



# Planning for Retirement

## WHAT'S INSIDE

- Getting Started ..... 2
- Eligibility and Rules ..... 3
- Additional Benefits ..... 4
- Helpful Resources ..... 6

Let's do this!

**The next few years are crucial.**

Understand what you need to do, and when you need to do it.

University System of Georgia Benefits



**we provide · you decide**



## THE UNIVERSITY SYSTEM OF GEORGIA APPRECIATES YOUR SERVICE AND WISHES YOU A HAPPY AND FULFILLING RETIREMENT.

This retirement guide will help you get started with planning your retirement. Please note that each USG employee will have different needs and goals for retirement, so planning now is important.

Now that you are close to retirement, you need to start thinking seriously about planning for it.

Considerations if you are **two** years to **five** years from retirement:

- Plan an initial meeting with your HR/Benefits Office to discuss your eligibility to continue USG health benefits in retirement.
- Read the Board of Regents' policy [Definition of a USG Retiree](#). Additionally, you can access the Board of Regents policy for survivors, [Dependents of Deceased Employees, Disabled Employees, or Retirees](#) for further information.
- If you are a member of the [Teachers Retirement System of Georgia](#) (TRS) or the [Employees Retirement System of Georgia](#) (ERS), you should schedule an appointment to discuss your eligibility to retire, your benefit amount at retirement and how you plan to provide for your beneficiary. Call TRS at **1-404-352-6500** or ERS at **1-404-350-6300**. You can create an account and request benefit calculation at any time online. TRS also provides a **retirement checklist**.
- If you are an Optional Retirement Plan (ORP) participant or participate in one of the supplemental retirement savings plans (403(b)/457(b)), you should start meeting with a plan advisor every year to discuss your distribution options. Contact [TIAA](#) at **1-800-842-2252**, [Fidelity](#) at **1-800-343-0860** or [VALIC](#) at **1-800-448-2542**.
- Contribute to a 403(b)/457(b) if you would like to save more money for retirement. Contact your local HR/Benefits Department for details.
- Create an account on the [Social Security Administration](#) website to review your Social Security statements online and verify the accuracy of your annual earnings records that Social Security will use to calculate your benefits.
- Create a retirement budget. You should come up with an accurate estimate of what you are spending now and what will change with your spending after retirement. An accurate picture of your retirement expenses is a key to a successful and stress-free retirement. Consulting with a financial advisor to come up with a budget and strategy for retirement planning is always an excellent idea at this point.
- If you will be age 65 or over when you retire, you need to know how Medicare works. A great resource to learn about Medicare Parts A and B is the [Medicare and You](#) booklet published each year.

## Considerations if you are within **one** year of your planned retirement date:

- If you are a TRS, ERS or ORP participant, you should complete your retirement application or discuss next steps with your respective retirement system advisor and select a date of retirement.
- As a TRS or ERS participant, additional information must be provided by your HR/Payroll Office to complete the process.
- If you or your spouse will be age 65 or older at the time of retirement, you should begin your enrollment process for Medicare A and B at least 90 days before your retirement date.
- OneUSG Connect - Benefits will complete a confirmation of coverage form for Medicare enrollment.
- If you will be applying for a Social Security benefit at the time you retire, you will need to start the process six months prior to your retirement date.
- Notify your supervisor and HR/Benefits Office of your official retirement date as far in advance as you can.

## Eligibility for USG Retiree Healthcare Benefits

The University System of Georgia (USG) provides healthcare benefits to employees who meet the definition of retirees under the Board of Regents' policy 8.2.8 as noted earlier. For retirees who are age 65 or older, USG provides funding into a Health Reimbursement Account (HRA) to be used toward secondary Medicare coverage through the Aon Retiree Health Exchange (ARHE) in which proof of Medicare A and B must be provided for enrollment. For these eligible retirees, Medicare is primary, and retirees must enroll and have continuous coverage in secondary Medicare coverage through the ARHE in order to be eligible for the USG funding into the HRA (\$228 per Medicare-eligible person per month, \$2,736 annually). For retirees who are younger than age 65 and not eligible for Medicare, the USG retiree healthcare benefit is provided through the health insurance plans offered to active employees, which is billed and administered through OneUSG Connect - Benefits.

**Important note:** You must be an active USG healthcare plan participant **immediately before** you retire. If you are not currently enrolled in a USG healthcare plan, you should enroll during Open Enrollment in the year prior to your retirement to be eligible for retiree healthcare benefits.

- If you are eligible for retiree healthcare benefits when you retire from USG and drop your coverage at any time, or are cancelled for nonpayment, you will not be allowed to enroll in USG healthcare insurance at a later date, even if you have what might be considered a qualifying event (e.g., divorce, death of a spouse, loss of other coverage, etc.).
- If you drop coverage for your spouse or dependents, you will not be able to add dependents at a future date unless you have a qualifying event (marriage, loss of other coverage).
- If your coverage is cancelled due to nonpayment, you will not be able to re-enroll at a later date.



### OTHER IMPORTANT RETIREE HEALTHCARE BENEFITS ELIGIBILITY RULES

- Must be enrolled in one of the USG healthcare plans at the time of retirement to be eligible for retiree healthcare benefits until you turn age 65.
- If you are under age 65, you must remain in the same healthcare plan upon retirement; you will have the ability to make changes each year at Open Enrollment through OneUSG Connect - Benefits.
- If you are age 65 or older, you will select health coverage through the retiree exchange. A counselor will contact you for enrollment prior to your retirement date. Proof of Medicare A & B is required.
- If your spouse is age 65 or older and you, as the USG retiree, are not, your spouse will need to be enrolled in Medicare A & B and provide proof of coverage to the ARHE counselor when enrolling.
- ARHE health or pharmacy coverage payments will be made directly to the vendor, and you reimburse yourself with the HRA.

USG has prepared a [checklist](#) to assist employees in preparing for retirement healthcare benefits.

Planning for healthcare and insurance coverage is an essential part of your retirement planning.

Be informed and prepared for what Medicare does and does not cover. For more information about Medicare, visit [www.medicare.gov](http://www.medicare.gov) or call **1-800-633-4227**.

## Additional Benefits

In addition to the health plan options, if you are eligible to retire with USG benefits, you may continue to participate in the following benefits programs during your retirement **provided you are enrolled in these benefits at the time you retire**. At the time of retirement, you will be defaulted into the same coverage you had as an active employee, except for life insurance. Upon retirement, your life insurance will reduce to the amounts allowed in retirement. If you do not wish to remain enrolled in coverage, contact OneUSG Connect - Benefits at **1-844-5-USGBEN (1-844-587-4236)**.

- Dental plan — Basic or High Plan (HMO — Georgia Tech)
- Vision plan
- Basic Life insurance — \$25,000 (employer paid)
- Child Life insurance — \$5,000
- Spouse Life insurance — \$5,000
- Supplemental life for the retiree — \$15,000 (if you have at least \$30,000 of supplemental life as an active employee). You can opt to continue the difference by contacting Minnesota Life directly within 30 days of your retirement date.
- Flexible Spending Account (FSA)/Health Savings Account (HSA) — you will no longer be able to make contributions to either account. IRS rules apply for claim submission. HSA funds may be used per IRS rules until depletion.

If you decide not to continue any or all the plans listed above into retirement, you cannot enroll after you retire for any reason, including but not limited to, life events. Additionally, if you continue any of these plans into retirement and decide at some point to cancel your coverage for any or all of the plans listed above, you cannot re-enroll at a later date.



The table below provides an overview of options available to qualified USG retirees:

ACTIVE EMPLOYEE BENEFITS	RETIREE BENEFITS	RETIREE PREMIUMS*
Basic Life (\$25,000)	Basic Life (\$25,000)	No cost
Employee Supplemental life	Retiree Supplemental life (\$15,000, if you have at least \$30,000 of supplemental life as an active employee)	Cost tiers depend on age band at retirement and increase based on age as of January 1 of the following year if you move to a new age band; conversion on remaining life available, but at higher rates
Spouse life (\$50,000)	Retiree Spouse life (\$5,000)	\$2.82 per month
Child life (15,000)	Retiree Child life (\$5,000)	\$0.50 per month
Healthcare plan (Comprehensive Care, Employee + Spouse)	If you and your spouse are under age 65, then your healthcare plan (Comprehensive Care, Employee + Spouse) remains the same until either of you turns age 65. (See page 4 for age 65 provisions)	Premiums may be different from your active employee premiums depending on your Medicare status and whether you are under age 65 or 65 and older and on the Aon Retiree Health Exchange
Dental High Plan (Employee + Spouse)	Dental High Plan (Employee + Spouse)	Same as active employee rates
Vision plan (Employee only)	Vision plan (Employee only)	Same as active employee rates
Short-Term or Long-Term Disability	No coverage	Cannot be converted to a private policy
Legal plan	No coverage	Conversion to a private policy available at employee rates
Critical Illness, Hospital Indemnity or Accident plan	No coverage	Conversion to a private policy available at employee rates

\*Please note that rates can change year over year. Please confirm your rates by visiting [usg.edu/hr/benefits](http://usg.edu/hr/benefits).

## Retiree Benefits Billing

Retirees under age 65 enrolled in the USG healthcare plan and all retirees enrolled in the USG dental, vision and life insurance benefits must pay premiums on a monthly basis.

Retirees must pay premiums by automatic direct debit from a checking or savings account.

To set up automatic direct debit, call OneUSG Connect - Benefits at **1-844-5-USGBEN (1-844-587-4236)**.

Typically, your payment will be due on the 1st of each month for the current month of coverage. When you initially retire or if your payment is late, your next bill may show a delinquency. The bill will clearly state when your payment must be received to avoid cancellation of your coverage. Your coverage will be cancelled backdated to the last day of the month in which premiums were paid in full.

## QUESTIONS

If you are age 65 and older and have questions about your supplemental healthcare insurance or HRA through the retiree health exchange, call **1-866-212-5052**.

If you are under age 65 and have questions about your retiree health insurance through the USG healthcare plan, call OneUSG Connect - Benefits at **1-844-5-USGBEN (1-844-587-4236)**.

If you have questions about your dental, vision, life insurance or survivor benefits or need to file a death claim, please call OneUSG Connect - Benefits at **1-844-5-USGBEN (1-844-587-4236)**.

If you need to update your address or email address, make changes to your insurance or set up direct debit, please call OneUSG Connect - Benefits.

## Vacation and Sick Leave

- Up to 360 hours of unused vacation time is paid out by the next pay period after your retirement.
- If you are a TRS retiree, unused sick time can count toward your retirement service time and is unlimited. Unused sick time does not apply toward ORP retirement. Contact TRS to discuss or visit the website for your conversion options.

### HELPFUL LINKS

Definition of a USG Retiree	<a href="http://www.usg.edu/policymanual/section8/C224/#p8.2.8_retirement">www.usg.edu/policymanual/section8/C224/#p8.2.8_retirement</a>
Dependents of Deceased Employees, Disabled Employees, or Retirees	<a href="http://www.usg.edu/policymanual/section8/C224/#p8.2.9.6_dependent">www.usg.edu/policymanual/section8/C224/#p8.2.9.6_dependent</a>
USG Checklist	<a href="http://www.usg.edu/assets/hr/benefits_docs/USG_Retiree_Checklist_(FINAL).pdf">www.usg.edu/assets/hr/benefits_docs/USG_Retiree_Checklist_(FINAL).pdf</a>
The Employees Retirement System of Georgia (ERS)	<a href="http://www.ers.ga.gov">www.ers.ga.gov</a>
Fidelity	<a href="http://www.fidelity.com/atwork">www.fidelity.com/atwork</a>
Medicare	<a href="http://www.medicare.gov">www.medicare.gov</a>
Medicare and You Booklet	<a href="http://www.medicare.gov/forms-help-and-resources/mail-about-medicare/about-medicare-and-you.html">www.medicare.gov/forms-help-and-resources/mail-about-medicare/about-medicare-and-you.html</a>
Social Security Administration	<a href="http://www.socialsecurity.gov">www.socialsecurity.gov</a>
The Teachers Retirement System of Georgia (TRS)	<a href="http://www.trsga.com">www.trsga.com</a>
TRS Retirement Checklist	<a href="http://www.trsga.com/downloadPublications/PR_Checklist_0613.pdf">www.trsga.com/downloadPublications/PR_Checklist_0613.pdf</a>
TRS Sick Leave Conversion Chart	<a href="http://www.trsga.com/active-member/retirement-service-and-disability/unused-sick-leave-credit-at-retirement/conversion-chart">www.trsga.com/active-member/retirement-service-and-disability/unused-sick-leave-credit-at-retirement/conversion-chart</a>
TIAA	<a href="http://www.tiaa-cref.org/usg">www.tiaa-cref.org/usg</a>
VALIC	<a href="http://www.valic.com/usg">www.valic.com/usg</a>

