

## **Post Retirement Health Care Savings Plan MANA Employees**

The Health Care Savings Plan (HCSP) allows employees to save money to pay for covered post-employment health care costs. Expenses include qualified medical and dental out-of-pocket costs and health insurance premiums that are incurred after termination of employment. Participation is mandatory under the conditions of the HCSP rules for all eligible employees of the negotiated and ratified MANA bargaining agreement. Certain exemptions are allowed; see attached for details.

Employees' qualified HCSP contributions will be automatically deducted on a pre-tax basis from each paycheck. Metropolitan Council will remit employee contributions each pay period to MSRS, who will deposit them into the employee's individual account.

Participants will receive an individual account statement every six months from MSRS.

The plan is administered by the Minnesota State Retirement System (MSRS). Once MSRS receives your initial contribution from Metropolitan Council, they will send you a packet of information about the plan. The packet will include the necessary forms to complete to set up your individual account and to select the investment options for your contributions. *It is important that you make the necessary investment selections for your contributions or they will be automatically invested in the MSRS Money Market account.*

For more information on the HCSP, please see the attached details. You may log on the MSRS web site at [www.msrs.state.mn.us/hcsp](http://www.msrs.state.mn.us/hcsp) for more information

## **Exemptions from Participation in the HCSP**

Certain employees may be exempt from participating in the HCSP. If:

- You will receive, or currently are receiving, retirement health care coverage from the military (TriCare), or
- You will receive lifetime employer-paid retirement health care benefits from an employer, or
- You are a foreign national,

You must contact MSRS at (651) 284-3219. They will determine your eligibility for an exemption from participation in the plan. If an exemption is approved by MSRS, any contributions that have already been made into your HCSP account will be subject to the same terms that apply to all other plan participants for withdrawals.

## **Contributions**

MANA employees are eligible to participate in the Minnesota Post-Employment Health Care Savings Plan (HCSP) established under *Minnesota Statutes* §352.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents. Effective January 1, 2008, all employees shall contribute 1.0% of pay to their Health Care Savings Plan account. All funds collected by the Employer on behalf of the employee will be deposited into the employee's Post-Employment Health Care Savings Plan account every pay period.

Effective the first January following execution of the Agreement by both parties, and on January 31 of each year thereafter, employees must convert 40 hours of Annual Leave time to their Health Care Savings Plan account. Conversions must not cause an employee's Annual Leave balance to go below 200 hours at the time of conversion.

Beginning on the date the MANA Agreement is signed by both parties, employees shall convert 50% of their severance to the Health Care Savings Plan account.

## **Investments and Fees**

Participants will be able to choose from seven different investment options and are eligible to make investment option changes once per month. *All contributions will be automatically invested in the MSRS Money Market account until you select other investment options during the initial offering through MSRS.* Administrative and investment fees are paid from individual plan participant accounts.

## **Withdrawals from Individual Accounts**

Participants are eligible to draw from their account under one or more of the following circumstances:

- Upon termination of employment
- Upon receipt of a disability benefit from one of the State's public pension plans
- On a medical leave for six months or longer
- On a leave of absence for one year or longer

Hardship withdrawals or loans are not permitted.

*This is only a summary of the benefits provided under the MSRS Health Care Savings Plan.*