

# Medicare, Social Security Offsets, and Insurance



(22) Photo by Herb Piller (Please see pages 100-101)

As a LASERS member and future retiree, you may be entitled to Medicare coverage if you have paid a Medicare tax, or you are the spouse or former spouse of an individual who has paid Medicare taxes.

Counselors with the Louisiana Department of Insurance Senior Health Insurance Information Program (SHIIP) are available to answer questions concerning Medicare eligibility, preventative services, and Medicare cost-savings programs. Visit [www.lidi.la.gov/SHIIP](http://www.lidi.la.gov/SHIIP) or call 1.800.259.5300 for more information.

If you have earned a LASERS benefit, and are entitled to receive a Social Security benefit, based on your earnings or the earnings of a spouse, your Social Security benefit may be reduced. The reduction is because of federal laws known as the Windfall Elimination Provision and the Government Pension Offset, which are designed to offset the amount of Social Security benefits paid to those eligible to receive some other type of public pension.

While LASERS cannot provide you with an estimate of your Social Security benefits, you may obtain this information from their website. Visit [www.socialsecurity.gov](http://www.socialsecurity.gov) prior to your appointment with them, create an account, and print a verification letter. As of February 2014, Social Security field offices cannot provide these letters, so it is important to visit their website.

## Windfall Elimination Provision (WEP)

The Windfall Elimination Provision affects the amount of your Social Security retirement or disability benefit if you also receive a pension from a government agency, such as LASERS. This provision does not apply to survivors' benefits. A modified benefit formula is used to calculate your benefit amount, resulting in a lower Social Security benefit.

You may be able to avoid this offset if you meet one of the following criteria:

- You were age 62 or disabled before 1986
- You qualified for a LASERS retirement benefit (including a reduced benefit with 10 years of service credit) before September 1, 1985
- You have at least 30 years of "substantial" earnings in a job where you paid Social Security taxes. If you have between 21 and 29 years of "substantial" earnings, you will not be subject to the full reduction.
- You repaid a refund of contributions for service credit earned on or before September 1, 1985 prior to application for retirement and this repayment would have qualified you for a LASERS retirement benefit before September 1, 1985.

LASERS can provide you with a letter indicating the date of your first eligibility for retirement that you can submit to the Social Security Administration. Please submit a written request to LASERS for this information.

## Government Pension Offset (GPO)

The Government Pension Offset affects the amount of your Social Security spouse's or widower's benefit if you also receive a pension from a government agency, such as LASERS. Your Social Security benefit may be reduced by two-thirds of your government pension.

You may be able to avoid this offset if you meet one of the following criteria:

- You were eligible to retire before December 1982, and you meet all of the requirements for Social Security spouse's benefits in effect in January 1977
- You were eligible to retire before July 1, 1983, and were receiving one-half of your support from your spouse

LASERS can provide you with a letter indicating the date of your first eligibility for retirement that you can submit to the Social Security Administration. Please submit a written request to LASERS for this information.

The benefit formulas are complex, so we recommend that you contact the Social Security Administration for a calculation of any possible reductions.

You can also visit [www.socialsecurity.gov/gpo-wep/](http://www.socialsecurity.gov/gpo-wep/) for additional information.

## Insurance

If you have questions regarding your health and/or life insurance coverage, please contact your employing agency. In the event that you

cannot obtain the necessary information from your agency, please contact:

### Office of Group Benefits

**Mailing Address:** P.O. Box 66678,  
Baton Rouge, Louisiana 70896

**Website:** [www.groupbenefits.org](http://www.groupbenefits.org)

**Telephone:** Toll-free 800.272.8451 or  
225.925.6625

**Street Address:** 1201 N. 3rd Street, Ste  
G-159, Baton Rouge, Louisiana 70802

LASERS will make the deduction of your insurance premium in accordance with information received from the Office of Group Benefits. It may be a few months after you retire before your insurance premium is deducted from your LASERS retirement check. Please contact the Office of Group Benefits to determine if you must pay your initial insurance premiums directly to them. Your premium will be subject to possible increases or decreases each fiscal year. LASERS does not have access to your insurance records.

## Health Insurance Premiums

The premiums for health insurance coverage paid by any retiree participating in the Office of Group Benefits program, who has transferred service credit to the HAZ PLAN and retires with 12 years of service at age 55 or 25 years of service at any age, will be increased by an amount sufficient to pay for any increase in the employer's premiums resulting from his retirement pursuant to such sections. There is no increase for those who retire with 20 years of service at any age. NOTE: The health insurance increase is unique to the HAZ PLAN and is not impacted by the Office of Group Benefits Retiree Participation Schedule.