




2026

# Helping Your Employees with Retirement & State Health Plan Benefits

 *North Carolina*  
**State Health Plan**  
FOR TEACHERS AND STATE EMPLOYEES  
A Division of the Department of State Treasurer



# Overview

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- Program Reminders
- Retirement Readiness Resources
- Auto Enrollment
- Plan Options
- Medicare
- Important Reminders



# Eat Smart Move More Prevent Diabetes

NEW BENEFIT - Eat Smart, Move More, Prevent Diabetes. *New classes begin the week of May 10<sup>th</sup>*

- A Centers for Disease Control and Prevention (CDC) recognized, 12-month online diabetes prevention program, **EAT SMART, MOVE MORE, PREVENT DIABETES** is based on strategies proven to prevent or delay type 2 diabetes. Since diabetes is so common today, it's easy to forget just how serious it is.
- Before individuals develop type 2 diabetes, they almost always have prediabetes – a condition defined by higher-than-normal fasting blood glucose levels, but not yet high enough to be considered diabetes.
- Members who have prediabetes or those who are at risk of developing type 2 diabetes can now participate in the **EAT SMART, MOVE MORE, PREVENT DIABETES** program for only \$30!
- Who can participate? All active employees, non-Medicare retirees or dependents over the age of 18 who are *currently enrolled* in the State Health Plan can participate.

Members can check to see if they qualify for the program at [esmmpreventdiabetes.com/enroll](http://esmmpreventdiabetes.com/enroll).  
Direct them to this site to confirm eligibility.



# Member Feedback Survey

- The State Health Plan will be conducting a member survey to solicit feedback on a variety of topics regarding benefits, premiums, provider preferences.
- We would love your support to communicate and encourage member participation.
- The Plan will provide tools to HBRs to help communicate to your employees.
- Goes live **APRIL 22** and ends **May 27, 2026**.



**Your feedback helps us improve  
the services you rely on.**

# Providing Retirement Resources

The State Health Plan provides great resources to support employees preparing for retirement and to help HBRs guide them through the process.

- Encourage employee participation in the State Health Plan monthly webinars:  
[UNDERSTANDING YOUR STATE HEALTH PLAN BENEFITS AT RETIREMENT.](#)
- Direct employees to review the [Planning for Retirement](#) page on the Plan's website.
- Provide a copy of the [Planning for Retirement Fact Sheet](#).

# Filing for Retirement

Employees considering retirement should speak with HR to alert them of their decision to retire.

It is recommended that employees **BEGIN** the retirement process **120 DAYS BEFORE** the **ANTICIPATED RETIREMENT DATE**. Retirement dates are **ALWAYS** the first day of a month, regardless of the last day worked.

Retirement processing takes **90-120 DAYS**. Employees need to respond promptly to requests for additional information.

- **January, June, July** and **December** are popular retirement months, which could impact processing times.
- **ORBIT** is the easiest and most efficient way to apply for retirement. A paper (Form 6) is still available but should not be submitted more than 120 days in advance.

**HBRs should enter the termination/retirement into the system as soon as the employee confirms anticipated retirement date.**

The enrollment system cannot enroll an individual into a new group until they have been terminated from their previous group. This means an individual cannot be enrolled in a retiree health plan if still listed as an active member of your group.

Once retirement is finalized and eligibility for retiree coverage is transmitted to the State Health Plan, enrollment into retiree health coverage will occur.

The State Health Plan **CANNOT retro-enroll a member** into a Medicare Advantage Plan.

# Automatic Enrollment

New retirees will be auto-enrolled into a plan regardless of their contribution status.

- If a new retiree is eligible for retiree health coverage, they will be auto-enrolled.

Auto-enrollment occurs once an individual has **FIVE YEARS OF SERVICE**, even if they were **NOT** enrolled in the State Health Plan as an active employee.

If a retiree is Medicare-eligible at the time of retirement, the individual will need to ensure they have **MEDICARE PART A and PART B IN EFFECT AS OF THEIR RETIREMENT DATE**.

- Sign-up for Medicare through the Social Security Administration at [www.ssa.gov](http://www.ssa.gov) or call 800-772-1213.
- It is recommended to sign-up as early as **60 DAYS PRIOR** to the anticipated retirement date.

The plan a Medicare-eligible retiree is auto-enrolled in depends on when the State Health Plan receives eligibility notification from the State Retirement System.

- The State Health Plan **CANNOT retro-enroll a member** into a Medicare Advantage plan.

New retirees can opt-out of State Health plan coverage during the retirement process either online or by calling the Eligibility & Enrollment Support Center at 855-859-0966.

The HBR **CANNOT** opt out of coverage on behalf of an employee.

# Contribution Status



\* Partial contribution may be required for other plan options.

\*\* Premium rate based on state contribution.

\*\*\* Individuals hired on or after January 1, 2021, are not eligible for retiree health benefits.

# State Health Plan and Optional Retirement Program (ORP)

TIAA serves as the Optional Retirement Program (ORP) provider, offering an alternative to the NC Teachers' and State Employees' Retirement System (TSERS) for eligible faculty and staff.

Once a member decides to retire, they should **CONSULT WITH** their **HBR** to review the retirement process under the ORP.

They may be eligible to enroll in the State Health Plan. The cost will depend on their State employment start date and years of service, as reflected in the previous slide.

- If they are required to pay a premium for their coverage (or their dependents' coverage), the State Health Plan's billing vendor, iTEDIUM, will bill them directly.

If the ORP member **WITHDRAWS, TRANSFERS,** or **ROLLS OVER** their entire ORP account, they will **FORFEIT THEIR RIGHT** to the State's retiree group health plan coverage.

**NOTE:** If the ORP form is marked to process retirement **WITHOUT** retiree health coverage, member will **NOT BE AUTO-ENROLLED** into retiree health coverage.

# Approaching 65 and Plan to Continue Working?

- Many Plan members continue working after the age of 65.
- The Plan mails them a Medicare eligibility letter approximately 30-60 days prior to their 65<sup>th</sup> birthday. The letter asks to confirm eligibility for Medicare benefits.
  - Recommend enrolling in Medicare Part A.
  - Recommend delaying enrollment in Medicare Part B if they remain actively working for the State.\*
- The Plan will be **PRIMARY COVERAGE**, and Medicare will be secondary when still actively working for the State.



# New Retire (65 or Older) Enrolling in Medicare?

If the member worked beyond age 65 and delayed electing Medicare Part B, they'll have to **TAKE ACTION** to enroll into Medicare Part B before their retirement.

- As a result of the pandemic, Social Security has amended their policy/system to allow individuals in these situations to enroll in Part B online at [www.ssa.gov](http://www.ssa.gov).

There are **TWO OPTIONS** to submit enrollment requests for the Special Enrollment Period. Choose **ONE** of the following:

- Go to [www.ssa.gov](http://www.ssa.gov) and select the “Medicare” category, then select “Sign-up for Medicare.” If they already have Medicare Part A in place, select “Sign-up for Part B only” and then select “Submit an application.” They will need to complete [CMS-40B\\*](#) and [CMS-L564](#). Upload their evidence of Group Health Plan or Large Group Health Plan.
- Fax or mail the CMS-40B\* and CMS-L564 forms together and the secondary evidence to their local Social Security office. Their local office can be located using this link: <https://secure.ssa.gov/ICON/main.jsp>

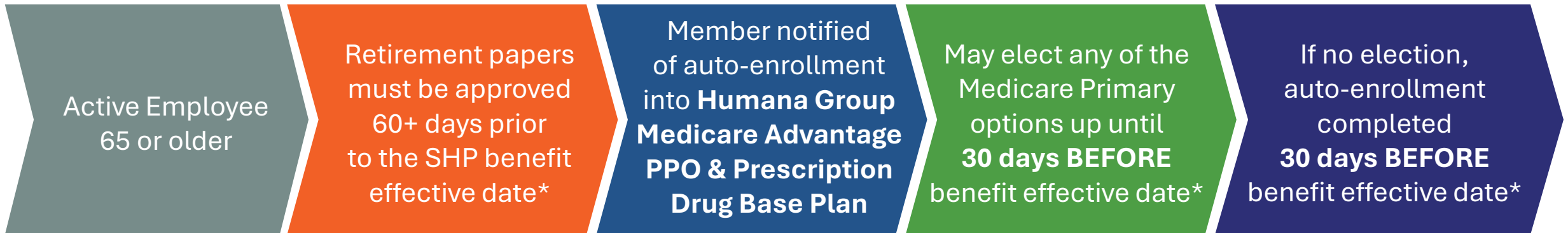
\*When completing the CMS-40B, state “I want Part B coverage to begin (MM/YY) in the remarks section of this form or the online application. Medicare Part B should be in effect as of the planned date of retirement.

# AFTER Benefit Effective Date Retirement Approval and/or Medicare Not Effective

- If the retiree (or covered spouse) is Medicare eligible when retiring and the **retirement request** is not approved by Retirement Systems until **AFTER** the Retiree Health Coverage effective date, the individual will be defaulted into the 70/30 Plan **RETROACTIVELY** and unable to change plans until the next Open Enrollment.
- If the retiree (or covered spouse) is Medicare eligible when retiring and they fail to have **Medicare Part A and Medicare Part B** until **AFTER** the Retiree Health Coverage effective date, the individual will be defaulted into the 70/30 Plan.
- This could occur retroactively and can be costly if the retiree is responsible for a portion of or all the premium, or if it is a spouse who is being defaulted to the 70/30 Plan.

# Medicare Primary: New Retirees

Retirement approved **AT LEAST 60 DAYS PRIOR**  
to effective date of retiree health coverage.



\* The State Health Plan benefit effective date is the first of the month following the retirement effective date.  
For example: If the retirement date is January 1, the SHP retiree health coverage effective date is February 1.

# Medicare Primary: New Retirees

Retirement approved **LESS THAN 60 DAYS PRIOR** to effective date of retiree health coverage.

## ACTIVE EMPLOYEE 65 OR OLDER

Retirement papers processed and approved 59 days or less prior to retiree health coverage effective date.

### MEDICARE ADVANTAGE OPTIONS NOT AVAILABLE

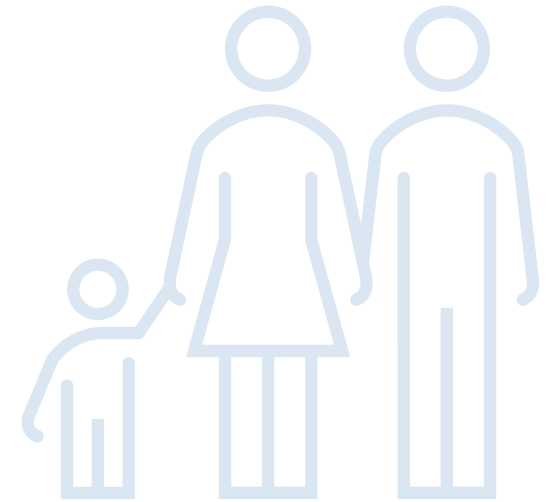
Will be auto-enrolled into the **70/30 Plan** 30 days before effective date.

### MEDICARE ADVANTAGE OPTIONS

Although not auto-enrolled in our Group Medicare Advantage PPO & Prescription Drug Base Plan, member may elect one of the Group Medicare plans until the day before the benefit effective date.

# Enrollment Guidelines for Families

- Medicare Primary family members **STAY TOGETHER**.
- If the spouse or dependents **ARE NOT** Medicare eligible:
  - They have the same options available to active employees/non-Medicare members. Administered by Aetna, these options are:
    - ✓ Plus PPO Plan
    - ✓ Standard PPO Plan
  - This is considered a “**SPLIT FAMILY**” situation where one or more members of the family unit are Medicare-eligible while others are not and have different coverage options.



When adding spouse/dependents, the Plan will require  
Dependent Eligibility Verification documentation.

# Plan Options for **Non-Medicare** Members

The State Health Plan offers two (2) Preferred Provider Organization (PPO) plans. These plans are administered by Aetna.

## Plus PPO Plan

*Pays 80% for most in-network services.*

## Standard PPO Plan

*Pays 70% for most in-network services.*



# Plan Options for Medicare Primary Members

Once Medicare primary, you have three (3) options, which consist of two Humana and one Aetna administered plans. ALL options are under the State Health Plan umbrella and include prescription drug coverage, so a separate Medicare Drug Plan (Part D) is not necessary.

Humana Group  
Medicare Advantage (PPO)  
& Prescription Drug  
Base Plan

*Premium free  
for Medicare-eligible  
qualified retiree.*

Humana Group  
Medicare Advantage (PPO)  
& Prescription Drug  
Enhanced Plan

*Monthly premium \$81 for  
Medicare-eligible retiree.*

70/30 Plan  
administered by Aetna

*Premium free  
for Medicare-eligible  
qualified retiree.*



## State Health Plan

contracts with Humana to offer options for Medicare primary members and eligible dependents, including payment of claims.

## Humana

a Medicare Advantage Organization (MAO) that contracts with CMS to administer Medicare Parts A and B benefits.

## Centers for Medicare and Medicaid Services (CMS)

oversees Medicare Parts A and B, partnering with MAOs like Humana.

# Humana Medicare Advantage Plans

- Medicare Advantage Plans are considered Medicare health plans. Another avenue to receive Medicare Part A and Part B benefits may be individual or group products. Plan options provided under the State Health Plan are group plans.
  - Members enrolled in the State Health Plan's Medicare Advantage Plans remain State Health Plan members.
  - A Medicare Prescription Drug Plan is attached to our Group Medicare Advantage Plans.
  - These are copayment driven, not 80/20 or 70/30 plans.
  - Must be under the retirement system to enroll in our Group Medicare Advantage Plan option(s).

## When Enrolled In a Medicare Advantage Plan:

- Members are considered to be in the Medicare program.
- Members keep the same rights and protections as they would under Original Medicare.
- Medicare Advantage Plans must cover all services Original Medicare covers.
- Members must have both Medicare Part A and Part B and continue to pay Medicare premiums to be eligible for Medicare Advantage Plans. **Part B premiums are paid by members through their Social Security benefits or directly to federal government.**

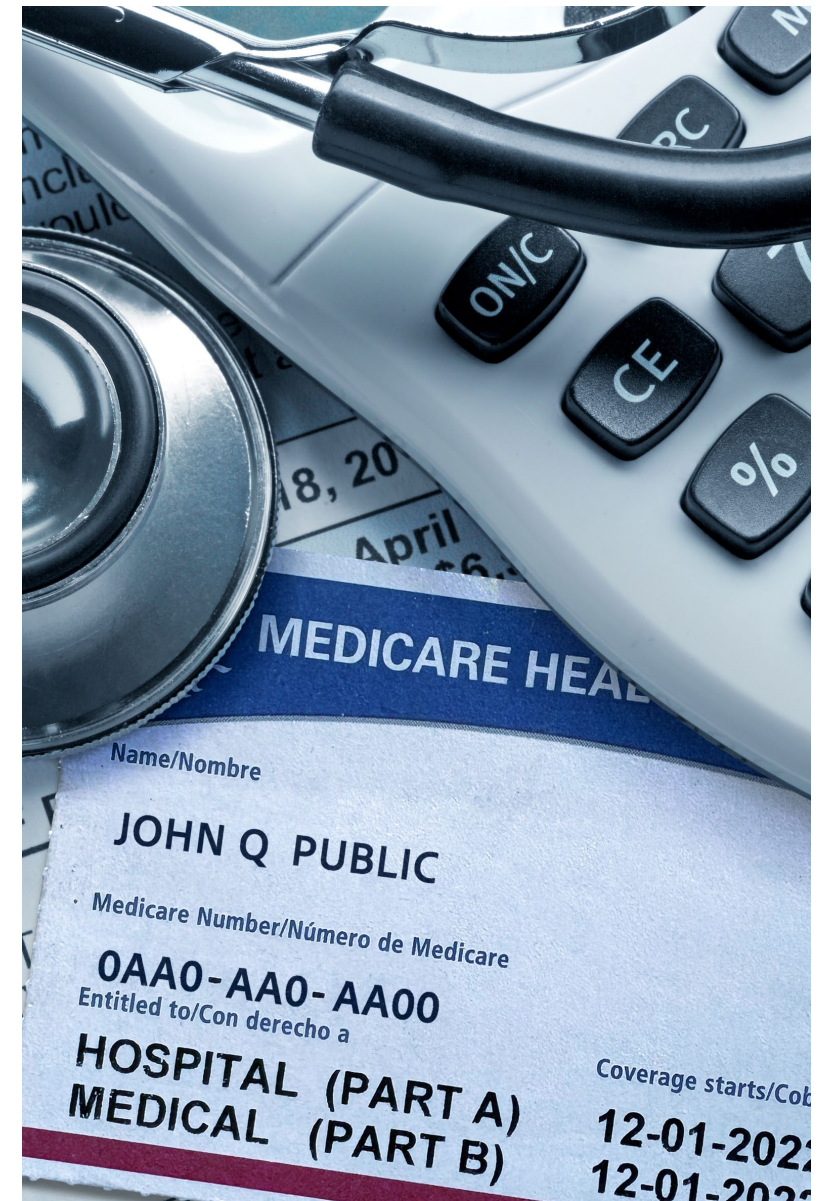
# Important Enrollment Reminders

- A retiree or a covered Medicare-eligible dependent **MAY NOT** be enrolled in multiple Medicare Health plans while enrolled in one of our Humana Group Medicare Advantage Plan options.
- When enrolled in a Humana Group plan, if they enroll in another Medicare Health Plan (Medicare Advantage or Medicare Prescription Drug coverage), they **WILL BE** disenrolled from Humana and **AUTOMATICALLY** placed on our 70/30 Plan.
- **May have a significant financial impact on retiree.**
- A retiree cannot purchase a Medigap Plan if enrolled in a Medicare Advantage Plan. Medigap Plans **DO NOT WORK WITH** Medicare Advantage Plans, only with Original Medicare.
- Members should not give out or confirm your personal information over the phone. May end up enrolled in a plan the do not want and lose their Humana coverage.
- If enrolled in other retiree health coverage, they must read all Open Enrollment material. Coverage options may change from year to year.

# Medicare Parts A and B

Medicare Part A and Part B **MUST BE IN EFFECT** to enroll into a Medicare Advantage Plan.

- Part A is typically premium-free.
- Part B's standard premium for 2026 is \$202.90 per month for new enrollees. Depending on income, the premium may be as high as \$689.90 per month.
- If a retiree has the 70/30 Plan and does not elect Part B, the State Health Plan will process claims as if the member has Part B, resulting in higher out-of-pocket costs.
- A member becomes **Medicare Eligible** the first of the month they turn 65 (e.g., 65<sup>th</sup> birthday is 3/15, member becomes Medicare eligible 3/1). But if their birthday is the first day of a month, Medicare eligibility is the first day of the prior month (e.g., 65<sup>th</sup> birthday is 5/1, they become Medicare eligible 4/1).
- It is important to enroll in Medicare (Parts A and Part B) during the 3 months **BEFORE** their 65<sup>th</sup> birthday month. This will ensure their Medicare coverage becomes effective on the first day of their birthday month.



# Disability

- If a member becomes eligible for Medicare due to disability, it is important for them to enroll in both Medicare Part A and Medicare Part B.
- Do not overlook accepting Medicare Part B. Many people fail to accept the offer to retroactively purchase Medicare Part B.
- **Read the Notice of Award letter carefully.**
- State Health Plan becomes **SECONDARY** to Medicare as of the Medicare eligibility date.
  - Claims will be reprocessed back to the Medicare eligibility date.
  - The State Health Plan will reduce claims by the amount that would have been paid under Medicare, paying the remaining claim amount under the terms of the health benefit plan.

**If Medicare Part B is not taken, the member will be responsible for the amount that would have been paid by Medicare Part B.**

# Re-Employment and State Health Plan

The Affordable Care Act **REQUIRES** the offering of health coverage to non-permanent full-time employees.

- Should a retiree return to work, the Employing unit is responsible for determining eligibility to offer health coverage, including those non-permanent employees working at least 30 hours per week.
  - If re-employed retiree qualifies for the new category, employing units are required to cover as active employees.
    - May offer only the High-Deductible Health Plan (HDHP); **OR**,
    - May offer coverage under Active Employee options Standard PPO Plan or Plus PPO Plan.
    - Re-employed retiree not required to enroll.
- Re-employed retiree will be terminated from Retiree Group Coverage under State Retirement Systems Division (SRS).
- Qualifying Life Event when state re-employment ceases
  - 30 days to enroll in State Health Plan under SRS.
  - If enrollment occurs before the effective date, would be able to enroll in a MAPDP.

# Important Address Information

If a retiree currently has a P.O. Box address on record with the State Health Plan they will need to provide a physical address as well.

- Humana is unable to process an enrollment with *only* a P.O. Box address.
- Systems can store multiple addresses. The Plan can retain the P.O. Box address for mailing purposes and will store the physical address separately.

**Retirees can update information through eBenefits or by calling the Eligibility and Enrollment Support Center at 855-859-0966.**

*It is important to also update any address change with the State Retirement System. Contact them at 919-814-4590.*



# 2027 Open Enrollment

*Save the Date*

**October 12-30, 2026**



# Stay Connected with State Health Plan News

**KEEP ENGAGED** so you can be in the know regarding your Plan benefits and offers!

**SUBSCRIBE** to the Plan's monthly e-newsletter by visiting [www.shpnc.gov](http://www.shpnc.gov).

**FOLLOW** the State Health Plan on  @SHPNC and  @nchealthplan.

