



# Retiree Insurance Eligibility, Funding

## For members who work for participating optional employers, such as county governments and municipalities, and charter schools that participate in insurance only

Eligibility for retiree group insurance is not the same as eligibility for retirement. Determining retiree insurance eligibility is complicated, and only PEBA can make that determination. It is extremely important to contact PEBA before making final arrangements for retirement. To schedule a phone or video consultation with Customer Service, visit [peba.sc.gov/visit-us](http://peba.sc.gov/visit-us).

As an active employee, your employer pays part of the cost of your health and dental insurance. As a retiree who meets the eligibility requirements for retiree group insurance, your employer determines if you pay all or part of your insurance premiums. Premiums for optional employers can vary. To verify your rates, contact your employer.

### When reviewing the chart on Page 2, keep these things in mind:

- Your last five years of employment must have been served consecutively in a full-time, insurance-eligible permanent position with an employer that participates in the State Health Plan.
- Changing jobs could affect your eligibility for funding. The information on Page 2 applies only if your last employer prior to retirement is an optional employer or other employer that does not participate in the state's Retiree Health Insurance Trust Fund. Contact your employer if you are unsure whether it participates in the Retiree Health Insurance Trust Fund.
- Earned service credit is time earned and established in one of the defined benefit pension plans PEBA administers. Earned service credit does not include any purchased service credit not considered earned service in the retirement plans (e.g., non-qualified service).
- If your employer does not participate in a PEBA-administered retirement plan, your eligibility is determined as if you were a member of the South Carolina Retirement System. This means one year of employment is equated to one year of earned service credit.

The chart below illustrates eligibility and funding guidelines for retiree group insurance. Please refer to the [Plan of Benefits](#) for more detailed information on these and other eligibility and funding rules.

## Employees hired into an insurance-eligible position

| Retirement status   | Earned service credit with an employer participating in the State Health Plan | Responsibility for paying premiums  |
|---|---|---|
| <b>Left employment after reaching service or disability retirement eligibility</b><br>Learn more about retirement eligibility at <a href="http://peba.sc.gov">peba.sc.gov</a> . | At least five years   | Your portion of the premium, up to the full amount of the employee and employer share, is at your employer's discretion.  |
| <b>Left employment before reaching retirement eligibility</b>   | Less than 20 years<br>20 years or more  | You are not eligible for retiree insurance coverage.<br>You are eligible for coverage upon reaching retirement eligibility. <sup>1</sup> Your portion of the premium, up to the full amount of the employee and employer share, is at your employer's discretion. |

<sup>1</sup> Retirement eligibility means you have met the minimum statutory requirements for retirement eligibility established for the plan in which you are a member. For State ORP participants and members whose employer does not participate in a PEBA-administered retirement plan, eligibility is determined as if the participant were a member of the South Carolina Retirement System, including reaching retirement eligibility.