

Retirement Preparation Benefit Checklist for Employee:

- Employees, age 55 or older, who designate their resignation reason as “retirement” may be eligible for retiree benefits. (See 5 and 10 year rules for insurance on page 3.)
- The designated retirement date must be a scheduled work day and you must be present on the last day.

Early - Years Before Retirement

- Visit with your personal financial planner and/or use the services provided by your ISU retirement plan. The local TIAA office provides free consulting even when your investments are not with TIAA.
- Use on-line tools to plan for retirement income.
<https://www.tiaa.org/public/support/contact-us/consultations-seminars>
<https://www.ipers.org/retirees/faqs>
https://www.valic.com/home_3240_422903.html
- For those with other supplemental plans offered through ISU payroll deduction:
<https://www.metlife.com/individual/investment-products/annuities/index.html#types>
<https://www.ameriprise.com/retirement/>

One Year Before Retirement or When You Know Your Retirement Date

Contact the appropriate office(s) listed above for the type of retirement income you may have.

- Contact ISU Office of Retirement Information and Planning to schedule an appointment to ask questions regarding income estimates or for assistance with the annuity application forms at 515-294-4800 or toll free 1-877-477-7485

If you have TIAA

- Contact the TIAA National Customer Service at 1-800-842-2776 for an estimate of your retirement income. Or,
- Contact the TIAA local Ames Office at 1-866-904-7803 to schedule a meeting or, use your personal portal user ID and password in the TIAA system to schedule a meeting via the on-line reservations system: <https://www.tiaa.org/public/support/contact-us/consultations-seminars>

If you have IPERS

- Contact IPERS 1-800-622-3849 or use the on-line site to calculate your retirement income.
<http://www.ipers.org/members/index.html>

If you have VALIC

- Contact a VALIC agent at 1-800-448-2542
https://www.valic.com/home_3240_422903.html

If you have Federal (FERS)

- If you are a FERS participant, contact the Extension HR Office, Extension 4-H Building, Room 1110A or call 515-294-3283 for an estimate.

One Year Before Retirement or When You Know Your Retirement Date continued

___ Contact your local Social Security Administration office or use the on-line link to check on your eligibility for benefits. Order an estimate of your Social Security income.

<http://www.ssa.gov/onlineservices/>

___ Contact any past employers, including the military, if applicable, to determine eligibility for other retirement income benefits.

___ Optional: Consider discussing your plans to retire with your supervisor or department head.

___ Discuss your plans with the ISU Benefits Office Consultants. Your last day of work is important to decide as this has a bearing on your insurance, taxes, and Medicare details. Discussing this in advance can assist you in choosing a date. You also should know your options for keeping insurance after retirement, including continuing on the ISU medical and dental. Call 515-294-4800 to schedule an appointment with an ISU Benefits Consultant.

Three to Four Months Before Retirement

___ Contact the appropriate office from the list above regarding income to begin the application process. For TIAA, specify your retirement date and the income options you want.

___ Contact any other financial institution where you have retirement savings such as TSAs, IRAs, Roth plans, or CDs to request retirement income details from those institutions.

One to Two Months Before Retirement

___ Consider when to inform your department of your intent to retire, if you haven't already. Complete the "Notice of Resignation" form. See the University Human Resources webpage under Forms and Careers and Hiring/Termination. Also at this link:

http://www.hr.iastate.edu/sites/default/files/Forms/Careers/Classification/NoticeOf%20Resignation_679.pdf Check retirement as the reason and indicate the date of your last day of work.

___ Apply for payment of unused sick leave by submitting the form found at this link:

<http://www.controller.iastate.edu/payroll/poolbenefits.htm> The form is submitted directly to payroll. Without an appropriate application, any remaining sick leave would be forfeited. The total possible payout would be the number of hours accrued on the date of retirement multiplied by the hourly wage rate, up to a \$2,000 maximum. Payment is subject to tax withholding at a lump sum distribution rate. The sick leave is usually paid on the 15th of the month following the month you retire; provided your application routes before that month's payroll deadline.

___ Talk to your department regarding using vacation, converted or compensatory leave time prior to retirement. Unused vacation and sick leave that was converted to vacation, will be paid automatically on the last pay month or the end of the following month depending on the internal retirement action routing schedule. Some employees may be required by a letter of intent to forfeit unused vacation time.

___ Discuss with the ISU Benefits consultants, the option of sheltering the vacation/converted payout to a supplemental retirement account with TIAA. A special form is needed to direct this to an SRA.

One to Two Months Before Retirement continued

___ Contact the ISU Benefits Office Consultants regarding eligibility to continue ISU insurance when retired, **completing necessary paperwork** and possible Medicare information. It is very important to discuss Medicare eligibility and the timing of retirement when you or a family member is Medicare eligible or is becoming Medicare eligible close to your retirement date.

Specific Benefits Information

Important Information Prior to Retirement & After Retirement

Please note: The required years of continuous participation when employed to continue Life and Medical/Dental in retirement is on this page.

Life Insurance after Retirement: If you are age 55 or older **and** if you have been enrolled in the basic life insurance plan for **10 continuous years or more** up to your retirement date; the University will continue a \$4,000 term life policy for you. Beneficiary designations should be reviewed periodically and may be updated during retirement.

Long Term Disability Insurance: Coverage ends the day you retire. If you are considering retirement due to a medical condition, it is in your best interest to investigate the disability option prior to electing to retire. Also, if your retirement date has not arrived but you face a disability before your last day, you may still apply for long term disability. Schedule an appointment with an ISU Benefits Consultant.

Long Term Care Insurance: If you are enrolled in the ISU Group plan with Genworth and pay with payroll deductions, you will be billed directly. One month or more prior to your retirement date contact Genworth (800-416-3624) to arrange continuation of the payments.

If you do not have long term care insurance, you may want to consider shopping for coverage. The ISU group option through Genworth will consider retiree applicants. A resource for exploring type of insurance, is the Iowa Senior Health Insurance Information Program (SHIIP). They have created the **Iowa Guide to Long Term Care Insurance**. This guide has an excellent personal assessment tool to help you understand long term care and evaluate it as a suitable purchase. SHIIP may be contacted at 800-351-4664 or on-line at www.shiip.state.ia.us.

Flexible Spending Accounts: Eligible claims must be incurred by the last day of the month in which you retire; unless you choose to continue to make contributions through the COBRA option. COBRA extends your eligibility to incur claims for each month you make a contribution but it will not have the tax savings. COBRA continuation must end on December 31st of the year you retire. You have until April 30th to claim the previous year's eligible expenses, if incurred before the last day of participation.

ISU Plan Medical / Prescription and/or Dental Continuing Coverage for Retirees

You must have been enrolled in an ISU Medical/Prescription and/or Dental plan for **5 continuous years, immediately preceding retirement** to continue the ISU Plan insurance for medical/prescription or dental. Your spouse/partner may be insured on your plans, they do not have the 5 year requirement. Discuss their eligibility for another employer group plan with an ISU Benefits consultant. A surviving spouse/partner is allowed to continue coverage, if they are enrolled in the retiree's plan at the time of

the retiree's death. If the ISU retiree divorces or terminates the partnership, the ex-spouse or ex-partner will be offered COBRA coverage.

The ISU Benefits Office notifies the insurance companies of your retirement date. Retirees continuing the ISU Plan after retirement will pay premiums directly to Wellmark and/or Delta Dental insurance companies to continue coverage. The payment to Wellmark includes the prescription drug plan. There will not be a bill from the pharmacy benefit manager (PHM) which is either Express Scripts or Humana, dependent on Medicare eligibility. (See page 5, Paying for ISU Insurance Coverage).

If you plan to drop the ISU Plan for other coverage, please see the details at the end of this document.

IMPORTANT Medicare Part A, B and D Information for Retirees

~~~~Avoid Costly Penalties ~~~~

___ After retirement and when eligible for Medicare, Medicare must be the primary insurance for those continuing on the ISU insurance. **Delaying enrollment in Medicare will result in a lifelong penalty** from Medicare for the Part B and Part D. In addition, if you declined Medicare, the ISU insurance (Wellmark) will require the participant to pay the portion of claims that Medicare would have paid. This penalty continues until a late Medicare enrollment is effective.

___ If anyone on the ISU insurance is already Medicare eligible or soon will be, talk to the ISU Benefits office consultant about the recommendation to enroll in Medicare Part A (if not already enrolled) and also Part B within the eligibility window allowed by Social Security for the newly retired.

___ Contact the ISU Benefits Office regarding the Medicare Information form. The ISU Benefits Office must complete the Medicare Information form, if any covered family member is already eligible for Medicare while on the ISU insurance. The form lists the dates you were actively employed, if you or your family members were insured, your last day of work and the date your ISU insurance changes from active to retiree coverage. Medicare must be the primary insurance when you are Medicare eligible and not working or not covered by an active employee's insurance. Your ISU Plan can become your secondary coverage to Medicare, if you elect to continue ISU coverage.

___ Each Medicare participant should also call the Medicare Coordination of Benefits department at 1-800-999-1118 the month that Medicare becomes the primary insurance. This call is to verify that Medicare is the primary coverage because of retirement. The ISU Benefits Consultants can tell you the time frame for making the call.

If you do not make the call, Medicare may deny initial claims, believing Wellmark is the primary insurance. Allow 20 minutes or more for this call to be completed.

More Medicare Part A, B and D Information

Medicare Part A is Hospital coverage for hospital in-patient services. If you have in-patient services at a hospital, Medicare Part A processes your claim. The Medicare settlement is then electronically pulled by the Iowa Blue Cross Blue Shield Association, Wellmark, to continue the secondary coverage settlement. You will receive an explanation of benefits from Medicare and then from Wellmark.

Medicare Part B is Medical coverage for clinic, out-patient hospital services and durable medical equipment. The Medicare settlement is electronically pulled by the Iowa Blue Cross and Blue Shield Association, in most cases, to continue the secondary coverage settlement. You will receive an explanation of benefits from Medicare and then from Wellmark.

Medicare Part D is for prescriptions from a pharmacy or by mail-order that are not Medicare Part B eligible. Retirees electing to continue ISU medical insurance will have the group Medicare Part D prescription drug coverage, this is our custom plan with Humana. No one continuing on our medical plan should enroll in any other prescription drug coverage. Read the next section carefully.

Prescription Drug Coverage during Retirement, Express Scripts or Humana

If you are continuing the ISU medical plan, you should not enroll in any individual medical or prescription drug plan. The ISU medical includes a prescription benefit.

For those not yet eligible for Medicare and prior to the Medicare Part B effective date. The Express Scripts prescription drug coverage continues for insured family members continuing the ISU medical plan.

When you are a retiree or family member and eligible for Medicare Part B, those becoming eligible will need to enroll in the ISU Group Medicare Part D plan. The ISU Medicare Part D is currently through Humana.

The Humana is a custom group specific Medicare Part D prescription drug plan (PDP). An ISU Benefits consultant will provide the correct Humana enrollment form. The form should be returned to the ISU Benefits Office. This should be in the month prior to the member's Medicare Part B eligibility date. Express Scripts continues for any member in the medical plan not yet eligible for Medicare Part B, while the Medicare eligible people must be enrolled in our group Humana PDP.

Paying for ISU insurance coverage

- ✓ Once ISU reports your retiree insurance continuation in the insurance companies, the direct billing process will begin.
- ✓ If you continue dental insurance, Delta Dental will send you a bill for the coverage. You may arrange for an automatic withdrawal to pay the premiums or pay by check. Once the first bill arrives, you may contact Delta Dental about the payment options.
- ✓ If you continue medical insurance, Wellmark will send you a bill for the coverage. You may arrange for an automatic withdrawal to pay the premiums or pay by check. Once the first bill arrives, you may contact Wellmark about the payment options.
- ✓ You **will not** be billed by Express Scripts or Humana for the prescription portion of your ISU coverage. Wellmark collects the whole premium. The premiums are deposited in the ISU "retiree pool". ISU uses the retiree pool to then pay Express Scripts and/or Humana and Wellmark for your combined prescription/medical plan premiums and claims.

Ending insurance coverage with ISU

____If you plan to enroll with other insurance, you should contact the ISU Benefits Office and request a drop form. With a signed drop form, we will contact providers to end the coverage. Once a retiree drops the insurance, they are not allowed to enroll again at a later date.

____ If you are Medicare eligible, you may need a letter of creditable coverage to enroll in an other Prescription Drug plan for Part D. If you delay, you may experience a penalty for late enrollment.

____ If you decide to enroll in an individual PDP Part D plan on your own, other than the ISU Group PDP with Humana, you must also end your ISU Wellmark medical coverage. The premium paid to Wellmark includes the Express Scripts or Humana PDP plan.

____ If you are shopping for other coverage, please alert an ISU Benefits consultant so the ISU Plan will be terminated in a timely manner. Remember a retiree will not be allowed to re-enroll.

After Retirement

____ Complete retirement income applications so income can begin. See contact information listed on page 1. The ISU Finance Office notifies TIAA of retirements each month. Participants may check with TIAA to see if the on-line authorization has been completed.