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EMPLOYEE BENEFITS

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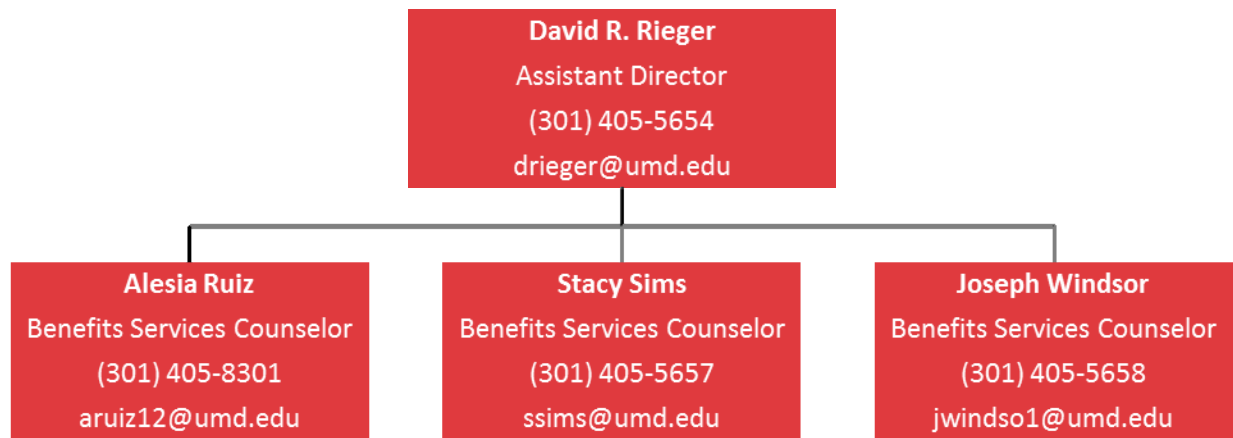
Information for Retirees in the Employees' Pension & Retirement System

www.uhr.umd.edu/benefits

Introduction

The University of Maryland College Park's Office of Employee Benefits has created this booklet specifically for Staff participating in the Employee's Retirement and Alternative Contributory Pension System who are considering retirement in the near future. You will find the following information helpful in preparing for retirement.

When you are ready to meet with your Benefits Services Counselor, please contact the appropriate counselor listed below. If you have any general questions, please contact the Office of Employee Benefits at (301) 405-5654 or visit us online at www.uhr.umd.edu/benefits



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Planning for Retirement

There are many things to consider when planning for retirement. We urge you to meet with your Benefits Services Counselor to discuss your situation when you are within one year of your intended retirement date. Additionally, the Office of Employee Benefits offers pre-retirement seminars for members who are interested in retirement. The following schedule shows the best time to begin filing some of the required forms and making the necessary contacts with the State Retirement Agency.

Recommended Time Line:

One to three years prior to retirement

- Make an appointment with your Benefits Services Counselor to discuss the retirement process, options and retiree benefits.
- Attend a pre-retirement seminar

One year prior to your Retirement

- File for an estimate one year, but no less than six months, before **your targeted retirement date**. You should complete an Application for an Estimate of Service Retirement Allowances (Form 9). Select all of the option choices to obtain information on each of the various payment plans. This form is not a retirement application. It is designed for planning purposes only.
- Apply to purchase any previous service for which you may be eligible by submitting a Request to Purchase Previous Service (Form 26) along with your request for an estimate.
- Apply for any eligible military credit using a Claim of Retirement Credit for Active Duty Military Service (Form 43).

Six months prior to retirement

- If desired, schedule an appointment with your Benefits Services Counselor to discuss any questions you may have.
- Discuss your estimated benefits with your family and financial advisor.
- Prepare a retirement budget, estimating your retirement expenses against your State Retirement, Social Security and other income.
- Update or prepare a will.

Two months prior to retirement

- Contact your UHR Benefit Services Counselor and file your actual retirement application; either the Application for Service or Disability Retirement (Form 13-23).
- Provide proof of birth for designated beneficiary (for allowance Option 2,3,5 or 6).
- If eligible, complete authorization forms to continue your health coverage.
- Complete a Direct Deposit Electronic Fund Transfer Sign-Up (Form-85) for the electronic transmission of your payment to your bank, savings institution or credit union. Direct deposit is mandatory.
- Complete Re-employment After Retirement (Form 127) to acknowledge an understanding of the consequences of re-entering the workforce.
- Complete a Federal and Maryland State Tax Withholding Request (Form 766).

One month prior to retirement

- Submit a formal letter of retirement to your department.

Medical Coverage for Retirees

If you meet the age and service requirements when you retire, you and your eligible dependents may continue to receive health benefits under the State's health plan. As a retiree, you are eligible for either partial or full subsidy of your State health benefits if you meet the following Eligibility Criteria.

Eligibility

- You have at least 16 years of State creditable service.
- You retired directly from State service with a State retirement allowance and with at least five years of State creditable service.
- You left State service (deferring your retirement allowance) with at least 10 years of State creditable service and within five years of normal retirement (age 60 for the members of the Retirement system, old system) and (age 62 for the members of the Pension System, new system).
- You retired directly from the State service with a disability retirement allowance.

A State employee or faculty member who retires with less than five years of creditable service is not eligible for participation in the State health plan unless retiring directly from State service with a disability retirement benefit.

A retiree is not eligible for the Flexible Spending Account and the Personal Accidental Death and Dismemberment insurance.

After retirement, you are subject to the same open enrollment date as regular employees/faculty or within 60 days of a qualifying event.

Plans offered for State retirees are:

- Medical Plan
- Prescription Drug Plan
- Dental Plan
- Term Life insurance (only available if you had life insurance at time of retirement)
- Long Term Care

Subsidy Amount

Maximum State Subsidy if any of the following apply:

- Retire with 16 or more years of creditable service
- You receive a disability retirement; or
- You retired from State service before July 1, 1984.

Partial State Subsidy if you:

- Have at least five years of State creditable service, but less than 16. For example, if you have 10 years of State creditable service, you would receive 10/16 of the maximum State subsidy.

Dependent Eligibility

The surviving spouse of a deceased retiree with health benefits is eligible to receive continuing State health coverage provided the surviving spouse is receiving a monthly allowance under options 2,3,5,6. A surviving spouse can only cover dependents that would also be eligible dependents of the original State retiree.

Cost

The State subsidizes health premium costs for retired State employees/faculty. The amount is determined according to each retiree's State credibility service. If you have 16 years or more of State creditable service you receive the same subsidy provided to an active employee. If you have at least five years, but less than 16 years of State creditable service, the subsidy will be prorated. You will be paying the uncovered portion of the prorated subsidy in addition to the normal retiree's portion of the premium. The cost is deducted from your monthly pension check.

Medicare Eligibility

If you are 65 or older, or you have a disability entitling you to Medicare benefits, then you are eligible for Medicare. A retired State employee or a covered spouse who is 65 or older at retirement must enroll in Medicare parts A and B by applying to the local Social Security office within three months prior to retiring. The State health plan is, thereafter, supplemental to Medicare. Anyone covered under the State retiree's health benefits plan that doesn't have Medicare Parts A and B when eligible will become responsible for approximately 80% of claims amounts that would have been paid by Medicare.

Life Insurance for Retirees and Dependents

If you were covered as an employee by Minnesota Life or UNUM, then you can continue your life insurance coverage after you retire. If you have Minnesota Life, you must enroll as a retiree on the health insurance worksheet. If you have UNUM, you must call them at 1-866-762-8705 and convert your plan to portable coverage. Your dependents can keep the same coverage, as long as, you are covered.

Other Benefits at Retirement

Long Term Disability

Long Term Disability with UNUM is not available to retirees.

Long Term Care

If you had Long Term Care coverage as an employee, you can continue it as a retiree. Please contact your vendor to convert your coverage as a retiree.

Tuition Remission

Retirees of the University of Maryland are also eligible for tuition remission. For the purposes of acceptance of the tuition remission requests, a University System of Maryland retiree must be receiving a monthly retirement payment, and have earned at least five years of University System of Maryland service credit inclusive of the former University of Maryland and Board of Trustees of State Universities and Colleges institutions. Retirees are eligible for tuition remission benefits equivalent to that of an active employee based on the retiree's FTE when they retire. Meaning, if a retiree retired from full time status, they will be eligible for tuition remission benefits equivalent to that of a full time regular employee. If an employee retires from a part time permanent position, they are eligible for tuition remission benefits equivalent to that of a part time regular employee. Spouse and dependents children of retirees are eligible for tuition remission benefits in accordance with the guidelines for that of spouse and dependents of regular active employees.

Upon retirement, tuition remission is not available for St. Mary's College.

Other Campus Privileges in Retirement

Campus Parking

Retirees that wish to obtain a campus parking permit should go directly to Campus Parking's Faculty/Staff Parking Office. Retirees are eligible for free parking in Lots K, P and Z or any of the overflow lots.

Retiree ID Card

To obtain a retiree identification card, you should request that your department create an Affiliate appointment in PHR. You may obtain a retiree ID card at the Office of the Registrar on the first floor of the Mitchell Building. You may keep the same ID picture or receive a new ID picture.

The ID card allows you to:

- Join the Campus Recreation Center for a fee.
- Receive discounts at the campus bookstore.
- Use library privileges.
- Receive discounts to Clarice Smith School for Performing Arts if over age of 62.
- Use of the Wellness Center.
- Use of the shuttle.

Retiree Email

For Staff, the department from which they retire is the deciding authority regarding obtaining an email account.

If the sponsoring department does not run their own email system, they can sponsor the non-emeriti retiree for an OIT email account via the Affiliates module of PHR. For more information about sponsorship, retirees should contact their department. If the retiree is approved for OIT email, questions about email activation should be directed to the OIT Help Desk at (301) 405-1500.

Re-employment

State law requires a minimum of 45 days break in service before you may be re-employed with any institution in the USM or a state agency. Please contact your Benefits Services Counselor if you have questions regarding re-employment.