



## **NOTICE TO RETIREES – MONTHLY PREMIUM PAYMENTS**

### **RETIREE ACH WITHDRAWAL OF MONTHLY PREMIUMS**

- Premium is deducted from retiree's designated account on the 5<sup>th</sup> of each month. If the 5<sup>th</sup> falls on a weekend or holiday, the premium is deducted the following workday.
- If account is found to have insufficient funds, the benefits office will then contact the retiree by letter requesting that the payment be made within 7 days by cash or money order. The insufficient funds fee of \$20 will be assessed. (The retiree will be allowed 2 occurrences. After the 2<sup>nd</sup> occurrence, retiree will be required to make monthly premium payments by cash or money order directly to the Benefits Office.)
- If payment is not received, policy will be terminated effective the 1<sup>st</sup> of the current month.

### **PAYMENT OF MONTHLY PREMIUMS BY CASH OR CHECK**

- Premium payment is due the 5<sup>th</sup> of each month. If the 5<sup>th</sup> falls on a weekend or holiday, the payment is due the following workday.
- If payment is not received within 7 days of the due date, a warning letter will be sent stating that payment must be received within 7 days or policy will be terminated effective the 1<sup>st</sup> of the current month. A \$20 late fee will be assessed.
- If payment is received by check but account is found to have insufficient funds, a warning letter will be sent stating that payment of cash/money order must be received within 7 days or policy will be terminated effective the 1<sup>st</sup> of the current month. A \$20 insufficient fee will be assessed. (The retiree will be allowed 2 insufficient fee occurrences. After the 2<sup>nd</sup> occurrence, retiree will be required to make monthly premium payments by cash or money order directly to the Benefits Office.)

\*\* If coverage is cancelled due to non-payment, but then the retiree pays the premium due by the end of the month, coverage will be reinstated effective the 1<sup>st</sup> of the current month, with no lapse in coverage. The late/insufficient fund fee of \$20 will be assessed. Retiree will be allowed this occurrence 2 times during their enrollment in the retiree plan. On the third occurrence, coverage will not be reinstated.