

# Office of Human Resources

University Benefits Office

## **Pre-Retirement Seminar 2017 Classified Employees**

# Pre-Retirement Seminar 2017



Presented by:

University Benefits Office

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# AGENDA



- Verification of Service
- Retiree Health Benefits
- Medicare Part B
- Terminal and Annual Leave
- Transit Benefit
- Health Care Flexible Spending Account
- Retirement Counseling
- Work After Retirement
- New York State Deferred Compensation Plan
- Change of Address or Banking Record
- Questions & Answers

# VERIFICATION OF SERVICE



- ◆ Your College Human Resources Office will certify eligibility based on documentation supporting service and salary.
- ◆ When you inform your pension system of your intent to retire, they will contact the campus for service history.

# TERMINAL LEAVE ELIGIBLE CLASSIFIED STAFF



## Based on Blue/White Collar Contract

- ◆ a) Employees with 10 or more years of service: one day terminal leave for every two sick days up to 120 days of terminal leave.
- ◆ b) Employees who were hired on or before 1/1/75 and have 15 or more years of service: may elect to receive one month (22 days) for every decade worked. This figure may be prorated. The final figure must be reduced by the excess of an average annual sick leave usage of six (6) days per year after 7/1/74.
- ◆ c) If an employee has exhausted all or most of their sick leave due to a severe illness, colleges may, at their discretion, apply  $2 \frac{1}{5}$  work days for each year of paid service for computing terminal leave, in lieu of any other leave.

# TERMINAL LEAVE ELIGIBLE 220 STAFF



- ◆ a) Years of Service
  - Employees with 10 or more years who work at least 250 days per year,
  - May earn terminal leave at the rate of one month (22 days) for every ten years of work, prorated for every year above ten years.
  
- ◆ b) Sick Leave
  - If the employee opts for the sick leave calculation,
  - terminal leave will be one day for every two days of sick leave up to 100 terminal leave days.

# ANNUAL LEAVE



## Annual Cap

Annual leave accruals above the cap will not be paid without prior approval. If you have annual leave accruals above your cap, it is recommended that you use down as much as possible prior to your retirement date. The Office of the State Comptroller has strict guidelines on payment of accruals above the cap.

# ELIGIBILITY FOR RETIREE HEALTH BENEFITS



## NYCERS

- ◆ ERS members who retire with immediate payability are eligible for benefits.
- ◆ Tier 1 ERS members who retire with deferred payability can retain benefits for 5 years while in such status. If the deferment lasts longer than 5 years, benefits will be suspended until the retiree begins receiving retirement income from ERS.
- ◆ Health Care Premiums, if any, will come out of your monthly pension check.



# ■ Health Benefits for Active 65 Year Olds



- ❖ If you turn age 65 and are still working full time, you should enroll in Medicare Part A, which covers hospitalization.
- ❖ There is no charge for this benefit.
- ❖ You will remain on your current health plan and nothing changes.
- ❖ You are not required to enroll in Medicare Part B as long as you are on an employer health plan.

# Health Benefits for Retirees Under Age 65



- ❖ If you retire before age 65 your health coverage will remain the same as if you were active.

# Health Benefits for Retirees at Age 65



- ❖ If you are retired and you are a few months prior to turning age 65 you must:
  - ❖ Enroll in Medicare Part A – Hospitalization
  - ❖ Enroll in Medicare Part B – Physician Coverage
  - ❖ Enroll in a Senior Care Plan that is similar to your current health plan but one that is coordinated with Medicare.
  - ❖ When you turn 65, Medicare becomes your primary coverage

# Retiree Healthcare



- ❖ Medicare Part D: DO NOT ENROLL IN PART D.
- ❖ Drug coverage should be discussed with DC37 Welfare Fund or your union if other than DC37.
- ❖ Transfer Period – once in a lifetime option to change plans if retired for more than one year. Thereafter can change in even numbered years.

# MEDICARE PART B ENROLLMENT & REIMBURSEMENT



- ❖ The City will reimburse a portion of the Medicare Part B premium to retirees enrolled in a City health plan. ERS retirees receive direct reimbursement from the City Health Benefits Program. \**Income related monthly adjustment amount (IRMAA )*
- ❖ HMO members who are Medicare-eligible must also request a Medicare-risk plan application from their health carrier. These applications are available from your health plan.

# Medicare Part B

## Enrollment and Reimbursement (con't)



- ❖ Retirees are eligible to be reimbursed the basic cost of Medicare Part B premium but you must be enrolled in a City health plan.
- ❖ ERS retirees receive direct reimbursement from the City Health Benefits Program.
- ❖ \*IRMAA (Income related monthly adjustment amount) must be requested from the City Office of Labor Relations website.

# Medicare Part B Reimbursement (con't)



Administered by the NYC Health Benefits Program:

NYC Office of Labor Relations

40 Rector Street, 3<sup>rd</sup> Floor, New York, NY 10006

Retiree Hotline (212) 513-0470

# Transit Benefit



- ❖ If you are currently enrolled in the Wage Works Transit Benefits Program and you elect to retire, you will have 90 days to spend the remaining balance in your account.
- ❖ The IRS does not allow refunds of unused money in your TSA account.
- ❖ If you are 65 and still working, you may be eligible for a reduced fair benefit by the City of New York. Call 718-330-1234 for information. Rethink your wage works participation.
- ❖ You may verify your account balance and transactions through the Wage Works cardholders web site at [www.getwageworks.com/nyc](http://www.getwageworks.com/nyc) or by calling the Wage Works Customer Service Center at (877) 924-3967.



# Health Care Flexible Spending Accounts



- ❖ If your employment is terminated you can select Continuation Coverage to remain in the HCFSA Program for the remainder of the Plan Year.
  - ❖ Have your remaining goal balance taken from your last paycheck; or
  - ❖ Have your remaining goal balance pro-rated from your remaining paychecks; or
  - ❖ Submitting the remaining goal balance on a post-tax basis either by lump sum or monthly payments

# RETIREMENT COUNSELING



Retirees are encouraged to rely on information provided by their retirement system and their union. While every effort is made by University officials to provide accurate information, the retirement system will have the final say with regard to their regulations and requirements.

# WORK AFTER RETIREMENT



- ❖ Retirees are not prohibited from working after retirement. However, there are certain income restrictions if a retiree returns to work in the public sector.
- ❖ This earnings limitation is \$30,000 in 2017. You may earn up to this amount without any effect to your pension benefits. (This limitation may change in 2018)

## Exceptions:

1. Employees over 65 years of age
2. Employees working for private sector employers

# CHANGE OF ADDRESS OR BANKING RECORD



- ❖ If you have a change of address after the retirement date, you must notify in writing your;
  - ❖ College Human Resources Office
  - ❖ Payroll Office
  - ❖ Union
  - ❖ Pension Plan
  
- ❖ Additionally, if your direct deposit banking record changes, you must notify your pension plan.
  
- ❖ Always include a daytime telephone number and email address with your correspondence.

# NEW YORK STATE DEFERRED COMPENSATION PLAN



- ❖ Schedule an account checkup to review your asset allocation strategy in retirement.
- ❖ Choose a payout option that fits your needs. The earliest you can begin making withdrawals is 45 days following your separation of service.
  - ❖ Decide when you want to take distributions. The Plan does not require you to begin payments until you are age 70 1/2, and separated from service. After April 1 of the calendar year in which you reach 70 1/2, the IRS requires you to take a minimum distribution or pay a penalty of 50% of the amount that was not withdrawn as required.

# THINGS TO REMEMBER

RETIREMENT.....

often means making *changes*



Remember to update  
your beneficiary when  
necessary

Remember to notify your  
College Human Resources  
Office of any marital status  
changes that may affect your  
benefits

# THE END



## Q&A

# FOR ADDITIONAL INFORMATION



- ❖ <http://www.mymoney.gov/category/topic1/retirees.html>
- ❖ <http://www.tax.ny.gov/pdf/publications/income/pub36.pdf>
- ❖ <http://www.socialsecurity.gov/>
- ❖ <http://www.aarp.org/>
- ❖ <http://www.rpea.org/>
- ❖ <http://www.roadscholar.org/>
- ❖ <http://www.myccaonline.com>
- ❖ <https://www.nysdcp.com>
- ❖ <http://dc37.net/>
- ❖ <http://www.ers.state.tx.us/>
- ❖ <http://www.deeroaks.com/admin/index.asp>