

**HR BENEFITS
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)
STEPS TO RETIREMENT**



Agenda

- Steps to Retirement
- Current Health Benefits
- Flexible Spending Account (FSA)
- Years of Service
- Medicare Upon Retirement
- Health Benefits Upon Retirement
- Dental Benefit at Retirement
- Conversion of Life Insurance
- Employment After Retirement
- Pay Time Off
- Donated Leave Time
- Final Checklist
- Contact Information

Steps To Retirement

4 - 6 MONTHS BEFORE RETIREMENT:

- Determine last working day
 - Retirement date must be the first of the month subsequent to the last day worked
 - Contact the New Jersey Division of Pensions and Benefits for an audit of your pension service credits and health rates at 609-292-7524 (optional)

3 MONTHS BEFORE RETIREMENT:

- Notify your department in writing of your intent to retire
- Submit your retirement application through your MBOS
- Contact Social Security Office, if you plan to enroll
 - 1-800-772-1213

Current Health Benefits

- Your current health benefits will remain in effect through the end of the month of your retirement date
 - Retirement Date: June 1st
 - Health Benefits End Date: June 30th
 - Retiree Health Benefits Start Date: July 1st

Flexible Spending Accounts (FSA)

- Use-it-or-lose-it, pre-tax plan to pay for qualified out of pocket medical, dental, orthodontist, vision and prescription expenses
- Be sure to estimate how much you should set aside because any unused portion will not be refunded to you
- You will only be able to use the funds from the time you were an active employee
- Administered by Horizon Blue Cross Blue Shield of New Jersey

Years of Service

- All Retirees Are Eligible for Retiree State Health Benefits Upon Retirement
- Plan comparison, cost and information can be found on the State [website](#).

Less than 25 years

- Retiree with under 25 years will be required to pay full premium and not eligible for Medicare Part B reimbursement

25 years or more

- Retiree with 25 years will be based on a percentage of premium and maybe eligible for medicare part B reimbursement

Medicare Upon Retirement



Medicare

Original Medicare	Medicare Advantage (aka Part C)
Part A (Hospital Insurance) Part B (Medical Insurance)	Part A (Hospital Insurance) Part B (Medical Insurance)
You can add: Part D (Prescription Drug Plan)	Most plans include: Part D (Prescription Drug Plan) Extra Benefits (e.g. vision, hearing, dental, and more)
You can also add: Supplemental insurance coverage (Medigap)	Some plans also include: Lower out-of-pocket costs

[Medicare.gov](https://www.Medicare.gov)

Health Benefits Upon Retirement

- Retirees will receive a letter offering from Benefitsolver, indicating whether or not you will be auto-enrolled into the retiree health benefits
- If you are not eligible for auto-enrollment or would like to make changes to your plans you will need to log into [Benefitsolver](#)

Medicare Eligible

- If you are eligible to be auto-enrolled you will be enrolled in the **Aetna Medicare Advantage**
- If Benefitsolver does not have proof of your enrollment in Medicare Parts A and B you are not eligible for auto-enrollment

Not Medicare Eligible

- If you were enrolled under the SHBP as an active employee you will be auto-enrolled in the corresponding retiree equivalent plan

Dental Benefits At Retirement

- Retirees are responsible for the full costs of the dental premiums
- Dental Plan Options:
 - Dental Expense Plan
 - Dental Plan Organization
- Plan comparison and rates can be found on the State [website](#)

Conversion of Life Insurance

- Upon a service retirement, life insurance reduces to 3/16 of the total base salary if the member passes after age 60 and retired with 10 or more years of pension service credit
- If you do not meet the requirements for the reduced life insurance in retirement, the coverage will end 31 days following your retirement date
- One time option to convert to an individual policy through Prudential
 - Must be done no later than 31 days following retirement date
 - Cannot be denied life insurance for health reasons
 - [Group Life Insurance Calculator](#)
 - Contact Prudential at 1-855-364-7783
 - Group Life Insurance Number: G-13900

Employment After Retirement

- “[Bona Fide Severance of Employment](#)” requires a complete termination of employment for at least 180 days from the date of retirement
- The following does not qualify as a complete severance of your employment relationship with the 180 day period
 - Re-employment in a part-time position
 - Re-employment in a position that is covered by a different retirement system
 - A change in title
 - Re-employment as a contract employee, a leased employee, or an independent contractor
 - Termination of employment with a pre-arranged agreement for re-employment.

Paid Time Off

- Eligible staff employees receive half of their unused and accrued sick day balance up to \$15,000
 - Faculty are **NOT** eligible for sick/vacation payout
 - All applicable taxes will be deducted
 - Allow 4-6 weeks processing time upon retirement
- For additional information regarding sick and vacation payout please contact the payroll department at payroll@montclair.edu

Donated Leave Time

- The Donation Leave Program for employees allows employees with accrued paid time off to donate their accrued time to co-workers experiencing life-threatening or catastrophic illnesses or to those who must care for a family member
- The application can be found on our [website](#).

Final Checklist

1. Request your pension service credit letter through the New Jersey Division of Pension and Benefits (optional)
 - a. Phone: 609-292-7524
 - b. Mail: P.O.Box 295, Trenton, NJ 08625-0295
2. Submit written intent to retire notice to your department. Retirement must be the first of the month
3. Submit your retirement application through your [MBOS](#) account within 90 days of your retirement date
4. Contact your financial advisor if you are enrolled in a supplemental retirement plan
5. Request [Medical Part B Form](#) from HR/Benefits (if applicable)
 - a. Submit Medicare Part B form to Social Security
6. Log into [Benefitsolver](#) to view/enroll in your retiree health benefits
 - a. You can view the State [website](#) for additional information on enrolling through Benefitsolver



NJDPB State Authorized Investment Carriers

Empower (formerly Prudential)

Lily Lau 732-236-6782

lily.lau@empower.com

VOYA

Frank Booth 860-573-5673

frank.booth@voyafa.com

TIAA

Nancy Vandergoot 973-422-3731

Nancy.Vandergoot@tiaa.org

Joseph Del Grande 201-498-8306

Joe.Delgrande@tiaa.org

Empower (formerly MassMutual)

Ira Goldberg 848-248-4353

igoldberg@gittermanwealth.com

MetLife

David Sharpe 973-575-3254

dsharpe@financialguide.com

Elise Ornstein 908-487-4846,

elise.ornstein@metlife.com

VALIC

Nazma Begum 201-273-8017

Nazma.Begum@corebridgefinancial.com

AXA Equitable

David Lynch 732-585-2451

david.lynch@axa-advisors.com

Q&A

- Benefits Team Email:
hr-benefits@montclair.edu
- Benefits Phone Number:
973-655-7736

