

# ADMINISTRATIVE REGULATIONS

Number: 227  
Sections: 1-6  
Effective Date: November 1, 1992  
Revision:

**SUBJECT: RETIREE MEDICAL PLAN**

1. **Purpose.** To provide direction and responsibility for administration of the Retiree Medical Plan, per Exhibit A.

2. **Authority.** Huntington Beach City Charter, Section 401.

3. **Application.** This regulation shall apply to all departments.

4. **Responsibilities:** Responsibilities are assigned as follows:

## 4.1 Personnel

4.1.1 Create and maintain all benefit eligibility records from employment date through termination or retirement date with timely notification to Finance/Payroll and Risk Management of current status.

4.1.2 Receive, reconcile and promptly forward all vendor premium billing statements to Accounts Payable, except for components of the Indemnity Medical Plan.

4.1.3 Conduct interviews with all separating or retiring employees, advising them of their eligibility to continue benefits; establishing the cost to the retiree or COBRA-eligibles employee to continue benefits; advising of City subsidy, billing procedures, and obtaining a signed statement attesting to the options exercised by the terminating or retiring employee.

4.1.4 Prepare and transmit to Finance/Payroll initial premium invoice, (with a copy to the Treasurer) and any subsequent notices of change of premium.

4.1.5 Prepare certified notification of subsequent cancellation of eligibility of the retiree or COBRA-eligibles in accordance with the applicable memorandums of understanding. Notify Treasurer, Finance and Risk Management of the delinquency, cancellation or continuation of benefits.

4.1.6 Conduct an annual verification of each retiree's continuing eligibility to receive benefits. Seek reimbursement if the retiree received subsidy benefits when insured or eligible for health insurance coverage from another employer.

4.1.7 Notify eligible retirees of open enrollment options annually.

## 4.2 Treasurer

4.2.1 Administer a follow-up system to ensure that timely payments are received from retirees and COBRA-eligibles. When delinquent 30-45 days, immediately notify Personnel to initiate cancellation notification in accordance with the memorandums of understanding.



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4.2.2 Place all premium monies collected from retirees and COBRA-eligibles into designated accounts.

## 4.3 Finance/Accounting & Records

4.3.1 Prepare and transmit monthly invoices to retirees and COBRA-eligibles invoices for various benefit plans. The premium invoice shall specify the benefits being purchased.

4.3.2 Establish and maintain revenue accounts for employees, retirees and COBRA-eligibles to insure sufficient monies are available to fund benefit plans for same.

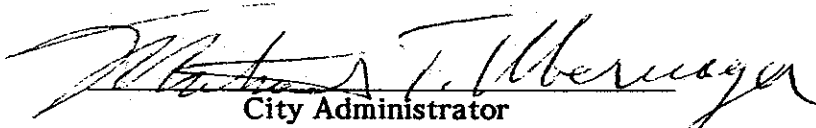
## 4.4 Risk Management

4.4.1 Maintain current eligibility records for Indemnity Medical Plan for employees, retirees and COBRA-eligibles from information provided by Personnel.

4.4.2 Reconcile and process premium billing statements to Accounts Payable for for payment of Indemnity Medical Plan related components

4.4.3 Establish annual budget recommendations for funding of retirees and COBRA-eligibles' costs for the Indemnity Medical Plan.

5. Procedures - In order to properly discharge the responsibilities outlined above, Personnel, Treasurer, Finance/Accounting and Risk Management shall each develop and administer the appropriate procedures.

  
City Administrator

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