TEACHERS' RETIREMENT BOARD

BENEFITS AND SERVICES COMMITTEE Item Number: 5

SUBJECT: Triennial Health Benefits Study

CONSENT: ___ ATTACHMENT(S): 1

ACTION: ___ DATE OF MEETING: April 7, 2017 / *30 mins.*

INFORMATION: X PRESENTER(S): Alisa Dobbins

**PURPOSE**

This study reports on the status of health care benefits for CalSTRS active and retired member populations regarding access and support from current and former employers.

**BACKGROUND**

Health care can be one of the largest expenses in retirement. In limited circumstances CalSTRS helps with the cost of Medicare premiums through the Medicare Premium Payment Program (MPPP), but CalSTRS does not administer a health benefits program. For CalSTRS members, one important factor in maintaining their standard of living in retirement is the degree to which employers support health benefits while an active employee and how the cost-sharing relationship may change in retirement.

**METHODOLOGY**

Data from the California Department of Education for the Salary and Benefits Schedule for the Certificated Bargaining Unit (surveyed on the Form J-90) is used to assess health benefits for K-12 educators. CalSTRS conducts its own survey to supplement this data with California Community College District (CCD) educator information. Published studies and research from industry experts were also used for comparison and to report on national trend information.

**KEY FINDINGS**

1. Over 95 percent of responding employers support active K-12 California educator health benefits, representing over 95 percent of teachers currently working.

2. Two-thirds of responding employers support retirees health benefits for K-12 California educators who retiree before Medicare eligibility, representing over 80 percent of teachers currently working.

3. Over 15 percent of employers support K-12 California educator health benefits once Medicare eligibility is obtained, representing over 30 percent of teachers currently working.

4. When employer support for health benefits remains in retirement, the health benefit premium cost-sharing relationship for K-12 California educators does not change dramatically. Since the cost-sharing relationship has minimal change, the most crucial part of retirement planning regarding health benefits is whether the employer continues to support the benefits in retirement.

5. Time-base requirements, hire dates, and years of service totals are all tools used by employers as prerequisites for employer-supported health benefits.

6. Almost two-thirds of all Community College District (CCD) faculty are temporary employees. With time-base and years of service minimums to qualify for health benefits, temporary faculty may or may not qualify.

# CalSTRS Health Benefits Study

## April 2017

# Introduction

Health care can be one of the biggest expenses in retirement. In limited circumstances CalSTRS helps with the cost of Medicare premiums through the Medicare Premium Payment Program (MPPP), but CalSTRS does not administer a health benefits program. For CalSTRS members, one important factor in maintaining their standard of living in retirement is the degree to which employers support health benefits while an active employee and how the cost-sharing relationship may change in retirement. This study reports on the status of health care benefits for CalSTRS active and retired member populations regarding support from current and former employers.

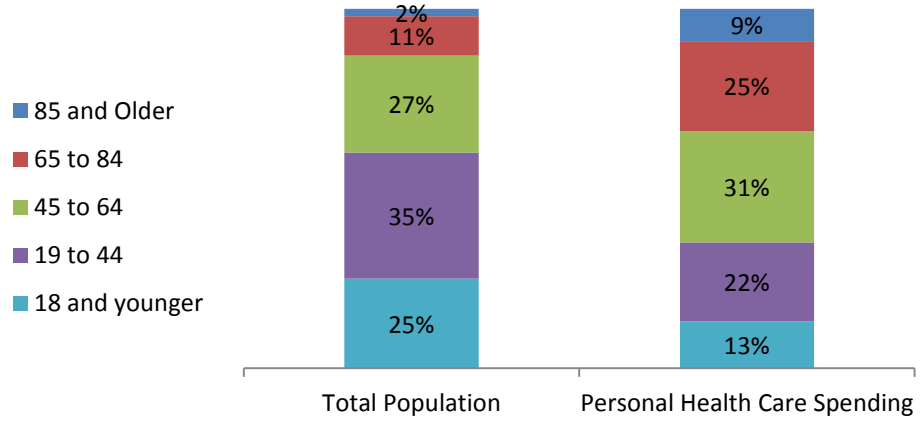
In the past this study has concluded active CalSTRS members have both exceptional access to health benefits and financial support from their employers for those benefits. When a member retires before Medicare eligibility most employers continue some kind of support for their former employees. Upon reaching Medicare eligibility support drops. This trend is common among all employers nationally, not just employers for California's educators.

National trends show that as bargaining contracts are updated, hire dates are being used to restructure active health benefits and eliminate postretirement health benefits for the newer employees. By examining the health benefits coverage of current contracts we can assess changing coverage of retiree benefits and understand how future retirees may be impacted differently by health costs in retirement.

# Health Care Needs in Retirement

Over the past decade, national health spending has outpaced inflation, growing annually at an average rate of nearly 4 percent; and health care costs are age-rated, meaning older people spend more on health care than younger people, both due to the type and frequency of services used. [1] Those 65 and older represent one-third of health care spending, and only 13 percent of the population (Fig. 1).[2] As people live longer health care costs will continue to increase. Longevity makes the

**Fig. 1 Share of Population vs. Personal Health Care Spending**
by Age Group, United States, 2010




Adapted from the California Health Care Almanac "Health Care Costs 101: ACA Spurs Modest Growth" (2016)

total financial need for health care in retirement greater as costs continue to accumulate over increasingly longer lives. While chronic health conditions may cost more to treat and manage, the true predictor of health care costs in retirement is life expectancy.[3]

Access to health care benefits and the costs of those benefits have posed hurdles for retirees. Since its passage in 2010, the Affordable Care Act (ACA) has removed barriers associated with poor access to coverage for older Americans, such as extreme age rating in premium costs and preexisting condition exclusions. As a result, more adults ages 50 to 64 have coverage, though some still have financial barriers to maintaining coverage.[4] Pre-Medicare retiree coverage costs up to twice the cost of Medicare-eligible retiree coverage because these plans are the primary source of coverage, instead of secondary as with health plans that supplement Medicare.[5] However, when Medicare coverage begins at age 65, it only covers about half of health care costs.[6] Retirees either have to pay for additional expenses out-of-pocket or find supplemental insurance to accompany Medicare.

Although the provisions of the ACA help manage the costs for both pre-Medicare and Medicare-eligible adults, the average individual retiring at 65 will need $124,000 – or more for women – to cover health care expenses throughout retirement (including supplemental insurance premiums, Part B premiums, Part D premiums, and out-of-pocket expenses). It is estimated a married couple will need an average of a quarter of a million dollars to account for these costs through their retirement years, more if they retire before age 65.[7]

## A couple retiring at age 65 will need on average $250,000 to cover health care expenses for the rest of their lives.

Living costs while working are used to calculate income replacement ratios for retirement planning. These ratios quote a percentage of working salary needed to provide for a comparable standard of living in retirement.[8] However, calculating heath care costs in retirement is not as simple as replacing a percentage of working salary. In addition to these costs increasing as one ages, if the rate of increase seen in health care costs continues to exceed the national inflation rate the cost of health care may begin consuming a greater proportion of resources in retirement.[9]

Employer-based health benefits in retirement can play a major role in retirement security. Employer-sponsored retiree health plans help manage and predict costs for all retirees, but are especially important for the financial security of those retiring before Medicare eligibility.[10] Additionally, employer support can help fill in coverage where Medicare benefits stop. Retirees may still see a premium increase as they transition into retirement, but that increase can be significantly diminished when the employer continues sharing the cost of the premium into retirement.

## National Trends in Employer Support

When discussing employer-supported benefits there is an important distinction to make between offering health benefits and supporting them. To support, sponsor, or cover benefits means to contribute to a portion of the cost so the employee is not responsible for the entire amount. The employer could still offer health benefits as a vehicle for continuing enrollment in the plan with no monetary support toward the premiums. For instance, the California Education Code does not require monetary support for retirees, but does require an opportunity for enrollment in single-party and two-party health plans that are comparable to those available for the active employee population.

**To support, sponsor, or cover benefits means to contribute to a portion of the cost so the employee is not responsible for the entire amount.**

As a national trend, employer monetary support has been declining. Financial Accounting Standards Board and Governmental Accounting Standards Board (GASB) changes, in 1990 and 2005 respectively, required private firms and public agencies to begin accounting for benefits already paid and expected to be paid in their financial reporting, including retiree health benefits.[11] The perceived increase in employer financial obligations may have encouraged employers to cut health benefits to eliminate the appearance of added expenses.[12]

Highly unionized workers and public-sector employees are experiencing changes more slowly, but the numbers are still in decline. After the new GASB rules, there has been almost a 20 percent drop in the number of public-sector employers offering health coverage to retirees. The new GASB rule may account for some of this change.[13] The prevailing strategy for public-sector employers, as opposed to cutting retiree support altogether, is to increase the employee share of premiums and restructure health plans to help manage costs.[14]

**Employers adopt requirements – such as time-base percentages, hire date demarcations, and years of service minimums – to qualify for health benefits support.**

Employers are hesitant to remove or place restrictions on benefits promised to existing employees, but are more open to cutting benefits to new employees.[15] One strategy used by public-sector employers is to adopt qualification requirements for employer-sponsored benefits. These requirements can include hire date demarcations, years of service minimums, or time base percentages. As a result, the employees subject to the new retiree support requirements will not become eligible for retiree health benefits for possibly decades, delaying the changes far into the future. The use of this strategy along with restructuring benefit cost-sharing explains why the recent decline in support is gradual. Existing

employees are not seeing as much of a decrease in the coverage or support levels, their newly hired counterparts are.

There has also been an incremental increase in the utilization of the ACA marketplaces to help manage costs by using Health Reimbursement Accounts (HRA) and Health Savings Accounts (HSA) for retirees.[16] By using these accounts and sending retirees to the marketplace to find their own health plan, employers can cut down on administrative expense and predict cost more efficiently through predetermined contribution amounts. By still providing monetary support, employers also avoid the ethical dilemma faced with dropping retiree health benefits altogether, especially pre-Medicare retirees who have the hardest time obtaining coverage. Notably, this approach does not appear to be isolated to employers. Older Americans may be interested in exploring coverage options available through the new marketplaces to compare to their current plan or to see if they qualify for certain subsidies.[17] In this way, retirees may become an agent in this trend.

## CalSTRS Member Outlook

CalSTRS members have some features in both their benefit and workforce that help mitigate some of the concerns regarding funding health care in retirement. First, they have a lifetime benefit. In contrast, other retirees have to rely on savings or a finite amount of funds. CalSTRS retiree income is predictable and secure, making budgeting more manageable. Second, while the yearly improvement factor for CalSTRS benefits is a fixed 2 percent increase based on the original benefit amount, supplemental benefits CalSTRS currently offers also ensure member benefits do not fall below a certain level of purchasing power over time.[18] Third, CalSTRS covers the cost of Medicare Premiums – through the Medicare Premium Payment Program – for current retirees who met the eligibility criteria and retired when the program was being offered. This helps older adults address health care costs more easily. Finally, as teachers, CalSTRS members are highly unionized public-sector employees. Highly unionized employees are generally well supported by employer-sponsored health benefits in retirement. [19] Existing benefit agreements are maintained and changes, if any, typically impact new employees only. As such, CalSTRS members will feel the effects of retiree health coverage changes more gradually. Some of the trends mentioned above, however, still apply to CalSTRS members, as can be seen in the data below.

## Data and Methodology

To conduct this study, data collected from the California Department of Education for the Salary and Benefits Schedule for the Certificated Bargaining Unit (surveyed on the Form J-90) is used. The data set is for K-12 districts only. Retirees were added to this data set beginning with the 2011-12 fiscal year. The response rate of this survey is consistently above 80 percent of districts, and the respondents represent more than 90 percent of active certificated employees. The data captures information for active employees, pre-Medicare eligible retirees, and Medicare-eligible retirees separately. This allows support rates to be compared separately or as a whole.

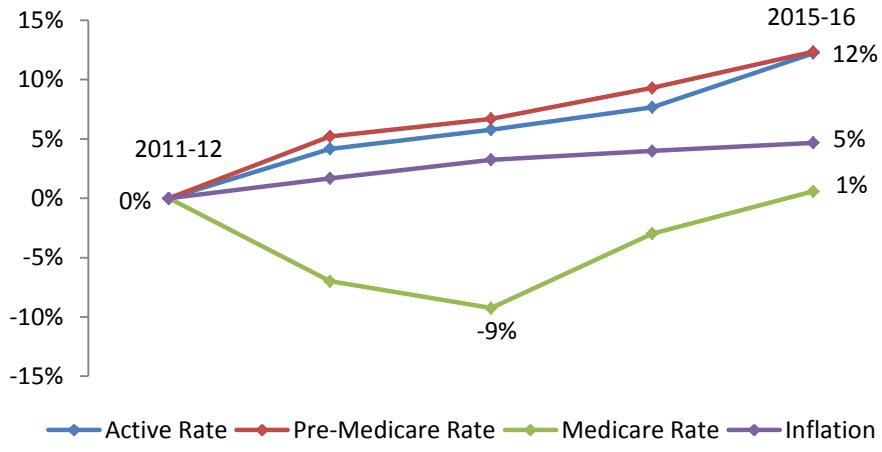
CalSTRS surveys Community College districts separately to supplement this data. For consistency, the data collected is modeled after the Form J-90. Some additional questions are asked to address the more unique aspects of Community Colleges, mainly the larger proportion of temporary teachers compared to K-12 districts. Collection of the Community College data has been less frequent, but spans the same time period. The response rate for this survey for the three collections in the last five years has been 25 percent or greater. Overall this results in a much lower representation – 20 percent of the active teacher population – than seen with the K-12 data.

One issue with both sets of data is the varying rules regarding retiree benefits. Hire and retirement dates can subject some employees to different rules. Where possible, the data has been controlled for this variable by basing the information presented on the most recent contract with the most up to date rules. This accounts for the changes that might not yet be impacting current retirees but reflects the coverage in place for current and future employees. Despite these efforts, some inconsistencies remain. Some current employees may have more favorable benefit structures than those represented in this study because contracts at date of hire may differ. Overall, the data gives us information about what active employees and new hires can expect throughout their career.

## K-12 Districts

Consistent with national trends, the cost of health plans for CalSTRS members increase at a rate that outpaces inflation. The cumulative increase in total cost (including employer and employee shares) for active and pre-Medicare retiree health benefits are more than double the national inflation rate since 2011-12 when using that year as a base. Interestingly, benefit plans offered to Medicare-eligible retirees have followed an irregular pattern with an initial decrease in the premium cost and growth returning in 2014. The ACA was designed to reduce excess and unnecessary spending and increase coverage for seniors. At the same time, Medicare began covering more preventative services with less additional

**Fig. 2 Cumulative K-12 Premium Growth Rates**



expense. This may be why Medicare-eligible retirees saw an initial decrease in their plan costs after the ACA passage in 2010 with a steady increase again after 2014 when most aspects of the ACA implementation were complete.

In addressing support levels, in every year since 2011-12 over 95 percent of California K-12 districts (97 percent of teachers currently working) offer at least one employer-supported health plan to active employees, over 65 percent of districts (over 80 percent of teachers currently working) support at least one employer-supported health plan for pre-Medicare retirees, and just over fifteen percent of districts (over 30 percent of teachers currently working) offer at least one employer-supported health plan for Medicare eligible retirees (Fig. 3 and 4). As seen in the data, these trends are stable. To compare retirees nationally, in their report "Retiree Health Benefits at the Crossroads," the Kaiser Family Foundation cites 45 percent of pre-Medicare retirees in 2012 and 31 percent of Medicare-eligible retirees in 2010 had employer-sponsored health benefits.

**Fig. 3 K-12 Support Rates**
for at least one health plan by districts

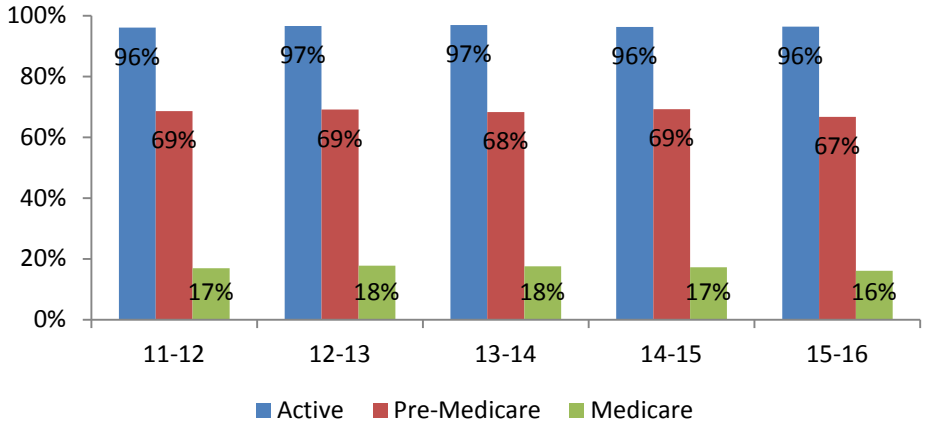
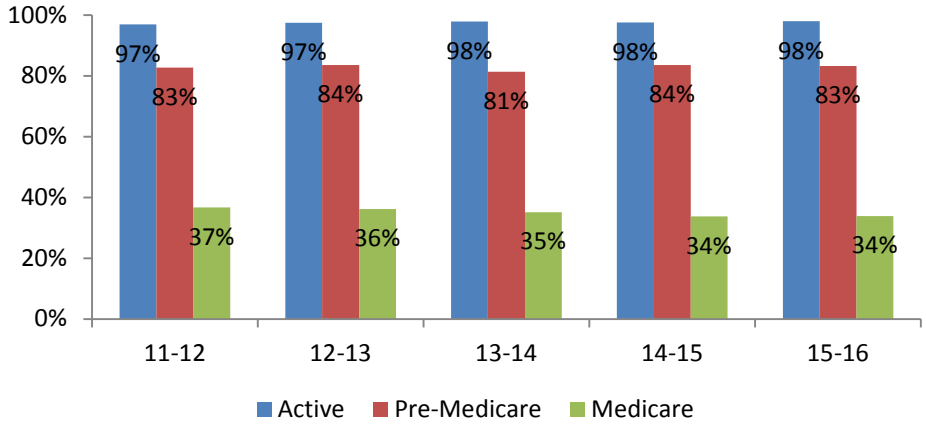


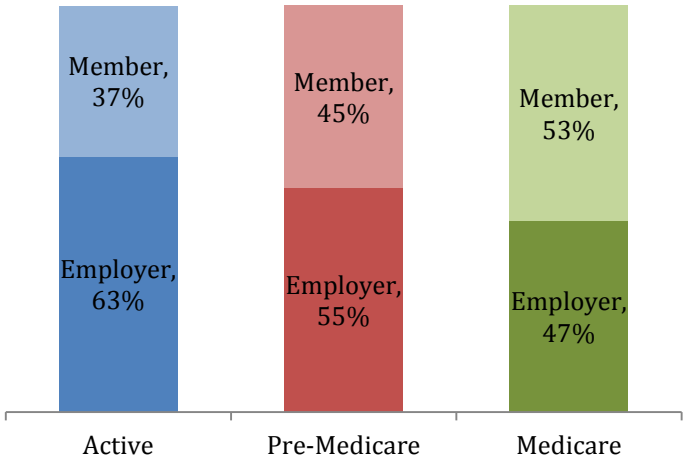

**Fig. 4 K-12 Support Rate**
for at least one health plan by active teachers



According to the Kaiser Family Foundation 2016 Employer Health Benefits Survey, only 56 percent of all firms nationwide offer support to their active employees. Looking at retirees, the same study finds that 24 percent of larger employers (defined as 200 or more employees) that offer support to active employees also offer them to retirees. With California K-12 schools with 200 or more employees, 87 percent of employers that offer coverage to active employees offer coverage to pre-Medicare retirees and 24 percent offer coverage to Medicare-eligible retirees. This exceeds Kaiser's finding. The Kaiser Survey does not distinguish between pre-Medicare and Medicare-eligible retirees. If the pre-Medicare and Medicare retirees are aggregated, all K-12 retirees would be better covered than the national figure.

While overall coverage seems to be greater in California K-12 schools for active employees and retirees than is reported nationally, there are still some similar trends for retirees. As a general rule, support drops with transition to retirement and again once acquiring Medicare eligibility.[20] Employers are much more supportive of pre-Medicare retirees (Fig. 3 and 4) despite that supplemental plans for Medicare eligible retirees are much less expensive (Fig. 6 and 7).

**Fig. 5 K-12 Monthly Cost-Sharing**
all Health Plans 2015-16




Where California K-12 employees do have support from their employer toward premiums in retirement, the employer share of cost decreases across all health plan types only 16 percent on average (Fig. 5). In 2015-16 this amounts to an average increase of $108 in monthly share of their health care premium when they retire before Medicare eligibility.[21] For members retiring after Medicare eligibility there is actually an average decrease of $46 in the member share of health premiums (Fig. 6).

Retirees are most commonly enrolled in Single-Party and Two-Party plans. While the member share of the average single or two-party premium still goes up $61 when retiring before Medicare eligibility, when retiring after Medicare eligibility the member share generally decreases about $28 (Fig. 7). These amounts, along with expected Medicare premium amounts, should be considered during the retirement

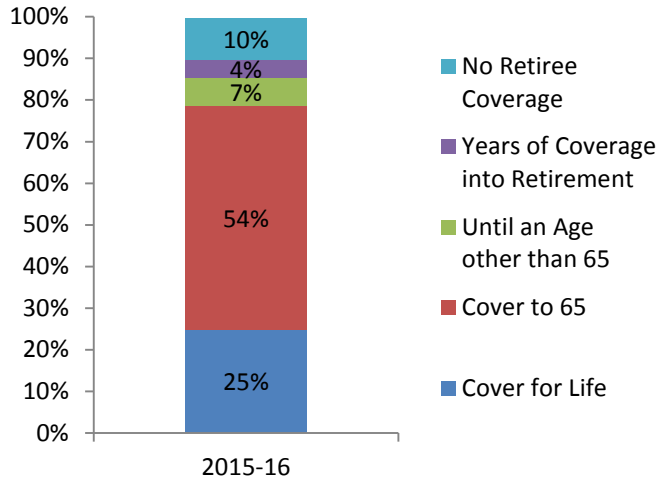
planning process.[22] The most pressing concern for retirees will be whether their employer helps with benefit premiums in retirement, not how the cost-sharing distribution may change at retirement.

| Fig. 6 2015-16 Monthly Cost-Sharing for K-12 All Health Plans | Total Cost | Member Cost | Employer Cost |
|---|---|---|---|
| Active | $ 1,241.81 | $ 460.01 | $ 781.79 |
| Pre-Medicare Retiree | $ 1,269.24 | $ 568.75 | $ 700.48 |
| Medicare Retiree | $ 781.45 | $ 414.04 | $ 367.41 |

| Fig. 7 2015-16 Monthly Cost-Sharing for K-12 Single-Party and Two-Party Health Plans | Total Cost | Member Cost | Employer Cost |
|---|---|---|---|
| Active | $ 1,031.32 | $ 359.43 | $ 671.89 |
| Pre-Medicare Retiree | $ 1,072.36 | $ 420.42 | $ 651.94 |
| Medicare Retiree | $ 657.65 | $ 331.56 | $ 326.08 |

Assuming retirees would need to pay the total premium cost – commonly divided between member and employer – without employer cost-sharing, retirees would need an additional $300 to $700 dollars per month above what would have been their member portion in order to cover the share that would have been covered by the employer (Fig. 6 and 7). This is a considerable increase for members whose former employer does not continue cost-sharing into retirement at all. This amount would vary based on whether they retire before or after Medicare eligibility and how many people are covered by their health plan. The alternative is to forgo health benefits altogether before Medicare eligibility, only rely on Medicare health benefits, or try to find less expensive yet comparable coverage in the health benefit exchange marketplace. All of these considerations can influence retirement planning decisions, including choosing when to retire. For instance, a member without support from their former employer who is ready to retire before Medicare eligibility may forgo retirement until age 65 so they only have to purchase a health plan to supplement Medicare.

**Fig. 8 K-12 Coverage Length**
by active teachers



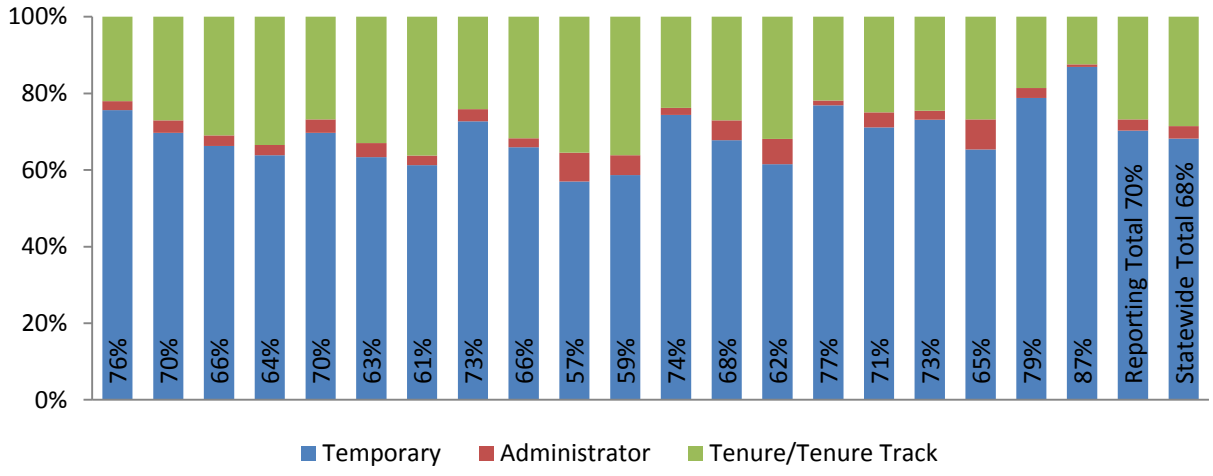

Duration of support can be another key factor in the total cost of health care benefits in retirement. Some coverage into retirement, especially until Medicare eligibility occurs, can help mitigate expenses and ease the transition to retirement. While

10 percent of current teachers work for a K-12 district that does not offer any retiree support, 79 percent of current employees can expect to have health benefit support from their former employer at least through age 65 – when Medicare eligibility usually begins. The remaining 11 percent will receive coverage into retirement for a certain number of years into retirement or until a specific age other than 65. For 75 percent of teachers their employer does not cover retiree benefits for life (Fig. 8), so cost-sharing will end either at retirement or during retirement and the employee will need to begin covering the health care costs that were otherwise covered by their employer (Fig. 6 and 7). [23] However, these results show 90 percent of CalSTRS members who retire from a K-12 district will benefit from some cost-sharing with their former employer for a number of years into retirement (Fig. 8). For the 65 percent where this coverage does not last for life, this should still allow some time to plan and strategize for future health care expenses in anticipation of that support ending.

## Community College Districts

Community College Districts (CCD) are unique in that a larger proportion of their workforce is temporary faculty. Temporary faculty is defined as working less than 67 percent of full time. Stipulations often exist in bargaining agreements whereby various time-base and service-length criteria are used for temporary teachers to qualify for health benefits. Furthermore, these requirements often change from one contract to the next. Retirees can be subject to these requirements as well.

**Fig. 9 Certificated Workforce Distribution**
by Reporting District for 2015-16

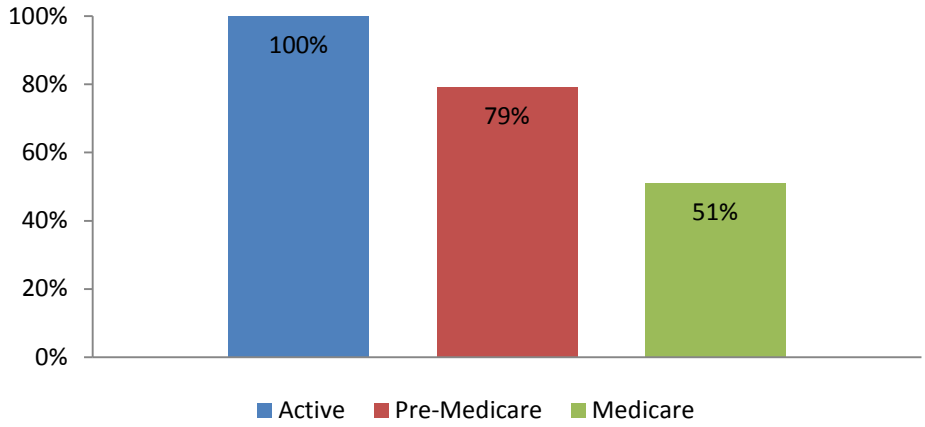



Data from the California Community Colleges Chancellor's Office was reviewed to determine the distribution of the certificated employees (those subject to CalSTRS) in each district.[24] The data for the 20 responding districts (Fig. 9) confirms that temporary employees make up the core of that group. We can use these numbers to assess the overall coverage for temporary faculty regarding employer support

for their health benefits. For instance, if full time service is required to qualify for employer support for health benefits, that would exclude most of the CCD faculty in that district.

In the 2015-16 survey data, all reporting districts offer support to active employee health benefits. Seventy-nine percent of faculty work for a district that offers health benefit support to pre-Medicare retirees and about half of faculty work for a district that supports Medicare-eligible retirees in some capacity (Fig. 10).

**Fig. 10 2015-16 CCD Support Rates**
by all active faculty




When contextualizing these numbers for the temporary faculty who make up the majority of the workforce, only 47 percent of all faculty represented and only 49 percent of temporary faculty represented work for a district that provides health benefits support to their temporary faculty. Furthermore, all responding districts that offer benefit support for their temporary faculty had prerequisites to receive that support in every year surveyed. In all cases this required a certain percentage of full time or a certain course load requirement, averaging about 50 percent of the full time equivalent. On average more than 60 percent of the CCD faculty has temporary status (Fig. 9), meaning most of the workforce would need to monitor their eligibility for health benefits if they need to rely on their employer for health coverage.

In all survey years all but one of the districts have a service length requirement for retirees to qualify for district supported benefits averaging about twelve years, and typically these follow the same time-base guidelines required for active employee benefit support. More than half of the districts in fiscal year 2015-16 require the employee to have been full time for a portion of his or her career. This would exclude any faculty that worked an entire career in a temporary capacity from receiving employer-supported benefits in retirement from these employers.

When it comes to the length of coverage into retirement, there is some variation year to year. With the small number of community college districts responding each year, changes may be due to the sample

size and variation. [25] Despite a variation in the lifetime support figures, there still seems to be a general decrease in this area. However, for each survey year more than three-quarters of employees in the reporting districts could expect some health benefit support for some number of years into retirement as long as they meet the prerequisites (Fig. 10). As discussed earlier, meeting the prerequisites is crucial because most of the CCD faculty is temporary and therefore would have a harder time meeting the requirements by retirement.

## Conclusions

While the decline in employer-supported health benefits for both active and retired employees trends nationally, CalSTRS K-12 teachers appear to be insulated from the change. The level of support remains high for these teachers at least until Medicare eligibility. These members do not appear to be burdened in retirement by the cost of their health benefits when their former employer shares the cost. In comparison, approximately 60 percent of California CCD faculty are temporary employees and may or may not be eligible for health benefits as active employees or retirees. Overall, where employers do support health benefits in retirement for CalSTRS members, even if not covered for life, there is time at the beginning of retirement, either before Medicare eligibility or for a certain number of years into retirement, for members to consider how to absorb the full cost of health care when the employer support ends.

Member responses to the 2015 Retirement Readiness Assessment Survey are consistent with these conclusions. A majority of the retired respondents find private health insurance costs only slightly or not at all difficult to finance. The majority are also paying less than or about what they expected to pay for health benefits in retirement. The Retirement Readiness Assessment also shows that a significant portion of active members are unaware of how health care expenses will impact their retirement.

When planning for retirement, it is important for CalSTRS members to understand health care needs in retirement and how those needs will be met, either by their former employer or through out of pocket expenses. Relying on a replacement ratio alone may not be enough to predict these costs. Needs are as individual as each member, and each employer has its own rules and support levels. To plan appropriately, there are some questions CalSTRS members can ask themselves when planning for health benefits in retirement:

> Will my employer share my health benefit premium costs in retirement?
> How will my portion of health benefit premium costs change in retirement?
> How long will employer support for my health benefits continue in retirement?
> What proportion of my monthly income in retirement will be absorbed by health benefits?
> What other benefits, such as dental and vision, will I need to plan for in retirement?
> How would waiting until I am Medicare eligible affect my retirement income?
> Do I qualify for CalSTRS Medicare Premium Payment Program?

The questions above can assist preparing for retirement. The most powerful tool for those considering

retirement is the knowledge they can gather from their district and CalSTRS benefits specialists to help accurately plan for this need.

## End Notes

[1] Wilson, K. (May 2016.) "Health Care Costs 101: ACA Spurs Modest Growth." California Health Care Almanac.
[2] Ibid.
[3] Health View Services. (2016). "2016 Retirement Health Care Costs Data Report." Health View Insights.
[4] Skopec, L., Waidmann, T.A., Sung, J., & Dean, O. (October 2015). "Monitoring the Impact of Health Care Reforms on Americans 50-64: Uninsured Rate Dropped by Nearly Half between December 2013 and March 2015." Insight on the Issues, 101.
[5] McArdle, F., Neuman, T., & Huang, J. (April 2014). "Retiree Health Benefits at the Crossroads." The Henry J. Kaiser Family Foundation.
[6] Health View Services Financial. (2015). "Closing the Retirement Health Care Costs Planning Gap: The Next Retirement Planning Challenge." Health View Insights.
[7] Fronstin, P., Salisbury, D., & VanDerhei, J. (October 2015.) "Amount of Savings Needed for Health Expenses for People Eligible for Medicare: Unlike the Last Few Years, the News is Not Good." Employee Benefit Research Institute Notes, volume 36, issue 10.
[8] Health View Services Financial. (2015). "Retirement Health Care Costs and Income Replacement Ratios." Health View Insights.
[9] Health View Services. "2016 Retirement Health Care Costs Data Report."
[10] McArdle, F., Neuman, T., & Huang, J. "Retiree Health Benefits at the Crossroads."
[11] Fronstin, P. & Adams, N. (October 2012). "Employment-Based Retiree Health Benefits: Trends in Access and Coverage, 1997-2010." Employee Benefit Research Institute Issue Brief, 377.
[12] Ibid.
[13] Fronstin, P. & Adams, N. "Employment-Based Retiree Health Benefits: Trends in Access and Coverage, 1997-2010."
[14] Ibid.
[15] Ibid.
[16] McArdle, F., Neuman, T., & Huang, J. "Retiree Health Benefits at the Crossroads."
[17] Smolka, G., Dean, O., Caswell, K.J., Waidmann, T.A., & Weiss, A.L. (December 2015). "Monitoring the Impact of Health Care Reforms on Americans 50-64: Use of Insurance Marketplaces." Insight on the Issues, 97.
[18] CalSTRS supplemental benefits are calculated using the consumer price index which includes health care costs.
[19] McArdle, F., Neuman, T., & Huang, J. "Retiree Health Benefits at the Crossroads."
[20] Ibid.
[21] As a member moves from active to pre-Medicare retiree status there is an increase in the member portion of the benefit premium due to a slight increase in the total premium cost and a slight decrease in the total employer support.
[22] Medicare-eligible retirees may still be responsible for Medicare Premiums which may offset some of the decrease in cost-sharing they see at retirement.
[23] There is some overlap of employers that reported they do not offer support for active employees that subsequently cover some benefits in retirement. These could be employers that provide salary support for benefits while active that then cover some of the cost directly in retirement. For these few members their cost-sharing experience before and after retirement may differ from the rest of the teacher population.
[24] "Employee Category Headcount Distribution by District: Report on Staffing for Fall 2015." California Community Colleges Chancellor's Office. http://employeedata.cccco.edu/headcount_by_district_15.pdf
[25] Given the small number of CCD responses (n=20), a response rate of twenty-eight percent, what remains is a small sample which can contribute to more variation over time.