

### **Increase in Non-Medicare Eligible Retiree Health Subsidy for Career Members of KERS, CERS, and SPRS**

Senate Bill 209 increases the non-Medicare eligible retiree health subsidy for career members of KERS, CERS, and SPRS who began participating in the system on or after July 1, 2003, who are eligible for a fixed-dollar retiree health subsidy not tied to the premium.

The increase in the insurance dollar contribution for members hired on or after July 1, 2003 would be equal to:

- (1) \$5 for every year of hazardous service a member attains over 20 years for Tier 1 members; or
- (2) \$5 for every year of hazardous service a member attains over 25 years for Tier 2 and Tier 3 members; or
- (3) \$5 for every year of service a member attains over 27 years for nonhazardous members.

This increase in the insurance dollar contribution, effective January 1, 2023, is only payable for non-Medicare eligible retirees when the member's applicable insurance fund is at least 90% funded.

Additionally, the insurance changes in SB 209 would allow members who are eligible for the insurance dollar contribution to be reimbursed for premiums for health insurance plans other than those administered by KPPA. These reimbursement provisions take effect January 1, 2023.

