

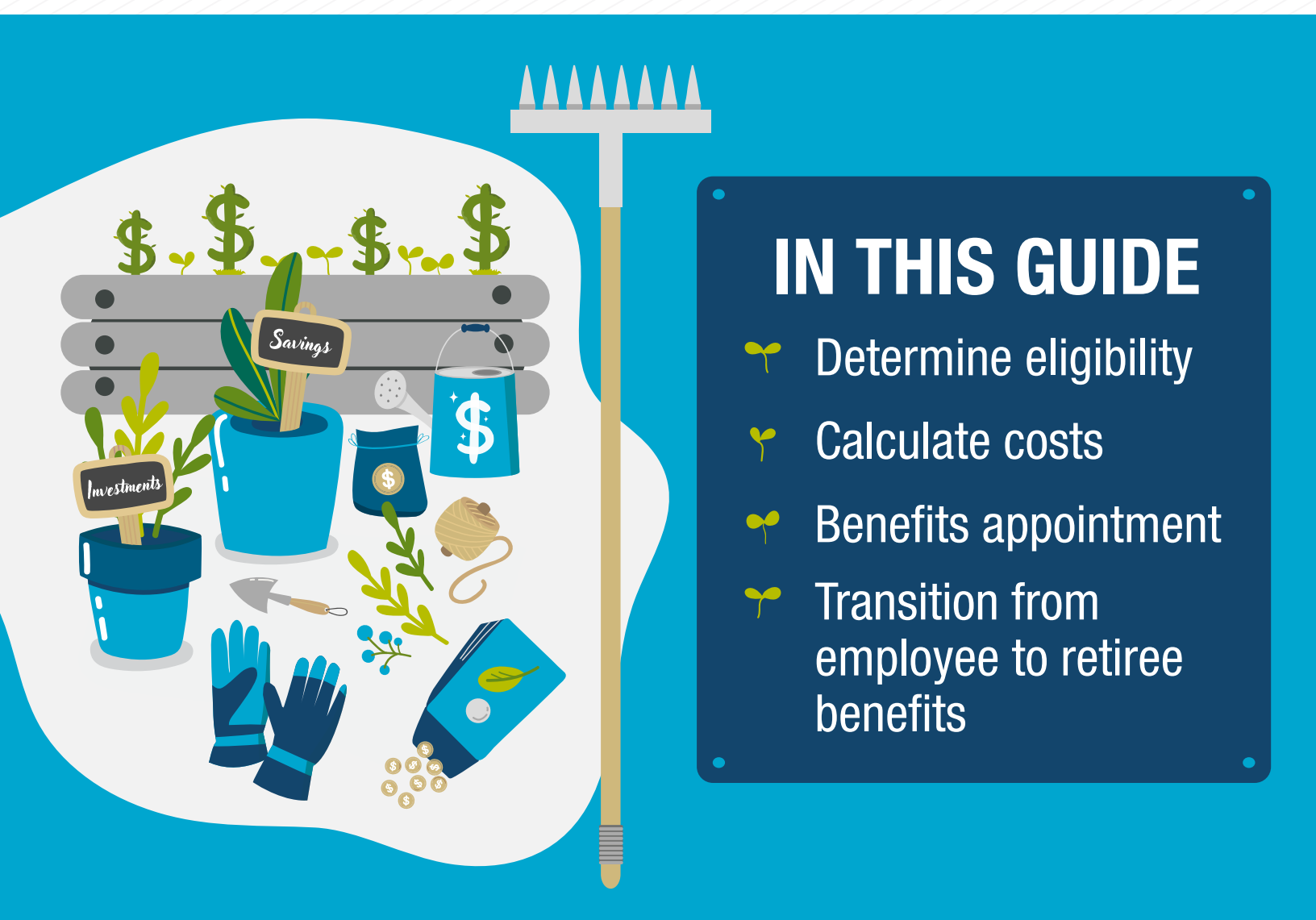


RETIREMENT READY

Benefits Eligibility Guide

PERA Defined Benefit Retirement Plan Participants

2023-2024



IN THIS GUIDE

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



University of Colorado

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This document is a guide meant to help Public Employee's Retirement Association (PERA) Defined Benefit (DB) 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 finances, 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 Eligibility Guide

PERA Defined Benefit (DB) 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 Public Employees Retirement Association (PERA) Defined Benefit (DB) Retirement Plan participants about to retire from the university.

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Overview of PERA retiree benefit options

Retiree benefits currently include medical and dental plans for qualifying retirees and their dependents who are non-Medicare eligible (typically under 65 years old) and life insurance plans for qualifying retirees.

Below is a brief overview. Please refer to the [retiree website](#) or [CU Retiree Benefits Guide for PERA DB Plan Participants](#) for the current plan year options.

University medical and dental retiree plans: The university currently offers medical and dental plan options for PERA DB retirees and their dependents who are **non-Medicare** eligible.

Medicare eligibility factor:

- If you are Medicare eligible at the time of retirement, you and your dependents are **not** eligible for CU retiree medical and dental benefits. Consult with [PERA](#) for healthcare options. In addition, 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>.
- If you become Medicare eligible after retirement, you and your dependents' CU retiree medical and dental benefits will terminate at the end of the month prior to your Medicare eligibility date. Please consult with PERA for healthcare options.
- If you are NOT Medicare eligible but your dependent is Medicare eligible or becomes Medicare eligible in the future, CU can continue medical and dental benefits **only for you**, the Non-Medicare employee. Please contact Employee Services and PERA to be informed about your options.

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 before 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.

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 several factors.

- **Age:** You must be at least 50 years of age, meaning you have reached your 50th birthday.
- **CU years of service:** You must have a minimum of five CU qualifying years of service.
- **PERA requirements:** You must meet PERA's age and years-of-service requirements to officially retire with PERA. If you elect to receive a lump-sum distribution from PERA or postpone receiving your retirement pension to a later date, you will be resigning (not retiring) from CU and therefore, ineligible for CU retiree benefits.
- **Medicare:** CU PERA retirees, spouses and dependents who are Medicare eligible are NOT eligible for CU retiree medical and dental benefits. Please contact PERA for information on their plans.

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 position that was 20 hours a 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 greater 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.

Regular and early retirement requirements

Your years of service determine how much CU will continue to contribute to benefit premiums.

Regular retirement: Employees who have worked for the university in a benefits eligible position (20 hours or greater) for at least 20 years will receive 100% of the university contribution toward retiree medical, dental and basic life insurance premiums.

Early retirement: Employees who have worked for the university in a benefits-eligible position (20 hours or greater) for a minimum of 5 years and fewer than 20 years are eligible for early retirement, and will receive a prorated percentage of the university contribution toward retiree medical, dental and basic life insurance premiums.

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 \$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.

Determining your prorated CU contribution:

If you have met the minimum of 5 years of service, but not reached 20, divide your actual years of service by twenty in order to determine your prorated CU contribution.

Find your prorated CU contribution: Say you are 63 years old. You have 12 qualifying CU years of service. In this example, you would divide your 12 years by the required 20 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
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Retiree + Spouse	\$1,161.00	\$996.00	\$165.00
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*The rates displayed here are for illustrative purposes only.

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.

- Contact [PERA](#) to verify you are eligible to retire with PERA and begin the retirement process.
- 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.

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 permanently waived, and you forfeit all rights to enroll in CU retiree healthcare benefits at a future date.
- **Basic life insurance:** Your basic life insurance will be permanently waived, and you forfeit all rights to enroll in this CU retiree benefit at a future date.
- **Optional life insurance:** Your optional life insurance will be permanently waived, and you forfeit all rights to enroll in this CU retiree benefit at a future date.

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](#) (phone 1-800-659-3035), our third party administrator, in 7-10 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 other 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 basis contributions, 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 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.

PERA life policy: This may continue through automatic deduction from your PERA retirement benefit. Contact PERA for more information.

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 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. However, 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 non tax-qualified dependents such as, 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

You may make eligible changes to your retiree benefits only at designated times:

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 recheck your retiree options each year.

Life or family status changes: Certain life changes in status may be considered qualifying life changes, 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 eligible: When you turn 65 or become Medicare-eligible, coverage for you and your dependents will end the last day of the month before turning 65. When your spouse/dependent becomes Medicare eligible and you, the retiree, are non-Medicare eligible, the coverage for you may continue until you turn 65 however, your dependents' coverage will end the last day of the month before turning 65. Please contact PERA for information on their plans.

Moving out of the plan service area: If you move out of the service area for certain medical plans, such as CU Health Plan Exclusive or Kaiser, 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 your [employee portal](#) or complete and send the [Address Change Form](#) to Employee Services.

Survivor benefits

There are no medical and dental survivor benefits available through the University of Colorado for the dependents of PERA retirees. Contact PERA directly for information regarding survivor benefits.

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.
MOVE program	Retirees can remain in the MOVE program if enrolled in a CU Health plan. Dollars earned in the MOVE program will be applied to monthly plan premiums, reducing your premium cost.
Buff OneCard (Boulder)	Boulder Campus

Returning to work at the university after retirement

If you are planning to return to work, contact Employee Services and speak with a benefits professional before your re-employment to discuss what affect this may have on your retiree benefits. Please consult with [PERA](#) about the number of days and hours you are permitted to work as a PERA retiree.

Resources

[Retirement Ready Digital Session PERA DB Retirement Plan participants](#)
[CU Retiree Benefits Guide for PERA DB Retirement Plan participants](#)
[Retirement Checklist PERA DB: If you are within 5 years of retirement](#)
[Retirement Checklist PERA DB: If you are within 2-3 months of retirement](#)

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