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# State System of Higher Education Retirement Guide

Faculty (APSCUF)  
Coaches (Non-Faculty APSCUF)  
Nonrepresented\*  
Nurses (OPEIU)\*  
Security/Police (SPFPA)\*  
SCUPA\*

\*Nonrepresented, Nurses, Security/Police, and SCUPA Employees hired on or after January 16, 2016 are not eligible for retiree health coverage.

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## IMPORTANT NOTICE FOR EMPLOYEES CONSIDERING RETIREMENT

Each employee may have different responsibilities and benefits based upon eligibility criteria such as years of service, age, date of hire, retirement vendor, etc. **If you are considering retirement, you should meet with the Benefits office at your university** to verify your eligibility for retirement benefits. Resources are available to assist in determining your financial readiness for retirement.

Once a decision has been made to retire, it is recommended to submit a retirement letter and meet with your Benefits office to begin the process **at least 3 months prior to your elected retirement date**.

This document provides general information and is intended only for illustrative purposes to assist you in planning your retirement. Information provided in this document is subject to change.

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## Overview

This guide has been developed for prospective retirees to assist in the retirement process. In conjunction with this guide it is recommended to utilize the [retirement checklist](#) with suggested completion dates to ensure a smooth transition into retirement.

In order to be eligible for a sick leave payout upon your retirement, you must establish your monthly lifetime retirement annuity within **90 days**. If you fail to finalize your retirement annuity within 90 days you **will forfeit** your sick leave payout.

The State System offers a retiree medical insurance program called the Annuitant Health Care Program (AHCP). In order to enroll in the AHCP a retiree must meet the eligibility criteria and establish a lifetime retirement annuity. Retirees may delay enrollment into AHCP if health insurance is available from another source. Once a retiree enrolls in AHCP, coverage may continue until death or until the retiree chooses to discontinue enrollment. After the retiree passes away, survivor coverage may be extended to spouses/domestic partners. If a retiree chooses to discontinue AHCP coverage, the retiree waives all rights to future coverage under AHCP.

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## Establishing your retirement/pension

Determining the requirements for establishing your annuity depends upon which retirement vendor you are enrolled. **In order to be eligible for a sick leave payout or enroll in retiree health care, you must establish an annuity from your retirement vendor.**

### State Employees' Retirement System (SERS)

#### Public School Employees' Retirement System (PSERS)

Any of the monthly payment plan options available through SERS or PSERS meet the criteria to establish a monthly lifetime annuity. Contact SERS or PSERS to finalize your retirement paperwork.

[SERS Website](#) - 800.633.5461

[SERS Retirement Guide](#)

[PSERS Website](#) - 888.773.7748

### Alternative Retirement Plan (ARP)

Annuity options vary by ARP vendor (Fidelity and TIAA). Schedule a meeting with your ARP vendor representative who will confirm and review the qualifying annuity options. A minimum of \$10,000 must be annuitized.

It is strongly recommended to meet with your vendor representative to complete the annuity paperwork and understand the options available in setting up your annuity. You should contact your vendor representative 90 days prior to your retirement.

[Fidelity Representatives](#)

[TIAA Representatives](#)

**Once your completed annuity paperwork has been submitted, it may take up to a six weeks before you receive your first monthly annuity payment. Be prepared to cover your expenses during this time.**

## Medical Insurance – Annuitant Health Care Program (AHCP)

Below are the criteria for majority paid coverage in the AHCP, which provides medical benefits upon retirement to retirees and their eligible dependents for the retiree’s lifetime.

### Nonrepresented/SCUPA

Current Hire Date	Retirement Age	Years of Service	Type of Service*
Prior to July 1, 1997	60	10	Credited Service
	Any	25	
	Any with Approved Disability Retirement	5	
July 1, 1997 to June 30, 2004	60	15	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	
On/After July 1, 2004	60	20	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	
On/After January 16, 2016	No retiree health coverage available		

### APSCUF Faculty

Current Hire Date	Retirement Age	Years of Service	Type of Service*
Prior to Fall Semester 1997	60	10	Credited Service
	Any	25	
	Any with Approved Disability Retirement	5	
Fall Semester 1997 to June 30, 2004	60	15	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	
On/After July 1, 2004	60	20	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	

## APSCUF Coaches

Current Hire Date	Retirement Age	Years of Service	Type of Service*
Prior to July 1, 1997	60	10	Credited Service
	Any	25	
	Any with Approved Disability Retirement	5	
July 1, 1997 to July 31, 2005	60	15	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	
On/After August 1, 2005	60	20	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	

## OPEIU Nurses/SPFPA Security/Police

Current Hire Date	Retirement Age	Years of Service	Type of Service*
Prior to July 1, 1997	60	15	Credited Service
	Any	25	
	Any with Approved Disability Retirement	5	
July 1, 1997 to June 30, 2004	60	15	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	
On/After July 1, 2004	60	20	Commonwealth/State System Service
	Any	25	
	Any with Approved Disability Retirement	5	
On/After January 16, 2016	No retiree health coverage available		

### \*Type of Service

#### **Credited Service –**

Includes years of service credited by retirement plan (SERS, PSERS or ARP). May include purchased service.

#### **Commonwealth/State System Service –**

Does not include employment with a public school (pre-K, K-12).

## AHCP Health Plan Options

PPO Plan Under Age 65/Non-Medicare Eligible:	Signature 65 Plan Over Age 65/Medicare Eligible:
Faculty/Coaches - <a href="#">click here</a> .  Nonrepresented, Nurses, Security/Police, SCUPA – <a href="#">click here</a> .	Signature 65 Plan – <a href="#">click here</a> .

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## AHCP Enrollment and Forms

### Annuity

In order to enroll in the AHCP, you must establish an annuity from your retirement vendor.

### Enroll or delay

Complete and return the [enrollment/change form](#) to your university benefits office. If you are eligible and wish to delay enrollment at the time of your retirement, complete and return the [delayed enrollment form](#) to your university benefits office.

### Monthly Premium Payment

Employees enrolled in PSERS or ARP will need to complete and submit a [direct payment form](#) to authorize a monthly debit for premiums.

Employees enrolled in SERS will automatically have their premiums deducted from their monthly pension check.

### Child Dependents

Any dependent children between the ages of 19 and 25 must have a [student certification form](#) completed. If you have a disabled child dependent over 18, please notify your university HR office.

### Age 65 / Medicare Eligible

Submit a copy of your Medicare card(s) with your AHCP enrollment form. You must be enrolled in Medicare Parts A and B at the time of your retirement to ensure uninterrupted benefits.

### Receiving New Medical ID Cards

Highmark ID card(s) will be received after your enrollment into AHCP. *It is strongly recommended to not schedule visits with your provider until two weeks after your retirement date.* Also, if you may need a prescription, you should obtain your medication prior to your retirement date. If there is a delay with your retirement annuity, you will not be enrolled into AHCP until your annuity has been verified with your retirement plan. You should not use the same Highmark ID card(s) as when you were actively employed since your group number will change. You can log on to the Highmark website at [www.highmarkblueshield.com](http://www.highmarkblueshield.com) to [print a temporary ID card](#) until your permanent ID card is received.

### Coverage Effective Date

Upon confirmation of your monthly lifetime annuity, your AHCP coverage will be effective the day after your final day of employment. If you delayed enrollment, your coverage will be effective upon loss of coverage or during an open enrollment period, pending confirmation of monthly lifetime annuity.

### Making Changes to Coverage After Retirement

For any changes or questions regarding your AHCP coverage after your retirement, visit [www.passhe.edu/AHCP](http://www.passhe.edu/AHCP) or contact the retiree benefits office at [RetireeBenefitHelp@passhe.edu](mailto:RetireeBenefitHelp@passhe.edu).

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## AHCP Monthly Rate Information

**APSCUF Faculty** retiring who are currently enrolled in the active Highmark PPO:

Retirement Date 07/01/18 – 06/30/19		
Single	Two-Party	Family
\$104.13	\$230.86	\$282.93

Retirement Date 07/01/19 – 06/30/20		
Single	Two-Party	Family
\$113.06	\$250.65	\$307.18

**APSCUF Coaches** retiring who are currently enrolled in the active Highmark PPO will contribute 3.0% of their salary when they retire. (3.0% x final salary/12 months = monthly contribution rate).

**Nonrepresented, Nurses, Security/Police, and SCUPA** retiring who are currently enrolled in the active Highmark PPO or a PEBTF medical plan:

Retirement Date 07/01/18 – 06/30/19		
Single	Two-Party	Family
\$103.91	\$230.37	\$282.32

Retirement Date 07/01/19 – 06/30/20		
Single	Two-Party	Family
\$112.35	\$249.09	\$305.27

All employees enrolled in a HMO, please contact your university for rate information.

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## Medicare Information

If Medicare eligible when you retire and you are enrolling in the AHCP, contact Social Security to ensure that you are enrolled in Medicare Parts A & B effective the first of the month in which you will retire.

Social Security - [www.ssa.gov](http://www.ssa.gov) 800.722.1213

Medicare - [www.medicare.gov](http://www.medicare.gov) 800.633.4227

Medicare will pay primary and AHP will pay secondary on claims. For more details on benefits and coverage, visit the [Medicare benefits summary](#).

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## Prescription drug coverage

If you are under age 65 or non-Medicare eligible, you will have the same prescription coverage that you did as an active employee.

If you are Medicare eligible, you will have the [Signature 65 prescription drug discount plan](#). By utilizing the Highmark prescription drug discount card, you will pay less for your prescriptions and may request reimbursement by submitting a [Major Medical Claim form](#) to Highmark.

## Sick Leave Payout Eligibility

Employees may be eligible for a payout of their sick leave upon retirement. **You must establish a monthly lifetime retirement annuity within 90 days of separation.** Below are the criteria for payment of sick leave.

- **Commonwealth/State System Service** does not include employment with a public school (pre-K, K-12).
- **Credited Service** includes years of service credited by retirement plan (SERS, PSERS or ARP). May include purchased service.

### APSCUF Faculty

Retirement Age	Years of Service	Type of Service
60 or above	5	Commonwealth/State System service as a faculty member
Prior to 60	25	
Any with Approved Disability Retirement	5	

### APSCUF Coaches

Retirement Age	Years of Service	Type of Service
60 or above	5	Commonwealth/State System service as a coach
Prior to 60	25	
Any with Approved Disability Retirement	5	

### Nonrepresented

Retirement Age	Years of Service	Type of Service
60 or above	5	Credited Service
Prior to 60	25	
Any with Approved Disability Retirement	5	

### OPEIU Nurse, SPFPA Security/Police, SCUPA

Enrolled in SERS/PSERS		
Retirement Age	Years of Service	Type of Service
Superannuation age	5	Credited Service
Prior to Superannuation age	25	
Any with Approved Disability Retirement	5	

### OPEIU Nurse, SPFPA Security/Police, SCUPA

Enrolled in ARP		
Retirement Age	Years of Service	Type of Service
Age 60 with ARP	5	Commonwealth/State System Service
Prior to age 60 with ARP	25	
Any with Approved Disability Retirement	5	



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## Sick Leave Payment Schedule

### ASPCUF Faculty and Coaches

Days Available at Retirement	Maximum Days of Unused Sick Leave Paid
10-74	10
75-149	20
150-224	30
225-299	40
300 and over	50

### Nonrepresented

Days Available at Retirement	Percentage Buy-Out	Maximum Days
0-100	30%	30
101-200	40%	80
201-300	50%	150
Over 300	100% of days over 300	15

### OPEIU Nurses, SPFPA Security/Police, SCUPA

Days Available at Retirement	Percentage Buy-Out	Maximum Days
0-100	30%	30
101-200	40%	80
201-300	50%	150
Over 300 (in last year of employment)	100% of days over 300	13

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## Tax Deferring Your Sick and Annual Leave Payout

The State Employees' Retirement System (SERS) contracts with Empower Retirement as the administrator for the deferred compensation 457 plan.

**There are TWO steps you must take in order to defer your sick/annual leave payout:**

**1. Enroll in the deferred compensation plan**

Visit [www.SERS.pa.gov](http://www.SERS.pa.gov), click the Deferred Compensation Plan graphic and "Enroll Now".

You must be contributing at least \$5 prior to the pay in which you defer your sick and/or annual leave. Enrollment can be done online or by completing a paper enrollment form.

**2. Meet with a deferred compensation representative to complete paperwork to defer your sick and annual leave payout - <https://sers.empower-retirement.com>**

In addition to enrolling in the plan, you must complete and submit a *Sick and Annual Leave Deduction Agreement* to defer your payout. The pay deferral agreement form can be obtained by logging into your deferred compensation account, clicking on Plan Forms or from your deferred compensation representative. This form must be received by Empower Retirement prior to the first day of the month in which the deferral will be made – this is an IRS regulation.

Prior to meeting with your deferred compensation representative, you should obtain a sick/annual leave payout estimate from your HR office. This will help the representative to estimate the correct deferral amount.

You should submit your completed form directly to Empower via fax or online by uploading the form to your account under the upload documents section. It's important to obtain a confirmation that the form has been submitted with Empower.

For complete guidelines/details and setup, contact Empower Retirement at 866.737.7457.

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## Group Life Insurance

Your employer-paid group life insurance coverage will cease on the last day of the month in which your employment ends. You will receive a conversion notice directly from MetLife. You have the option to convert the same or a lesser amount of your current group coverage into an individual insurance policy purchased at your own expense.

You may be eligible for continued insurance due to a disability through MetLife if you are proven to be totally disabled. For more information, contact MetLife's customer service unit at 855.972.5433.

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## State Employee Assistance Program (SEAP)

SEAP benefits continue upon enrollment in the AHCP. SEAP is the free assessment and referral service for commonwealth employees and their family members; this includes everyone who lives in your house, as well as your parents, adult children, and siblings regardless of where they live. SEAP provides counseling for a wide variety of personal, financial, and legal services. This is no cost to you for this benefit.

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## Dental/Vision Insurance

The AHCP does not offer dental or vision coverage to retirees. Here are some options that may be available to you:

- If you are a retired faculty member, vision and dental coverage may be available through APSCURF (<http://www.apscuf.org/members/apscurf>).
- If you are receiving a pension or eligible to receive a pension from the Commonwealth/State System, vision and dental coverage may be available through PARSE ([www.parseofpa.org](http://www.parseofpa.org)).

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## Voluntary Benefits After Retirement

### **Voluntary Group Life (VGLIP) and Accidental Death and Dismemberment (ADD) insurance**

Your VGLIP/ADD coverage will cease on your last day of employment. You will need to obtain a form from your human resource office to convert/port any existing coverage with CIGNA.

- [Portability vs. Conversion](#)

### **Long Term Disability (LTD)**

LTD insurance will cease at the time of retirement.

### **Tax-Sheltered Annuity 403(b) (TSA)**

Your money can stay invested in the account or can be withdrawn after retirement. Contact your financial advisor or vendor representative for more information.

### **Deferred Compensation 457(b)**

Your money can stay invested in the account or can be withdrawn at any time after retirement. Contact your Empower representative for more information.

### **Flexible Spending Account (FSA)**

Remember to submit qualified expenses incurred prior to your date of retirement. Reimbursement from your medical account will not be permitted for expenses incurred after your last day worked, unless you elect COBRA coverage for FSA.

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## Questions?

For more information, contact your university benefit coordinator.