

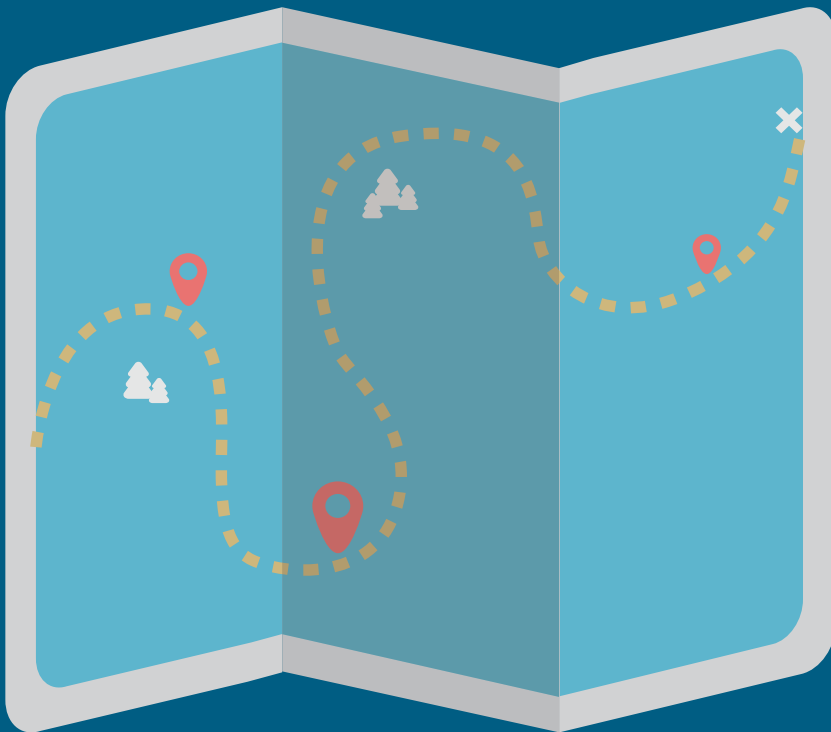


RETIREMENT READY

Benefits Eligibility Guide

CU 401(a) Retirement Plan Participants

2022-2023



In this guide

- Determine eligibility
- Calculate costs
- Benefits appointment
- Transition from employee to retiree benefits



University of Colorado

Boulder | Colorado Springs | Denver | Anschutz Medical Campus

EMPLOYEE SERVICES

University of Colorado

Employee Services

Payroll and Benefits Administration

1800 Grant Street, Suite 400
Denver, CO 80203
Phone: 303-860-4200, option 3
Toll free: 1-855-216-7740
Fax: 303-860-4299
Email: benefits@cu.edu

Benefits Hours:
9 a.m. – 4 p.m.
Monday-Friday

This document is a guide meant to help University of Colorado 401(a) Retirement Plan participants understand eligibility for CU retiree benefits. Employee Services will work with you and determine eligibility at the time of retirement. It is important to also note, CU Employee Services benefits professionals cannot give advice about finance, Social Security or Medicare. However, they can direct you to resources on Social Security and Medicare and answer any questions regarding CU retiree benefits.

CU Retirement Ready Benefit Eligibility Guide

For University of Colorado 401(a) Retirement Plan participants about to retire

When it comes time to retire, Employee Services will work with you to determine what retiree benefits you may be eligible for and how much CU will continue to contribute to your CU retiree benefit monthly premiums. This guide is for University of Colorado 401(a) Retirement Plan participants retiring from the university.

Table of Contents

| | |
|--|---|
| Overview of CU 401(a) retiree benefit options | 3 |
| Eligibility requirements | 3 |
| CU qualifying years of service | 4 |
| Calculating retiree premiums | 4 |
| Schedule your appointment to retire | 5 |
| Failure to take action | 5 |
| Transitioning to CU retiree benefits | 6 |
| Ending active employee benefits | 6 |
| Beginning retiree benefits | 7 |
| Changes to your retiree benefits enrollment | 7 |
| Survivor benefits | 8 |
| Other university retiree benefits options | 8 |
| Returning to work at the university after retirement | 8 |
| Carrier contact list | 8 |
| Faculty retirement agreements | 9 |

Overview of CU 401(a) retiree benefit options

Retiree benefits currently include medical, dental and life insurance plans for qualifying retirees and their dependents. Below is a brief overview. Please refer to the [retiree website](#) or [CU Retiree Benefit Guide for 401\(a\) Retirement Plan participants](#) for the current plan year options.

University medical and dental retiree plans: The university currently offers medical and dental plan options for retirees and their dependents whether they are non-Medicare eligible, Medicare eligible or a combination of both (one or more family members is Medicare eligible and the other(s) is not).

University basic life insurance*: You can elect to continue your CU Basic Life Insurance Plan. It is reduced to a \$3,000 benefit at the time of retirement. Accidental death and dismemberment coverage is not available as part of retiree basic life insurance.

University optional life insurance: If actively enrolled in optional life insurance at the time of retirement, you may elect to continue up to 25% of the benefit, not to exceed \$9,500. Accidental death and dismemberment coverage is not available as part of retiree optional life insurance. You may port or convert your policies by contacting our insurance carrier, The Standard Insurance Company, at 1-800-628-8600 within 31 days of your termination date. Certain restrictions may apply.

Two CU employees in one household: When two members of a household are employed and/or retired with the university and/or university affiliates:

- You and your dependents cannot be covered as both an employee/retiree and a dependent for any university medical and/or dental plan.
- A retiree may be insured as both a retiree and a spouse of an active employee up to a maximum combined optional life insurance benefit of \$500,000.
- Each parent employee/retiree may enroll in different plans and may enroll different dependent children under their coverage.

**The life insurance policies have neither a cash value, nor provisions for loans. Active employee's life insurance policies may qualify for portability or conversion.*

Eligibility requirements

To determine eligibility for CU retiree benefits, Employee Services will consider your age and qualifying CU years of service:

- You must be at least 55 years of age, meaning you have reached your 55th birthday.
- You must have a minimum of five CU qualifying years of service.

Employee Services will determine your eligibility for regular versus early retirement based on the 75/70 formula. To estimate* if you qualify for regular retirement or early retirement, simply add your age plus your CU qualifying years of service together.

- If your age plus CU qualifying years of service equals 75 or more then you may* be eligible for **regular retirement** and receive 100% of the University of Colorado contribution towards retiree benefits.
- If your age and CU qualifying years of service equals 70-74, then you may* be eligible for **early retirement** and receive the University of Colorado pro-rated contribution towards retiree benefits.

Example 1: If you plan on being 58 when you retire, and your CU qualifying years of service are 18 years.

Calculate: $58+18=76$ – You would qualify for **regular retirement**.

Example 2: If you plan on being 64 when you retire, and your CU qualifying years of service are 7 years.

Calculate: $64+7=71$ – You would qualify for **early retirement**.

Example 3: If you plan on being 59 when you retire, and your CU qualifying years of service are 5 years.

Calculate: $59+5=64$ – You would NOT qualify for **regular or early retirement**.

*must be verified by Employee Services

CU qualifying years of service

When calculating your CU qualifying years of service, Employee Services will consider several factors:

- A service year equals each year you worked for the university in a benefits-eligible, 401(a) mandatory plan-eligible position that was 50% (20 hours per week) or greater.
- Eligible employment does not include years in a temporary or non-benefits eligible position or those less than 20 hours per week.
- A full year of service is calculated as such:
 - The minimum 5 years of service must be complete years (based on hire date).
 - After the completion of five years, the university rounds up to the next year of service provided you are six months or longer into the next retirement year.

Example: If you worked 8 years 7 months, the university will round up to 9 years of service.

- Service years do not have to be consecutive.
- You may be asked to provide a letter from human resources verifying employment years if you worked and terminated prior to the year 2000.

Calculating retiree premiums

Regular retirement: If you meet the age and years of service requirement for regular retirement, CU will pay 100% of the employer portion of your CU retiree benefit monthly premiums. You, the retiree, will pay the retiree portion.

Example monthly premium: If you enroll as a retiree and add your spouse to the health plan below, the total cost of the monthly premium would be \$1,161.00. If you qualify for regular retirement, CU would contribute \$996.00 to the monthly premium, and you would be responsible for the remaining \$165.00.

Sample retiree rate sheet*

| Health Plan | Total Rate | CU | Retiree |
|----------------------|------------|------------|----------|
| Retiree only | \$572.50 | \$533.00 | \$39.50 |
| Retiree + Spouse | \$1,161.00 | \$996.00 | \$165.00 |
| Retiree + Child(ren) | \$1,054.00 | \$954.50 | \$99.50 |
| Family | \$1,650.50 | \$1,435.00 | \$215.50 |

*The rates displayed here are for illustrative purposes only.

Early retirement: If you meet the age and years of service requirement for early retirement, CU will pay a percentage of the employer portion of your CU retiree benefit monthly premiums. You, the retiree, will pay the remaining percentage plus the retiree portion.

Find your prorated CU contribution: Say you are 65 years old. According to the table you will need 10 years of service for regular retirement. You have 6 years of service. You have enough years to qualify for early retirement. In this example, you would divide your 6 years by the required 10 for a prorated amount of 60%*. This 60% will remain in effect for the duration of your retirement.

Example monthly premium for early retirement: If you enroll as a retiree and add your spouse to the health plan below, the total cost of the monthly premium would be \$1,161.00. If you qualified for early retirement with a prorated 60%, CU would pay 60% of the \$996.00, which equals \$597.60. You would be responsible for the remaining 40% (\$398.40) in addition to the retiree portion of \$165.00, totaling a monthly premium of \$563.40.

Sample retiree rate sheet**

| Health Plan | Total Rate | CU | Retiree |
|----------------------|------------|------------|----------|
| Retiree only | \$572.50 | \$533.00 | \$39.50 |
| Retiree + Spouse | \$1,161.00 | \$996.00 | \$165.00 |
| Retiree + Child(ren) | \$1,054.00 | \$954.50 | \$99.50 |
| Family | \$1,650.50 | \$1,435.00 | \$215.50 |

*must be verified by Employee Services

**The rates displayed here are for illustrative purposes only.

To determine your prorated CU contribution, divide your actual years of service by the number of years the table indicates you would have needed for regular retirement.

| Regular Retirement | |
|--------------------|--------------------------|
| Age at retirement | Minimum years of service |
| 70+ | 5 |
| 69 | 6 |
| 68 | 7 |
| 67 | 8 |
| 66 | 9 |
| 65 | 10 |
| 64 | 11 |
| 63 | 12 |
| 62 | 13 |
| 61 | 14 |
| 60 | 15 |
| 55 – minimum age | 20 |

Schedule your appointment to retire

When you are two-to-three months from your target retirement date, it is time to set the retirement process into motion.

- Schedule a meeting with a benefits professional by calling **303-860-4200, option 3** to discuss your eligibility for CU retiree benefits, go over the medical, dental and life insurance plans available to you and your dependents, discuss any tax deferrals on your sick and vacation payout, and review the enrollment process and deadlines.
- Please notify your supervisor/department head since they need to process your final check and calculate any sick and/or vacation payouts.
- If you or your dependents are Medicare eligible at the time of retirement, you will need to contact Social Security/Medicare to start the process to enroll in Medicare Part A and Part B. Resources are available at <https://www.medicare.org>.

Failure to take action

If you are eligible for retiree benefits with the university and you do not take action to enroll in benefits within 31 days of your date of termination, the following defaults will apply:

- **Medical and dental:** Plans are waived for the remainder of the plan year. You are not allowed to enroll unless you experience a qualifying life change or until the next annual Open Enrollment period for a benefits effective date of July 1.
- **Basic life insurance:** Your basic life insurance will be waived and remain permanently waived.
- **Optional life insurance:** This benefit will be waived and will remain permanently waived.

Transitioning to CU retiree benefits

Once your department terminates your active, benefits-eligible position, and you have completed all the paperwork necessary for retirement, you are now an official CU retiree. The following section walks you through what happens to your active benefits and introduces you to your retiree benefits.

Ending active employee benefits

All your **active employee benefits**, medical, dental, vision, short-term disability, long-term disability, basic and optional life insurance, accidental death & dismemberment, flexible spending accounts and retirement plans contributions **will end** on the last day of the month in which you retire. Certain benefits are eligible for continuation of coverage under [COBRA](#)^{*}. You will receive a [COBRA](#)^{*} packet from [ASI COBRA](#) (1-800-659-3035), our third party administrator, within 15 days following termination of your active position and benefits.

Medical and dental: These benefits are eligible to continue under [COBRA](#)^{*}. However, if you are signing up for benefits through the university or another group insurer **DO NOT** sign up for [COBRA](#)^{*}. You cannot have COBRA **and** the CU retiree medical and/or dental plan.

Vision: Vision coverage is eligible to continue under COBRA^{*}, and you may enroll once you receive your COBRA packet from ASI COBRA.

Health Care Flexible Spending Account (HCFSA): You can incur expenses up to the last day of your active coverage for the full pledged amount. This benefit is eligible for continuation of coverage under [COBRA](#)^{*} until the end of the plan year^{**} on an after-tax contribution basis, provided there is a positive balance in your HCFSA account at time of retirement. For claims or other information, contact [ASIFlex](#) at 1-800-659-3035. Please remember that if you do not incur eligible expenses and/or file a claim for reimbursement by the deadlines, these funds will be forfeited.

Dependent Care Flexible Spending Account (DCFSA): This benefit is not eligible for continuation under [COBRA](#)^{*}. However, you may be reimbursed for eligible expenses prior to your benefits ending date^{**} from funds remaining in your account at the time of your retirement. The deadline to send claims for reimbursement is November 15^{**} of the Plan Year. Please remember that if you do not incur eligible expenses and/or file a claim for reimbursement by the deadlines, these funds will be forfeited.

Health Savings Account (HSA): If you have an HSA with the university, please contact our HSA third party administrator, [Optum Bank](#) at 1-844-326-7967 for information on continuing your HSA account.

Life insurance: This benefit is not eligible for COBRA. However, you may port or convert your policies by contacting our insurance carrier, The Standard Insurance Company, at 1-800-628-8600 within 31 days of your termination date. Certain restrictions may apply.

Disability plans: Long-term and short-term disability coverage will end, and are not eligible for conversion or [COBRA](#)^{*}.

***COBRA (Consolidated Omnibus Budget Reconciliation Act):** A federal law that allows you and your covered dependents to stay on an employer-sponsored health plan. The Department of Labor requires the university to send COBRA information to all employees who terminate active employment, and who were enrolled in medical, dental, vision and health care flexible spending account plans.

****Ending date:** If your DCFSA benefit is active at the end of the plan year (06/30), you are eligible for the grace period, meaning you have until September 15 to incur expenses and November 15 to submit claims.

Beginning retiree benefits

Retiree benefits: If you elected retiree benefits, your retiree medical, dental and life insurance coverage will begin the first day of the month following the termination of your active employee benefits. Keep in mind that the process of terminating your active employee benefits and re-enrolling in retiree benefits may take 7-10 days. You will receive new medical insurance cards from the carrier and may continue using the same dental ID cards.

Paying for your university retiree benefits: You may choose to have the university deduct benefit premiums from your checking or savings account each month. Funds will be debited from your account between the 15th and 20th of each month for the total amount due. This option also pays in arrears – the debit taken in February pays for your January coverage.

You may choose to have the university bill you each month for your retiree benefits. Retiree benefit billing is one month in arrears. You will receive your benefits bill around the second week of the month to pay for the coverage received the prior month. For example, you will receive a bill in February to pay for your January coverage. Payment is due by the end of the month in which you receive your bill.

Imputed income: The University of Colorado's contribution toward medical and/or dental coverage for your nonqualified civil union partner, domestic partner or your partner's dependent(s) is considered imputed income unless you are married or claim them as your tax dependent(s) for health care purposes. These benefits are subject to Social Security and Medicare taxes. If you are subject to imputed income for your benefits, you will be billed by Employee Services for taxes and sent a W-2 each year. Imputed income does not apply to domestic partners who have provided a marriage certificate to Employee Services and updated their dependent eligibility status.

Changes to your retiree benefits enrollment

Open Enrollment: Open Enrollment is generally held each spring. Employee Services will inform you about the Open Enrollment period and where to find detailed information on the Employee Services website. This may change from year to year, so it is essential to keep your contact information up to date and recheck your retiree options each year.

Life or family status changes: Certain life changes may be considered qualifying life events, allowing limited changes to your benefits elections. Internal Revenue Code (IRC) regulations require that these changes be made within 31 days of the qualifying life event. If you are expecting or experiencing a qualifying life change event, contact an Employee Services benefits professional immediately to discuss the process, required forms and deadlines.

Medicare eligibility: You must take action when you or your covered dependent turns 65 or becomes Medicare eligible.

- If a dependent turns 65 before the retiree, the dependent's non-Medicare eligible coverage will end the last day of the month before they turn 65. The retiree may elect to continue in their current plan or enroll in an over/under combination of plans.
- When a retiree turns 65, medical and dental coverage for all covered persons will end the last day of the month before the retiree turns 65. Call a benefits professional to discuss your benefits options within 31 days of the qualifying life change event.

Moving out of the plan service area: If you move out of the medical plan service area for certain plans, you must enroll in another plan that provides service in your new location within 31 days of your move. Contact an Employee Services benefits professional for instructions. If you move, please update your information in the [employee portal](#) at or send the [Address Change Form](#) to Employee Services.

Survivor benefits

The university provides medical and dental benefits for [surviving spouses](#) and eligible dependents covered by CU's medical and/or dental plans at the time of the retiree's death. Surviving dependent children can only be enrolled with a surviving spouse. There is no surviving dependent coverage if the surviving parent is not enrolled.

Enrollment: The surviving spouse and/or dependents must contact an Employee Services benefits professional within 60 days of the retiree's death and send a completed Surviving Spouse Benefits Enrollment/Change form. If a surviving spouse or dependent waives medical and/or dental coverage at any time, they forfeit rights to future coverage.

Other university retiree benefits options

These options are not administered by Employee Services and may vary by campus. Please contact the appropriate office for information.

| Retiree Options | Department to Contact |
|--------------------|--|
| Parking | Campus parking |
| Email access | Campus IT |
| Library privileges | Campus library |
| Office space | Your department |
| Tuition benefit | Retirees and their dependents are not eligible for this benefit. However, please check with your campus directly for any classes waived for individuals older than 55. |

Returning to work at the university after retirement

If you are planning to return to work with CU, contact Employee Services and speak with a benefits professional before your re-employment to discuss your retiree benefits and how they may be affected.

Carrier contact list

| Carrier Contact List | | |
|--|---|---|
| Carrier Name | Phone Number | Website |
| Employee Services benefits professionals | 303-860-4200, option 3 Toll free: 1-855-216-7740 | www.cu.edu/es |
| Social Security | 1-800-772-1213 | www.ssa.gov |
| Medicare | 1-800-633-4227 | www.medicare.gov |
| The Standard Insurance Company | 1-800-628-8600 | www.standard.com |
| TIAA | 1-800-842-2252 | www.tiaa.org/cu |
| PERA | 303-832-9550 Toll free: 1-800-759-7372 | www.copera.org |
| Anthem | 1-800-735-6072 | www.anthem.com/cuhealthplan |
| Kaiser | 1-877-883-6698 | http://my.kp.org/universityofcolorado |
| Delta Dental | 1-800-610-0201 | www.deltadentalco.com |

Faculty retirement agreements

Tenured, tenure-track, or non-tenure-track faculty

The University of Colorado Faculty Retirement Agreements consist of retirement incentives designed to give CU faculty who participate in the CU 401(a) Retirement Plan options for transitioning into retirement. Agreements may allow eligible CU faculty to pursue personal or professional interests and continue their academic and professional lives in gainful part-time employment. Options may include negotiated, differentiated workload, phased retirement and post-retirement employment at CU, consulting opportunities, etc. See university policy on Faculty Retirement Agreements.

1. Determine your eligibility. Faculty members entering phased retirement agreements must meet the eligibility requirements described in the Faculty Retirement Agreements Policy.
2. Request an agreement from your department chair.
3. Determine terms of the agreement, including any reduced workload.
4. The department chair will notify you of approval.
5. Schedule a time to meet with a TIAA retirement representative.
6. Two to three months prior to your Phased Retirement Agreement ending, contact an Employee Services benefits professional for information about benefits.
7. Your department must forward a copy of the signed, approved agreement to Employee Services.