

REDLANDS

Incorporated 1888 35 Cajon Street, Suite 200 P.O. Box 3005, Redlands, CA 92373 909-798-7514 Janice McConnell Assistant City Manager

Tommi Ng, PHR Assistant Director, HR/Risk Management

January 9, 2024

Re: Retiree Health Reimbursement Arrangement (RHRA) Notice

Dear Retiree,

At the City of Redlands, we value the contributions and dedication of our retirees, and we understand the importance of ensuring your well-being even after employment. With this in mind, we want to take a moment to let you know that the City has listened to your concerns regarding the previous rollout of the prior PEHP plan and have now taken action to address those concerns resulting in a better option that not only complies with CalPERS regulations, but also provides a seamless transition to you.

The City has selected a Retiree Health Reimbursement Arrangement (RHRA) Plan administered by The Advantage Group (TAG). Therefore, there will be a change in how your medical stipend reimbursement check is issued.

As of March 1, 2024, the check will be issued by TAG. If you currently receive your reimbursement check through the City's credit union or by mail, there is no need to take any action. Your reimbursement will continue to be sent in the same manner. However, if you prefer direct deposit to another banking institution of your choice, it is your responsibility to provide this information to the Office of Human Resources.

Key Features of the RHRA Plan:

- 1. Seamless Process:
 - An enrollment form is not required from you. However, you must fill out the enclosed direct deposit form in order to request direct deposit.
- 2. Financial Support:
 - As in the past, Human Resources will be your point of contact if there are any issues with your reimbursement.
- 3. Flexibility and Choice:
 - You have the option to receive your reimbursement either through direct deposit into your bank account or into the Redlands Credit Union.
- 4. Easy Reimbursement Process:
 - This transition will not have an impact on your Medical or Medicare Part B reimbursement. Please keep in mind, Medicare Insurance Part B letter must be submitted annually to Human Resources. Please note that retroactive payments will only be processed for the current year. If the benefit verification letter is not received within the current year, no reimbursements will be issued.

Next Steps:

To assist you during this transition, we have prepared a comprehensive set of resources, including:

1. Frequently Asked Questions (FAQs):



• We have enclosed a list of common questions and answers to address any concerns you may have. You can find the FAQs on our City's Human Resources webpage: cityofredlands.org/post/retirement

2. Flow Chart

- A flow chart of the reimbursement process is enclosed and is also available on our City's Human Resources webpage: cityofredlands.org/post/retirement
- 3. Webinars/Information Sessions:

Webinar Details: Zoom
Date: January 31, 2024
Time: 10:00 am to 11:00 am

Webinar Link: https://cityofredlands.zoom.us/j/88416047333

Meeting ID: 884 1604 7333

• In-person Informational Session Details:

Date: February 8, 2024 **Time:** 10:00 am to 11:00 am

Location: 35 Cajon Street, Suite 2 Redlands, CA 92373 (City Council Chambers)

We encourage you to take advantage of these resources to familiarize yourself with the new RHRA plan and ensure a smooth transition. We are also committed to supporting a smooth transition. If you have any questions or need further clarification, please do not hesitate to contact me using the contact information below.

Sincerely,

Jennifer Gutjahr

Jennifer Gutjahr

Human Resources Specialist

City of Redlands

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Enclosure: RHRA Flow Chart, FAQs, Direct Deposit Form