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Employer Conference 2025

Health Insurance Premium Benefit Program

ASRS Basics for Employers

- Five webinar series
 - Benefits of Membership
 - Compensation & Contribution Reporting
 - Service Verification, Refunds, Retirement & Hiring Retirees
 - Health Insurance Premium Benefit Program
 - Long Term Disability
- Three times a year: Spring (March), Summer (June) & Winter (December)
- Customizable role-based training
- Designed for new hires & those who need refresher training

Most Frequently Asked Questions & Scenarios

- What is the difference between COBRA and Retiree Health Insurance?
- Why do we have to include the administrative fee in the premium amount?
- When do premium benefit payments begin?
- Why did the payment amount change?
- We sent in the paperwork but HIPB isn't being paid.
- Why are we still getting premium benefit payments?
- Why do I have to submit a Change/Delete form when COBRA ends?
- We sent a Change/Delete form, why do we have an overpayment?

What is the difference between COBRA and Retiree Health Insurance?

COBRA Health Insurance

- QLE: Termination of employment
 - Termination due to retirement or LTD approval leads to HIPB eligibility.
- Unsubsidized continuation of active employee health insurance .
- Duration: Typically 18 months, up to 36 months, depending on individual scenarios
- Enrollees can voluntarily terminate from COBRA, but that is not a QLE to enroll in ASRS health insurance

Retiree Health Insurance

- QLE: Retirement
- Unsubsidized health insurance offered exclusively to retirees only
- Duration: As long as retiree is eligible and pays premium
- Some employers only cover through Medicare eligibility, age 65

Why do we have to include the administrative fee in the premium amount?

- If you are including the 2% COBRA administrative fee in the premium the retiree pays, it should also be included in the PPR submitted to ASRS.

Years of Service	WITHOUT MEDICARE		WITH MEDICARE A & B		COMBINATIONS	
	Retiree Only	Retiree & Dependents	Retiree Only	Retiree & Dependents	Retiree & Dependents One with Medicare, the other(s) without	Retiree & Dependent with Medicare other dependents without
Arizona State Retirement System (ASRS) Members						
5.0-5.9	\$75.00	\$130.00	\$50.00	\$85.00	\$107.50	\$107.50
6.0-6.9	\$90.00	\$156.00	\$60.00	\$102.00	\$129.00	\$129.00
7.0-7.9	\$105.00	\$182.00	\$70.00	\$119.00	\$150.50	\$150.50
8.0-8.9	\$120.00	\$208.00	\$80.00	\$136.00	\$172.00	\$172.00
9.0-9.9	\$135.00	\$234.00	\$90.00	\$153.00	\$193.50	\$193.50
10.0+	\$150.00	\$260.00	\$100.00	\$170.00	\$215.00	\$215.00

When do the HIPB payments begin?

- For retirees: based on retirement date and/or effective date of coverage, whichever is later.
- For LTD members: based on approval date and/or effective date of coverage, whichever is later.
- HIPB is paid only for full months of coverage.
 - If coverage begins mid-month, HIPB payment is effective the 1st of the following month.

HIPB payments for Retirees

Retirement Date	HI Coverage Effective Date	HIPB Effective Date	Retirement Finalized	HIPB Payment Issued
7/1/2025	7/1/2025	7/1/2025	09/15/2025	October 2025, retroactive to 7/1/2025
7/1/2025	8/1/2025	8/1/2025	10/25/2025	December 2025 retroactive to 8/1/2025
8/1/2025	8/15/2025	9/1/2025	11/1/2025	December 2025, retroactive to 9/1/2025

HIPB Payments for LTD Members

LTD Event	LTD Approved	HI Coverage Effective Date	HIPB Effective Date	HIPB Payment Issued
1/1/2025	7/1/2025	7/1/2025	7/1/2025	August 2025 retroactive to 7/1/2025
1/1/2025	7/1/2025	8/15/2025	9/1/2025	September 2025
5/15/2024	11/15/2024	7/1/2024	11/15/2024	December 2024

Why did the payment amount change?

DECREASE	INCREASE
Did the retiree or LTD member , or their dependent become Medicare-eligible?	Did the retiree or LTD member add a dependent?
Was there a dependent who turned 26 and aged out of eligibility?	Could the retiree have enrolled in ASRS insurance in addition to their coverage with you? (i.e., employer medical, ASRS dental)
Were there any changes in coverage submitted by a Change/Deletion form?	Were there any corrections or updates to premiums that had to be applied retroactively?
Did the retiree or LTD member have ASRS coverage that they dropped?	

Health Insurance Premium Benefit Table

Years of Service	WITHOUT MEDICARE		WITH MEDICARE A & B		COMBINATIONS	
	Retiree Only	Retiree & Dependents	Retiree Only	Retiree & Dependents	Retiree & Dependents One with Medicare, the other(s) without	Retiree & Dependent with Medicare other dependents without
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9.0-9.9	\$135.00	\$234.00	\$90.00	\$153.00	\$193.50	\$193.50
10.0+	\$150.00	\$260.00	\$100.00	\$170.00	\$215.00	\$215.00

We sent in the paperwork but HIPB isn't being paid.

- Retirement hasn't been finalized.
- Paperwork wasn't received or hasn't been keyed in yet.
- Member may have also enrolled in ASRS insurance

Why are we still getting HIPB payments for a retiree after we submitted a Change/Deletion form?

- Change/Deletion forms should be submitted by the 10th to be effective by the following month.
- If the Change/Deletion form is received/processed after pension payroll (around the 20th of the month), the change will not be effective the following month.

Example

Form received 8/22, same PB amount will still be paid in September.

Adjustment will show in October Monthly Reconciliation Report

Why do I have to submit a Change/Delete form when COBRA ends?

- COBRA duration varies, we cannot assume it ends for everyone at 18 months
- Enrollees can voluntarily terminate prior to COBRA expiration
- Plans can terminate prior to expiration due to enrollee not paying the premium

We sent a Change/Deletion form to end a retiree's COBRA, why do we now have an overpayment?

- When did the COBRA coverage actually expire?
- When was the Change/Deletion form submitted?



Questions?



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Updates



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Thank You

Thank you for your attendance in this year's conference. Please keep an eye out for our survey in the next few days. We'd appreciate any and all feedback regarding this year's conference!

For any immediate questions or concerns, please reach out by secure message, live chat or email to EmployerRelations@azasrs.gov.