

## RETIREMENT PROCESS GUIDELINES

(Rev. 12/2014)

### **Retirement Eligibility:**

1. Early Age Service Retirement resulting in reduced annuity = age 55 with 5 or more years of service or any age below 50 with 30 or more years of service.
2. Normal Age Service Retirement with full annuity = age 65 with 5 or more years of service -- **or** -- age + years of service = 80 (rule of 80) and have at least 5 years of service.
3. Rehire after retirement:
  - Must have a full calendar month break before returning with any TRS or ORP employer.
  - TRS retiree prior to January 1, 2011 can return to work with no restrictions.
  - TRS retirees on or after January 1, 2011 can return to work part-time ( $\leq$  20 hours a week) with no loss of TRS annuity. Full-time employment requires a 12-consecutive-month-break in service after retirement or the retiree forfeits the monthly annuity for each month in which that work occurs.
  - Phased retirement applies to tenured faculty only (see UPPS 04.04.51).
4. Payments – TRS annuities are paid on the first of the month for the preceding month.

### **Retiree Insurance Eligibility:**

1. Eligible for interim medical insurance if retiree is age 55+ with 10 years of creditable service with TRS, ORP or ERS or any combination of these three retirement programs. Years of service must include at least 10 years in a benefits-eligible position with a GBP participating agency. This insurance is purchased through the GBP. Retirees pay the total actuarial cost. It is recommended that these retirees purchase COBRA first, because it is much lower in cost. Upon retirement, retiree may continue to purchase optional coverage such as dental and life insurance with no waiting period. See [ERS](#) for more details.
2. Eligible for retiree insurance if retiree meets the rule of 80 or is age 65+ with 10 years of creditable service with TRS, ORP or ERS or any combination of these three retirement programs. Creditable service must include 10 years in a benefits-eligible position with a GBP participating agency.
3. Employees hired prior to 9/1/01 are grandfathered under the old rule, which required 10 years of service but only 3 years of actual service with a GBP participating agency. For example, the employee can have 7 years in TRS insurance program and 3 years in GBP insurance program to qualify for retiree insurance through GBP. Must retire under GBP employer.
4. If retiree is at least 65, he/she should contact Social Security at (800) 772-1213 to inquire about Social Security and Medicare benefits. Retiree should apply for Medicare Part B since UHC-HealthSelect or HealthSelect Medicare Advantage will pay claims as if they have Part B. Medicare is primary unless the retiree returns to work in a benefits-eligible position (at least 50% FTE).
5. Employee must apply for retiree insurance benefits with their last employer.
6. If retiree returns to work at least 50% FTE, he/she may choose to enroll in insurance as an “active” employee.
7. Insurance options available to retirees:
  - Medical insurance for retiree and dependents (either as interim or retiree insurance as described above) (For HealthSelect only, switch to out-of-area when retiree reaches age 65. For retirees age 65+, HealthSelect Medicare Advantage Plan will be offered upon verification of Medicare benefits. HMOs stay the same.)
  - Dental insurance for retiree and dependents
  - Dependent Life of \$2,500 (if dependent is currently enrolled)
  - Basic Life of \$2,500

- Optional Life of one or two times annual salary (if currently enrolled). These premiums increase with age and the coverage decreases after the retiree reaches age 70.
- If one or two times annual salary is not chosen (and currently enrolled in optional life), retiree can choose a \$10,000 policy for a premium of \$23.40/mo. This premium and coverage do not change as age increases. If employee does not have optional life at time of retirement, may apply for \$10,000 policy with evidence of insurability.

### **Enrollment Period:**

1. Retirees meeting the rule of 80 or are age 65+ with 10 years of creditable service with TRS, ORP or ERS, have an initial enrollment period for 30 days immediately after the retirement date. If a break in service has occurred, medical coverage will begin the first of the month following a 60-day waiting period.
2. Retirees that retire before age 65 but do not meet the rule of 80, must contact HR and enroll in the month in which he/she turns 65. This applies whether retiring from active employment or after a break in service. Medical coverage is effective the first of the month following a 60-day waiting period. Optional coverage must be selected within the first 30 days after the retirement date or wait until the next annual enrollment period.
3. All retirees will have an annual enrollment period each summer. Retirees may add or drop dependents during their initial enrollment period or during annual enrollment. Retiree's insurance will be handled directly by ERS once they are retired.

### **Check-out Process:**

1. TRS Retiree:
  - Follow the retiree checklist on the [HR website](#).
  - Complete the [TRS 18](#) Form six months prior to retirement for an estimate of retirement benefits.
  - This will trigger TRS to mail a retirement packet to the employee's home.
  - Submit the TRS 7 Notice of Final Deposit to Human Resources (found in the TRS retirement packet.)
2. ORP Retiree:
  - Follow the retiree checklist on the [HR website](#).
  - Submit an ORP Termination Form to Human Resources.
  - Contact ORP vendor to set up distributions from the ORP account(s). (Must maintain an ORP account in order to remain eligible for retiree insurance.)
3. Prior to retirement (TRS & ORP retirees):
  - One Month Prior - Contact Human Resources Benefits office to complete appropriate forms
    - \* ERS Retiree Insurance Enrollment Form (if eligible)
    - \* ERS GBP Supplemental Information Form (if the employee is 65 or over, they will report Medicare and other supplemental insurance information on this form)
    - \* Automatic Withdrawal of GBP Insurance Premium Form (to have insurance premiums automatically withdrawn from their bank account)
    - \* Sick Leave Pool Request/Donation Form (voluntary) – The retiree can donate sick leave at retirement. Otherwise, sick leave is forfeited or is reinstated if return to work within 12 months.
  - Department completes Separation Checkout forms as outlined in UPPS 04.04.50. Retiree brings checkout forms to HR on or about last day worked.
  - Lump-sum vacation payments do not have retirement contributions deducted.