

Early retirement plan increases lifetime maximum

Updated January 1, 2006

Effective January 1, 2006, the lifetime maximum under GA-46000 increased from \$92,400 to \$96,400. Note: The additional benefits payable applies to expenses incurred on or after January 1, 2006.

The lifetime maximum benefit for each individual covered under the Railroad Employees National Early Retirement Major Medical Benefit Plan (United HealthCare's Policy GA-46000) is adjusted each year based on the medical cost component of the Consumer Price Index. In the first year of this provision which was enacted to coincide with the changes in Railroad Retirement, the lifetime maximum benefit was increased to \$79,000.

An important consideration for individuals thinking about retirement is health coverage after retirement. The information below summarizes the requirements.

Eligibility Rules

For Age Annuitants:

- You apply for a 60/30 annuity for which you are eligible:
 - ❖ On or after the date you reach age 60, or
 - ❖ Anytime during the three months before your 60th birthday, provided you continue working into the month before the month in which you turn age 60.

- On the day before you apply for your annuity, you must be covered (other than under COBRA) under the Railroad Employees National Health and Welfare Plan.

For Disability Annuitants

- You have a current connection with the railroad industry.
- You have applied for a disability annuity to which you are entitled.
- You are covered under the Railroad Employees National Health and Welfare Plan (other than by COBRA) on the day before the latest of the following dates:
 - ❖ The date you reach age 60
 - ❖ The date you became disabled
 - ❖ The date your railroad service equals 30 years

In addition to the changes in eligibility rules, the lifetime maximum under GA-46000 will be adjusted each year by the medical cost component of the Consumer Price Index. The lifetime maximum for 2006 is \$96,400.

If you retire and are eligible for GA-46000, you can also purchase supplemental coverage under GA-23111, Plan E. Generally, Plan E pays 70% of the expenses not paid under GA-46000 and has a lifetime maximum of \$200,000.

When you retire, your railroad will not report you to United Healthcare as a retiree eligible for GA-46000. You must enroll yourself and your family with United Healthcare. You can do this in two ways:

You can purchase GA-23111, Plan E. Your eligibility for GA-46000 will be verified when your enrollment for that coverage is processed. ID cards for both GA-46000 and GA-23111 will be sent to you. A booklet explaining the Plan E benefits and an Enrollment form can be obtained by calling United Healthcare.

You can complete and return the "Retiree and Dependent Information" form found in the center of the GA-46000 employee booklet. Your eligibility will be verified and a GA-46000 ID card will be sent to you. You can obtain a GA-46000 booklet from your employer or union representative.

If you have any questions about your eligibility for GA-46000 or the benefits provided under the Plan, call United Healthcare at **(800) 842-5252**.

(This news item was provided by United Healthcare.)