



STATE OF CONNECTICUT
TEACHERS' RETIREMENT BOARD
21 GRAND STREET HARTFORD, CT 06106-1500
Toll-Free 1-800-504-1102 (860) 241-8429 Fax (860) 525-6018 www.ct.gov/trb

December 1, 2006

To: Superintendents and Business Managers

Subject: TRB Health Insurance Subsidy

This is to clarify certain aspects of the health insurance subsidy that the Teachers' Retirement Board (TRB) pays to local school districts for the benefit of retired TRB members who participate in the school district's health insurance plan.

If a retired TRB member is not participating in both Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance), the member may choose to obtain health insurance through the last employing school district, and the school district is legally obliged to permit the member to participate in this health insurance plan. Participation in, not merely eligibility for (e.g., attaining age 65) Medicare Parts A and B is the determining factor. The premium shall be no greater than that charged for the same form of coverage for active teachers. For self-insured plans, no more than the allocation rate established for the same form of coverage for active teachers shall be charged.

TRB issues a subsidy payment to the school district for the benefit of the member. The amount of this subsidy is up to \$110 per month for individual coverage and up to an additional \$110 per month for spousal coverage; the maximum subsidy is \$220 per month for member/spouse. No part of the subsidy related to the member or the spouse may be applied to the other's premium. For example, if the member's monthly health insurance premium is \$120 and the spouse's is \$100, then the total monthly subsidy is \$210 (\$110 for the member and \$100 for the spouse). In addition, the entire subsidy must be applied to the member's premium cost as opposed to the school district's cost. For example, if the total monthly premium is \$500, and the school district and the member each are responsible for 50% of the premium or \$250, then the entire \$110 should be applied to the member's portion of the premium. Accordingly, the member's net cost would be \$140 and the school district's would be \$250.

Let me know if you have questions or need additional information.

Louis Laccavole
Fiscal Administrative Supervisor