



KANSAS CITY, MO POLICE DEPARTMENT
PERSONNEL POLICY

DATE OF ISSUE
10/13/2020

EFFECTIVE DATE
11/01/2020

NO.
1009

SUBJECT

Policy Series 1000
Post-Employment Health Plan (PEHP)

AMENDS

REFERENCE

PPBM 450; PPBM 1001
RSMo: 86.1150; 86.1151;86; 86.1540; 86.1180; 86.15060
Internal Revenue Code Section 213(d)

RESCINDS

I. INTRODUCTION

The Post-Employment Health Plan (PEHP) establishes a benefit program that provides members reimbursement for qualified healthcare insurance premiums and qualifying medical care expenses incurred by the member and their qualified dependents.

The PEHP will be facilitated by a third-party administrator selected by the Board of Police Commissioners (BOPC). The BOPC will make contributions on behalf of each eligible member in accordance with the Trust Agreement.

The PEHP will be overseen by an Advisory Committee. The Advisory Committee will consist of the membership of the Deferred Compensation Committee (refer to the Personnel Policy entitled "Deferred Compensation Program By-Laws.")

II. TERMINOLOGY

- A. **Benefit** - Any payment made from the PEHP.
- B. **Cash Payout** - Payment for accrued sick time, vacation time and extra-time (previously referred to as "lump sum payout").
- C. **Contributions** - Any contribution made to the PEHP on behalf of each eligible member by the BOPC.
- D. **Health Care Insurance Premium** - Any amount used to purchase insurance coverage for health benefits, hospitalization, or other medical care as defined in Internal Revenue Code Section 213(d).
- E. **Participant** - An eligible retired member or their qualified dependents.
- F. **Qualifying Medical Care Expenses** -
 - 1. Union Represented Members - Expenses incurred solely for medical care as defined in Internal Revenue Code Section 213(d), rendered to the participant or their qualified dependents from the time the participant is entitled to receive the benefit.

2. Non-Union Represented Members - (i.e. Deputy Chiefs, Managers and above). Expenses incurred for health care insurance premiums only, rendered to the participant or their qualified dependents from the time the participant is entitled to receive the benefit.
- G. **Service Retirement** - Any retirement when a member retires directly from active service with the Department and receives an unreduced retirement benefit based on service or a combination of age and service.

III. POLICY

- A. Members who separate from service via a qualified retirement or duty disability retirement are eligible for the PEHP benefit. Members are not eligible if the separation from service is through termination or a non-duty disability retirement.
- B. At least 14 (fourteen) calendar days and no more than 12 (twelve) months prior to their retirement, a PEHP eligible member will elect how to distribute their cash payout in accordance with the Personnel Policy entitled, "Separation, Compensation, and Clearance Procedures." All remaining funds after the cash payout distribution will be allocated by the department to the BOPC PEHP trust.
- C. Eligible members and their qualified dependents will be PEHP plan participants and subject to the provisions of the plan document associated with their respective Trust group.
- D. Contributions to and distributions from the PEHP are non-taxable.
- E. Upon the death of the participant and all qualified dependents, the remaining fund balance will be returned to the trust fund.

IV. MEMBERS ELIGIBLE TO PARTICIPATE

The following tiers list the criteria to be eligible to participate in PEHP:

- A. Sworn Member - Tier I (members who entered the retirement system before 08/28/2013)
 1. A member who retires from active service with 25 or more years of creditable service.
 2. A member who retires from active service at age 60 or greater with 10 or more years of creditable service.
 3. A member who retires from active service at age 55 or greater with 15 or more years of creditable service.

- B. Sworn Member - Tier II (members who entered the retirement system on or after 08/28/2013)
 - 1. A member who retires from active service with 27 or more years of creditable service.
 - 2. A member who retires from active service at age 60 or greater with 15 or more years of creditable service.
- C. Sworn Member - Tier I and II

A member who retired from active service by the BOPC on a duty disability under the provisions of section 86.1180 RSMo.
- D. Non-Sworn Member - Tier I (members who entered the retirement system before 08/28/2013)
 - 1. A member who retires from active service at age 65 or greater with 5 or more years of creditable service.
 - 2. A member who retires from active service at age 60 or greater with 10 or more years of creditable service.
 - 3. A member who retires from active service when the combination of age and years of creditable service equal or exceed 80.
- E. Non-Sworn Member - Tier II (members who entered the retirement system on or after 08/28/2013)
 - 1. A member who retires from active service at age 67 or greater with 5 or more years of creditable service.
 - 2. A member who retires from active service at age 62 or greater with 20 or more years of creditable service.
 - 3. A member who retires from active service when the combination of age and years of creditable service equal or exceed 85.

F. Non-Sworn Member - Tier I and II

A member who retires from active service by the Retirement Board on a duty disability under the provisions of section 86.1560 1. (1) RSMo.



Richard C. Smith
Chief of Police

Adopted by the Board of Police Commissioners this 29th day of September, 2020.



W. Don Wagner
Board President

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