

## Employees Turning 65 years old – Healthcare and Retirement

### Healthcare

Employees of the Diocese of Raleigh who are enrolled in the diocesan medical plan and continue to work past age 65 will remain on the diocesan coverage under Christian Brothers Employee Benefit Trust (CBEBT) as their primary insurance while still actively working and eligible for benefits. Medicare cannot be primary coverage if an employee is eligible for medical coverage under another qualified plan. At the time an employee turns 65, they may enroll in Medicare Part A (hospital) as their secondary coverage. There is no cost for this part of Medicare. Employees who sign up for Medicare Part A while still working should note they are still actively employed and eligible for benefits so that it is in the Medicare system as secondary coverage. It is not necessary to sign up for Part B (doctors) until an employee is officially retired or no longer eligible for benefits. There is a monthly premium for Part B, which is either deducted from Social Security benefits, if applicable, or billed quarterly. There is no penalty to wait to be covered under Medicare Part B or any of the Medicare prescription drug plans. The plans through Christian Brothers Employee Benefit Trust have been deemed as creditable coverage for enrollment in these plans after age 65.

When an employee 65 years of age or older is no longer eligible for medical benefits through the Diocese of Raleigh, they will need to sign up for Medicare as their primary coverage, unless they become covered under another employer plan. The Diocese of Raleigh does not offer any options for a Medicare supplemental plan.

### Retirement

Employees of the Diocese of Raleigh who were hired before January 1, 2011, may have an accrued benefit in the Retirement Plans for Lay Employees of the Diocese of Raleigh. This benefit was non-contributory by employees and was based on working 1,000+ hours in a calendar year. Benefits through this plan are payable the first of the month following an employee's 65th birthday. A letter will be sent to qualified employees when they are eligible to commence this benefit.

As of January 1, 2011, the retirement plan for eligible employees of the Diocese of Raleigh became a defined contribution plan through Lincoln Financial Group. Per IRS rules, employees enrolled in this plan may rollover funds or take distributions without penalty at age 59 ½ or after. Monies distributed will be taxed as income in the year they are distributed. Employees who wish to commence a rollover or distribution must call Lincoln Financial Group directly at 1-800-234-3500 to begin the process.