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## VIA E-MAIL

Thomas Crowe, Superintendent  
Ector County Independent School District  
802 N. Sam Houston  
Odessa, TX 79761

## **Re: Medicare Resolution and Order**

Dear Mr. Crowe:

Please share with the Board the attached draft of a Resolution and Order that the Board must adopt in order to initiate the process of enrolling into the Medicare program those of the interested ECISD employees who were hired before April 1<sup>st</sup>, 1986. Please put this Resolution on the Board's upcoming agenda. To assist you and the Board with the review and discussion, I have outlined below the major steps in the process that the Board, on behalf of ECISD, must go through to begin offering the Medicare coverage to those employees.

- As a preliminary matter, ECISD's Board of Trustees must adopt a resolution and order to authorize it to enter into an agreement with the Employees Retirement System (ERS) of Texas for Medicare participation. ECISD will submit a certified copy of the adopted Resolution and Order to the ERS along with the application.
- ECISD will complete the application packet provided by the office of Texas Social Security Administrator (the "SSA") and will submit the application along with the required supporting documentation and a one-time \$500 application fee to the SSA. In support of the application, ECISD will be required to submit its budget for the next 12 months or an excerpt from the budget with specific allocation of money for the Medicare contributions.
- Once the application, the supporting documentation and the \$500 fee are reviewed and approved by the SSA, he will send ECISD sample referendum documents to be customized and sent back to the SSA for his final approval.
- After receiving the approval of the customized referendum ballots from the SSA, ECISD must give at least a 90-day notice of the referendum election to the concerned employees.
- ECISD will hold the referendum election no earlier than 90 days after the notice was given. ECISD must use the ballots and other referendum documents that were approved by the SSA. A Medicare referendum is not valid unless conducted under the supervision of the ERS/SSA.
- The employees can start having the Medicare tax withheld from their paycheck as soon as the election results are in.

- ECISD will send the certification of the election form to the SSA.
- The SSA will initiate the process for ECISD to enter into a Section 218 Agreement between the ERS and ECISD. The SSA will send the Agreement to ECISD for signature and will then forward the signed Agreement for a final approval to the Social Security office's counsel at the Dallas office. The SSA counsel at Dallas will take up to 4 months to review and approve the Agreement.
- Once the Agreement is approved, the SSA counsel at Dallas will forward a copy of the signed agreement to ECISD.
- Only once the Section 218 Agreement is finalized, ECISD can start paying its contributions to match the employees' Medicare payments. Until then, ECISD should be setting aside the funds in an escrow account.

Sincerely,

/s/:Tatiana T. Dennis

TD:le

cc: Brian Moersch, Keith Garinger, Mike Atkins