Retirement and Beyond

Benefits for retired Contract College Faculty and Staff – Spring 2018
RETIREMENT AND BEYOND

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
RETIREMENT NOTICE

• 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 the State of New York
HEALTH INSURANCE

• Must satisfy three eligibility requirements:
  1. Had 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 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.
3. Must be enrolled in NYSHIP either as an enrollee or a dependent at the time of your retirement
SICK LEAVE CONVERSION PROGRAM

• Convert unused sick leave into a dollar credit

• Contract College faculty and staff receive credit for unused sick leave when they retire

• A maximum of up to 200 days is converted to a lifetime monthly credit
DUAL ANNUIANT 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

• Must elect the Dual Annuitant choice BEFORE your retirement date by completing the Dual Annuitant form
• If you retire under age 65

  – 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 and over, and Medicare eligible due to age or disability, they need to enroll in Medicare Parts A and B.
• If you retire at age 65 or older:

  – Continue in the same health plan and cost charged to active faculty and staff

  – The Empire Plan provides prescription drug coverage for Medicare primary enrollees and their dependents who qualify for Medicare called the *Empire Plan Medicare RX*, a Medicare Part D prescription drug plan administered by CVS Caremark (formerly Express Scripts).
If you retire at age 65 or older:

- You must enroll in Medicare Parts A & B: Contact Social Security at least 3 months before your retirement date to enroll

- Failure to apply for Medicare Parts A & B when first eligible will result in drastically reduced benefits in the Empire or HMO plans
• If you retire at age 65 or older:
  – Medicare will become your primary insurer
  – Empire or HMO plan your secondary insurer
  – Medical claims are filed first with Medicare and then with the Empire or HMO plan
If you retire at age 65 or older:

- 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 income beneficiaries will pay a higher monthly premium, which will also be reimbursed.
Health Insurance Continued

- Failure to enroll in Medicare Part B when eligible can result in a 10% higher premium which is not reimbursed by New York State

- If in NYSERS, you are reimbursed through your retirement payment

- If in ORP, you are reimbursed in a separate check mailed to your home
If you retire at age 65 or older:

- The Empire Plan includes a Medicare Part D plan called *Empire Plan Medicare RX*

- 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)
• 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 (Not Changing).

• 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 (Not Changing).
HEALTH INSURANCE CONTINUED

IMPORTANT:

• 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.
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.
HEALTH INSURANCE CONTINUED

• Should I consider enrolling in a Medicare Part D Plan if I am enrolled in The Empire Plan, an HMO or a Medicare Advantage Plan in 2018.

• We have been advised to direct you to the NYS Department of Civil Service at 800-833-4344, if you are considering enrolling in a standard Medicare Part D plan to make sure you understand the impact.
– Once you are retired, if your spouse or domestic partner will turn age 65 soon, they should contact the Social Security Administration to register for Medicare.

– You can reach the Social Security office by calling 800-772-1213, or use their local number 866-706-8289
January 1, 2018 Monthly Premium Retiree Rates

<table>
<thead>
<tr>
<th>Provider</th>
<th>Individual</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empire Plan: Annual Pay up to &amp; including $44,542</td>
<td>$93.42</td>
<td>$409.35</td>
</tr>
<tr>
<td></td>
<td>$124.56</td>
<td>$487.29</td>
</tr>
<tr>
<td>HMO Blue-CNY: Annual Pay up to &amp; including $44,542</td>
<td>$77.40</td>
<td>$323.89</td>
</tr>
<tr>
<td></td>
<td>$103.20</td>
<td>$386.18</td>
</tr>
<tr>
<td>MVP (central): Annual Pay up to &amp; including $44,542</td>
<td>$184.74</td>
<td>$441.70</td>
</tr>
<tr>
<td></td>
<td>$214.05</td>
<td>$516.97</td>
</tr>
</tbody>
</table>

Note: No sick leave credit is applied.
HEALTH INSURANCE CONTINUED

• All retirees both under and over age 65 under NYSERS:
  – 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. If you are enrolled in ORP, your reimbursement will be by a separate check.
– 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 by the New York State Department of Civil Service, Employee Benefits Division on a monthly basis.
HEALTH INSURANCE CONTINUED

- ORP and Federal Retirement System participants will have the Medicare Part B premium credited to reduce the monthly NYSHIP health insurance bill.

- If the cost of the health insurance bill is less than the amount of your sick leave credit, you will receive a refund check from New York State on a quarterly basis for the excess.
COVERAGE CHANGES

• Retirees can change health plans anytime during the year but limited to one change in a 12 month period

• Retirees will be notified in December of the new rates for the next year
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.

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

• 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 (Consolidated Omnibus Budget Reconciliation Act) continuation of coverage notice from the New York State Department of Civil Service

• Under COBRA, 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 by NYS Department of Civil Service)
If you elect COBRA coverage and carry it for 36 months, you will have the opportunity to continue dental coverage through a different plan called the Emblem Health Retiree Dental Plan.

If you turn age 65 during the COBRA continuation period, your COBRA benefits will cease.

If you are age 65 or older at time of retirement, you may continue COBRA for a full 36 months.
CONVERSION POLICY

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

• To enroll in the Retiree Dental Plan, complete and remit payments to Emblem Health
## 2018 Monthly Premium Rates

**Emblem Health Monthly 2018 COBRA Rates:**

<table>
<thead>
<tr>
<th></th>
<th>Individual</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$27.48</td>
<td>$73.18</td>
</tr>
</tbody>
</table>

**Emblem Health Conversion Policy Monthly 2018 Rates**

<table>
<thead>
<tr>
<th></th>
<th>Individual</th>
<th>Sub + Spouse</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$37.41</td>
<td>$70.42</td>
<td>$104.41</td>
</tr>
</tbody>
</table>
FLEXIBLE SPENDING ACCOUNTS

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

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 Benefit Services at 607-255-3936
NEW YORK STATE EMPLOYEES’ RETIREMENT SYSTEM (NYSERS)

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
NEW YORK STATE EMPLOYEES’ RETIREMENT SYSTEM (NYSERS)

NYSERS Tier V and VI

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

\[ 1.66\% \times \text{Final Average Salary} \times \text{Years of Service} = \text{Pension paid at retirement (less any age reductions)} \]
NYSERS CONTINUED

• 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)
• 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%
NYSERS CONTINUED

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

  \[
  2.00\% \times \text{Final Average Salary} \times \text{Years of Service up to 30 years}, \quad \text{plus} \\
  1.5\% \times \text{Final Average Salary} \times \text{Years of Service greater than 30 years} \\
  = \text{Pension paid at retirement (less any age reductions)}
  \]
NYSERS CONTINUED

• Full benefits are available at age 55 for Tier I members with 20 years of credited service
• 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.
Many payment options are available under this Plan based upon your tier:

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

• 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

• Contact Benefit Services, or the Retirement System’s office in Albany 866-805-0990 for more information on these options
• Toll-free number (available 7:30 a.m. to 4:30 p.m.) for NYSERS Call Center:

**1-866-805-0990**

• To request a benefit distribution, contact Benefit Services and/or the Retirement System’s office in Albany 866-805-0990.
NYSERS CONTINUED

www.osc.state.ny.us/retire

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

• Several months before a final calculation of your benefit amount
• You will receive approximately 85% of your estimated benefit until the final calculation is complete
• 2 to 3 months before you will receive the partial check
• Contact Benefit Services at 607-255-3936 or the Retirement System in Albany at 866-805-0990
OPTIONAL RETIREMENT PLAN (ORP)

• 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)

• Many payment options are available

  Fidelity       800-343-0860
  TIAA          800-842-2776
  VALIC          800-448-2542
  Voya          800-584-6001
OPTIONAL RETIREMENT PLAN (ORP)

• 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 1/2
OPTIONAL RETIREMENT PLAN (ORP)

• 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
SURVIVOR’S BENEFIT PROGRAM (FROM NYSERS)

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.
EFFECTIVE DATE OF RETIREMENT (NYSERS OR ORP)

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.
CORNELL UNIVERSITY TAX DEFERRED ANNUITY PLAN (TDA)

(Your contributions to your Retirement Plan Account)

Benefit distributions eligibility:

– You have terminated employment
– Distributions while employed if at least age 59 1/2
– May delay until you attain age 70 1/2
– Many payment options are available

TIAA 800-842-2776
Fidelity Investments 800-343-0860
CORNELL UNIVERSITY TAX DEFERRED ANNUITY PLAN (TDA)

(Your contributions to your Retirement Plan Account)

• 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 1/2
CORNELL UNIVERSITY TAX DEFERRED ANNUITY PLAN (TDA)

(Your contributions to your Retirement Plan Account)

• 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

• Benefit distributions eligibility:
  – You have terminated employment
  – Distribution election must be made within 60 days of separation of service (retirement or termination)
  – Many payment options are available – view Webcasts
    TIAA 800-842-2776
    Fidelity 800-343-0860
457(B) DEFERRED COMPENSATION PLAN

• 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 1/2
SOCIAL SECURITY

• 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

  Main Office  800-772-1213
  Local Office  866-706-8289
BASIC LIFE INSURANCE

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 Benefits letter to convert.
LIFE INSURANCE

- 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)

• 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.
GROUP UNIVERSAL LIFE (GUL)

• Rates will increase based upon your age and coverage amount.

• For questions call CIGNA at 800-231-1193
PERSONAL ACCIDENT INSURANCE (PAI)

- May convert to an individual policy if you are under age 70

- PAI is not available to retirees 70 or older

- Spouses of active or retired employees who are 70 or older are also not eligible for PAI

- For questions, call CIGNA at 800-231-1193.
CIGNA’S TRUSTED ADVISOR

• This website [www.cignatrustedadvisor.com/cornellretiree](http://www.cignatrustedadvisor.com/cornellretiree) 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.
CIGNA’S TRUSTED ADVISOR

• All previously completed paper forms continue to reside with CIGNA and will be honored in the event that you do not complete an online designation.
EDUCATIONAL BENEFITS

- Cornell Children’s Tuition Scholarship Program (CCTS)
  - 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 Benefit Services at 607-255-3936
• 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 online at www.nysaves.org
FACULTY STAFF ASSISTANCE PROGRAM

• 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
AUTO/HOME/PET INSURANCE

• 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
LONG-TERM CARE

• CNA plan members will be billed for the premiums

• Retirees and their spouses/domestic partners may enroll at any time in a Retirement Guard Long-Term Care Plan. Proof of medical insurability will be required.

• For enrollment or more information call (888) 793-6111.
LEGAL PLAN INSURANCE

- Once you retire you will need to contact ARAG at 800-247-4184 for direct billing

- You will be billed for the same rates you paid as an active employee

- Retirees may enroll if they have a life event or during annual open enrollment period
For more information, contact:

Benefit Services (607) 255-3936
395 Pine Tree Road, Suite 130 (607) 255-7940 (fax)
Ithaca, NY 14850 benefits@cornell.edu

www.hr.cornell.edu

Pre-Retirement Planning webpage:
https://hr.cornell.edu/benefits-pay/retirement-finances/retirement-and-savings/pre-retirement-planning