IMPORTANT NOTICE FOR EMPLOYEES CONSIDERING RETIREMENT

Each employee may have different responsibilities and benefits based upon eligibility criteria such as years of service, age, date of hire, retirement vendor, etc. If you are considering retirement, you should consult with the Benefits office at your university to verify your eligibility for retirement benefits. Resources are available to assist in determining your financial readiness for retirement.

Once a decision has been made to retire, it is recommended to submit a retirement letter and meet with your Benefits office to begin the process at least 3 months prior to your elected retirement date.

This document provides general information and is intended only for illustrative purposes to assist you in planning your retirement. Information provided in this document is subject to change.
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Overview
This guide has been developed for prospective retirees to assist in the retirement process. In conjunction with this guide it is recommended to utilize the retirement checklist with suggested completion dates to ensure a smooth transition into retirement.

To be eligible for a sick leave payout upon your retirement, you must establish your monthly lifetime retirement annuity within 90 days after retirement. If you fail to finalize your retirement annuity within 90 days after retirement or you will forfeit your sick leave payout.

The Pennsylvania Employee Benefit Trust Fund (PEBTF), a jointly administered Health and Welfare Fund established between the Unions and the Employer, offers AFSCME and SEIU employees a retiree medical insurance program called the Retired Employees Health Program (REHP). To enroll in the REHP a retiree must meet the eligibility criteria and establish a lifetime retirement annuity. Retirees may delay enrollment into the REHP if health insurance is available from another source. Once a retiree enrolls in the REHP, coverage may continue until death or until the retiree chooses to discontinue enrollment. After the retiree passes away, survivor coverage may be extended to spouses/domestic partners. If a retiree chooses to discontinue REHP coverage, the retiree waives all rights to future coverage under REHP.

Establishing your retirement/pension
Determining the requirements for establishing your annuity depends upon which retirement vendor you are enrolled with. To be eligible for a sick leave payout or enroll in retiree health care, you must establish an annuity from your retirement vendor.

State Employees’ Retirement System (SERS)
Public School Employees’ Retirement System (PSERS)
Any of the monthly payment plan options available through SERS or PSERS meet the criteria to establish a monthly lifetime annuity. Contact SERS or PSERS to finalize your retirement paperwork.

SERS Website - 800.633.5461
SERS Retirement Guide

PSERS Website - 888.773.7748

Alternative Retirement Plan (ARP)
Annuity options vary by ARP vendor (Fidelity and TIAA). Schedule a meeting with your ARP vendor representative who will confirm and review the qualifying annuity options. A minimum of $10,000 must be annuitized.

It is strongly recommended to meet with your vendor representative to complete the annuity paperwork and understand the options available in setting up your annuity. You should contact your vendor representative 90 days prior to your retirement.

Fidelity Representatives
TIAA Representatives

Once your completed annuity paperwork has been submitted, it may take up to six weeks before you receive your first monthly annuity payment. Be prepared to cover your expenses during this time.
Medical Insurance – Retired Employees Health Program (REHP)

Below are the criteria for majority paid coverage in the REHP, which provides medical benefits upon retirement to retirees and their eligible dependents for the retiree’s lifetime.

Eligibility Criteria – AFSCME/SEIU

<table>
<thead>
<tr>
<th>Retirement Date</th>
<th>Age</th>
<th>Years of Service</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>On/After July 1, 2008</td>
<td>60</td>
<td>20</td>
<td>Credited Service*</td>
</tr>
<tr>
<td></td>
<td>Any</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Any with Approved Disability Retirement</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

Grandfathering Provision

An employee with 15 years of credited service as of June 30, 2008 or 13 years of service and was within one year of superannuation age as of June 30, 2008 shall be eligible to elect REHP coverage upon reaching superannuation age with 15 years of credited services rather than 20 years.

*Credited Service

Includes years of service credited by retirement plan (SERS, PSERS or ARP). May include purchased service. For employees hired on or after July 1, 2007, credited service is limited to service as a Commonwealth/State System employee and, if applicable, purchased military service.

REHP Health Plan Options and Information

<table>
<thead>
<tr>
<th>Non-Medicare Eligible (Under 65)</th>
<th>Medicare Eligible (Over 65)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPO - Preferred Provider Organization</td>
<td>Medicare Open Access PPO</td>
</tr>
<tr>
<td>- Choice PPO</td>
<td></td>
</tr>
<tr>
<td>- Basic PPO</td>
<td></td>
</tr>
<tr>
<td>HMO - Health Maintenance Organization</td>
<td>Varies by county throughout the state.</td>
</tr>
</tbody>
</table>

Preventive Benefits

To compare plans offered in your county of residence, click here.

Preventive Benefits

To view a list of preventive benefits, click here.

Additional Benefits

- Mental Health and Substance Abuse - Provided by Optum (formerly United Behavioral Health (UBH))
- REHP Prescription Drug Plan
- Durable Medical Equipment (DME) Prosthetics, Orthotics, Diabetic and Medical Supplies Benefit

Additional Benefits

REHP Medicare Part D Prescription Drug Plan

Rate Information

| 3% of final average salary | 1.5% of final average salary |

PPO Buy-Up

If, as an Active employee, you were hired on or after August 1, 2003, and elect the PPO plan you will pay the following rates in addition to 3% of your final average salary. Check your most recent PEBTF Newsletter for rate information.

PPO Buy-Up

Medicare retirees are not subject to the PPO buy-up unless non-Medicare eligible dependents are on the contract.
REHP Enrollment and Forms

Annuity  
To enroll in the REHP, you must establish an annuity from your retirement vendor.

Enroll or delay  
Employees enrolled in SERS  
Meet with a SERS counselor, complete and submit enrollment form (PEBTF-9) to SERS or if you are eligible but wish to delay your enrollment, complete the delayed enrollment form.

Employees enrolled in PSERS/ARP  
Complete and return the enrollment form (PEBTF-9) to your university benefits office or if you are eligible but wish to delay your enrollment, complete and return the delayed enrollment form to your university benefits office.

Monthly Premium Payment  
Employees enrolled in SERS  
Your premium payment is automatically deducted from your SERS pension check.

Employees enrolled in PSERS/ARP  
Your premium payment is billed by the PEBTF for the cost of your selected plan.

Child Dependents  
Dependent children may be covered up to age 26.

Age 65 / Medicare Eligible  
Submit a copy of your Medicare card(s) with your REHP enrollment. You must be enrolled in both Medicare Part A and Medicare Part B to receive medical and prescription drug coverage under the REHP.

Coverage Effective Date  
Upon confirmation of your monthly lifetime annuity, your REHP coverage will be effective the day after your final day of employment. If you delayed enrollment, your coverage will be effective upon loss of coverage or during an open enrollment period, pending confirmation of monthly lifetime annuity.

Receiving ID Cards  
ID card(s) will be received AFTER enrollment begins. You should not use the same cards as when you were an active employee, as your group number will change.

Making Changes to Coverage After Retirement  
For any changes or questions regarding your REHP coverage after your retirement contact:

State Employees' Retirement System (SERS) Participants  
1.800.633.5461

ARP or PSERS Participants contact PEBTF  
www.pebtf.org  1.800.522.7279

For more detail of REHP benefits, view the REHP Handbook located at www.pebtf.org
Medicare Information

If Medicare eligible when you retire, enrollment in Medicare Parts A & B is required to be eligible for medical and prescription drug coverage under the REHP. Contact Social Security to make sure you are enrolled in Medicare Parts A & B effective the first of the month in which you will retire, to avoid a break in coverage between the active group coverage and the REHP coverage. Medicare eligible employees will be enrolled in the SilverScript prescription drug plan upon enrollment in the REHP, which is a Medicare Part D plan. **Do not enroll in a separate Medicare Part D Plan with Social Security.**

Social Security - https://www.ssa.gov/ 1.800.772.1213
Medicare - www.medicare.gov 1.800.633.4227

If you are turning Age 65, visit Retirees Turning Age 65 - Understanding Your Choices.

Prescription drug coverage

Retirees under 65 have the same prescription drug coverage they had as an active employee through CVS Caremark. To view more information, navigate to the PEBTF site at: https://www.pebtf.org/Retired/NonMedicare/PrescriptionDrug.aspx

Retirees over 65 have prescription drug coverage through SilverScript Insurance. To view more information, navigate to the PEBTF site at: https://www.pebtf.org/Retired/Medicare/PrescriptionDrug.aspx
Sick Leave Payout
AFSCME/SEIU Employees may be eligible for a payout of their sick leave upon retirement. You must establish a monthly lifetime retirement annuity within 90 days after retirement. Below are the criteria for payment of sick leave.

**SERS/PSERS**

<table>
<thead>
<tr>
<th>Retirement Age</th>
<th>Years of Service</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superannuation age</td>
<td>5</td>
<td>Credited Service</td>
</tr>
<tr>
<td>Prior to Superannuation age</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Any with Approved Disability Retirement</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

**Credited service** - includes years of service credited by SERS and PSERS retirement plan and may include purchased service.

**ARP**

<table>
<thead>
<tr>
<th>Retirement Age</th>
<th>Years of Service</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 60 with ARP</td>
<td>5</td>
<td>Commonwealth/State System Service</td>
</tr>
<tr>
<td>Prior to age 60 with ARP</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Any with Approved Disability Retirement</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

**Commonwealth/State System Service** - does not include employment with a public school (pre-K, K-12).

**Sick Leave Payment Schedule**

<table>
<thead>
<tr>
<th>Days Available at Retirement</th>
<th>Percentage Buy-Out</th>
<th>Maximum Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-100</td>
<td>30%</td>
<td>30</td>
</tr>
<tr>
<td>101-200</td>
<td>40%</td>
<td>80</td>
</tr>
<tr>
<td>201-300</td>
<td>50%</td>
<td>150</td>
</tr>
<tr>
<td>Over 300 (in last year of employment)</td>
<td>100% of days over 300</td>
<td>11</td>
</tr>
</tbody>
</table>
Tax Deferring Your Leave Payouts

The State System allows you to defer in both the TSA and Deferred Compensation plans, up to the applicable IRS limits. By making pre-tax deferral into the TSA, employees can reduce taxes withheld from the final paycheck and boost their retirement savings. Prior to meeting with your representative, you should obtain a sick/annual leave payout estimate from your HR office. This will help the representative to estimate the correct deferral amount.

Deferring into the TSA 403b
There are two steps you must take to defer into the TSA plan:

1. **Open a Voluntary a TSA 403(b)**
   To open an account you must navigate to the Retirement@Work website to make your election.

2. **Submit the TSA Leave Deduction Agreement**
   Submit your completed TSA Leave Deduction Agreement directly to tsadeferral@passhe.edu or by fax to 717-720-4162.

Please note:
- If you are enrolled in the Alternative Retirement Plan (ARP), you must also open a Voluntary TSA 403b plan.
- When opening an account through Retirement@Work, the amount elected is for biweekly deductions only. You must complete the TSA Leave Deduction Agreement.
- Submit your completed TSA Leave Deduction Agreement directly to tsadeferral@passhe.edu or by fax to 717-720-4162.
- To make sure enrollment and forms are received, it is recommended to complete the process 30 days in advance of your retirement.

To view more details of the plan, navigate to www.passhe.edu/enrolltsa
- TSA Deferral Handout

Deferring into the Deferred Compensation 457
There are two steps you must take to defer into the Deferred Compensation plan:

1. **Enroll in the Deferred Compensation plan**
   Visit www.SERS.pa.gov, click the Deferred Compensation Plan graphic and “Enroll Now”. You must be contributing at least $5 prior to the pay in which you defer your sick and/or annual leave. Enrollment can be done online or by completing a paper enrollment form.

2. **Complete the Leave Deduction Agreement**
   Meet with a deferred compensation representative to complete paperwork to defer your sick and annual leave payout. The deferral agreement form can be obtained by logging into your deferred compensation account, clicking on Plan Forms or from your deferred compensation representative.

Prior to meeting with your deferred compensation representative, you should obtain a sick/annual leave payout estimate from your HR office. This will help the representative to estimate the correct deferral amount.

You should submit your completed form directly to Empower via fax or online by uploading the form to your account under the upload documents section. It’s important to obtain confirmation that the form has been submitted with Empower.

For complete guidelines/details and setup, contact Empower Retirement at 866.737.7457.
Group Life Insurance
Your employer-paid group life insurance coverage will cease on the last day of the month in which your employment ends. You will receive a conversion notice directly from MetLife. You have the option to convert the same or a lesser amount of your current group coverage into an individual insurance policy purchased at your own expense.

You may be eligible for continued insurance due to a disability through MetLife if you are proven to be totally disabled. For more information, contact MetLife’s customer service unit at 1.855.972.5433.

Dental/Vision Insurance
The REHP does not offer dental or vision coverage to retirees.

You may be eligible for the following:
- If you are receiving a pension or eligible to receive a pension from the Commonwealth/State System, vision and dental coverage may be available through PARSE (www.parseofpa.org).

Voluntary Benefits After Retirement

Voluntary Group Life (VGLIP) and Accidental Death and Dismemberment (ADD) Insurance
Your VGLIP/ADD coverage will cease on your last day of employment. You will need to obtain a form from your human resource office to convert/port any existing coverage with CIGNA.
- Portability vs. Conversion

Long Term Disability (LTD)
LTD insurance will cease at the time of retirement.

Tax-Sheltered Annuity 403(b) (TSA)
Your money can stay invested in the account or can be withdrawn after retirement. Contact your financial advisor or vendor representative for more information.

Deferred Compensation 457
Money can be withdrawn at any time after separation. Contact your Empower representative for more information.

Flexible Spending Account (FSA)
Remember to submit qualified expenses incurred prior to your date of separation. Reimbursement from your medical account will not be permitted for expenses incurred after your last day worked unless you elect COBRA coverage for FSA.

Questions?
For more information, contact your university benefit coordinator.