



Cornell University  
Division of Human Resources



# Retirement and Beyond

Benefits for Contract College Faculty and Staff in Retirement – Fall 2018

# Retirement Eligibility

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No mandatory age for retirement from Cornell University

To receive certain benefits you must:

- have at least 10 years of credited service and
- be at least age 55

Notice of retirement date should be provided to your department at least 21 days in advance of your retirement date.

Written notice is required by New York State.

Additional forms/paperwork will be required.  
We recommend you contact the HR Services and Transitions Center 60 or more days before retirement to learn more.....

# What We'll Cover Today:

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- Health Insurance
- Sick Leave Conversion/Credit
- Dental Insurance
- Flexible Spending Accounts (medical care, dependent care)
- Retirement Accounts (NYSERS, ORP, TDA)
- Social Security
- Protection Benefits (Survivor's Benefit / Basic Life / Group Universal Life / Personal Accident)
- Educational Benefits
- FSAP
- Voluntary Plans (NY College Savings Plan / Auto / Pet / Home / Legal)
- Long Term Care

# Health Insurance

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Must satisfy three eligibility requirements:

1. **Have at least 10 years of State Service, or 10 years combined service** with the State and one or more Participating Agencies  
The Participating Agency must have been part of NYSHIP (New York State Health Insurance Program) at the time of your employment
2. **Must be enrolled in NYSHIP as an enrollee or a dependent** at the time of your retirement
3. **Must be qualified for retirement as a member of a retirement system administered by New York State.**

If you are **not** a member of a retirement system administered by New York State, you **must** satisfy one of the following conditions:

Meet the Employee Retirement Systems tier age requirement in effect at the time you last entered state service; **or**

You must be qualified to receive Social Security disability payments.

# Health Insurance

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If you retire under age 65

- Coverage continues in the same health plan and the same cost charged to active faculty and staff
- If your spouse or domestic partner is age 65 or older, or Medicare eligible due to disability, they **MUST** enroll in Medicare Part A and Medicare Part B. We recommend you contact Social Security 3 months before retirement.

# Health Insurance continued

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If you retire at age 65 or older:

- Coverage continues in the same health plan and cost charged to active faculty and staff
- You **MUST** enroll in Medicare Part A & Medicare Part B: Contact Social Security at least 3 months before your retirement date to enroll

**FAILURE to enroll timely in Medicare results in reduced benefits under every plan, and a higher Part B premium**

# Health Insurance continued

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If you retire at age 65 or older:

1. Medicare will become your primary insurer; claims filed here first
2. Empire or HMO plan is your secondary insurer; claims come here secondarily
  - New York State will reimburse the Medicare Part B premium (**\$134.00 per month for 2018**) for you and your spouse or domestic partner (higher if your income is higher, but the higher premium will also be reimbursed)
    - If in NYSERS, you are reimbursed through your retirement payment
    - If in ORP, you are reimbursed in a separate check mailed to your home

NOTE: If you pay a penalty for late enrollment, NYS does NOT pay for the penalty

# Health Insurance - Rx

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If you retire at age 65 or older:

The Empire Plan includes a Medicare Part D plan called *Empire Plan Medicare RX*. It is administered by CVS Caremark

It is specifically for Medicare-Primary NYSHIP enrollees and Medicare eligible dependents enrolled in the Empire Plan (does not apply if enrolled in an HMO)

# Health Insurance - RX

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You and each Medicare-Primary member of your household will be covered separately and will receive a separate *Empire Plan Medicare RX Card* with a unique ID number specific to each person

You and your Medicare eligible dependents will continue to use your Empire Plan Benefit Card for your doctor and hospital services (Same as the ID Card for your active coverage)

If you are covering dependents that are not Medicare eligible, they will continue to use the Empire Plan Benefit Card for prescription drugs as well as doctor and hospital services (Same as for your active coverage)

# Health Insurance - Rx

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## IMPORTANT:

- Because your coverage under the Empire Plan includes the *Empire Plan Medicare RX* for prescription drugs, if you decline the *Empire Plan Medicare RX* coverage, your coverage under the Empire Plan (including all medical, prescription, mental health, substance abuse, hospital) for yourself and family members **ends**.
- If you cancel your enrollment in the Empire Plan, you *cannot* re-enroll until the end of the year for coverage effective the following plan year.

# Health Insurance - Rx

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You should call the NYS Department of Civil Service at 800-833-4344, if you have questions concerning the *Empire Plan Medicare RX* plan BEFORE you make any enrollment decisions.

## WHAT ABOUT A MEDICARE PART D PLAN?

If you are enrolled in The Empire Plan, an HMO or a Medicare Advantage Plan, New York State advises that you discuss your Rx and Medicare Part D options with a representative of the NYS Department of Civil Service at 800-833-4344.

Depending on your actions, portions of your Rx coverage are at risk.

# Health Insurance - Rates

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## 2018 Monthly Premium Retiree Rates

<u>Provider</u>	<u>Individual</u>	<u>Family</u>
Empire Plan: Annual Pay up to & including \$44,542 Annual Pay over \$ 44,542	\$ 93.42 \$124.56	\$409.35 \$487.29
HMO Blue-CNY: Annual Pay up to & including \$ 44,542 Annual Pay over \$ 44,542	\$ 77.40 \$103.20	\$323.89 \$386.18
MVP (central): Annual Pay up to & including \$ 44,542 Annual Pay over \$ 44,542	\$184.74 \$214.05	\$441.70 \$516.97

Note: These rates DO NOT YET reflect any sick leave credit.

# Health Insurance - Rates

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## **HOW DO I PAY MY HEALTH PREMIUM– If I'm in NYSERS?**

(for retirees both under and over age 65)

- Until the final calculation for NYSERS has been completed, you will be billed monthly for your health insurance premium (if any is due)
- Once the final calculation for NYSERS has been completed, your health premium, if any is deducted from your retirement check.
- Medicare Part B premium will be added to NYSERS retirement check and reflected as a Medicare credit on the check stub.

# Health Insurance - Rates

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## HOW DO I PAY MY HEALTH PREMIUM – If I'm in ORP?

- Retirement benefits received from the Optional Retirement Plan (ORP) administered by TIAA, or the Federal Retirement System, will **not** have the health insurance premium if applicable, deducted.
- You will be billed directly for the health insurance premium by the New York State Department of Civil Service, Employee Benefits Division, on a monthly basis.
- ORP and Federal Retirement System participants will have the Medicare Part B premium credited to reduce the monthly NYSHIP health insurance bill.

# Health Insurance – Sick Leave

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## SICK LEAVE CREDIT

- Unused sick leave accumulated at the time of retirement is converted into a dollar credit applied to the cost of health insurance coverage
- Contract College faculty and staff can have a maximum of 200 days converted into a lifetime monthly credit

# Health Insurance – Sick Leave

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## DUAL ANNUITANT SICK LEAVE

- Your dependent survivors may use your monthly sick leave credit toward their NYSHIP premium if you predecease them
- **70% of your sick leave credit will be applied to your premium.** Continue for dependents who outlive you as a monthly credit for their NYSHIP premium
- You must elect the Dual Annuitant choice BEFORE your retirement date by completing the Dual Annuitant form

# Health Insurance - Changes

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You may change from family to individual coverage or from individual to family coverage at any time by contacting the New York State Department of Civil Service. A waiting period may apply to these changes, and you are limited to one change in a 12-month period.

To make any changes regarding your health insurance coverage, call the New York State Department of Civil Service at 800-833-4344

Retirees are notified in December of new rates for the next year.

# Dental Insurance - COBRA/Conversion

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The Preferred Dental Plan with Emblem Health (formerly GHI) terminates 28 days past the last day of the bi-weekly pay period in which you retire

You may continue coverage by electing COBRA (Consolidated Omnibus Budget Reconciliation Act) or electing a Conversion Policy

## **COBRA:**

You will receive a COBRA continuation of coverage notice from the New York State Department of Civil Service. You may continue the same dental coverage you had as an active employee on a month to month basis for up to 36 months. (You will be billed the Dept of Civil Service)

# Dental Insurance - COBRA/Conversion

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If you elect COBRA coverage and make payments for 36 months, you will have the opportunity to continue dental coverage by converting to the Emblem Health Retiree Dental Plan

- If you attain age 65 during the COBRA continuation period, your COBRA benefits will cease
- If you are age 65 or older at time of retirement, and before you elect COBRA, you may continue COBRA for a full 36 months

## **CONVERSION:**

Emblem Health will also send you a conversion notice for the Emblem Health Retiree Dental Plan

- To enroll in the Retiree Dental Plan, you must elect and remit payments to Emblem Health

# 2018 Monthly Premium Rates

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## Emblem Health Monthly 2018 COBRA Rates:

Individual

\$27.48

Family

\$73.18

## Emblem Health Conversion Policy Monthly 2018 Rates

Individual

\$37.41

Sub + Spouse

\$70.42

Family

\$104.41

# Flexible Spending Accounts

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## FSA - Medical Care Reimbursement Account

- Submit claims for expenses incurred **prior** to your date of retirement
- **After** your date of retirement you may continue to participate by enrolling in COBRA and making after-tax contributions during the remainder of the same calendar year in order to exhaust any remaining balance in your account.

# Flexible Spending Accounts

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## FSA - Dependent Care Reimbursement Account

- You may continue to remit expenses incurred during the plan year against any unused balance until your account is exhausted, or the plan year ends (March 15), whichever comes first
- Claims for the current plan year must be submitted and postmarked no later than April 30 of the following year
- For more information, call the HR Services and Transitions Center at 607-255-3936

# Effective Date of Retirement (NYSERS or ORP)

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The effective date of retirement for a Contract College employee is:

- The date following the last day on which the employee is on payroll (your first unpaid day).
- New York State will not honor your retirement date if you work and are paid on your retirement date.

# New York State Employees' Retirement System (NYSERS)

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Benefit distributions eligibility for Tiers 1,2,3 & 4:

- At least age 55 and
- Have completed five or more years of credited member service and
- Your contract college employment has terminated

For Tier V members between 1/1/2010 and 3/31/2012, and Tier VI members on or after April 1, 2012:

Benefit distributions eligibility for Tier V and VI:

- At least age 55 and
- Have completed ten or more years of credited member service and
- Your contract college employment has terminated

# NYSERS – Benefits Calculation

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Benefits are based upon Final Average Salary (FAS) and Years of Service (YOS)

Final Average Salary: Best (highest) consecutive 36 or 60 months of salary averaged together

Years of Service: Full time years as member of NYSERS

# NYSERS - Benefits Formula

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## **Benefit Formula with less than 20 years of service for all Tiers:**

1.66% \* Final Average Salary \* Years of Service = Pension paid at retirement  
(less any age reductions)

## **Benefit Formula with 20 or more years of service for Tiers 1 and 2:**

2.00% \* Final Average Salary \* Years of Service = Pension paid at retirement  
(less any age reductions)

## **Benefit Formula with 20 or more years of service for Tiers 3, 4 and 5:**

2.00% \* Final Average Salary \* Years of Service up to 30 years, **plus**  
1.5% \* Final Average Salary \* Years of Service greater than 30 years = Pension  
paid at retirement (less any age reductions)

# NYSERS – Special Tier Features

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## Years of Service Cap for Tiers 1 and 2:

- Benefit cannot exceed 75% of FAS once years of service reaches 37 ½ years.

## Tiers 1 and 2 only:

- Benefit Enhancement (Article 19) provides one month of additional service credit for each year of credited service, up to a maximum of 24 months.
  - This is a permanent benefit addition.
  - Age reductions apply.
  - Years of Service Cap lifted to 79%

Full benefits are available at age 55 for Tier I members with 20 years of credited service

# NYSERS –Special Tier Features

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## Tiers 2, 3, and 4

- Full benefits are available at age 62, with 20 years of credited service and reduced benefits are available for ages prior to 62, but at least age 55.
- Retirees with less than 30 years of service will have their benefits reduced by 6% for each of the first 2 years prior to age 62, then reduced 3% for each year prior to age 60.
- Prorated for partial years of service.

# NYSERS – Payment Options

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Many payment options are available under this Plan based upon your tier

- Single Life Annuity
- Survivor Annuity
- Periods Certain
- Pop-up Allowance
- Alternative Options

You will receive a list of options after you request an estimate from the Retirement System, or after you submit the retirement applications to the Comptroller

# NYSERS – Call Center

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NYSERS Call Center (available 7:30 a.m. to 4:30 p.m.):

**1-866-805-0990**

To request a benefit distribution, discuss payment options, etc.

# NYSERS – email access

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[www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire)

- \* E-mail questions by clicking on “Contact us”
- \* Pension calculator
- \* Sign up for Retirement Online
- \* Other useful information

# NYSERS

## – Application/Payment Info

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Applications for a benefit distribution **MUST** be on file with the Comptroller at least 15 days, but not more than 90 days, before the date on which your retirement will occur

- Any document mailed to the Retirement System by “Certified Mail-Return Receipt Requested” and received by the Retirement System will be deemed filed on the date of mailing

Initial payments will occur on a delayed basis:

- It will take 2-3 months before the first payment is issued. The initial payment will equal approximately 85% of your estimated benefit.
- The final calculation of your benefit can take several months. When completed, your going-forward payments are adjusted and any applicable adjustment will occur for the payments you have received earlier.

# Optional Retirement Plan (ORP)

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Administered by TIAA

Alternate Providers: Fidelity, VALIC, Voya

Benefit distributions eligibility:

- Your statutory employment has terminated  
(10% early withdrawal tax penalty may apply if younger than age 59 ½ and not retired)

# Optional Retirement Plan (ORP)

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Payment options (may not apply to all funds):

- Single Life Annuity
- Survivor Annuity
- Guaranteed Period
- Systematic Withdrawal
- Interest Only Option
- Transfer Payout Annuity
- Cash Withdrawal
- Minimum Distribution requirement at age 70 1/2

# Optional Retirement Plan (ORP)

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Distribution forms may be obtained by contacting the investment vendor.

Personal counseling appointments with the investment vendor can be made by calling:

- Fidelity            800-642-7131
- TIAA                800-732-8353
- VALIC               315-530-7458
- Voya                 315-446-0100

# Cornell University Tax Deferred Annuity Plan (TDA)

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The TDA is comprised of your contributions to your Retirement Plan Account

Benefit distributions eligibility:

- You have terminated employment
- Distributions while employed if at least age 59 ½

Many payment options are available

# Tax Deferred Annuity Plan (TDA)

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## How Can You Receive Your Money?

Payment Options (may not apply to all funds):

- Single Life Annuity
- Survivor Annuity
- Guaranteed Period
- Systematic Withdrawal
- Interest Only Option
- Transfer Payout Annuity
- Cash Withdrawal
- Minimum Distribution at age 70 ½

# Tax Deferred Annuity Plan (TDA)

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Distribution forms may be obtained by contacting the individual investment vendor.

For personal counseling appointments call:

TIAA 800-732-8353

Fidelity Investments 800-642-7131

# 457(b) Deferred Compensation Plan

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## Benefit Distributions Eligibility:

- You have terminated employment
- Must make distribution election within 60 days of separation of service (retirement or termination)

Specific payment options are available

# Social Security

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Full retirement benefits determined based upon your year of birth; may receive benefits as early as age 62

Contact the Social Security Administration

[www.ssa.gov](http://www.ssa.gov)

Main Office                      800-772-1213

Local Office                      866-706-8289

# Survivor's Benefit Program (from NYSERS)

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You will be eligible to have a Survivor's Benefit of \$3,000 paid on your behalf if:

- You Retire from NYSERS, and
- You had at least 10 years of full-time statutory service within the 15 years immediately prior to retiring from statutory service.

Statutory service includes only employment for which statutory salary is paid. Other eligibility requirements may apply.

# Basic Life Insurance

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Employees who are enrolled in ORP, are at least 55 years of age with 10 or more years of service receive a \$3,000 life insurance policy at no cost

- You can convert difference between active basic life insurance and \$3,000.
- Call AmWins Group Benefits at 800-423-1282 for conversion information.
- You will have 31 days from the date of your retirement or 15 days from the date of your conversion letter to convert.

**The Basic Life Insurance amount will be reduced by the amount of any death benefits payable under:**

- The survivors' benefit program of the State of New York, and
- The New York State Employees' Retirement System

# Group Universal Life (GUL)

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You may continue the same level of coverage you have as an active employee. You will have 60 days from the date you receive billing from CIGNA to “port” coverage.

No medical evidence will be required to continue your coverage if this is completed within the 60 day period.

Rates will increase based on your age and coverage amount.

CIGNA can be reached at 800-231-1193.

# Personal Accident Insurance (PAI)

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- May convert to an individual policy if you are under age 70
- PAI is not available to retirees or spouses 70 or older
- For questions, call CIGNA at 800-231-1193.

# CIGNA's Trusted Advisor

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CIGNA's website

<http://cornellretiree.cignatrustedadvisor.com/> provides a secure and easy way to access coverage information for your retiree Basic Life and Group Universal Life (if you port this coverage after retirement).

From this site you can enter current beneficiary information and make changes whenever you choose. It will also allow you to print off your designations for your records.

Previously completed paper forms continue to reside with CIGNA and will be honored in the event you do not complete an online designation.

# Educational Benefits

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## Cornell Children's Tuition Scholarship Program (CCTS)

- Current level of active benefit continues into retirement
- Must be at least age 55 years old, with 10 years of service
- For more information on this benefit contact HR Services & Transition Center at 607-255-3936

# NY College Savings Plan

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- Retirees currently enrolled in the plan through payroll deduction, should contact NYSAVES at 877-697-2837 to set up direct billing
- Retirees may also enroll in the plan on line at:  
[www.nysaves.org](http://www.nysaves.org)

# Faculty Staff Assistance Program

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Formerly known as EAP: Employee Assistance Program

Assessment, Counseling, and Information and Referral Services

Phone service available 24 hours a day, 7 days a week

607-255-2673 (5-COPE)

312 College Avenue, Suite A

[www.fsap.cornell.edu](http://www.fsap.cornell.edu)

# Auto/Home/Pet Insurance

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You need to contact Mercer Voluntary Benefits to set up for direct billing of your auto/home/pet insurance

- For information, call Mercer Voluntary Benefits at 800-553-4861
- You can also access information by logging on to [www.personal-plans.com/cornell](http://www.personal-plans.com/cornell)

# Legal Plan Insurance

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- Once you retire, you will need to contact ARAG at 800-247-4184 to be set up for direct billing
- You will be billed for the same rates as you paid as an active employee
- Retirees may enroll if they have a life event or during the annual open enrollment period

# Long-Term Care

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- CNA plan members will be billed for the premiums
- Retirees and their spouses/domestic partners may enroll at any time in a Long-Term Care Plan through RetirementGuard. Proof of medical insurability will be required. For enrollment or more information call (888) 793-6111.

# HR Services & Transitions Center

For more information, contact:

HRSTC

(607) 255-3936

395 Pine Tree Road, Suite 110

(607) 255-6873 (fax)

Ithaca, NY 14850

[hrrservices@cornell.edu](mailto:hrrservices@cornell.edu)

[www.hr.cornell.edu](http://www.hr.cornell.edu)

Pre-Retirement Planning webpage:

<https://hr.cornell.edu/benefits-pay/retirement-finances/retirement-and-savings/pre-retirement-planning>