

CERTIFICATED EMPLOYEE EARLY RETIREMENT

Certificated employees who elect to retire, having reached the age of 57, may be allowed to receive 100% of a single health insurance premium provided by the District or the same percentage of the single insurance rate provided by the NSEA. Beginning with the 2005-2006 school year, the school will pay the retiring teacher the dollar amount, which is equal to 100% of the single premium. The money paid to the teacher is **not** subject to **FICA taxes and the Federal and State income tax is deferred until its distribution**. This coverage shall cease when the retired employee qualifies for Medicare or its successor.

Requirements:

- A. Must have been employed by the district for a minimum of twenty (20) years.
- B. Must have qualified and participated in the district sponsored health program for the past year.
- C. Above the 100% amount will be at the expense of the certificated employee.

Guidelines:

- A. Any certificated employee meeting the above requirements may do so until he/she qualifies for Medicare or its successor.
- B. A request to exercise the option must be filed with the superintendent of schools prior to July 1 of each year.
- C. District funds will be paid to the retiring teacher which is equal to 100% of the single health insurance premium. The payouts will be distributed to an employee owned 403b plan or lumpsum.
- D. If the spouse is covered by an insurance carrier because of his/her employment, the district will not provide a duplicate carrier.
- E. In the event of death of a retired teacher, the district will not be liable for further insurance.
- F. If through negotiations or other circumstances, the board may revoke or change this benefit, under no circumstances can the board revoke the benefit of those previously retired.
- G. If a retired employee should become reemployed and the new employer provides insurance, this benefit will cease.

Cross Reference: 408.50 Certificated Employee Early Retirement Incentive Program

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