

MACOMB COUNTY RETIREE HEALTH CARE PLAN
SUPPLEMENTAL ACTUARIAL VALUATION
AS OF DECEMBER 31, 2013

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August 21, 2014

Mr. Peter Provenzano
Finance Director
Macomb County

Dear Mr. Provenzano:

Submitted in this report are the results of an actuarial valuation of the assets and liabilities associated with the employer financed retiree health plan benefits provided by Macomb County. The date of the valuation was December 31, 2013. The annual required contributions have been calculated for the fiscal year beginning January 1, 2014.

This report was prepared at the request of Macomb County and is intended for use by the County and those designated or approved by the County. This report may be provided to parties other than the County only in its entirety and only with the permission of the County.

The purpose of the valuation was to measure the liabilities of the Retiree Health Plan based on a proposed County funding policy that includes employer contributions to a qualified OPEB trust equal to 100% of the actuarially determined rate. This report should not be relied on for any other purpose. Determinations of the liability associated with plan benefits described in this report for purposes other than satisfying the stated objective may be significantly different than the values shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

The valuation was based upon information furnished by the County, concerning retiree health benefits, financial transactions, plan provisions, active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency with data provided for the last valuation, but did not otherwise audit the data. As a result, we are unable to assume responsibility for the accuracy or completeness of the information provided by the County.

Mr. Peter Provenzano

August 21, 2014

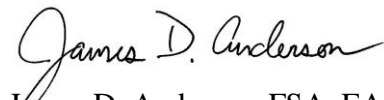
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To the best of our knowledge the information contained in this report is accurate and fairly represents the actuarial position of the Macomb County Retiree Health Care Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Louise Gates and Jim Anderson are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,



Louise Gates, ASA, MAAA



James D. Anderson, FSA, EA, MAAA

LMG/MB:mrb

SECTION A
VALUATION RESULTS

BACKGROUND

The County provides retiree health benefits to eligible County retirees (and their eligible beneficiaries) for their lifetimes. The County began funding retiree health benefits approximately 20 years ago by making contributions in excess of current benefit payments to a retiree health care trust. In recent years, County contributions have been sufficient to pay only for the current year's benefit disbursements (a.k.a., pay-as-you-go funding). Based on this practice, recent valuations of the Retiree Health Care Plan have been based on a relatively low discount rate.

The County is currently exploring the idea of issuing obligation bonds in connection with the County's Retiree Health Care Plan liability. This report includes a valuation of Plan liabilities assuming a change in the County's funding policy. Namely, that the County will issue bonds and use the proceeds to make 100% of the actuarially determined Plan contributions. As a result, the discount rate used in this valuation of the Retiree Health Care Plan is 7.50% per year. A detailed description of the assumptions and methods used in this valuation of the Plan is included in Section D of this report.

Section A of this report contains key valuation results including County contributions for fiscal 2014 based on the current asset valuation method (market value of assets). We understand that the retiree health plan will be closed to new County employees hired on or after January 1, 2016. New County employees will receive retiree health benefits from a defined contribution type retiree health plan. These prospective County employees will not become members of this plan. As a result of this change and consistent with current accounting standards, County contributions to this plan are expected to increase beginning in 2016 due to a change in amortization method (level dollar instead of level percent of pay). If the effective date of plan closure was January 1, 2014, the recommended fiscal year 2014 County contribution would be approximately \$29 million instead of the amount shown on page A-2.

**COUNTY CONTRIBUTIONS TO PROVIDE BENEFITS
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2014**

Contributions for	7.5% Interest Rate
A. Normal Cost of Benefits	\$ 8,203,337
B. Unfunded Accrued Liability (UAL)	262,636,883
C. Unfunded Accrued Liability Payment	14,080,058
D. Employer Contribution (A+C)	22,283,395

The Annual Required Contribution (ARC) shown above was developed based on the reported market value of the Retiree Health Care Plan trust assets as of December 31, 2013. The UAL was financed over 30 years using a level percent of pay amortization method to determine County contribution requirements for 2014.

The long term rate of investment return used in this valuation of the Plan is 7.50%. The following page shows the unfunded accrued liabilities as of December 31, 2013.

**DETERMINATION OF THE UNFUNDED ACCRUED LIABILITY
AS OF DECEMBER 31, 2013**

A. Accrued Liability	
1. For retirees and beneficiaries	\$ 276,726,129
2. For vested terminated members	33,819,802
3. For present active members	107,236,686
4. Total	417,782,617
B. Market Value of Assets	
1. Total	\$ 155,145,734
C. Unfunded Accrued Liability (UAL): (A.4) – (B.1)	\$ 262,636,883
D. Funded Percent: (B.1) / (A.4)	37.1%

The chart above shows the development of the Plan’s unfunded actuarial accrued liabilities based on the market value of assets held in the Retiree Health Care Plan trust. As of December 31, 2013, the Plan’s accrued liabilities exceed the market value of assets by \$262.6 million.

SECTION B

RETIREE PREMIUM RATE DEVELOPMENT

RETIREE PREMIUM RATE DEVELOPMENT

Premium rates for the Macomb County Retiree Health Care Plan were developed separately for the self-insured and the fully-insured portions and then combined to create one set of premium rates.

The self-insured initial premium rates were developed separately for pre-65 retirees. The rates were calculated by using paid claims experience and exposure data for the period of January 2011 to December 2013 adjusted for catastrophic claims, plus the load for administration, network access fee, and stop loss premiums. The self-insured Medical and prescription drug data were provided by the County. Since the prescription drug claims and the medical claims exhibit different trends and claim payment patterns, we analyzed these claims separately as well.

The fully-insured initial premium rates were developed for the two classes of retirees (pre-65 and post-65). The fully-insured rates provided by the County were utilized to determine the appropriate premium rates. The pre-65 fully-insured premiums for current retirees in the BCN suffixes are assumed to be unblended rates based on the experience of pre-65 retired members; therefore, the fully-insured premium rate is used as the basis of the initial per capita cost without adjustments since the rate reflects the demographics of the pre-65 retiree group.

For the post-65 retirees, the fully-insured Medicare Advantage premium rate is used as the basis of the initial per capita cost since the rate reflects the demographics of the post-65 retiree group. In a Medicare Advantage program, the OPEB liability is based on the difference between the present value of future claims less the present value of future Medicare reimbursements. The law provides for reductions to the reimbursement amounts that would be provided to Medicare Advantage plans starting in 2011. GASB does not permit recognition of future plan changes in a valuation, so the net claims growth assumption will be based on the current plan design. Due to the uncertainty in the future design of the Medicare Advantage program, a load (12.4%) is added implicitly assuming total claims will experience higher trends than reimbursements in the short term.

RETIREE PREMIUM RATE DEVELOPMENT

For the current active employees who retire after November 1, 2013, retiree coverage floats with active coverage. The pre-65 fully-insured premiums for these members were identified as blended rates for BCN based on the combined experience of active and pre-65 retired members; therefore, there is an implicit employer subsidy for the non-Medicare eligible retirees since the average costs of providing health care benefits to retirees under age 65 is higher than the average cost of providing health care benefits to active employees. The true per capita cost for the pre-65 retirees is developed by adjusting the demographic differences between the active employees and retirees to reflect this implicit rate subsidy for the retirees (we estimated this subsidy to be 41% based on the age/sex distribution of the group). The HAP rates were assumed to be unblended rates based on the experience of pre-65 retired members. We have developed separate premium rates for future retirees in order to reflect the benefit differences.

Age graded and sex distinct premiums are utilized in this valuation. The premiums developed by the preceding process are appropriate for the unique age and sex distribution currently existing. Over the future years covered by this valuation, the age and sex distribution will most likely change. Therefore, our process “distributes” the average premium over all age/sex combinations and assigns a unique premium for each specific age/sex combination. The age/sex specific premiums more accurately reflect the health care utilization and cost at that age.

Michigan Claims Tax Assessment fees along with Federal taxes and fees established by the Affordable Care Act have been included in the rates we developed.

The tables on the following page show the combined self-insured and fully-insured medical and prescription drug one-person monthly premiums at select ages. The premium (or per capita costs) rates shown below reflect the use of age grading.

RETIREE PREMIUM RATE DEVELOPMENT

Current Retiree Rates

Retirements prior to 11/1/2013 and All POAM and POLC Retirees

Premiums For Retirees Not Eligible For Medicare		
Age	Males	Females
50	\$527.91	\$598.15
55	689.97	709.22
60	866.79	833.18

Premiums For Retirees Eligible For Medicare		
Age	Males	Females
70	\$396.70	\$356.72
75	440.41	390.85
80	472.21	416.24

Future Retiree Rates

Retirements after 11/1/2013

Premiums For Retirees Not Eligible For Medicare		
Age	Males	Females
50	\$442.20	\$501.04
55	577.94	594.07
60	726.06	697.91

Premiums For Retirees Eligible For Medicare		
Age	Males	Females
70	\$396.70	\$356.72
75	440.41	390.85
80	472.21	416.24

James E. Pranschke is a Member of the American Academy of Actuaries (MAAA) and meets the Qualification Standards of the American Academy of Actuaries to certify the per capita retiree health care rates shown above.

James E. Pranschke

James E. Pranschke, FSA, MAAA

SECTION C
VALUATION DATA

SUMMARY OF REPORTED FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2013
(MARKET VALUE)

	RETIREE HEALTH CARE TRUST ASSETS
Market Value on December 31, 2012	\$ 130,289,669
Revenues:	
a. Employer Contributions	15,080,087
b. Investment Earnings	9,649,834
c. Investment Appreciation	14,446,003
d. Member Contributions	746,131
e. Other	0
f. Total	<u>39,922,055</u>
Disbursements:	
a. Health Care Premiums	15,014,303
b. Administrative Expenses	51,687
c. Total	<u>15,065,990</u>
Market Value on December 31, 2013	<u><u>\$ 155,145,734</u></u>

**SUMMARY OF RETIREE HEALTH PLAN MEMBERS
BY EMPLOYMENT GROUP
AS OF DECEMBER 31, 2013**

Active Members

General County Employees	
Number	1,328
Average Age	45.7 years
Average Service	9.5 years
Sheriff Department	
Number	377
Average Age	40.1 years
Average Service	12.4 years
Martha T. Berry MCF	
Number	92
Average Age	43.2 years
Average Service	9.4 years
Total	
Number	1,797
Average Age	44.4 years
Average Service	10.1 years

DROP Members

General County Employees	
Number	297
Average Age	58.8 years
Average Service at DROP	19.0 years
Sheriff Department	
Number	54
Average Age	52.5 years
Average Service at DROP	25.3 years
Martha T. Berry MCF	
Number	8
Average Age	58.8 years
Average Service at DROP	18.0 years
Total	
Number	359
Average Age	57.8 years
Average Service at DROP	19.9 years

**SUMMARY OF RETIREE HEALTH PLAN MEMBERS
AS OF DECEMBER 31, 2013**

Retirees and Beneficiaries (Current Benefit Recipients)

Recipient Age	Number of Contracts*
35 - 39	2
40 - 44	4
45 - 49	15
50 - 54	84
55 - 59	216
60 - 64	384
65 - 69	362
70 - 74	304
75 - 79	187
80 - 84	148
85 - 89	105
90 & Over	55
Totals	1,866

* Includes 127 retirees who receive the \$1,500 annual bonus in lieu of County paid retiree health. Excludes members with no retiree health coverage.

Vested Terminated Employees (Future Benefit Recipients)

Age	Number of Contracts
30-34	2
35-39	11
40-44	21
45-49	45
50-54	70
55-59	59
60	11
61	1
62	2
Totals	222

SECTION D

VALUATION METHODS AND ACTUARIAL ASSUMPTIONS

ACTUARIAL METHODS AND ASSUMPTIONS USED FOR THE VALUATION

The individual entry age actuarial cost method of valuation was used in determining liabilities and normal cost. Differences in the past between assumed experience and actual experience (“actuarial gains and losses”) become part of actuarial accrued liabilities.

Unfunded actuarial accrued liabilities are amortized to produce payments (principal & interest) which are level percent of payroll contributions.

The actuarial assumptions used in the valuation are shown in this Section.

The **discount rate** assumed in the valuations was 7.50% per year, compounded annually (net after expenses).

The **wage inflation rate** assumed in this valuation was 4.00% per year. The wage inflation rate is defined to be the portion of total pay increases for an individual that are due to macroeconomic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority.

The Active Member Population is assumed to decline for all employment groups in connection with the recent change that closes the Plan to new County employees in the near term.

ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION

The **salary increase assumption** used in this actuarial valuation projects annual salary increases of 4.0% plus a percentage based on an age-related scale to reflect merit, longevity and promotional salary increases.

Years of Service	Annual Rate of Pay Increase						
	Base (Economic)	Merit and Longevity			Total		
		General County	Sheriff's Department	Martha T. Berry MCF	General County	Sheriff's Department	Martha T. Berry MCF
1	4.0%	3.0 %	7.0 %	3.0 %	7.0%	11.0%	7.0%
2	4.0	3.0	7.0	3.0	7.0	11.0	7.0
3	4.0	3.0	7.0	3.0	7.0	11.0	7.0
4	4.0	3.0	4.0	3.0	7.0	8.0	7.0
5	4.0	3.0	4.0	3.0	7.0	8.0	7.0
6	4.0	3.0	4.0	3.0	7.0	8.0	7.0
7	4.0	1.0	4.0	1.0	5.0	8.0	5.0
8	4.0	1.0	1.0	1.0	5.0	5.0	5.0
9	4.0	1.0	1.0	1.0	5.0	5.0	5.0
10	4.0	1.0	1.0	1.0	5.0	5.0	5.0
11+	4.0	1.0	1.0	1.0	5.0	5.0	5.0

Pay Projections. This assumption is used to project current pays to those upon which future contributions will be based.

ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION (CONTINUED)

The **mortality table** used was the RP 2000 Mortality Table, adjusted for projected mortality improvements to 2015 with no setbacks for males or females. For disabled retirees, the regular mortality table is used with a 4-year set forward in ages to reflect the higher expected mortality rates of disabled members.

Projected life expectancies and mortality rates for non-disabled members are shown below for selected ages:

Sample Ages	Single Life Retirement Values			
	Values at Retirement of		Future Life	
	\$1 Monthly for Life		Expectancy (years)	
	Men	Women	Men	Women
50	\$144.50	\$146.68	32.29	34.38
55	136.81	139.67	27.59	29.64
60	126.95	130.80	23.05	25.08
65	115.04	120.11	18.79	20.80
70	101.33	107.82	14.89	16.86
75	85.49	93.96	11.34	13.29
80	68.54	78.58	8.25	10.09

This assumption is used to measure the probabilities of employees dying before retirement and the probabilities of each health insurance premium being paid after retirement.

**ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION
(CONTINUED)**

A schedule of **retirement rates** is used to measure the probability of eligible members retiring during the next year. The uniform retirement rates in use for each category are shown below:

Retirement Ages	General County	Sheriff's Department	Martha T. Berry MCF	Retirement Service	Sheriff's Department
50	15 %		15 %	25	50 %
51	15		15	26	40
52	15		15	27	40
53	15		15	28	40
54	15		15	29	40
55	15		15	30	40
56	15		15	31	35
57	15		15	32	25
58	15		15	33	25
59	25		25	34	25
60	25	25 %	25	35 & Up	100
61	25	25	25		
62	25	25	25		
63	25	25	25		
64	25	25	25		
65	25	100	25		
66	25		25		
67	25		25		
68	25		25		
69	25		25		
70 & Up	100		100		

**ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION
(CONTINUED)**

For all General County and Martha T. Berry MCF members hired on or after January 1, 2002 the following retirement probabilities will apply:

Retirement Ages	General County	Martha T. Berry MCF
55	10 %	10 %
56	10	10
57	10	10
58	10	10
59	20	20
60	20	20
61	20	20
62	25	25
63	25	25
64	25	25
65	25	25
66	25	25
67	25	25
68	25	25
69	25	25
70 & Up	100	100

**ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION
(CONTINUED)**

Disability rates are used in the valuation to estimate the incidence of disability in future years.

The assumed rates of disablement at various ages are shown below:

Sample Ages	% of Active Members Becoming Disabled within Next Year
25	0.09 %
30	0.11
35	0.15
40	0.22
45	0.36
50	0.61
55	1.01
60	1.66

**ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION
(CONTINUED)**

The **withdrawal rates** are used to estimate the number of employees at each age that are expected to terminate employment before qualifying for retirement benefits. The withdrawal rates do not apply to members eligible to retire, and do not include separation on account of death or disability. The assumed rates of withdrawal applied in the current valuation are based on years of service for members with less than 5 years of service, and based on age for members with 5 or more years of service.

Sample rates of withdrawal from active employment are shown below:

Sample Ages	Years of Service	% of Active Members Separating within Next Year		
		General County	Sheriff's Department	Martha T. Berry MCF
ALL	0	12.00 %	4.00 %	12.00 %
	1	9.00	4.00	9.00
	2	8.00	3.00	8.00
	3	6.00	3.00	6.00
	4	6.00	3.00	6.00
25	5 & Over	5.80	1.60	5.80
30		5.30	1.10	5.30
35		4.30	1.00	4.30
40		3.30	0.75	3.30
45		2.30	0.50	2.30
50		1.80	0.25	1.80
55		1.75	0.25	1.75
60		1.50	0.25	1.50

ACTUARIAL ASSUMPTIONS USED FOR THE VALUATION (CONCLUDED)

Health cost increases - See table below:

Year Beginning January 1,	Future Health Cost Increases	
	Medical/Rx	Dental/Vision
2015	9.00 %	4.00 %
2016	8.25	4.00
2017	7.50	4.00
2018	7.00	4.00
2019	6.50	4.00
2020	6.00	4.00
2021	5.50	4.00
2022	5.00	4.00
2023	4.50	4.00
2024 & After	4.00	4.00

The valuation health inflation assumption was used to develop the valuation results shown in this report.

Medicare coverage was assumed to be available for all covered employees on attainment of age 65.

Non-investment administration expenses - none.

Coverage: 85% of the males and 70% of the females were assumed to elect two-person health care coverage at retirement.

Spousal Coverage: 90% of both males and females are assumed to have spouse coverage continue after the member's death.

Deferred Retirement Option Plan (DROP) Participation: General County employees who participate in the DROP are assumed to stay in the Plan for 5 years. All other Plan member employees are assumed to stay in the DROP for 2 years before retiring.

Other: Liabilities were loaded by 0.4% for the expected future impact of the "Cadillac Plan" status as defined by the Patient Protection and Affordable Care Act tax.

GLOSSARY

Accrued Service. The service credited under the plan which was rendered before the date of the actuarial valuation.

Actuarial Accrued Liability. The difference between (i) the actuarial present value of future plan benefits, and (ii) the actuarial present value of future normal cost. Sometimes referred to as "accrued liability" or "past service liability."

Actuarial Assumptions. Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method. A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future plan benefits" between the actuarial present value of future normal cost and the actuarial accrued liability. Sometimes referred to as the "actuarial funding method."

Actuarial Equivalent. A single amount or series of amounts of equal value to another single amount or series of amounts, computed on the basis of the rate(s) of interest and mortality tables used by the plan.

Actuarial Present Value. The amount of funds presently required to provide a payment or series of payments in the future. It is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.

Amortization. Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

GLOSSARY (CONCLUDED)

Annual Required Contribution (ARC). The ARC is the normal cost plus the portion of the unfunded actuarial accrued liability to be amortized in the current period. The ARC is an amount that is actuarially determined in accordance with the requirements so that, if paid on an ongoing basis, it would be expected to provide sufficient resources to fund both the normal cost for each year and the amortized unfunded liability.

Governmental Accounting Standards Board (GASB). GASB is the private, nonpartisan, nonprofit organization that works to create and improve the rules U.S. state and local governments follow when accounting for their finances and reporting them to the public.

Medical Trend Rate (Health Inflation). The increase in the plan's cost over time. Trend includes all elements that may influence a plan's cost, assuming that enrollments and the plan benefits do not change. Trend includes such elements as, pure price inflation, changes in utilization, advances in medical technology, and cost shifting.

Normal Cost. The annual cost assigned, under the actuarial funding method, to current and subsequent plan years. Sometimes referred to as "current service cost." Any payment toward the unfunded actuarial accrued liability is not part of the normal cost.

Other Postemployment Employee Benefits (OPEB). OPEB are postemployment benefits other than pensions. OPEB generally takes the form of health insurance and dental, vision, prescription drugs or other health care benefits.

Reserve Account. An account used to indicate that funds have been set aside for a specific purpose and are not generally available for other uses.

Unfunded Actuarial Accrued Liability. The difference between the actuarial accrued liability and valuation assets. Sometimes referred to as "unfunded accrued liability."

Valuation Assets. The value of current plan assets recognized for valuation purposes.

SECTION E

SUMMARY OF BENEFITS

SUMMARY OF BENEFITS AS OF DECEMBER 31, 2013

REGULAR RETIREMENT

All Groups

Coverage begins the first of the month following retirement date. Please refer to pages E-3 through E-7 for details.

DEFERRED RETIREMENT

All Groups

Coverage begins the first of the month the age requirement is met and retirement is applied for. Please refer to pages E-3 through E-7 for details.

DISABILITY RETIREMENT

All Groups

Coverage begins when Retirement System disability pension begins, if the service requirements for healthcare eligibility are met. Please refer to pages E-3 through E-7 for details.

DEATH-IN-SERVICE

All Groups

Coverage for surviving spouse is based on hire date, receipt of Retirement System survivor pension, and satisfaction of the service requirements by the employee. Please refer to pages E-3 through E-7 for details.

DEATH AFTER RETIREMENT

All Groups

Spouse may be covered based on hire date and receipt of retiree's pension due to optional pension election. Assumes the service requirements are met. Please refer to pages E-3 through E-7 for details.

RETIREE PREMIUM PAYMENTS

All Groups

County and MTB employees hired after January 1, 2012 and some Sheriff department employees hired after June 1, 2013 will have a monthly premium payment in retirement equal to payments made by employees. Currently, \$100 per month for a single contract.

SUMMARY OF BENEFITS AS OF DECEMBER 31, 2013

RETIREE CONTRIBUTION

All Groups

Retirees pay for 25% of their dental and vision coverage. Dental and vision coverage for spouse or other coverages may be offered but retiree must pay 100% of the cost. Employees hired after January 1, 2012 will not be eligible for County paid post-retirement benefits for a spouse. Retirees in this category will have the option of paying for 100% of the spouse's health coverage under the County group health plan. There shall be no contribution by the Employer for this option.

LIMITATIONS

All Groups

Coverages supplement Medicare once retiree and/or spouse are eligible for Medicare. Medicare eligible retirees must apply for both Part A & B.

BONUS PAYMENT

All Groups

A retiree may waive County paid retiree health coverage and receive a \$1,500 annual payment. Waiver does not affect dental and optical benefits.

**MACOMB COUNTY RETIREE HEALTH CARE PLAN
GENERAL COUNTY EMPLOYEES HIRED BEFORE 2006**

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Retiree Employer Paid Portion of Medical Benefits
	While Retiree is Alive	After Retiree's Death	Eligibility for Benefits	Retiree Deferred Retirement #	Spouse Deferred Retirement #	Duty Death (Spouse Coverage)	Disability Retirement (Retiree Coverage) (Duty) (Non Duty)		Disability Retirement (Spouse Coverage) (Duty) (Non Duty)		
0,2,3,6,8,9,10,11,12,13,15,16,18,19 21,24,25,27,28,30,43,44,88	Yes	Yes*	Age 60 w/8 years Rule of 70 (min age 50)	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%

- at time of retirement

* - as long as spouse is receiving survivors benefit

Note: Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees for those retiring or DROPing after November 1, 2013.

GENERAL COUNTY EMPLOYEES HIRED AFTER 2006 BUT BEFORE 2012

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Retiree Employer Paid Portion of Medical Benefits
	While Retiree is Alive	After Retiree's Death	Eligibility for Benefits	Retiree Deferred Retirement #	Spouse Deferred Retirement #	Duty Death (Spouse Coverage)	Disability Retirement (Retiree Coverage) (Duty) (Non Duty)		Disability Retirement (Spouse Coverage) (Duty) (Non Duty)		
0,2,3,6,8,9,10,11,12,13,15,16,18,19 21,24,25,27,28,30,43,44,88	Yes	Yes*	Age 60 w/ 15 years Age 55 w/25 yrs	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%

- at time of retirement

* - as long as spouse is receiving survivors benefit

Note: Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees for those retiring or DROPing after November 1, 2013.

**MACOMB COUNTY RETIREE HEALTH CARE PLAN
GENERAL COUNTY EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2012**

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Retiree Employer Paid Portion of Medical Benefits
	While Retiree is Alive	After Retiree's Death	Eligibility for Benefits	Retiree Deferred Retirement #	Spouse Deferred Retirement #	Duty Death (Spouse Coverage)	Disability Retirement (Retiree Coverage) (Duty) (Non Duty)		Disability Retirement (Spouse Coverage) (Duty) (Non Duty)		
General Non Union (00)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 889 Animal Shelter (02)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
AFSCME Local 411 (03)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
Macomb County Environmental Health Association (06)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
Teamsters Local 214 Court Reporters (08)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
International Union of Operating Engineers (Boiler Operators) (09)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
TPOAM Circuit Court Officers (10)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
MNA Unit Health Department (11)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 412 Unit 49 Information Technology (12)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 889 Specialized Offices (13)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
Building Trades Association (15)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 412 Unit 46 Assistant Prosecutors (16)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
Teamsters Local 214 FOC Circuit Court (18)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 412 General (19)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
POAM JJC (21)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 889 MCCSA (24)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 412 Unit 75 Supervisors (25)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
TPOAM Juvenile Court & Justice Center Employees (28)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 412 Unit 95 (30)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 889 Probate Court/Corporation Counsel (43)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
UAW Local 412 Unit 98 MCCSA Professionals (44)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
AFSCME Council 25 (District Court Employees) (22) @	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
TPOAM Macomb County Senior Service Employees Association (27)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
AFSCME Local 6091 (Head Start Teachers) (29)@	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%
General County Part Time employees (88)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	100%

*Coverage is available for an eligible spouse at the retiree's expense, no County paid benefit is available.

- at time of retirement

@ Now included in Group 03

Note: Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees for those retiring or DROPPING after November 1, 2013.

**MACOMB COUNTY RETIREE HEALTH CARE PLAN
SHERIFF'S DEPARTMENT EMPLOYEES HIRED BEFORE JUNE 1, 2013**

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Employer Paid Portion of Retiree Health Benefits
	While Retiree is Alive	After Retiree's Death*	Eligibility for Benefits	Deferred Retirement Retiree	Spouse *	Duty Death Spouse Coverage *	Disability Retirement Retiree Coverage		Disability Retirement Spouse Coverage *		
							Duty	Non Duty	Duty	Non Duty	
POAM Command (01)	Yes	Yes	25 & out , or Age 60 with 8 yrs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100%
POAM Deputies (07)	Yes	Yes	Age 60 with 8yrs or 25 & out	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100%
POAM Dispatchers (07)	Yes	Yes	Age 60 w/8yrs or, 25 & out	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100%
POLC Captains (20)	Yes	Yes	25 & out , or Age 60 with 8 yrs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100% +
Corrections Deputies (26)	Yes	Yes	Age 60 w/8yrs or 25 & out	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100% +

* As long as spouse is receiving survivors benefit.

+ Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees, (retiree pays for part of the cost of benefits) except for Division 07 and Division 01.

**MACOMB COUNTY RETIREE HEALTH CARE PLAN
SHERIFF'S DEPARTMENT EMPLOYEES HIRED AFTER JUNE 1, 2013**

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Employer Paid Portion of Retiree Health Benefits
	While Retiree is Alive	After Retiree's Death	Eligibility for Benefits	Deferred Retirement Retiree	Spouse	Duty Death Spouse Coverage	Disability Retirement Retiree Coverage		Disability Retirement Spouse Coverage		
							Duty	Non Duty	Duty	Non Duty	
POAM Command (01)	No	No	25 & out	Yes	No	No	Yes	Yes	No	No	100%
POAM Deputies (07)	No	No	25 & out	Yes	Yes	No	Yes	Yes	No	No	100%
POAM Dispatchers (07)	No	No	25 & out	Yes	Yes	No	Yes	Yes	No	No	100%
POLC Captains (20)	No	No	25 & out	Yes	Yes	No	Yes	Yes	No	No	100% +
Corrections Deputies (26)	No	No	25 & out	Yes	Yes	No	Yes	Yes	No	No	100% +

No County paid spouse coverage for members hired after June 1, 2013 (November 21, 2013 for Division 07).

+ Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees, (retiree pays for part of the cost of benefits) except for Division 07 and Division 01.

**MACOMB COUNTY RETIREE HEALTH CARE PLAN
MTB EMPLOYEES HIRED BEFORE JANUARY 1, 2012**

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Retiree Employer Paid Portion of Medical Benefits
	While Retiree is Alive	After Retiree's Death	Eligibility for Benefits	Retiree Deferred Retirement #	Spouse Deferred Retirement #	Duty Death (Spouse Coverage)	Disability Retirement (Retiree Coverage) (Duty) (Non Duty)		Disability Retirement (Spouse Coverage) (Duty) (Non Duty)		
MNA - RNs (04)	Yes	Yes*	Age 60 w/8yrs Age 55 w/25 yrs	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%
Service Employees International Union - LPNs (05)	Yes	Yes*	Age 60 w/8yrs Age 55 w/25 yrs	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%
AFSCME 411 (14) Hired before 1/1/2002	Yes	Yes*	Age 60 w/8yrs Rule of 70 min age (50)	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%
AFSCME 411 (14) Hired on /after 1/1/2002 & before 1/1/2012	Yes	Yes*	Age 60 w/8yrs Age 55 w/25 yrs	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%
MTB UAW Supervisors (42) Hired before 1/1/2002	Yes	Yes*	Age 60 w/8yrs Rule of 70 min age (50)	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100
MTB UAW Supervisors (42) Hired on /after 1/1/2002 & before 1/1/2012	Yes	Yes	Age 60 w/8yrs Age 55 w/25 yrs	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%
MTB Non Union Employees (40) Hired before 1/1/2002 or vested before 2/26/2009	Yes	Yes*	Age 60 w/8yrs Rule of 70 min age (50)	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%
MTB Non Union Employees (40) Hired on /after 1/1/2002 & before 1/1/2012	Yes	Yes*	Age 60 w/ 15 years Age 55 w/25 yrs	Yes	Yes*	Yes	Yes	Yes	Yes*	Yes*	100%

* - as long as spouse is receiving survivors benefit

- at time of retirement

For Individuals noted above (except div 40) hired after 2005, age 60 with 15 years of service is needed for benefit eligibility

Note: Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees for those retiring or DROPPing after November 1, 2013.

Division 4,5,14 and 42 employees hired after 1/1/2010 are not eligible for employer funded retiree health benefits

**MACOMB COUNTY RETIREE HEALTH CARE PLAN
MTB EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2012**

Employee Group (Group Number)	Spouse Coverage		County Paid Coverage for Retiree/Spouse								Retiree Employer Paid Portion of Benefits	
	While Retiree is Alive	After Retiree's Death	Eligibility for Benefits	Retiree Deferred Retirement #	Spouse Deferred Retirement #	Duty Death (Spouse Coverage)	Disability Retirement (Retiree Coverage) (Duty) (Non Duty)		Disability Retirement (Spouse Coverage) (Duty) (Non Duty)			
MNA - RNs (04)	No	No	NA	No	No	No	No	No	No	No	No	NA
Service Employees International Union - LPNs (05)	No	No	NA	No	No	No	No	No	No	No	No	NA
AFSCME 411 (14)	No	No	NA	No	No	No	No	No	No	No	No	NA
MTB Non Union Employees (40)	No*	No*	Age 60 w/15yrs Age 55 w/25 yrs	Yes	No*	No*	Yes	Yes	No*	No*	No*	100%
MTB UAW Supervisors (42)	No	No	NA	No	No	No	No	No	No	No	No	NA

*Coverage is available for an eligible spouse at the retiree's expense, no County paid benefit is available.

#Employee is vested after completing 15 years of service

Division 4,5,14 and 42 employees hired after 1/1/2010 are not eligible for employer funded health benefits

Note: Employer paid portion of retiree health benefit for retiree will be equal to benefit provided to current employees for those retiring or DROPIing after November 1, 2013.