

LIAISON MEMORANDUM NUMBER 13-15

To: Agency Liaison Officers

From: Cindy Rougeou
Executive Director

Re: Reminder on Air Time Purchases and Health Insurance Premiums

Date: July 23, 2013

This is a reminder about how the purchase of Air Time for retirement eligibility might affect a member's health insurance premiums when that member retires. If a member purchases Air Time after July 1, 2011 for retirement eligibility, and uses that eligibility to retire earlier than he/she would have been eligible, the member will have to pay the increase in the employer's share of the health insurance premium until the age at which the member would have reached regular retirement eligibility without the purchase. Twenty years at any age is considered a regular retirement.* Therefore, a member who actually works 20 years would not have to pay a premium increase.

If there is a premium increase, the amount is determined by the Office of Group Benefits.

Each employee's situation is different, but two examples are provided.

- (1) A 45-year-old member with 22 years of service purchases five years of Air Time. If this member retires, he will not pay the premium increase.
- (2) A 51-year-old member with 18 years of service purchases three years of Air Time. If this member retires with 21 years of service (including the three purchased), she would pay the increase in premium until age 60 when she would have reached regular retirement eligibility.

**Twenty year retirement eligibility does not apply to Corrections Secondary members or to members of the Wildlife Plan hired on or after July 1, 2003.*

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