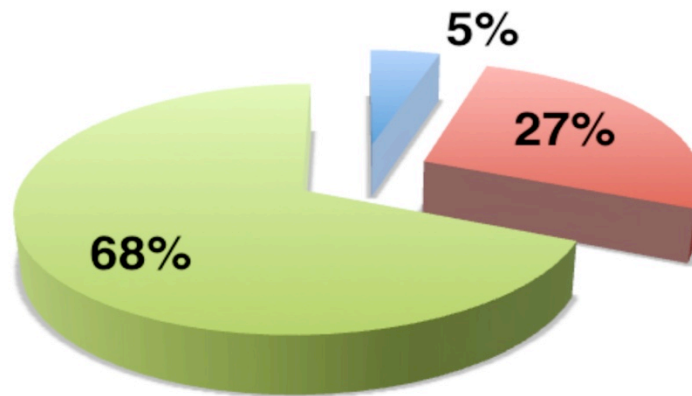


Retiree Health Demographics



- **Non-Medicare 65 and Over (1,600)**
- **Non-Medicare under 65 (8,925)**
- **Medicare (22,990)**

This separate post-employment benefit began in 1962 with a \$5/month University contribution. Based on a Regents' delegation, the University of California Human Resources Department, in consultation with the Academic Senate, designs and annually negotiates plan and rate changes. Plan options, benefits and rates are subject to change each year and are not a vested benefit. Periodically, the University has changed the benefit and eligibility terms for the Retiree Health Program.

The program now covers almost 35,000 UC retirees and 18,000 family members at an annual cost of \$250 million for 2009/2010. Eligible individuals who retire from UC with a monthly pension have health care coverage options similar to those offered to active employees. The monthly UC contribution varies from a low of \$372 (single) to a high of \$1,193 (family) for non-Medicare Plans and from \$247 (single) to \$1,142 (family) for Medicare Plans⁵⁸. If a UC retiree or dependent is eligible for Medicare, Medicare is the primary coverage and the UC coverage is secondary. UC's policy requires that all retirees or dependents eligible for Medicare must enroll. On average UC pays 89% of retiree medical premiums.

⁵⁸ The University also currently reimburses the allowed amount for a Medicare Part B premium if the plan's premium is less than the total available University contribution. For 2010 the maximum allowed Medicare Part B reimbursement is up to \$96.40 (single) and up to \$192.80/month for a retiree plus a Medicare-enrolled dependent.