



Benefit Summary Information For Retiring Employees

This handout is intended for employees leaving the University due to retirement and those faculty members participating in the Faculty Early Retirement Program (FERP). This handout is not a complete guide to retirement.

- Contact Employee Relations & Compliance, for questions concerning campus clearance (707)664-2664
- Contact Payroll & Benefits, for questions concerning payroll or benefit programs (707)664-2793
- Contact the California Relay Service for TTY assistance (877)735-2929
- Online information for CalPERS is available at www.calpers.ca.gov
- CalPERS Retirement Services Division, P.O. Box 942716, Sacramento, CA 94227 (888) 225-7377

Campus Clearance

Employees are required to return all Sonoma State University equipment and property by means of the campus clearance process prior to the last day on campus.

Health, Dental and Vision Coverage

If you are enrolled in a CalPERS health plan at the time you stop working and your retirement date is within 30 days, your coverage will continue into retirement without a break. If you are not enrolled in a CalPERS health plan at the time you stop working but you are in a benefits eligible position, you can enroll during the CalPERS Open Enrollment period or at the time of other permitting events (such as a change of address).

If your retirement date is beyond 30 days after your last day on payroll, your eligibility to continue your health and dental coverage into retirement depends on when you stop working and the official date of your retirement. For some people, these are not the same date.

- between 30-120 days, you are eligible to re-enroll when you retire. To do so, submit a written request to the CalPERS Health Benefit Services Division or call (888) 225-7377 within 60 days of your retirement date or wait for the next Open Enrollment Period.
- over 120 days, you may not be eligible for coverage. Some exempt State employees may enroll as retirees if the gap exceeds 120 days. Contact the CalPERS Health Benefit Services Division for additional information.

If you are currently enrolled in dental coverage, it will continue into retirement under the Basic Plan. While participating in the Faculty Early Retirement Program (FERP), your plan coverage will remain at the Enhanced Level. When your participation in FERP ends, the coverage will be changed to the Basic Plan.

Vision coverage does not continue into retirement. There is a retiree plan offered by the Chancellor's Office. Please see the enclosed enrollment form. Or, under the COBRA (Consolidated Omnibus Budget Reconciliation Act), you are eligible to enroll in vision group continuation coverage for 18 months. In order to enroll, you must submit a Request for Group Continuation Coverage within 60 days following your retirement date. Contact your Health Benefits Officer for more information. If you are participating in FERP, your vision coverage will continue. Enrollment will be automatic at the beginning of each semester.

CalPERS and the Medicare Health Plan (Please read carefully)

Understanding your Medicare benefits -- and how they work in coordination with your CalPERS health plan -- can often be confusing. When are you eligible for Medicare? What kind of supplemental CalPERS health plan should you choose?

How do you coordinate the benefits? These questions, and more, are often asked of us and we want to be sure you have all the information you need to make good health plan choices.

CSU employees who subsequently retire and become eligible for Medicare do not have the option of remaining in a “basic” health plan but will be required to coordinate their federal Medicare benefits with their CalPERS health program benefits. Retirees will be required to enroll in their health plan’s Medicare plan upon becoming Medicare eligible to remain enrolled in the CalPERS Health Benefits Program.

Background

For your information, we would like to highlight the difference between the “basic” CalPERS health plan and the Medicare health plan. The “basic” plan is a standard health benefit plan that is not coordinated with federal Medicare benefits. A Medicare plan is a health benefit plan designed to be coordinated with federal Medicare benefits. For Medicare plan enrollees, Medicare is considered your primary insurance and your CalPERS-sponsored health plan is considered your secondary insurance. Each CalPERS health plan option provides a “basic” plan and a Medicare plan. The various CalPERS-sponsored Medicare plan choices are described in your annual CalPERS Health Program Information package.

Federal Medicare consists of two programs: Part A, Hospital insurance, is provided to eligible retirees at no monthly premium cost and Part B, Medical insurance, is provided at a monthly cost that is established by The Social Security Administration annually. Generally, retirees become eligible for Medicare at age 65. Please note that individuals may not be eligible for Medicare in their own right, but may be eligible through a spouse (former, deceased, or current, etc.). Eligibility through another person constitutes eligibility for Medicare. For specific individual eligibility information, please contact Social Security Administration directly at (800) 772-1213.

State law now requires CSU employees who retire and who become eligible for Medicare, to coordinate their Medicare benefits with their CalPERS-sponsored health benefits. Retirees must contact CalPERS upon becoming Medicare eligible to enroll in a CalPERS-sponsored Medicare plan.

Medicare Policy

Once you retire and become eligible for Medicare, you and/or your Medicare eligible dependents can no longer be enrolled in a “basic” health benefits plan. If you and/or your Medicare eligible dependents want to remain enrolled in a CalPERS health plan, you must coordinate your Medicare benefits with your CalPERS health program benefits. To remain eligible for a CalPERS health plan, you will (1) need to enroll in the federal Medicare program and then (2) contact CalPERS to enroll in your health plan’s Medicare plan. For most persons, enrollment in Part A of Medicare is automatic, but you must personally apply for Medicare Part B. **If you do not apply for Medicare Part B when you are initially eligible, you may be assessed a penalty for late enrollment.** Your monthly premium for Part B may go up 10% for every 12-month period that you could have been enrolled, but were not. The penalty is compounded annually for the remainder of your life so timely enrollment is critical. Please contact Social Security (SSA) at (800) 772-1213 for Part B enrollment.

When you are retired and are a newly eligible Medicare enrollee, you can change your CalPERS health plan based on the event of “newly eligible for Medicare.” Please contact CalPERS at (888) 225-7377 for CalPERS-sponsored Medicare plan enrollment information.

Please note: If you continue your CSU employment at the time you would normally become eligible for Medicare, you may delay your eligibility for Medicare until you retire. You may remain enrolled in a “basic” health plan. SSA has special rules for individuals who work (either CSU or non-CSU) beyond age 65. Please contact SSA directly for details.

Additional Information

Generally, for persons enrolled in a Medicare plan, the retiree’s share of the monthly health premium is reduced; out-of-pocket co-payments in a Medicare plan are usually less than in a basic plan (review your plan’s Benefit Summary in your

Health Plan Decision Guide); and CSU retirees enrolled in a Medicare plan may be eligible to receive a reimbursement towards the cost of the Medicare Part B premium.

If you and/or your dependents are enrolled in a CalPERS health plan and the state's health care contribution is greater than your monthly health plan premium, you may receive reimbursement for that excess to offset your monthly Medicare Part B premium. Reimbursement eligibility depends on the health plan you elect. If you are eligible for reimbursement, that reimbursement will be provided in your monthly retirement check.

Information regarding Medicare may be found in the CalPERS' publication [Understanding Medicare and Your CalPERS Health Benefits](#). Questions may be directed to:

The Payroll and Benefits Department
707 664-2793

This letter and general retiree benefit program questions

Social Security Administration
1-800-772-1213
www.medicare.gov

Medicare eligibility, enrollment, benefits, and costs

CalPERS
1-888-225-7377
www.calpers.ca.gov

CalPERS health benefits eligibility and enrollment

PLEASE NOTE: The information contained in this notice regarding Medicare eligibility and enrollment is intended only to provide you with a summary of Medicare information. For specific Medicare information, please contact your local Social Security office, call Social Security at 1-800-772-1213, or contact SSA online at www.medicare.gov.

Retirement Benefits

Many California public retirement systems offer increased benefits if you retire "concurrently" with the same retirement date under each system. For details on reciprocity, consult the publication [When you Change Retirement Systems](#) at the CalPERS website www.calpers.ca.gov/about/pubdir/membenpub/pers-pub-16.pdf.

University Paid Life Insurance

You have a right to convert to buy an individual policy of life insurance without Evidence of Insurability if: your insurance ends or is reduced due to a qualifying event; and you apply in writing and pay the first premium during the 31 day conversion period after the date of any qualifying event. For definition of qualifying events and details concerning your Right to Convert, see pages 15 and 16 of the Group Life Insurance Certificate.

University Paid Long-Term Disability (LTD) Insurance

When your employment terminates, you may buy LTD conversion insurance if on the date your employment terminates, you were insured under your employer's long term disability insurance plan for at least one year; you are not disabled; you are a citizen or resident of the United States or Canada; and you apply in writing and pay the first premium for LTD conversion insurance within 31 days after your insurance ends.

Other Voluntary Payroll Deductions

Some of the voluntary employee paid benefits offered by the University may be converted after employment. For additional information on these plans you may wish to call:

- California Casualty Automobile/Property Insurance (877) 411-1426
- Standard Insurance Company (Life Insurance) (800) 378-5745
- Tax Sheltered Annuities (403B)/State Deferred Compensation (457)/State Thrift (401k) plans: Contact your salary reduction investment company (866) 566-4777