

Understanding USI Retirement Offerings

Presented by: Wendy Seitz

Planning

Retirement is not one-size-fits-all -- benefits and decisions are specific to each individual -- make sure you are getting retirement information from a dependable source



Planning

Income/Expense and Investment Planning

- ✓ Personal Financial Advisor – Meet with representative
- ✓ Attend local pre-retirement workshops (TIAA/PERF/USI)
- ✓ TIAA/PERF – Meet with representative (**Michael Dooley, TIAA Michael Rust, INPRS**)

Social Security Planning

- ✓ Review statement online at www.SSA.gov verify date of birth and earnings record
- ✓ Talk with Social Security to confirm timing and dollar amounts
- ✓ Visit www.SSA.gov for important planning information, benefit estimates, and to apply for benefits
- ✓ Carefully plan enrollment in Medicare Parts A & B

Planning

Pre-Retirement Planning Meeting

- ✓ Schedule an appointment with a Benefits representative to discuss options, available retirement plans, and benefits provided
- ✓ Meet with appropriate department representatives to ensure smooth transition for retiree and USI

Written Notification

- ✓ Notify a Benefits representative in writing of chosen retirement date and sign the formal notice provided by Human Resources

Planning

Calendar Year/Open Enrollment Pre-Retirement Planning

- ✓ During Open Enrollment prior to the planned retirement, carefully review health and Flex plan elections
- ✓ Review the retiree health plan rates which vary from those of active employees

Retirement Transition Meeting

- ✓ Review Summary of Benefits with a Benefits representative 2-3 months prior to retirement date.
- ✓ Confirm details of your final pay, health insurance continuation and payment options (if applicable), potential deferral of any lump sum payments, and resolve any outstanding questions or concerns about your transition to retirement

Current Retirement Plan

- TIAA
 - After one year of service the University Contributes
 - Support 7% of income (Support Staff hired prior to 7/1/2014 participate in PERF)
 - Faculty and Administrative 11% of income
 - The funds are 100% vested from the first deposit
 - There is no matching requirement!
 - Employees may also contribute pre-tax or post-tax earnings to:
 - 403(b) (pre-tax) or 403(b) Roth (post-tax)
 - 457(b) (pre-tax)

USI Retiree Insurance Eligibility

➤ For Medical and Dental insurance in retirement:

- Hired before **7/1/2014** in a full-time, benefits-eligible position; age plus years of full-time, benefit-eligible service (as reflected by Banner Adjusted Service Date) equals 57 as of **7/1/2014**
- 10 years of full-time, benefit-eligible service (as reflected by Banner Adjusted Service Date) as of **7/1/2014**

➤ For Life insurance in retirement:

- Hired before **7/1/2014** in a full-time, benefits-eligible position.

Option A: Rule of 85 Program

Eligibility Requirement:

- ✓ Full Time **Faculty, Administrator or Support Staff**
- ✓ Between the ages of 55 and 60
- ✓ Retirement Age plus years of USI service = 85 or more
- ✓ Final 10 years of USI service must be consecutive
- ✓ **One year (12 months) notice requirement**

Benefits Offered:

- ❖ *Medical, Dental and Life Insurance benefits may be available, depending on your eligibility*
- ❖ Other retiree benefits include continued **email account**, continued access to University services like the library and **Recreation, Fitness & Wellness Center**, some **employee discounts**, and tuition fee waiver

Option B: Regular Retirement Plan

Eligibility Requirement:

- ✓ Full Time **Faculty, Administrator, or Support Staff** not eligible for another retirement option
- ✓ At least 60 years of age with 10 or more consecutive years of USI service
- ✓ No official notice requirement – generally faculty and administrators provide six to twelve months advance notice to allow adequate transition planning; support staff usually provide two to three months advance notice

Benefits Offered:

- ❖ *Medical, Dental and Life Insurance benefits may be available, depending on your eligibility*
- ❖ Other retiree benefits include continued **email account**, continued access to University services like the library and **Recreation, Fitness & Wellness Center**, some **employee discounts**, and tuition fee waiver

Option C: Early Retirement Plan

Eligibility Requirement:

- ✓ Full Time **Faculty or Administrator**, hired prior to 1/1/99, and did not elect the Revised Retirement Plan at that time
- ✓ Between the ages of 60 and 65
- ✓ Final 15 years of USI service must be consecutive
- ✓ **One year (12 months) notice requirement**

Option C: Early Retirement Plan

Benefits Offered:

- ❖ *Medical, Dental and Life Insurance benefits may be available, depending on your eligibility*
- ❖ **Sabbatical** - Semester or half-year leave with full pay (one-half assignment for the final academic or fiscal year with full pay is available, subject to department approval)
- ❖ **Retirement Service Pay** – lump sum at retirement equal to one percent of final year's salary for each year of full-time, benefits-eligible service up to a maximum of 25 percent
- ❖ **Retirement Plan Contributions** – contributions to TIAA will continue beyond the Early Retirement date until the end of the fiscal year in which age 66 is reached, or for 5 years, whichever comes first
- ❖ Other retiree benefits include continued **email account**, continued access to University services like the library and **Recreation, Fitness & Wellness Center**, some **employee discounts**, and tuition fee waiver

Option D: Revised Retirement Plan

Eligibility Requirement:

- ✓ Full Time **Faculty or Administrator**, hired on or after 1/1/99, or elected this plan between 1/1/99 and 6/30/99
- ✓ At least age 60 with 20 or more years of USI service
- ✓ Final 10 years of USI service must be consecutive
- ✓ **One year (12 months) notice requirement**

Option D: Revised Retirement Plan

Benefits Offered:

- ❖ *Medical, Dental and Life Insurance benefits may be available, depending on your eligibility*
- ❖ **Sabbatical** - Semester or half-year leave with full pay (one-half assignment for the final academic or fiscal year with full pay is available, subject to department approval)
- ❖ **Retirement Service Pay** – lump sum at retirement equal to one percent of final year's salary for each year of full-time, benefits-eligible service up to a maximum of 25 percent
- ❖ **Retirement Plan Contributions** – contributions to TIAA will end as of the retirement effective date
- ❖ Other retiree benefits include continued **email account**, continued access to University services like the library and **Recreation, Fitness & Wellness Center**, some **employee discounts**, and tuition fee waiver

Insurance Benefits

Medical and Dental

- University retiree medical coverage requires participation in **Medicare Parts A and B**.
- United Healthcare will enroll you in Medicare Part D.

Premium schedule is based on years of service as follows:

- 10-14 years – Employee Pays 75% of premium
- 15-19 years - Employee Pays 50% of premium
- 20+ Years - Employee Pays 25% of premium

Your decision to not continue health insurance as a retiree, or to drop coverage while retired, is an irrevocable choice.

Insurance Benefits

Other options for Medical and Dental?

- If you are not entitled to continue medical and dental insurance benefits beyond the retirement date COBRA coverage is provided, which allows continuation for up to 18 months, subject to payment of 102% of the total premium.
- Healthcare Marketplace
- Medicare Supplement Plans are offered through many insurance providers

Vision Insurance

- Vision insurance is not available as a retiree benefit; if participating in the plan at the time of retirement, may elect for up to 18 months of COBRA vision coverage upon retirement.

Insurance Benefits

Life Insurance

Those hired in a full-time, benefits-eligible position prior to 7/1/2014, are eligible for post-retirement life insurance.

- Hired on or after 2/1/1988 or hired earlier but did not remain in the old life plan by continuing to pay the associated premium, receive a \$5,000 life benefit.
- Hired prior to 2/1/1988 and elected to remain in the old life plan and pay the premium receive a \$20,000 life insurance benefit or half of the face amount, whichever is lower.

Insurance Benefits

Flexible Spending Accounts

- If enrolled in the Healthcare Flexible Spending Account, all medical claims must be incurred prior to retirement date in order to be eligible for reimbursement unless electing to continue the benefit under COBRA.
- Nyhart debit card will be deactivated at the time of retirement.
- Following retirement date, you have 90 days to submit any eligible expenses to Nyhart for reimbursement by using a paper claim form.
- Under COBRA, contributions are only allowed on a post-tax basis.

2022 Monthly Retiree Medical Rates

Anthem (Not eligible for Medicare)		
Member	25%	173.07
Member & Spouse	25%	381.26
Member & Child	25%	287.18
Member & Family	25%	474.89
Member	50%	346.13
Member & Spouse	50%	762.52
Member & Child	50%	574.36
Member & Family	50%	949.78
Member	75%	519.20
Member & Spouse	75%	1,143.78
Member & Child	75%	861.54
Member & Family	75%	1,424.68

*Anthem plans are for retirees and dependents that are not eligible for Medicare

2022 Monthly Retiree Medical Rates

United Health Care (Medicare Eligible)					
BUYUP			CORE		
Retiree	25%	41.92	Retiree	25%	33.95
Retiree	50%	83.84	Retiree	50%	67.89
Retiree	75%	125.77	Retiree	75%	101.84

*United Healthcare Medicare Advantage plans are for retirees and dependents that are **Medicare eligible**

The Medicare Advantage Plan is a single member plan, so the cost is **per Medicare eligible person for example, a retiree and spouse at the 25% level will pay \$67.90 per month for CORE coverage (33.95 x 2)

2022 Monthly Retiree Dental Rates

Paramount Dental		
Member	25%	6.52
Member & Spouse	25%	13.75
Member & Child	25%	16.25
Member & Family	25%	23.64
Member	50%	13.03
Member & Spouse	50%	27.50
Member & Child	50%	32.50
Member & Family	50%	47.28
Member	75%	19.54
Member & Spouse	75%	41.25
Member & Child	75%	48.74
Member & Family	75%	70.91

Vacation, Sick & Comp Time

Administrative – Vacation is paid out on the last pay. No sick time is paid out.

Faculty – If 12-month faculty that earns vacation, it is paid out on the last pay. No sick time is paid out.

Support Staff – Vacation and Comp is paid out on the last pay. Eligible support employees, who retire from the University with ten or more years of service under Regular Retirement or Rule of 85 are eligible for payment of one-half of their unused, accumulated sick time, not to exceed 60 days with pay.

QUESTIONS?



Contact a Benefits Staff member anytime for assistance

Wendy Seitz, Benefits Manager, 812-464-1790, wrseitz@usi.edu

- Faculty and Administrative Retirements

Stephanie West, Benefits Coordinator, 812-461-5466, slwest@usi.edu




- Support Staff Retirements

General Benefits Information: <https://www.usi.edu/hr/benefits>

Retiree Information Page: <https://www.usi.edu/hr/benefits/retiree/>

Retirement Workshop Page: <https://www.usi.edu/hr/benefits/retirement/>

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