COUNTY OF DANE

DEPARTMENT OF ADMINISTRATION
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GREG BROCKMEYER
Director of Administration

Date: September 30, 2019

To: All County Employees

From: Greg Brockmeyer
               Director of Administration

Subject: Dane County Retirement Enhancement Program (REP)

The Retirement Enhancement Program (REP) is designed to assist county retirees with medical costs in retirement. Medical costs include premiums for insurance, copays, deductibles and out-of-pocket medical expenses. The program applies to county employees who retire on or after January 1, 2020.

Benefit:

The benefits under the REP are to assist retirees with medical costs. For employees with ten years of verified service, but less than twenty years of service, the county will provide the retiree with five annual payments of $5,000 each. For employees with twenty years of verified service or more, the county will provide the retiree with ten annual payments of $5,000 each.

The first payment will be deposited to the retiree's account after the county has been notified by the Employee Trust Funds that the employee has initiated their retirement annuity with WRS, the employee has met with Precision Retirement and the employee has terminated service with the county. The second and subsequent payments under the program will be deposited during the month of January of each subsequent calendar year until the five or ten payments have been made.

If an active employee dies before retirement, no payments will be made. If a retiree dies, a lump sum of the value of remaining payments due will be transferred to the retiree's account for use by their surviving spouse or dependents, if any. If there is no surviving spouse or dependents, then no further payments will be made after the retiree's death.

Service Requirement:

To be eligible, employees must have a minimum of ten years of verified service with the county in a full or part-time permanent position. Elected officials must have a minimum of ten years of verified combined service as an employee or one or more of the elected officials listed below. The term of service does include military service

earned while a county employee, absences under Family Medical Leave, periods of disability, handbook or county ordinance leave, worker's compensation, or layoff status so long as the employee has not terminated employment.

Eligible Employees:

Eligible employees include regular full and part-time employees as well as the following elected officials: County Board Chair, County Clerk, Clerk of Courts, Sheriff, County Executive, County Treasurer, Register of Deeds. To be eligible, the employee or elected official must retire from county service and must collect an annuity under the Wisconsin Retirement System within 60 days of retirement.

Accounts:

Employees with leave balances go through the Prime Choice program to determine how their leave balances will be applied in retirement. Those retirees who are directed to the Medical Trust program have an account established with the third party administrator into which the county deposits funds related to their leave balances. Funds in this account are used by the retiree for medical expenses. The payments under the REP will be made into the retiree's Medical Trust Account in addition to any scheduled deposits from converted leave balances.

If the retiree is directed to the Special Pay Plan or has no leave balances to convert, then they will also have a Medical Trust Account established with the third party administrator specifically to receive the payments under the REP.

Retirees receive tax-free reimbursement from the third party administrator for qualified medical expenses. Reimbursements can be for one-time expenses, or the retiree can establish recurring reimbursements for recurring expenses such as monthly premiums.

Funds from the REP benefit are available to the retiree as soon as they are deposited. Funds not needed in a calendar year remain in the retiree's individual account for future use.