

CHICAGO FIRE FIGHTERS UNION • 2026 SEMINAR

Retiree Healthcare

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HAYMARKET
SPECIALTY BENEFITS

PUBLIC • LABOR • ASSOCIATIONS

WHY THIS MATTERS

Your healthcare coverage doesn't end at retirement — it transitions. Knowing your options protects your family.

LOCAL 2 IS HERE

Local 2 remains your advocate through every phase — active, retired, and Medicare-eligible.

Key Takeaways

Group Sponsored Healthcare through Local 2 is available to you and your spouse in retirement.

Timing is everything — your coverage options depend on your age, retirement date, and contract provisions.

Planning ahead prevents costly coverage gaps and unexpected out-of-pocket expenses.

Local 2 will contact you with current options 3 months before any coverage milestone.

Your Retirement Healthcare Checklist

RETIREMENT DETAILS

- ☐ Date of Retirement: _____
- ☐ Age at Retirement: _____
- ☐ Who is covered on City plan? ☐ Self ☐ Spouse ☐ Child(ren)
- ☐ What coverage does your contract provide?

CONTRACT COVERAGE PROVISIONS

Ages 55–60	Ages 60–63	Age 63+	Medicare Age+
to Medicare Age	to Medicare Age	to Medicare Age	Retiree responsible
3½% of annuity	1½% of annuity	FREE	Self & dependents

** Medicare Age is 65. Coverage terminates the 1st of the month preceding your 65th birthday. If born on the 1st, Medicare begins one month earlier.*

City of Chicago PHSA (COBRA) Rates

TYPE OF PLAN	SINGLE EE	EE + SPOUSE	FAMILY
BCBS PPO - LMCC	\$1,190.07	\$2,169.67	\$2,838.90
Blue Advantage HMO - LMCC	\$962.57	\$1,951.72	\$2,632.96
BCBS Dental HMO - LMCC	\$15.29	\$29.85	\$44.65
BCBS Dental PPO - LMCC	\$30.88	\$58.17	\$77.10
Vision Only - LMCC	\$3.20	\$6.41	\$9.61

★ FOR ILLUSTRATIVE PURPOSES ONLY — City of Chicago PHSA/COBRA rates effective January 1, 2026. Actual premiums subject to change.

The Real Cost: 10-Year Projection

Scenario: Retiree at age 55 with spouse — no contractual coverage

Monthly BCBS PPO
(EE + Spouse)

\$2,170

/month

Annual Premium
Cost

\$26,036

/year

10-Year Total
Out-of-Pocket

\$260,360

over 10 years

$$\$2,169.67 \times 12 \text{ months} = \$26,036 / \text{yr} \rightarrow \$26,036 \times 10 \text{ years} = \$260,360$$

★ Based on PHSA rates from the City of Chicago. Exchange-based plans may carry lower premiums but significantly reduced benefits.

Pension Benefits & Annual Insurance Cost

AVERAGE MONTHLY BENEFIT

\$7,346

per month | \$88,152 annually

Source: Actuarial Valuation, Firemen's Annuity & Benefit Fund of Chicago (Dec 31, 2021)

APPROXIMATE ANNUAL INSURANCE COST

Ages 55-60 — 3½% annuity

\$3,085

Ages 60-63 — 1½% annuity

\$1,322

Age 63+ — Free coverage

\$0

Contractual Coverage vs. PHSA — Side by Side

WITH CONTRACTUAL COVERAGE

Avg. Monthly Annuity

\$7,346 / mo (\$88,152 / yr)

Insurance Deducted (3½% — age 55-60)

\$3,085 / yr over 10 years

10-Year Premium Cost

\$30,850

VS

WITHOUT CONTRACTUAL COVERAGE

Monthly BCBS PPO (EE + Spouse)

\$2,169.67 / mo

Annual PHSA Premium

\$26,036 / yr

10-Year Premium Cost

\$260,360

Source: Firemen's Annuity & Benefit Fund of Chicago. ★ For illustrative purposes only.

Medicare: Key Questions & Milestones

Answer these questions well before you turn 65:

1 Do I have the required SS/Medicare credits?

Confirm eligibility with Medicare — spousal credits also count from marriage dates. Receive written confirmation.

2 When should I contact Medicare?

Contact Medicare 3 months prior to your 65th birthday. Do not wait until the last minute.

3 Who still needs non-Medicare coverage?

Any spouse or dependents not yet eligible must obtain coverage: pay City's full premium or shop the individual market.

4 What Medicare Supplement & Rx options do I have?

(1) Local 2 Group Sponsored Voluntary Plan (2) Individual market plans (3) Voluntary plans through City of Chicago.

SECTION 2

Common Healthcare Questions

Bill Oswald — Medical Liaison, IAFF Local 2



ACTION REQUIRED Subrogation Letters — Coghlan Law Firm

If you receive a letter from Coghlan Law Firm (312-357-9200), fill out the form and return it immediately. This firm is hired by the City of Chicago — ignoring it will delay your healthcare claims.

When a Member Passes Away

Active members: beneficiary receives City-issued MetLife group insurance of \$75,000. Upon retirement, this benefit ends. Health insurance continues for retired members until Medicare eligibility. Upon a retiree's death, spouse/dependent coverage ends immediately. Beneficiaries of a member who passes while on a duty or occupational disability are entitled to the city's paid life insurance.

KNOW THIS Medicare Effective Date — Birthday Rule

Medicare begins the 1st of the month preceding your 65th birthday. Example: Birthday March 29 → Medicare starts March 1. Exception: If born on the 1st, Medicare begins the prior month.

Active-to-Retired Transition Gap

Expect a short gap where you are not yet in the system. Coverage is retroactive to your retirement date. Ensure you have adequate medications before your last day. Contact Bill Oswald at Local 2 for emergency overrides.

PRE-AUTH REQUIRED CT, PET Scan, or MRI

Call Telligen at 800-373-3727 to pre-certify before any CT, PET Scan, or MRI. When pre-certified, the cost is fully covered. Skipping this step may result in out-of-pocket costs.

TIP Routine Labs — Use Free-Standing Labs

Avoid hospital-affiliated labs — they carry additional charges. Use free-standing labs for routine bloodwork. Even if your doctor sends an order in a hospital setting, request an outside facility.

Ambulance Transport Billing

Ambulance transport is a covered benefit for member and spouse. The City's outsourced vendor is unfamiliar with your CBA — you will receive a bill. Follow the General Order for Ambulance Transport Billing.

Thank You

Your retirement is our commitment.

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