical coverage and use your RMCs is different.

Once you elect qualifying supplemental Medicare coverage, your RMCs are put into a Health Reimbursement Account or HRA. You can use this HRA to be reimbursed for medical premiums, copays, deductibles, and other eligible healthcare expenses, including Medicare Part B.

If you want supplemental Medicare coverage as soon as you leave K-C, you can start the process 60 days before your last day of employment.

Now, let's say you and your eligible dependent are in both groups, one person is Medicare-eligible and one is not. If you fall into this group, your RMCs will be split so that you can pay for your pre-Medicare coverage with RMCs and still have access to some of the RMCs in your HRA.

Don't forget. It's important to keep your account information up-to-date with our vendors even after you leave K-C.

Want to learn more? Continue to explore mykcbenefits.com and read the Leaving K-C Guide located under Life Events. Or call the K-C Benefits Information Line at **800-551-2333** and select the Health & Welfare option to reach an Empyrean representative.