

Congratulations! As we are aware, you have begun to plan your retirement with Stoughton Health. We understand that you may have many questions at this time and so we are providing you with the following benefit information prior to your retirement.

I. Eligibility and Definitions

A. Employees must be age 55 or older to retire from Stoughton Health per retirement plan guidelines.

B. Employees who are retiring with at least 30 total years of service:

1. In appreciation of a lifetime commitment to Stoughton Health, employee has the option of an in-house retirement party or an additional dollar amount added to your Visa Gift Card. The party will be coordinated by Human Resources and sponsored by Administration.

Option 1 - If the employee chooses the option of an in-house retirement party, Administration will provide the following: punch, cake, mints, nuts, cheese & crackers and veggie tray; Visa Gift Card to use towards a gift of his/her choice, flower arrangement or corsage, and a speech/recognition by the Manager, VP or President/CEO.

Option 2 – a \$200 Visa gift card for the employee and an additional value on a Visa Gift Card to use towards a gift of his/her choice.

C. Employees who are retiring with at least 20 total years of service:

1. In appreciation of commitment to Stoughton Health, employee has the option of an in-house retirement party or a meal gift card to a restaurant of their choice, or no special event. The party will be coordinated by Human Resources and sponsored by Administration.

Option 1 - If the employee chooses the option of an in-house retirement party, Administration will provide the following: punch, cake, mints, nuts, cheese & crackers and veggie tray; Visa Gift Card to use towards a gift of his/her choice, flower arrangement or corsage, and a speech/recognition by the Manager, VP or President/CEO.

Option 2 – a \$100 Visa gift card for the employee and an additional value on a Visa Gift Card to use towards a gift of his/her choice.

D. Employees who are retiring with at least 10 total years, but less than 20 total years of service:

1. In appreciation of commitment to Stoughton Health employee is eligible for an in-house retirement party or a meal gift card to a restaurant of their choice, or no special event. The party will be coordinated by Human Resources and sponsored by Administration.

Option 1 - If the employee would like an in-house retirement party, Administration will provide the following: punch, mints, nuts and cookies or dessert bars and a Visa Gift Card to use towards a gift of his/her choice.

Option 2 - If the employee would like dinner at a restaurant, Administration will provide the following: \$50 Visa gift card for the employee and an additional value on a Visa Gift Card to use towards a gift of his/her choice.

E. Employees who are retiring with less than 10 total years of service:

1. Are not eligible for a formal retirement party that is sponsored by Administration. However, coworkers may plan a “going-away” party (potluck lunch, etc.) at their expense.

II. Retirement to Per Diem or Occasional Status

Employees interested in retiring to per diem or occasional status to be able to continue working at Stoughton Health after retirement should please plan to stay off work at least one month and the first of the month following the retirement date. The IRS and ERISA both have guidelines here that must be followed. An employee can't be taking benefits both as an employee such as insurance benefits and as a retiree such as the retirement plan or social security in the same month. To protect against this, Stoughton Health asks retirees take one month off work before returning and picking up shifts as a Per Diem or Occasional employee.

III. Arrangements

A. Employee must meet with Human Resources to select the following:

1. Employee selects retirement date (last day has to be a worked day).
2. If employee is choosing the in-house party option, the employee selects retirement party details including date & time of the party. Refer to the “Eligibility” section above for details.
3. If employee is choosing the in-house party option, employee selects choice of a corsage or flower arrangement from Stoughton Floral, up to \$35 value.
4. A retiree is eligible for money towards a retirement gift of his/her choice if they have one full year of service. If eligible for a retirement gift, the employee will receive a Visa Gift Card to use towards a gift of his/her choice. The retiree gift is intended to be a keepsake, and will equal (\$18 for each year of service; prorated for each additional month of service for full-time, part-time, partial part-time employees, and per diem or occasional status employees working at least 1,000 hours in the preceding year-the gift card will be rounded to the nearest \$5 increment). Cash or cash equivalent awards given to employees are considered taxable income by the IRS. Therefore, the hospital will add the amount of the gift card to the

employee's paycheck, tax it but then take it back off. The hospital adds an additional compensation amount to the employee's paycheck to help assist with the taxes.

III. Tax Sheltered Annuity 403(b) Retirement Plan

- A. 403(b) Retirement Plan paperwork/options will be mailed to the retired employee's home to complete following the last paycheck. The terminating employee should complete the form and then return to Human Resources to be signed by the Plan Administrator.
- B. Newport Group 403b: Please contact Newport Group regarding your options with your retirement account at www.newportgroup.com or call (888) 401-5629.
- C. Lincoln Financial Group 403b: Please contact ISG Advisors at (608) 828-3703 regarding your options with your retirement plan.

IV. Health Insurance Retiree Group Health Insurance – Dean Health



Addendum to Employer Health Service Agreement - Retiree Policy

1277 Deming Way • Madison, WI 53717
(608) 828-1301 • www.deancare.com • (800) 279-1301

ELIGIBILITY: On the last day of employment prior to retirement, employee must be actively employed by Employer and insured in a current group plan offered by the same Employer; have reached a minimum age of 60 and have 10 years of service.

COVERAGE ENDS: The retired employee may remain on the plan until age 65 or until eligible for Medicare, whichever is earlier. Continuation coverage must be offered and become effective, if elected, when coverage is lost due to termination of employment or reduction in hours worked (loss of eligibility). An additional continuation offering may not be extended when retiree coverage ends.

ELIGIBILITY/SPOUSE: If the retiree dies, the spouse may remain on the plan until age 65 or eligible for Medicare, whichever is earlier. If the retiree turns age 65 prior to the spouse reaching age 65, the spouse may remain on the plan until age 65 or eligible for Medicare, whichever is earlier. At no time may the spouse remain on the plan more than 5 years beyond the point at which the retiree reached age 65 or would have reached age 65 in the case of death. The spouse will be offered COBRA through Stoughton Hospital.

ELIGIBILITY/DEPENDENT: N/A

EMPLOYER'S PREMIUM CONTRIBUTION: The retiree is responsible for 100% of the premium.

OPTIONS AT TIME OF RETIREMENT: An active employee must be insured by Dean, prior to initial election of retiree insurance benefits. If an Employee chooses to waive retiree and/or dependent coverage at the time of retirement due to having other group coverage, he/she may enroll into the retiree policy at a later date provided that eligibility criteria was satisfied on the date of retirement, and he/she is eligible for a special enrollment period.

SPECIAL ENROLLMENT PERIODS: If a retiree acquires a new dependent as a result of marriage, birth, adoption, or placement for adoption, the retiree may be able to enroll himself or his qualified dependents in the plan provided that Dean receives an application for enrollment within 30 days after the marriage, birth, adoption, or placement for adoption. If the retiree waived Dean retiree or dependent coverage when initially eligible for coverage under the retiree plan, one subsequent enrollment into the retiree plan will be allowed, but only if other group coverage is involuntarily lost and Dean receives an application for enrollment within 30 days following the date coverage was lost.

OPTIONS AT RENEWAL TIME: The retired employee may select another group health plan offered by the Employer during the annual enrollment period. Open Enrollment does not apply to retirees, spouses, or dependents.

OTHER INSURANCE CARRIERS: All other health insurers of the Employer must agree to add the same retiree provisions to their contracts. The Effective Date must also coincide. Dean requires assurances that the other insurance carriers include the same eligibility requirements and coverage provisions for insured retirees and their dependents. If they refuse to do so, Dean reserves the right to remove retiree language from its contract, at which time, those in the retiree segment will cease to be covered under the retiree segment.

OTHER GUIDELINES: A retiree and/or spouse must enroll in Medicare A & B when eligible and must notify Dean of the effective dates.

IV. Health Insurance

A. Retiree Group Health Insurance – Quartz (underwritten by Unity Health Plans)

Retiree Addendum, January 1, 2019

Eligibility: On the last day of employment prior to retirement, employee must be actively employed by Stoughton Health and insured in a current group plan offered by the same employer; have reached a minimum age of 60; and have 10 years of service.

Coverage Ends: The retired employee may remain on the plan until age 65 or until eligible for Medicare; whichever is earlier. If the spouse turns age 65 prior to the retiree, the retiree may remain on the plan until age 65 or eligible for Medicare, whichever is earlier.

Eligibility/Spouse: If the retiree dies, the spouse may remain on the plan until age 65 or eligible for Medicare, whichever is earlier. If the retiree turns age 65 prior to the spouse reaching age 65, the spouse may remain on the plan until age 65 or eligible for Medicare, whichever is earlier. At no time may the spouse remain on the plan more than 5 years beyond the point at which the retiree reached age 65 or would have reached age 65 in the case of death. The spouse will be offered COBRA through Stoughton Hospital.

Eligibility/Dependent: N/A

Employer's Premium Contribution: The retiree is responsible for the entire premium. Stoughton Health will not contribute.

Options at time of Retirement: An active employee must be insured by Quartz prior to initial election of retiree insurance benefits. If an employee chooses to waive retiree and/or dependent coverage at time of retirement due to having other group coverage, he/she may enroll into the retiree policy at a later date provided that eligibility criteria was satisfied on the date of retirement, and he/she is eligible for a special enrollment period.

Special Enrollment Periods: If a retiree acquires a new dependent as a result of marriage, the retiree may be able to enroll himself or his spouse in the plan provided that Quartz receives an application for enrollment within 30 days after the marriage. If the retiree waived Quartz retiree or spousal coverage when initially eligible for coverage under the retiree plan, one subsequent enrollment into the retiree plan will be allowed, but only if other group coverage is involuntarily lost and Quartz receives an application for enrollment within 30 days following the date coverage was lost.

Options at Renewal Time: The retired employee may select another group health plan offered by the employer during the annual enrollment period. Open Enrollment does not apply to retirees, spouses, or dependents.

Other Insurance Carriers: All other health insurers of the employer group must agree to add the same retiree provisions to their contracts. The effective date must also coincide. Quartz requires assurances that the other insurance carriers include the same eligibility requirements and coverage provisions for insured retirees and their dependents. If they refuse to do so, Quartz reserves the right to remove retiree language from its contract, at which time, those in the retiree segment will cease to be covered under the retiree segment.

Other Guidelines: A retiree and/or spouse must enroll in Medicare A & B when eligible and must notify Quartz of the effective dates.

B. Medicare Supplement

Eligibility: age 65 or older and must be currently enrolled in Dean Health Plan or Quartz insurance offered by the Hospital. Employee must contact the Social Security Administration office to request a Medicare Application, which must be submitted to your Health Plan (Dean Health Plan or Quartz) by 1 month prior to the employee's retirement.

C. Medicare

Eligibility: Age 65 or older or already collecting social security. You are encouraged to contact the Medicare office to determine your Medicare enrollment deadline. An enrollment date delay or late fees could apply if you do not apply for Medicare within three months of 65th birthday or within eight months after you stop working. Please contact the local Medicare office for more information.

D. COBRA Continuation of Health Insurance

Eligibility: Stoughton Hospital health insurance plan participant with a qualifying event. Qualifying events includes a retirement, voluntary termination or a reduction in hours. This applies to both Stoughton Hospital health insurance plans for a maximum coverage period of 18 months.

E. Dean Gold Insurance

*Note: Retirees interested in picking up Dean Gold Insurance should contact Dean Customer Service at (800) 279-1301.

E. Quartz Medicare Select Plan

* Note: Retirees interested in picking up a Quartz Medicare Select Plan should contact Quartz Customer Service at (608) 644-3430 or 800-362-3310.