

# MANUAL OF PROCEDURE

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**PROCEDURE NUMBER:** 2135

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**PROCEDURE TITLE:** All Full-Time Personnel: Employee Retirement

**STATUTORY REFERENCE:** Florida Statutes 1001.64, 1012.685 and 1012.87

**BASED ON POLICY:** II-82 All Full-Time Personnel: Employee Retirement

**EFFECTIVE DATE:** June 14, 2011

**LAST REVISION DATE:** March 9, 201; June 14, 2011; August 14, 2024

**LAST REVIEW DATE:** March 9, 2010; June 14, 2011; August 14, 2024

## **I. PURPOSE**

To implement Policy II-82: All Full-Time Personnel: Employee Retirement

## **II. PROCEDURE**

### **A. Participation in a retirement system**

Participation in a retirement system of the State of Florida is a condition of employment for all eligible employees. Employee and/or employer contributions shall be established by the statute governing the retirement plan in which the individual employee is eligible for participation.

### **B. Compulsory Retirement**

Miami Dade College (MDC) does not have a compulsory retirement age for its employees pursuant to the “Florida Age Discrimination in Employment Act.”

### **C. Continuation of Benefits after Retirement**

Retirees of the College are eligible to continue their participation in the following College benefits programs:

1. Group health benefit: The retiree pays 100% of the cost of the group health benefit coverage, unless the retiree is eligible for the College Individual Retiree Health Insurance Subsidy (refer to Policies II-51A/II-52A [All Full-Time Personnel: Individual Retiree Health Benefit Subsidy](#)).

- a. [Eligibility for Participation in the Individual Retiree Health Insurance Subsidy](#)

Participating employees shall have served MDC actively for a minimum period of ten years and be eligible for normal retirement benefits under the Florida Retirement System (FRS).

Normal Retirement is defined by the FRS as the date on which the employee is first eligible to receive a full retirement benefit without any benefit reduction. For participation in the Program, the retiree must maintain membership in one of the health benefit plans offered by the College.

b. Maximum Individual Retiree Health Benefit Subsidy (IRHBS)

This amount shall be determined annually and shall be based upon the lowest cost employee plan minus the maximum FRS health care subsidy amount.

c. Individual Retiree Health Benefit Subsidy Calculation

The IRHBS shall be determined as follows:

- i. Retiree out-of-pocket expense for health benefits: This figure is based on the cost of the plan selected at retirement, minus the Florida Retirement System (FRS) Health Insurance subsidy which is paid directly to the retiree.
- ii. Length of service with MDC: Payment will be 50% for the first ten years of service, and 2.5% for each full year of service thereafter up to a maximum of 50%.
- iii. Maximum IRHBS paid: This amount shall be determined annually and shall be based upon the lowest cost employee plan minus the maximum FRS health care subsidy amount.

d. Term Limitation

Upon eligibility for Medicare benefits, or enrollment in another employer sponsored group health plan, participants shall lose eligibility for participation in the College IRHBS Program. Re-enrollment in the IRHBS as described below is prohibited.

The maximum eligibility period for participation in the IRHBS program is a total of seven (7) years as a retiree or until medicare eligible, whichever comes first.

Eligibility for participation in the IRHBS shall cease upon the death of the MDC retiree. Eligibility shall not transfer to any beneficiaries.

e. Other Provisions

Retirees who exhaust eligibility for participation in these programs shall be eligible to continue participation in the College group health plan at

their own expense. The spouse of a deceased retiree may continue participation in the College group health plan at his/her own expense. Once a retiree withdraws his/her membership in the College group health plan, reenrollment is prohibited.

Any amount to be paid by the retiree toward group health benefits or other group programs in which he/she participates shall be paid by retirement check payroll deduction. Only in cases where FRS benefit check does not cover cost of benefits will the retiree be permitted to pay by personal check. These include, but are not limited to, the cost of group term life insurance, dental benefits, group legal benefits, dependent coverage and deficiencies in health benefit premiums created by the reduction in the College level of participation in the IRHBS program by the FRS health care subsidy.


Retirees participating in the IRHBS Program or in other College group health or benefit programs at their own expense are eligible to make changes to their coverage on an annual basis during the College's regularly scheduled Open Enrollment period. The terms and conditions of plans offered from year-to-year may vary and the College reserves the right to adjust plan offerings annually based on market conditions, health care trends and budget constraints.

Benefits paid by the College under these programs are taxable in the year in which the benefit is paid. Participating retirees shall receive IRS Form 1099 on approximately January 31 of the year following the taxable year in which benefits were paid.

2. Group dental benefit: The retiree pays 100% of the cost of the group dental benefit coverage. Once a retiree withdraws his/her membership in the College group dental plan, re-enrollment is prohibited.
3. Group term life insurance program: The retiree pays 100% of the cost of the group term life benefits coverage. Once a retiree withdraws his/her membership in the College group term life program, re-enrollment is prohibited.
4. Dependent Life Insurance: The retiree pays 100% of the cost of the dependent life insurance. Once a retiree withdraws his/her membership in the College Dependent Life Insurance program, re-enrollment is prohibited.
  - a. Participation in the Dependent Life Insurance program is contingent on the employees continued enrollment in their own Group term life insurance program.
5. Group legal plan: The retiree pays 100% of the cost of the group legal plan. Once a retiree withdraws his/her membership in the College group legal plan, reenrollment is prohibited.

Eligibility for continuation of benefits is contingent upon satisfying one of the following sets of requirements:

- a. Regular Service Retirement
  - Minimum of 10 years of service at the College
  - Having reached normal retirement age per FRS
  - Voluntarily terminated employment for the purpose of retirement
- b. Disability Retirement
  - Minimum of 10 years of service at the College (regular disability retirement)
  - For in line of duty disability, benefits from your first day of employment.

	08/14/2024
<b>PRESIDENT</b>	<b>DATE</b>