

## **Health Plan Coverage Information – Pre-Retirement**

*[This information is very general in nature. It will deal with coverage for the retiree and his or her spouse. If that spouse is also an employee or retiree of AA or another entity that has insurance benefits, if you have dependant children, if you are disabled under governmental guidelines, you must search out specific pieces of your insurance plans to verify applicability and coverage]*

You should take the APA supplemental insurance which must be purchased prior to age 55. The rationale for this action revolves around the fact that you could be forced to retire at any time (after your sick leave runs out) leaving you with only the AA policy. Upon retirement (not age related!) your insurance drops to \$300,000 per individual for you and your wife. Upon the employee turning 65, your coverage drops to the lesser of \$50,000 OR whatever is left of your \$300,000. This new limit also applies to the spouse, no matter what his or her age.

### **APA SUPPLEMENTAL INSURANCE –**

- Does not become effective until after the AA policy benefits are used up for the individual. Thus, you or your spouse could be on different plans.
- Prior to your being covered, an audit is conducted of the AA insurance records (through any of the AA policy administrators: United Health Care, Blue Cross/Blue Shield, Aetna) to make sure you the individuals benefits have really been exhausted. This audit could take up to 60 days so make sure YOU stay on top of it and that YOU call the service AND HealthFirst, the plan administrator, to initiate this audit.
- Low cost for what you get
- \$1,000,000 coverage for you and your spouse. If you have dependant children, take the time to look at the plan to check coverage for them and other specific coverage.
- What is covered and how it is covered is very similar if not identical to the AA policy.
- Out of pocket maximum is \$10,000 (as opposed to \$1,000 or your AA coverage) after which your coverage shifts to 100%.

If you have Tricare as your back up plan, remember that Tricare is an entitlement from the federal government and as such, can be altered at any time. The cost of the APA supplemental is so small, it is worth the extra layer of protection.