

# Retirement Benefits

## Human Resources



**Lots of information here ..... but it will be okay**



# Retirement Benefits Topics

- Retirement Eligibility
- Retirement Process
- Pre-Medicare Medical & Dental coverage
- Medicare-Eligible coverage
- Vision and Other Benefits

**Retirement**

**Eligibility**

# RIT Retiree Benefits

- **Coverage options vary based on whether the retiree or family member is Pre-Medicare or Medicare-eligible**
- **Pre-Medicare retirees are those under age 65**
- **Medicare retirees are those age (65+) and/or disabled**

# Retirement Eligibility Groups

## ■ Group 2

- Employees hired before January 1, 2004, AND
- who were age 35 and over on January 1, 2008 (date of birth before 1/1/1973)

## ■ Group 3

- Employees hired on or after January 1, 2004
- Employees hired before January 1, 2004 who were under age 35 on January 1, 2008 (date of birth on or after 1/1/1973)

## ■ Within each group, there are different subsidies

- RIT subsidizes full-time a bit more than part-time
- RIT subsidizes retirees a bit more than the spouse/partner

# **Retirement Process**

# Pre Medicare Retirees

- No required time frame, but it is appropriate to give some notice so departments can plan staffing needs – 30 day minimum
- Notify your supervisor in writing with your retirement date, HR will then be notified so we can begin processing your retirement
- Make coverage elections through RSC service request - [New Retiree Benefits Enrollment Form](#) – *prior to your retirement date*
  - Can continue/change RIT coverage at retirement, OR
  - Continue coverage through another source (e.g., your spouse's employer)



## Medicare-Eligible Retirees

- **Notify your supervisor in writing with your retirement date, HR will then be notified so we can begin processing your retirement**
- **Three months prior to retirement:**
  - Complete request in RIT Service Center (RSC) portal for [CMS-L564 Employment Information form](#) to submit with your Form CMS-40B (Application for Enrollment in Medicare Part B)
  - Enroll in Medicare Part A and Part B
    - Effective date should be first of the month after you retire
- **Then work with [Via Benefits](#) to enroll in coverage**
  - Part B is required to enroll!
- **Make other coverage elections through RSC service request - New Retiree Benefits Enrollment Form – *prior to retirement date***

## Additional Information

- **At retirement, if one person of a couple is pre-Medicare and the other is Medicare-eligible**
  - Pre-Medicare person would have RIT pre-Medicare coverage
  - Medicare person would enroll in Original Medicare (Part A and Part B) and enroll in supplemental coverage through Via Benefits
  
- **Lifetime Benefit Solutions (LBS) administers retiree billing**
  - Invoices mailed around the 11th of each month for upcoming month; payments due by the 1st of the month
  - After grace period, coverage will be cancelled for non-payment

# Retiree Coverage Changes

- **RIT Retiree Benefits Open Enrollment for RIT benefits is separate and held each November for RIT benefits**
  
- **Annual Medicare enrollment is held annually October 15 through December 7**
  - **Work with [Via Benefits](#) directly with questions or to make changes**
    - Longer than normal wait times when calling
    - Can enroll in different Medicare Advantage plan
    - If you want to enroll or change Medigap plans, you may need to answer health questions for insurance company review/approval → depends on the state you reside in

# **Pre-Medicare**

**Medical and Dental Coverage**

# Pre-Medicare Cost Sharing

## ■ Age 50-54

- Retiree pays 100% of medical premium through the end of month of your 55<sup>th</sup> birthday

## ■ Age 55 to 64

- Contribution based on Cost Sharing Group **and**
- Salary Level at retirement

Salary Level 1 < \$48,000

Salary Level 2 = \$48,001 - \$103,999

Salary Level 3 = \$104,000 - \$153,999

Salary Level 4 => \$154,000

- **[2024 Medical Plan Rates](#) are available on the Benefits web page**

# Pre-Medicare Medical Coverage

- **Pre-Medicare retirees and family members have the same plans available as active employees**
  - Medical - Excellus BlueCross BlueShield
    - Four Point of Services (POS) plans – in POS service area
    - Blue PPO for those who live outside the POS service area
- **Pharmacy - OptumRx**
  - Pharmacy benefits determined by medical plan election
  - Separate ID card

# Pre-Medicare Dental Coverage

- **Pre-Medicare retirees and their family members have the same plans available as active employees**
  - Dental - Excellus BlueCross BlueShield
    - Standard plan
    - Enhanced plan
- **Retirees pay the full dental premium while pre-Medicare**
- **Coverage ends the last day of the month prior to Medicare eligibility.**

**Medicare**

**Medical and Dental Coverage**



## Medicare Eligible

- RIT will provide funding for health care coverage through a Health Reimbursement Arrangement (HRA)
  - Available to those that enroll in Original Medicare: Part A and Part B
  - And enroll in medical/Rx coverage to supplement Original Medicare through [Via Benefits](#), RIT's Medicare Exchange,

# Medicare Coverage

- **Federal insurance program, generally available at age 65 (earlier, if disabled)**
- **Special enrollment rules when you (and/or your spouse) are Medicare-eligible while still working and have employer coverage**
- **Original Medicare**
  - **Part A** (hospitalization) generally effective at age 65; there is no premium for Part A if you have worked at least 40 quarters; premium paid as part of the FICA payroll tax while working
  - **Part B** (medical) enrollment is necessary when age 65+ and retired; premiums deducted from your Social Security check
  - **Part D** (prescription drug) enroll with insurance company, not Medicare

# Medicare Coverage Options

## ■ Medicare Advantage Plans

- Private insurance companies that contract with Medicare
- All-in-one plan coverage with hospital, medical, and prescription drug coverage
- Often provide extra benefits such as dental, vision, gym memberships

## ■ Medigap Plans (Supplemental Plans)

- Work with Original Medicare to fill specific gaps
- Standardized plans with letter names (e.g., Plan C, Plan G)
- Coverage is the same but rates can vary by insurance company

# What is Via Benefits – Medicare Exchange?

- **Organized approach to the individual Medicare marketplace**
  - Large selection of individual medical and Rx plans from multiple carriers available in your geographic area,
  - The retiree and spouse/partner can each choose a different plan;
  
- **Trained advisors and modeling tools help retirees navigate and select a plan to best meet their expected needs**
  - The advisors are licensed by state and insurance companies and are located in the U.S.; objective, knowledgeable, and do not receive a commission for enrolling retirees.

# To Enroll in Coverage

- **Phone appointment with Benefit Advisor**
  - Via Benefits will review your doctors, prescriptions, and health care needs to help you choose the right plan for you
  - Consider Dental and Vision plan options available
  
- **Via Benefits Application Processor will enroll you over the phone**
  
- **Call can take one to two hours. RIT funds a health reimbursement arrangement (HRA) to help retirees pay for their coverage**

# Health Reimbursement Arrangement (HRA)

- **Tax-free account provided by RIT *if you enroll in medical coverage through Via Benefits***
  - You can be reimbursed for eligible healthcare expenses for you and your covered Medicare-eligible spouse/partner
  - Joint HRA for you and your spouse/partner
    - Reimbursements from the HRA are tax-free for the retiree and the spouse
    - Reimbursements are taxable to retiree if they are for a domestic partner
- **In January RIT credits accounts with the approved annual HRA amount – reviewed each year**

# What Expenses are Eligible for Reimbursement?

- **Medical, prescription drug, dental, and vision premiums**
  - Includes Medicare Part B premiums
  - Pre-tax deductions from a paycheck are not eligible (e.g., your spouse's coverage)
- **Qualifying out-of-pocket medical, dental, and vision expenses, such as deductibles, copays, and coinsurance**
- **Expenses that are not eligible for reimbursement**
  - Prescription drug out of pocket costs (due to Medicare Part D benefit structure)
  - Long-term care premiums and out of pocket expenses

# 2024 HRA Amounts-Annual

Group	Employee Type	Retiree	Spouse/Partner
Group 2	Full-Time	\$2,016.59	\$1,804.31
Group 2	Part-Time	\$1,512.45	\$1,353.24
Group 3	Full-Time	\$1,804.31	\$1,592.05
Group 3	Part-Time	\$1,353.24	\$1,194.05

- **Annual amount is prorated for mid-year retirement or mid-year Medicare eligibility.**
  - Example: FT Group 2 person retires 6/30/2024, the 2024 amount is \$1,008.30.



## IMPORTANT Reminder

- **DO NOT** enroll in a separate Medicare medical/Rx coverage outside of Via Benefits
  
- **If you enroll in coverage outside of Via Benefits**
  - Your coverage through Via Benefits **will be cancelled** by the Centers for Medicare and Medicaid Services (CMS)
  - You will not be eligible for reimbursement from the HRA or any other RIT financial support

# HRA Rules If You Work at RIT After Retirement

- **Legal requirement for HRA-access only for retirees**
  - No access to HRA funds if you and/or your spouse/partner works at RIT
  - HRA in suspense during time working; you do not lose the funds
- **The coverage and HRA credits depend on employee type and duration**
- **Does not apply if you are not employed by RIT (e.g., working at another employer or temp agency)**

## Medicare-Eligible Dental Coverage:

- **Coverage ends last day of month in which you retire**
- **Two options to continue coverage**
  - You can enroll in continuation of the pre-Medicare employee coverage under COBRA for up to 18 months
  - You can enroll in coverage through [Via Benefits](#)
    - Stand dental alone plans available and may be a feature within medical plan

**Other Benefits**

## Other Benefits Continue

- **These benefits continue to be available to all retirees**
  - Vision Care Plan - Premium contribution is the same as for active employees
  - Group Legal Services (MetLife Legal, formerly Hyatt Legal)
  - Identity Theft Protection
  
- **You can enroll at any time directly with the insurance company**
  - Mercer Voluntary Benefits (auto/homeowner's)
  
- **RARES discount program**

# Education Benefits

- **Tuition Waiver (RIT courses) for you and your eligible family members continues in retirement**
  - Retiree waiver is automatic
  - Complete form annually for eligible family members
  - Graduate courses would be taxable (Form 1099 would be issued)
  
- **All other programs end at retirement (Tuition Assistance, Tuition Exchange, Tuition Scholarship)**

# Benefits That End at Retirement

## ■ Beneflex

- You are eligible to be reimbursed (or use LBS Card) to pay for claims with dates of service through your last day of employment
- Plan carefully so you don't have contributions left in your account as of your retirement date with no claims to submit
  - You want to be reimbursed for at least what has come out of your paycheck

## ■ Life, Accidental Death & Dismemberment

- Coverage is portable, with no health questions
- Continue any amount up to your total coverage amount by paying directly to insurance company
- Coverage can continue up to the age of 80

## ■ All Statutory Leave Programs

# RIT Retirement Savings Plan

- **Work directly with Fidelity and/or TIAA**
  - Contact them at least 3 months prior to retirement
    - Fidelity: 800-343-0860/V and 888-259-9743/TTY
    - TIAA: 800-842-2776/V and 800-842-2755/TTY
  - Complete necessary paperwork
- **We recommend phone or in-person appointments with Fidelity and/or TIAA periodically prior to retirement to review your investments**
- **Consider meeting with a CAPTRUST counselor for advice**



## Vacation Time and Sick Time

- **Staff and 12-month faculty receive a payment for accrued, unused vacation time**
- **No pay out of Grandfather sick or exempt sick time**
- **Nonexempt employees retiring on June 30<sup>th</sup> are eligible for 50% cash out of illness time**

# Facilities and Services

- **Obtain a Retiree ID at the ID Card Office (Eastman Hall)**
  - Student Life Center
  - Wallace Library
- **Email can continue**
  - You will receive an annual email notice from ITS confirming you want to continue your retiree email. To keep the email, simply follow the instructions in the ITS email.
- **Parking**
  - If you park on campus less than twice a month, stop by the Welcome Center for a free guest day pass

# RIT Retirees Programs

- **RIT Retirees program helps retirees stay connected to former colleagues and the university**
  - Based in University Advancement
- **University Advancement partners with the Retirees Committee to host events**
- **Visit [www.rit.edu/retirees](http://www.rit.edu/retirees) for news, events and more**
  - If you opt out of emails, you will not get email updates about events

# Resources

- **Pre-Medicare Retirees and Medicare Retirees**
  - Access recorded Retiree Benefits PowerPoint presentation
  - Frequently Asked Questions (FAQs)
- **RIT Service Center**
- **Retirement Plan - Fidelity and TIAA**
- **CAPTRUST**
  - Investment Advice and Financial Coaching advisors

# Reminder

## Legal Information

- If there is any confusion or conflict regarding plan features, the governing plan document/contract will be the final authority.
- RIT reserves the right to change, modify, discontinue, or terminate benefits at any time for any reason.

**Questions**