



Retiree Health Benefits Survey Results

In Spring 2013, the Massachusetts Municipal Association conducted a statewide survey to gather data on retiree health benefits. The survey was done as part of our advocacy efforts on proposed legislative changes to OPEB (Other Post Employment Benefits). The survey was distributed to 351 cities and towns and 236 municipalities responded.

Municipal officials were asked to provide employer contribution percentage and number of subscriber contracts for active individual and family plans, non-Medicare retiree plans, and Medicare supplement plans. Data was also collected on surviving spouse benefits, enrollment in the GIC, and changes made to retiree contributions.

Summary of results

Statewide averages

- Active employee individual plan employer contribution 70%
- Active employee family plan employer contribution 69%
- “Active retiree” (pre-Medicare) individual employer contribution 66%
- “Active retiree” (pre-Medicare) family employer contribution 65%
- Medicare supplement 63%

Retirees (based on 236 respondents)

- Number of communities that don’t offer retiree benefits or do not contribute to the benefits 16
- Number of communities with different employer contributions for active and retiree plans: 70
- Number of communities that have employees with grandfathered contribution rates based on date of hire or retirement 6

Surviving Spouse (based on 236 respondents)

- Number of communities that don’t offer surviving spouse benefits 24
- Number of communities that offer surviving spouse benefits but the survivor must pay 100% 44
- Average employer surviving spouse contribution (if offered) 62%

Data based on subscriber base

- Averages for large communities: 500+ total subscribers
 - Active employee individual plan employer contribution 73%
 - Active employee family plan employer contribution 72%
 - “Active retiree” (pre-Medicare) individual employer contribution 73%
 - “Active retiree” (pre-Medicare) family employer contribution 72%
 - Medicare supplement 70%

- Average for mid-sized communities: 100-499 subscribers
 - Active employee individual plan employer contribution 68%
 - Active employee family plan employer contribution 68%
 - “Active retiree” (pre-Medicare) individual employer contribution 62%
 - “Active retiree” (pre-Medicare) family employer contribution 62%
 - Medicare supplement 60%

- Averages for small communities: 1- 99 subscribers
 - Active employee individual plan employer contribution 70%
 - Active employee family plan employer contribution 70%
 - “Active retiree” (pre-Medicare) individual employer contribution 58%
 - “Active retiree” (pre-Medicare) family employer contribution 56%
 - Medicare supplement 55%