Welcome to the Public Employees’ Retirement System (PERS) Retirement Overview
PERS Retirement Overview

Outline

▪ Types of PERS retirement
▪ Steps to retirement
▪ How to apply for retirement
▪ Retirement calculation examples
▪ Retirement payment options
▪ Health benefits at retirement
▪ Group life insurance
▪ Determining last working day (staff only)
▪ Sick leave payout (staff only)
▪ Employment after retirement
▪ Rutgers retiree associations
▪ Useful phone numbers and websites
Types of Retirement

- Deferred retirement
- Early retirement
- Service retirement
- Ordinary disability retirement
- Accidental disability retirement
- Veteran

*Please refer to the PERS Membership Tier Chart for eligibility criteria [https://www.state.nj.us/treasury/pensions/documents/forms/sc0853.pdf](https://www.state.nj.us/treasury/pensions/documents/forms/sc0853.pdf)
Steps to Retirement (Suggested Timeline)

- 6-8 months before retirement
  - Use the Division of Pensions and Benefits site to obtain an Estimate of Retirement Benefits
    - https://www.state.nj.us/treasury/pensions/pers-estimate.shtml
  - Review your retirement payment options
Steps to Retirement (cont.)

- **4-6 months before retirement**
  - Submit an online **Retirement Application** to the State using the Member Benefits Online System (MBOS)
  - Recommended to mail a copy of the application summary to UHR
    - Postal address: 57 US Highway 1, New Brunswick, NJ 08901
    - Fax: 732-932-8332 (Call OneSource Rutgers Faculty and Staff Service Center at 732-745-SERV to confirm fax transmittal)
  - Notify your department in writing of your intent to retire
  - Determine last working day (staff employees)
  - Retirement date will be the first of the month following the last day worked
  - Contact Social Security office (if you plan to apply)
Steps to Retirement (cont.)

- **3 months before retirement**
  - If you or your spouse/civil union/same-sex domestic partner are 65+, enroll in Medicare A & B

- **2 months before retirement**
  - Receive *Quotation of Retirement Benefits* from State
  - Enroll online in **Direct Deposit**. Direct deposit of benefit payment is mandatory - [https://www.state.nj.us/treasury/pensions/pension-retirees.shtml](https://www.state.nj.us/treasury/pensions/pension-retirees.shtml)

- **1 month before retirement**
  - Receive retirement approval letter from State
  - Life insurance conversion (if interested)
Steps to Retirement (cont.)

- **Shortly before retirement**
  - Enroll in retiree health/dental plan *(Complete online enrollment via Benefitsolver - mynjbenefitshub.nj.gov)*
  - If not electing health insurance coverage, ensure to waive/decline electronically via Benefitsolver *(mynjbenefitshub.nj.gov)*

- **Shortly after retirement**
  - Complete online Tax withholding forms (W4P & NJW4P) from State
  - First retirement benefit payment – dated no earlier than first of month following retirement
  - Sick leave payout, can defer up to one year (staff only)
  - Vacation payout (staff only)
Up Next...How to Apply for Retirement
Online Guide to Retirement

Retirement is a big step in life. This guide will help you get information and make informed decisions about your retirement. Please select the topic below to get more information.

<table>
<thead>
<tr>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility For Retirement</td>
</tr>
<tr>
<td>Disability Retirement</td>
</tr>
<tr>
<td>Survivor Benefits</td>
</tr>
<tr>
<td>Getting a Retirement Estimate</td>
</tr>
<tr>
<td>Retirement Webinars and Seminars</td>
</tr>
<tr>
<td>Purchase of Service Credit</td>
</tr>
<tr>
<td>Group Life Insurance in Retirement</td>
</tr>
<tr>
<td>Health Benefits in Retirement</td>
</tr>
<tr>
<td>Federal and State Income Taxes</td>
</tr>
<tr>
<td>Other Deductions from your Retirement Benefit</td>
</tr>
<tr>
<td>Employment After Retirement</td>
</tr>
<tr>
<td>Submitting your Retirement Application</td>
</tr>
</tbody>
</table>

How to Apply for Retirement

- Must apply online for retirement using the Member Benefits Online System (MBOS)

- To register for MBOS: http://nj.gov/treasury/pensions/mbos-register.shtml

- New users may refer to MBOS registration instructions: https://www.nj.gov/treasury/pensions/documents/pdf/MBOS-ActiveInstructions.pdf

- For assistance registering please call 609-292-7524 or e-mail with the subject line "MBOS E-mail" to: pensions.nj@treas.state.nj.us

- **Note and save** your MBOS Log On ID and Password for future use
How to Apply for Retirement (cont.)
How to Apply for Retirement (cont.)

**MEMBER INFORMATION**

**Name:** Jane Member  
**Member Number:** 02-0123456

**Date of Birth:** 08/14/1956

**Street Address 1:** 123 MAIN STREET  
**Street Address 2:** APT B2

**City:** TRENTON  
**State:** NJ  
**ZIP:** 08625

**Country:** UNITED STATES OF AMERICA

**Home/Cell Phone:** (609) 555-5555  
**Work Phone:** (609) 555-5544

**E-mail:** JMEMBER@STATE.MAIL

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University Human Resources
How to Apply for Retirement (cont.)

Summary of Retirement Application Information

If any of the information below is incorrect, please use the "Change Information" button at the bottom of the page to make corrections.

**MEMBER INFORMATION**

Name: Jane Member  
Date of Birth: 08/14/1956  
Address: 123 MAIN  
City: Trenton  
State: NJ  
ZIP: 08685  
Country: United States of America  
Home/Cell Phone:  
E-mail: JMember@State.Mail  
Employer Name: Department of the Treasury

**RETIREMENT INFORMATION**

Retirement Date: 04/01/2008  
Retirement Type: Service  
Service credit purchase application WAS NOT submitted within the past 6 months  
Last 36 months of salary WERE the highest salary years

**PENSION OPTION INFORMATION**

Pension Option Selected: Option 1  
Beneficiary Information  
Name: William Member
How to Apply for Retirement (cont.)

- Print summary page for your records
- Recommended to mail a copy of the application summary to: University Human Resources (57 US Highway 1, New Brunswick, NJ 08901)
Retirement Payment Options

- Benefits will continue for the duration of your lifetime regardless of payment option selected
- Become familiar with all payment options, choose one out of nine available payment options
- Consider your:
  - Financial needs
  - Your age and health
  - Your beneficiary’s age and health
  - Need to provide survivor benefits
- Once first retirement check is issued, you cannot change your payment option
# Retirement Check Information (MBOS)

**Name:** KEN MEMBER  
**Address:** 123 MAIN STREET, ANYTOWN, NJ 08555  
**E-Mail Address:** k.member@mailaddress.com  
**Home Phone Number:** (609) 555-5555  

**If your address is incorrect, please click here to update.**

<table>
<thead>
<tr>
<th>Allowance and Deduction Information for Check Dated 03/01/2008</th>
<th>Payment for Month of 02/2008</th>
<th>Year to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Earnings</strong></td>
<td><strong>Current Deductions</strong></td>
<td><strong>Gross Pension Allow.</strong></td>
</tr>
<tr>
<td>Regular</td>
<td>Health Coverage</td>
<td>$2,132.00</td>
</tr>
<tr>
<td>Supplemental</td>
<td>Federal Income Tax</td>
<td></td>
</tr>
<tr>
<td>Cost-of-living</td>
<td>NJ Income Tax</td>
<td></td>
</tr>
<tr>
<td>Medicare Part B</td>
<td>Loan Payment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dental Coverage</td>
<td></td>
</tr>
<tr>
<td><strong>Total Allowances</strong></td>
<td><strong>Total Deductions</strong></td>
<td><strong>Net Allowance</strong></td>
</tr>
<tr>
<td>$2,132.00</td>
<td>$316.54</td>
<td>$1,815.46</td>
</tr>
</tbody>
</table>

**Health Benefits Information:** NJ DIRECT15  
Retiree Dental Expense Plan

[https://www.nj.gov/treasury/pensions/documents/forms/sp0774.pdf](https://www.nj.gov/treasury/pensions/documents/forms/sp0774.pdf)
Maximum Allowance

- Sometimes called single-life annuity
- Highest amount payable
- Maximum benefit stops at your death
- No pension benefits are payable to your survivors

- If you die before receiving your retirement allowance, paid to your beneficiary is:
  - The amount you paid into the retirement system while actively working,
  - Balance of your contributions and,
  - Interest
Alternatives to the Maximum Allowance

- All other options may provide a benefit to your beneficiary after you die.
- By taking an option, you may reduce your own monthly retirement allowance.
“Pop-up” Options A, B, C, and D

Upon your death your beneficiary will receive a lifetime monthly pension

If your beneficiary predeceases you, your retirement allowance will “pop-up” to the Maximum Allowance

The percentage of reduction is based on:
– Life expectancies of you and your beneficiary
– The option you select (A, B, C, or D)
– Younger beneficiary = greater benefit reduction
– Older beneficiary = less benefit reduction

Beneficiary must be an individual

Beneficiary can never change after retirement
“Pop-up” Options (cont.)

Option A - 100% to beneficiary or increases to maximum allowance

Option B - 75% to beneficiary or increases to maximum allowance

Option C - 50% to beneficiary or increases to maximum allowance

Option D - 25% to beneficiary or increases to maximum allowance
Option 1

- At retirement, amount the State expects to pay in lifetime benefits is set aside as a retirement reserve
- If your beneficiary predeceases you, your benefit does not increase
- If reserve has been exhausted at your death, no benefits will be paid to your beneficiary
- If any remaining balance remains at your death, it will be paid to your beneficiary
- You may name more than one beneficiary for this option and you may change at any time
- Beneficiary can be a person, charity, institution, or your estate
Option 2

- Sometimes called 100% joint and survivor annuity
- If beneficiary predeceases you, your benefit does not increase
- Retirement benefit calculation based on your age and age of your beneficiary
- Beneficiary must be an individual
- Beneficiary can never change after retirement

Option 3

- Sometimes called 50% joint and survivor annuity
- If beneficiary predeceases you, your benefit does not increase
- Retirement benefit calculation based on your age and age of your beneficiary
- Beneficiary must be an individual
- Beneficiary can never change after retirement
Option 4

- If your beneficiary is living at the time of your death, your beneficiary will receive a specified monthly allowance for the duration of his/her life.
- If your beneficiary predeceases you, your benefit does not increase.
- Beneficiary allowance cannot be more than your own allowance.
- You can name one or more beneficiaries.
- Beneficiary can never change after retirement.
# Retirement Estimate Example

**March 24, 2014**

**JOHN DOE**  
**RE:** 2-000000 (Call Benefits Dept. to get #)

This *Estimate of Retirement Benefits* was prepared based on the following information:

<table>
<thead>
<tr>
<th>Retirement Date:</th>
<th>09/01/2014</th>
<th>Type of Retirement:</th>
<th>SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Termination Date:</td>
<td>08/31/2014</td>
<td>Date of Birth:</td>
<td>01/04/1952</td>
</tr>
<tr>
<td>Pension Membership Credit as of Termination Date:</td>
<td>27 years 8 months</td>
<td>Nearest age at Retirement*:</td>
<td>63</td>
</tr>
<tr>
<td>Salary used in calculation:</td>
<td>$ 68,948.09</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Your Beneficiary:** Jane Doe  
**Beneficiary's Date of Birth:** 08/18/1950

*If your age at retirement is under 55, the benefit calculation below includes a reduction of 1/3 of 1% for each month you are under the age of 55. There is no reduction if retiring on a disability retirement.*

## PENSION Payment Options at Retirement

<table>
<thead>
<tr>
<th>Payment Option (You may choose only one.)</th>
<th>Annual Benefit</th>
<th>Monthly Benefit</th>
<th>Your Beneficiary's Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maximum Option</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option A</td>
<td>$ 34,682.88</td>
<td>$ 2,890.24</td>
<td>No benefit payable to a beneficiary.</td>
</tr>
<tr>
<td>Option B</td>
<td>$ 32,307.00</td>
<td>$ 2,442.25</td>
<td>$ 2,442.25 per month upon your death.</td>
</tr>
<tr>
<td>Option C</td>
<td>$ 30,694.32</td>
<td>$ 2,557.86</td>
<td>$ 1,918.39 per month upon your death.</td>
</tr>
<tr>
<td>Option D</td>
<td>$ 32,255.04</td>
<td>$ 2,687.92</td>
<td>$ 1,343.96 per month upon your death.</td>
</tr>
<tr>
<td>Option 1</td>
<td>$ 33,711.72</td>
<td>$ 2,809.31</td>
<td>$ 702.32 per month upon your death.</td>
</tr>
<tr>
<td>Option 2</td>
<td>$ 33,052.80</td>
<td>$ 2,754.40</td>
<td>$ 312,145.92 reduced each month by $ 2,754.40.</td>
</tr>
<tr>
<td>Option 3</td>
<td>$ 29,653.92</td>
<td>$ 2,471.16</td>
<td>$ 2,471.16 per month upon your death.</td>
</tr>
<tr>
<td>Option 4</td>
<td>$ 32,428.44</td>
<td>$ 2,702.37</td>
<td>$ 1,351.18 per month upon your death.</td>
</tr>
<tr>
<td>Life Insurance after Retirement:</td>
<td>$ 13,259.25</td>
<td>$ 0.00</td>
<td>0.00 per month upon your death.</td>
</tr>
</tbody>
</table>

Life insurance available for conversion: $ 198,888.75

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Up Next...Health Benefits at Retirement
Health Benefits at Retirement

- Active medical, prescription drug, and dental coverage continues to end of retirement month

- Retiree health benefits begin the first day of the month following retirement

January 1 retirement example:

- Active employee health (Medical & Prescription) and dental benefits will end January 31

- Retiree health (Medical & Prescription) and dental benefits will begin February 1

- If not electing health insurance coverage, ensure to decline/waive via mynjbenefitshub.nj.gov

  — Retiree Health eligibility and premium sharing are determined by
  — NJ State Law and the NJ Division of Pensions and Benefits and are subject to change.

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Enrolling in Retired Group State Health Benefits

- Most eligible members enrolled in coverage as active employees will automatically be enrolled as retirees.
  - Exceptions include those members who: are changing/waiving plans at retirement; waived coverage as an active employee; or changed their retirement date.

- Navigate to [mynjbenefitshub.nj.gov](http://mynjbenefitshub.nj.gov) and click Register
- Enter your Social Security Number and Date of Birth
- The Company Key is SHBP/SEHBP
- Once registered, **Login** using your username and password

*You may also login through the myNewJersey portal by clicking on Benefitsolver button at the bottom of the screen. If you do not have a Benefitsolver button, you must visit the NJDPB website to register.*

University Human Resources
Update Your Contact Information

–When you first visit mynjbenefitshub, be sure to update your contact information to get the latest information about your benefits. You will also have the option to receive important notifications via text message.

<table>
<thead>
<tr>
<th>Your Account</th>
<th>Your Information</th>
<th>Your Dependents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><img src="image" alt="Personal Preferences" /></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Contact Preferences**

*Work Email Address (Not Applicable to Retirees)*

None

*Personal Email Address*

None
Retiree Health Benefits – Benefitsolver Dashboard

- Explore the site for helpful information
- Find plan details in the Reference Center
- Quick Links
  - Review your current coverage
  - Chat with Sofia℠
Qualifying for State-Paid Health Insurance

- Prospective retirees who accumulate a total of 25 or more years of non-concurrent pension credit in PERS or multiple NJ state pension funds (i.e. ABP, PFRS, etc.) may be eligible for State-paid coverage at retirement, as long as they meet the following requirements:
  - Must be eligible for employer-paid health benefits immediately prior to retirement/separation.

- The State provides partial or full cost of the SHBP coverage for retirees who meet specific service credit or retirement criteria outlined in the Premium Sharing Schedule:
  (https://uhr.rutgers.edu/docs/2021-premium-sharing-schedule)
Employees Who Attained 25 or More Years of Service Credit on or Before July 1, 1997

- No contributions required for all Retired Group State Health Benefits
- Health benefits include medical and prescription drug coverage
- Full reimbursement for standard cost of Medicare Part B premium (per eligible covered individual) provided by the State.
Employees Who Attained 25 or More Years of Service Credit After July 1, 1997 and Before June 30, 2007

- No contributions required for selective Retired Group State Health Benefits
- If electing NJ Direct 10 and Aetna Freedom 10, contributions required for Retired Group State Health Benefits
- Rates for retirees who share the cost of their coverage: [https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hr0744.pdf](https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hr0744.pdf)
- Partial reimbursement of $46.10 for Medicare Part B premium (per eligible covered individual) if hire date is on or before July 1, 1995*.

*Employees who began employment or had a break in service after July 1, 1995, or who became eligible for health benefits after that date, will not be eligible for Medicare Part B reimbursement.
Employees Who Attained 25 Years of Service Credit After June 30, 2007 and before June 28, 2011

- Health contribution of 1.5% of 50% of the last annual salary received prior to retirement unless the retired member is enrolled in the Retiree Wellness Program
- NJ Direct 10 and Aetna Freedom 10 are not available
- Partial reimbursement of $46.10 for Medicare Part B premium (per eligible covered individual) if hire date is prior to July 1, 1995.
- Waived if enrolled in the SHBP Retiree Wellness Plan:
  - Complete Health Assessment Tool (HAT)
  - Agree to and submit annual Pledge for Healthier Living
  - Complete Annual Physical and Annual Wellness Certification
  - Have appropriate tests and screenings when recommended
  - Participate in health plan’s disease management program when recommended
Employees Who Attained 20 Years of Service Credit before June 28, 2011 and Retire with 25 Years of Service Credit

- Health Contribution is 1.5% of 50% of the last annual salary received prior to retirement
- NJ Direct 10 and Aetna Freedom 10 are not available
- Partial reimbursement of $46.10 for Medicare Part B premium (per eligible covered individual) if hire date is on or before to July 1, 1995.
Employees Who Attained 20 Years of Service Credit on or After June 28, 2011 and Retire with 25 Years of Service Credit

- Health contribution is based on the applicable percentage of premium based on the annual pension allowance.
  - Percentage of Premium for Retirees:
    [https://www.state.nj.us/treasury/pensions/documents/hb/oe2020/hr1016.pdf](https://www.state.nj.us/treasury/pensions/documents/hb/oe2020/hr1016.pdf)
- NJ Direct 10 and Aetna Freedom 10 are not available
- Partial reimbursement of $46.10 for Medicare Part B premium (per eligible covered individual) if hire date is prior to July 1, 1995.
Health Benefits Contribution – Percentage of Premium for Retirees

<table>
<thead>
<tr>
<th>Annual Retirement Allowance Range</th>
<th>Single</th>
<th>Member/Spouse/Partner or Parent/Child</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $20,000</td>
<td>4.5%</td>
<td>3.5%</td>
<td>3%</td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>5.5%</td>
<td>3.5%</td>
<td>3%</td>
</tr>
<tr>
<td>$20,000 - $24,999.99</td>
<td>5.5%</td>
<td>3.5%</td>
<td>3%</td>
</tr>
<tr>
<td>$25,000 - $29,999.99</td>
<td>7.5%</td>
<td>4.5%</td>
<td>4%</td>
</tr>
<tr>
<td>$30,000 - $34,999.99</td>
<td>10%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>$35,000 - $39,999.99</td>
<td>11%</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>$40,000 - $44,999.99</td>
<td>12%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>$45,000 - $49,999.99</td>
<td>14%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>$50,000 - $54,999.99</td>
<td>20%</td>
<td>15%</td>
<td>12%</td>
</tr>
</tbody>
</table>
Employees Who Attained 25 Years of Service Credit on or After June 28, 2011 – Calculation Example

- Jane Doe is retiring on July 1st. Her last annual base salary is $68,948.09
- Annual Pension Allowance = $34,682.88
- Percentage of Premium for Retirees: 10%
- 2022 full cost of NJ Direct 15 with Prescription (single non-Medicare): $1,195.78 per month
- 10% of $1,195.78 = $119.58 per month

2022 Full Cost Rate Chart – Including Prescription: https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hr1094.pdf
2022 Full Cost Rate Chart – Excluding Prescription: https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hr1095.pdf
Percentage of Premium for Retirees: https://www.state.nj.us/treasury/pensions/documents/hb/oe2020/hr1016.pdf
Employees Who Retire With Less Than 25 Years of Service Credit

- Option to enroll in Retired Status State Health Benefits Insurance plans
- Required to pay full group rate, available on State and UHR websites:
  - 2022 Full Cost Rate Chart – Including Prescription: https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hr1094.pdf
  - Do not qualify for reimbursement of Medicare Part B premium
Surviving Spouses or Civil Union/Same-Sex Domestic Partners of Employees with 25+ Years of Pension-Credited Service

- Surviving spouse or civil union/same-sex domestic partner may continue retiree health
- Will be required to pay full group rate
- Will not qualify for reimbursement of Medicare Part B premium
Enrolling in Retired Group State Health Benefits
Medicare Part A and Part B Enrollment

- Three months prior to retirement, retirees and/or their spouses/same-sex domestic or civil union partners, that are age 65 and older are required to enroll into Medicare Part A and Part B

- You can enroll in Medicare in the following ways:
  - Calling Social Security at 1-800-772-1213 (M-F 8AM to 7 PM)
  - In- Person at your local Social Security Office; location varies*

- Social Security Administration works with Medicare Services by enrolling Medicare eligible members

*Contingent upon COVID-19 regulations
Enrolling in Retired Group State Health Benefits
Medicare Part A and Part B Enrollment


- Contact OneSource Service Center to have the Request for Employment Verification form certified: 732-745-SERV(7378)

- Return certified forms to Social Security Administration for processing
Enrolling in Retired Group State Health Benefits
Medicare Part A and Part B Enrollment

- Medicare will mail Medicare Part A and Part B card

- The Division of Pensions and Benefits (DPB) will confirm enrollment into Medicare by contacting the Center for Medicare/Medicaid Services (CMS).

- Upload Medicare (MBI) information within mynjbenefitshub.nj.gov

  - You will be required to enter effective dates for Medicare Parts A & B and your Medicare ID number.
SHBP and Medicare Parts A&B

- Effective 1/1/2019, the SHBP no longer offers Medicare Advantage (MA) plans through Horizon’s NJ Direct 10 (PPO) or NJ Direct 15 (PPO) plans.

- Retirees enrolled in NJ Direct 15, who have a spouse or partner who is not Medicare-eligible, will move to the Aetna MA plan while the spouse/partner and/or any covered children remain in the NJ Direct 10 or 15 plan.

- Retirees who are not eligible for Medicare but have a spouse or partner who is Medicare-eligible, will remain in their NJ Direct 10 or 15 plan (along with any covered children) while the spouse/partner is transferred to the Aetna MA plan.

- Medicare Advantage plans, (“Part C” or “MA plans”) provide Medicare Part A (inpatient hospital insurance) and Medicare Part B (outpatient medical insurance) coverage.
SHBP and Medicare Parts A&B

- **AETNA**: Under Aetna plans, the coverage provided is a Medicare Advantage plan, which means that eligible claims are paid by the medical plan.
  - Retirees do not need to coordinate coverage between Medicare and Aetna.
  - Aetna plans are combined with Medicare and pay eligible expenses directly.
  - Aetna Medicare Advantage Plans: Aetna Freedom PPO ESA 10/ Aetna Freedom PPO ESA 15/Aetna HMO/Aetna HMO1525

- **HORIZON**: Offers Medicare Supplement Plans
  - In-network claims are coordinated by first submitting them to Medicare. This coordination of benefits with Medicare is handled by Horizon.
  - Out-of-network claims are coordinate by first submitting them to Medicare. Unreimbursed expenses may be sent to Horizon (by Medicare) for further reimbursement.
  - Horizon Supplemental Plans: NJ Direct 1525/NJ Direct 2030/Horizon HMO/Horizon HMO 1525/ Horizon HMO 2030
SHBP Medicare Part D – OptumRx

- Medicare eligible retirees are automatically enrolled in Medicare Part D prescription drug coverage under the OptumRx Medicare Prescription Plan.

- If you enroll in another Medicare Part D Plan, you will lose your prescription drug benefits provided by the SHBP. Medical benefits will continue.

- You may waive the OptumRx Medicare PDP, only if you are enrolled in another Medicare Part D plan.

- If you wish to re-enroll in the OptumRx Medicare PDP, you must send proof of your termination from the other Medicare Part D plan, within 60 days of coverage loss.
Retiree Dental Plans

- Retiree Dental Plans are offered to the following eligible retirees:
  - Any retiree, including dependents, enrolled in a medical plan offered under the Retired SHBP at the time of retirement.
  - Any retiree, including dependents, eligible for enrollment in the Retired SHBP but who elected to waive their medical coverage because of coverage provided from another employer.

- Retirees pay full cost of the Retiree Dental Plan.

- **Dental Plan Options:**
  - Aetna Dental Expense Plan
  - 5 Dental Plan Organizations:
    - Aetna DMO, Cigna, Healthplex, Horizon Dental Choice, MetLife

- **2022 Monthly Dental Rates:**
  [https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hd1065.pdf](https://www.state.nj.us/treasury/pensions/documents/hb/oe2022/hd1065.pdf)
Health Benefit Coverage Changes

- Coverage may be changed at any time provided that you have been with that same health plan for at least 12 months or due to rate increases
- Coverage changes after a qualifying event
- For questions regarding coverage, call the Division of Pensions and Benefits Retiree Benefits Office at 609-292-7524
Up Next...Life Insurance at Retirement
Retiree Group Life Insurance

- Qualification: retire with 10 or more years of pension credited-credited service

- Amount of life insurance: three-sixteenths (3/16) times last 12 months’ salary
Conversion of Life Insurance

- One-time option to convert to individual private policy through Prudential
  - No later than 31 days after retirement date
  - Cannot be denied for health reasons
  - Call Prudential Group Life Conversion Department at 1-877-889-2070
  - Also available is the online Prudential Life Insurance Calculator at: http://www.state.nj.us/treasury/pensions/conversion-calc.shtml

- Consider contacting other carriers for comparable life insurance rates

- Policy numbers:
  - Contributory life group G-14800
  - Noncontributory life group G-139000
Conversion of Life Insurance Example

- Base Salary 12 months prior to retirement = $30,000
- Total death benefits as an active member = $90,000 (3 x $30,000)
- Life insurance benefit after retirement = $5,625 (3/16 x 30,000)
- Amount eligible to convert = $84,375 ($90,000 - $5,625)
Up Next...Paid Time Off
(Staff Members)
Determining Last Working Day
(Staff Members)

- Employee and department should come to an agreement regarding last day of work.
- Requests for lump sum payouts of vacation time may be approved at the department’s discretion.
- Plan ahead as your last day in office may be several weeks or months before actual retirement date.

**Legacy Rutgers:**
- Paid Leave Bank (PLB), unused, and earned vacation days may be used prior to retirement or paid out.
- Pay Leave Bank (PLB) days may be used prior to retirement or paid out at retirement.

**RBHS:**
- Unused and earned vacation days may be used prior to retirement.
- AL, PH and ML days *must* be used prior to retirement.
Sick Leave Payout

- Eligible staff employees receive 1/2 the balance of their sick days up to $15,000:
  - All applicable taxes will be deducted

- Allow 4 to 6 weeks processing time and ensure to update your address in the employee self service system.

- You may defer sick leave payout by completing the “Sick Leave Payout at Retirement Deferral” available at UHR website: https://uhr.rutgers.edu/forms/sick-leave-payment-retirement-deferral
Compassionate Leave Program for **Legacy Rutgers** Employees

- Donated-leave bank program for qualifying managerial, professional, supervisory, and confidential employees, as well as members of the URA-AFT and AFSCME Local #888, who experience catastrophic health conditions and will exhaust all of their paid time off

- Eligible employees can donate up to 100 vacation and/or sick leave days to the leave bank

- To donate, complete and submit *Donation to Bank* form available at: [https://uhr.rutgers.edu/forms/compassionate-leave-donation-donation-to-bank](https://uhr.rutgers.edu/forms/compassionate-leave-donation-donation-to-bank)

- Donations can also be completed online: [https://uhr.rutgers.edu/benefits/non-state-benefits-rutgers-positions/paid-time-rutgers-positions/compassionate-leave](https://uhr.rutgers.edu/benefits/non-state-benefits-rutgers-positions/paid-time-rutgers-positions/compassionate-leave)
Staff Leave Donation Program
for **RBHS** Staff Employees

- The Staff Leave Donation Program for employees in legacy UMDNJ positions allows employees with accrued paid time off to donate their accrued sick or vacation to co-workers experiencing life-threatening or catastrophic illnesses, or to those who must care for a family member.

- Eligible employees can donate up to 10 vacation and/or sick leave sick leave days to the leave bank

- Must submit a request to the OneSource Rutgers Faculty and Staff Service Center at 732-745-SERV (7378).
Up Next... Tax$avings Accounts
New Jersey State Employee Deferred Compensation Program
Section 457 of the IRC
Voluntary Pre-Tax Employee Contributions

- Contact Prudential Financial directly to begin receiving distribution

- Distribution options:
  - A one-time lump-sum payment
  - A portion of your account in a specific dollar amount
  - Periodic installment payments
  - Do nothing – leave money

- For your questions about the plan, your account and necessary forms please call, 866-657-3327

- Information available at: [www.prudential.com/njsedcp](http://www.prudential.com/njsedcp)
Additional Contributions Tax-Sheltered (ACTS)
Voluntary Pre-Tax Employee Contributions

- Accounts are paid at retirement, please contact your investment provider for information.

- Information provided by the provider(s) will outline regulations, tax consequences, and distribution options.

- For specific information, contact each provider directly:

  - AXA Equitable  866-752-0072
  - Mass Mutual  848-248-4875
  - MetLife  732-623-5700
  - TIAA  800-842-8412
  - AIG  800-448-2542
  - VOYA Financial  877-873-0321
Flexible Spending Account (FSA)
Voluntary Pre-Tax Employee Contributions

- Ensure to claim remaining funds, submit cancelation to Further (Horizon MyWay)

- The Unreimbursed Medical Flexible Spending Account (Medical FSA):
  - Ceases on last day of month
  - COBRA option available

- The Dependent Care Flexible Spending Account (Dependent FSA):
  - Ceases on last day of the month
  - No COBRA option available

- For additional information, please call Further (Horizon MyWay) at: 888-215-0025
Commuter Tax$ave
Voluntary Pre-Tax Employee Contributions

- Ceases on last date of employment
- We recommend termination of benefit coverage prior to date of retirement
- For additional information, please call OneSource at 732-745-SERV (7378)
Up Next...Additional Important Information
Employment After Retirement

- You must agree to the terms and conditions of retirement on the online PERS Retirement Application using the Member Benefits Online System (MBOS)
  - Separation from employment for a period of at least 180 days
  - No pre-retirement planning allowed
  - **Must get written approval if retired and returning to public employment (form provided by UHR)**

- If you fail to sign the acknowledgement, your application for retirement allowance will not be processed
- For additional information, please refer to:
  - [http://www.state.nj.us/treasury/pensions/documents/factsheets/fact86.pdf](http://www.state.nj.us/treasury/pensions/documents/factsheets/fact86.pdf)
Telephone Contacts

State Division of Pensions and Benefits:
  Client Services  609-292-7524

Deferred Compensation  866-657-3327

OneSource Rutgers
  Faculty & Staff Service Center  732-745-7378

Social Security  800-772-1213

Internal Revenue Service  800-829-1040

NJ Division of Taxation  800-323-4400
Useful Websites

- University Human Resources
  [http://uhr.rutgers.edu/information-prospective-retirees](http://uhr.rutgers.edu/information-prospective-retirees)

- Internal Revenue Service (IRS)

- Medicare

- Social Security Online

- NJ Division of Pensions and Benefits
  [http://www.state.nj.us/treasury/pensions/](http://www.state.nj.us/treasury/pensions/)

- Medicare Advantage Plans:
Thank You!

University Human Resources