



RETIREE HEALTH INSURANCE PREMIUM ASSISTANCE (RHIPA) FAQ's

Q: Why is my RHIPA benefit being reduced?

A: Retirements and commencement of the RHIPA benefit have outpaced the projections that were used to develop the initial plan design and funding model of the RHIPA program. As a result, the existing plan design of the RHIPA benefit was not financially sustainable, and without adjustments to all elements of the program (City contribution, employee contribution, and benefit level/duration) the RHIPA plan would have been insolvent in 11 years. The new design has been modeled out to be solvent for 30 years. Future adjustments may still be necessary as the number of retirees, and employees for whom contributions are being made, fluctuates.

Q: If I retire, but I don't take the City's Retiree health insurance, do I still get the RHIPA benefit?

A: No. The purpose and intent of the RHIPA benefit is to give you more affordable access to the City's Self-Funded Retiree Health plan. You must be on the Retiree health plan in order to receive the RHIPA benefit in any form.

Q: What if I retire and don't take the City's insurance right away, but come back to the City Self-Funded Retiree Health plan later on, during an even-numbered enrollment year?

A: Yes, you would be eligible to begin drawing the RHIPA benefit when you return to the Retiree health plan before you become Medicare eligible. The duration of your benefit starts on the first day you enroll in the Retiree health plan, not the first day of your retirement, so if you were eligible for the 20-year benefit (12-year duration), the first day of the 12 years starts on the day your Retiree health plan coverage starts.

Q: If I leave the City and go to work for another Nevada Public Employees' Retirement System (PERS) employer, can I come back to the health plan when I retire in PERS, and get the RHIPA at that time?

A: No. You are not able to return to the City's Retiree Health Plan if the City was not your last Nevada PERS employer, and you would therefore not be eligible for the RHIPA benefit.

Q: What happens if I enroll in the Retiree health plan at time of retirement, later drop coverage, and subsequently return to the Retiree health plan during an even-numbered year before I become Medicare eligible?

- A:** The countdown on the duration of your benefit limit follows the time that you are enrolled in the Retiree health plan, and it would start and stop with your enrollment, and discontinuation of coverage in the plan. If you have 12 years of benefit eligibility, only time spent enrolled in the Retiree health plan when you are receiving the benefit counts towards the duration of that 12-year limit to the benefit.
- Q:** I'm retiring and taking my spouse's insurance, and I won't come back to the City's health plan as a retiree. Do I get the RHIPA benefit when I become Medicare eligible?
- A:** No. You must be enrolled in the Retiree health plan at the time that you become Medicare eligible in order to be eligible to receive the post-65 RHIPA benefit.
- Q:** What if I'm already 65 and immediately eligible for Medicare when I retire from the City and PERS?
- A:** In this instance, you would be transitioning from City self-funded active employee health plan coverage, directly to Medicare coverage, and would be eligible to receive the Post-65 RHIPA benefit immediately upon retirement for whichever eligibility tier you have qualified for. If you are retiring with less than 15 years of eligible service, then you would not be eligible for any RHIPA benefit.
- Q:** Does my service time with another Nevada PERS employer count towards my eligibility for the RHIPA benefit, or my RHIPA benefit level?
- A:** No. Your eligibility for the RHIPA benefit, and your benefit level are based upon your worked (earned) service credit at the City of Henderson, and service time with other Nevada PERS employers does not count towards your benefit.
- Q:** If I purchase PERS service credit, does that count towards my eligibility for the RHIPA benefit, or my RHIPA benefit level?
- A:** No. Your eligibility for the RHIPA benefit, and your benefit level are based upon your worked (earned) service credit at the City of Henderson and purchased service credit from Nevada PERS does not count towards your benefit.
- Q:** If I am a Retiree currently receiving the ten (10) year RHIPA benefit, will my benefit end immediately when the new plan eligibility and benefit rules take effect?
- A:** No. There will be a one (1) year grace period, and your RHIPA benefit will continue until April 30, 2024, unless it was already scheduled to terminate prior to that date.