You’ve had a successful career and now you’re thinking of the next phase: retirement. Retirement decisions are among the most important you will ever make. This pre-retirement booklet will help answer some common questions.

Central Michigan University

BENEFITS & WELLNESS

Basic Retirement Plan – 403(b)
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Your Retirement Date

Staff Employees

It is recommended to use the end of the month for a retirement date. Staff employees choosing December 31 will be eligible for their holiday pay through December 31.

Academic Year Regular and Fixed-Term Faculty

Academic year (or 10-month) faculty members should use August 15 as their retirement date. Faculty members intending to retire the end of the fall semester should use December 31 as a retirement date. Summer deferred pay will continue through your retirement date when a final calculation and payoff is made, if necessary.

If a different date is requested, please contact the CMU Benefits and Wellness office at 989-774-3661 to discuss.

12-month Regular, Fixed-Term and Medical Faculty

The retirement date typically used is the end of the month.

Your CMU Health Benefits

CMU health benefits will end as follows:

Staff Employees and Medical Faculty - on your CMU retirement date.

Academic Year (10-month) Regular Faculty and Fixed-Term Faculty

- Faculty members who work through the spring semester - CMU benefits will continue through August 15 of that calendar year; regardless of your CMU retirement date.
- Faculty members who work through the fall semester - CMU benefits will continue through the end of calendar year, December 31.

Note for Regular Faculty: MESSA medical/prescription coverage terminates at the end of the month of your retirement date.

Post-Retirement Health Insurance

COBRA Continuation

If you and your covered family members are enrolled in any of the CMU health plans (medical/prescription, dental, vision or health flexible spending account), you may be able to continue coverage through COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). If you are ineligible to continue your health FSA, you have 90 calendar days from your retirement date to submit reimbursement for eligible expenses incurred during your coverage period. The COBRA qualifying event notice will be mailed to you within a month of your retirement date with detailed information about this continuation coverage and your costs. CMU does not make a contribution
toward COBRA continuation coverage, so your costs are the full premium plus a 2% administrative fee.

If you want to continue benefits via COBRA, you need to apply no later than 60 calendar days from the date the COBRA notice was mailed. The COBRA period typically runs for 18 months after your retirement date.

**Medicare**

While covered under the CMU group health plan, you were not required to enroll in Medicare.

If eligible and to ensure there is no gap in coverage, you should enroll in Medicare prior to your CMU retirement date.

- Enroll in Medicare online at [http://www.medicare.gov](http://www.medicare.gov) or at your local Social Security office.

To avoid a late enrollment penalty, it is important to inform the Social Security office that you have been enrolled in a “large group health plan” through CMU. The Social Security office will give you a form to bring to the CMU Benefits & Wellness office for completion.

- Medicare supplemental plans are available through a variety of sources including AARP and BCBS. The Commission on Aging in your area will typically assist Medicare eligible individuals with identifying and selecting an appropriate Medicare supplemental plan.

- Medicare Part D: Check with your pension or other coverage provider prior to signing up for Medicare Part D prescription drug coverage.

**Other Coverage Options for Consideration**

You may wish to explore other health coverage options such as:

- Spouse’s plan offered through his/her employer or retirement plan.

- Coverage available to you through a previous employer and/or military service.


**MESSA Coverage (Regular Faculty only)**

MESSA allows you to continue medical and prescription coverage through MESSA Direct Pay. The cost of coverage can be obtained by contacting MESSA. You are responsible for paying the full cost of the premium directly to MESSA for this coverage.

If you are eligible for Medicare, you should contact MESSA to get information about the Limited Medicare Supplemental plan. MESSA Direct Pay health insurance will terminate upon the death of the faculty member. To contact MESSA, call 800-292-4910 and ask for MESSA Direct Pay as an eligible CMU faculty member.

**Employee and Dependent Term Life Insurance**

Your life insurance coverage with CMU provides you with portability to continue your coverage upon retirement.

**Portability Option** – A continuation of Group Life Policy: If you are terminating for reasons other than total disability, you may continue or "port" your employee and dependent life insurance and accidental death & dismemberment (AD&D) coverage.

Porting allows you to continue the group term life insurance and AD&D coverage available through The Hartford at the same group rates plus a billing fee. Premiums are set in five-year age bands, so they will increase as you attain the next age band. Coverage is available through age 75.
Applications are sent to retirees following their retirement date. If you have questions about this information, your eligibility, or the status of any request you have submitted, please contact Selman & Company, The Hartford portability and conversion administrator, at 877-320-0484.

Regular Faculty members have an additional $5,000 life insurance policy as part of their MESSA medical/prescription coverage. This coverage may be continued through MESSA direct pay. An application to continue this coverage is available by contacting the CMU Benefits & Wellness office at 989-774-3661 or benefits@cmich.edu.

CMU Retiree Status

To be considered a CMU retiree, employees must satisfy one of the following requirements:

- Twenty-five (25) years of benefits eligible CMU service at any age
- Ten (10) years of benefits eligible CMU service and at least age fifty-five (55); or
- Ten (10) years of benefits eligible CMU service at any age if totally and permanently disabled as determined by the Social Security Administration.

If you qualify for CMU Retiree Status, you are eligible for certain additional courtesies:

- Parking permit for free on-campus parking
- Campus ID
- Discounts on SAC memberships
- Tuition benefit for retiree only
- Email access to cmich.edu email account for one year after retirement date (lifetime for Emeritus status)

A complete list of courtesies along with CMU Retiree Status Policy is available on the HR website. CMU reserves the right to modify the courtesies at any time.

Emeritus status may be awarded to the following groups with Board of Trustee approval:

- Senior Officer and Professional & Administrative - Salaried CMU retiree with at least 10 years of full-time CMU service
- Regular Faculty, Medical Faculty (CMED) and Fixed-Term Faculty – CMU retiree with at least 10 years of service
Notifications and Final CMU Pay

**IMPORTANT: Written notice needs to be given to your supervisor with a copy to the Benefits & Wellness office.**

Notice should include your intention to retire with your specific retirement date. Notice should be given as soon as possible and must be given according to your contract/handbook to receive your vacation payoff, if applicable.

Following receipt of your retirement letter, the CMU Benefits & Wellness office will notify the following departments: Employment Services, Payroll, Advancement, Faculty Personnel Services and Office of the President. Each office has its own role in processing your retirement. You are not required to make additional notifications.

**Your Final CMU Pay**

- **Final paycheck:** You will receive your final paycheck on your regularly scheduled pay date.
- **Vacation hours:** If eligible, you will be paid any accrued, unused vacation hours, up to 160 hours, as long as you have given proper notification to CMU. You may use accrued vacation time (with supervisor approval) up to the effective date of your separation.
  - Please review your employee group contract or handbook for eligibility and notification requirements.
  - Vacation hours can be deferred to the 403(b) or 457(b) supplement retirement plans. If interested in deferring, please contact the CMU Benefits & Wellness Office at 989-774-3661 or benefits@cmich.edu to ensure all forms are properly completed and received to ensure timely processing.
- **Personal hours:** Hourly employees will be paid any accrued, unused personal hours.
- **Retirement Service Award:** Certain employee groups (Senior Officers and P&A Salaried hired prior to March 1, 1976 and Regular Faculty hired prior to March 1, 1976 and in the bargaining unit on that date) are eligible for a Retirement Service Award which is paid at time of retirement. Per IRS regulations, you cannot tax defer the Retirement Service Award.

**Sick leave:** If you are a service maintenance employee hired prior to July 1, 2002, you may be eligible for two-thirds of your sick leave balance if you meet certain criteria. This may be reduced if you are under age 60 and have less than 30 years of service. Consult your union contract for more information. Per IRS regulations, you cannot tax defer the sick leave payout.

**Participation in a Retirement Recognition Ceremony**

A retirement recognition ceremony is held twice a year in the fall and spring. Once you submit your retirement notice, you will be invited to the next available ceremony. Your supervisor will also receive a request to complete a retirement resolution and/or retirement statement.

**Your Health It’s Central**

Participation in the Virgin Pulse wellness program may be continued after you retire, if enrolled in the program prior to retirement. You will not be eligible for the financial rewards portion of the program. Rewards must be redeemed within 30 days of your retirement date. Please contact the HR Central Health Improvement Program at 989-774-3198 for more details and, if interested, to continue participation in the program.

**Retirement Plan Withdrawals**

When it's time to withdraw money from your 403(b) Supplemental Retirement and/or 457(b) Public Deferred Compensation Plans you have a variety of options. The availability of certain distributions may depend on the type of contract underlying your plan. Taxes and penalties may apply.
We strongly recommend that you discuss your finances with a professional who can help you establish your long and short-range goals. Please contact a retirement investment advisor using the Retirement Resources section on page 11 to further discuss your options.

Encompass – Employee Assistance Program

Telephone: 800-788-8630  ■  Website: www.encompass.us.com (username: cmu)

As with any period of change, retirement is different for every person. However, there are some general stages that most people go through:

- **Reorientation**: This is when you develop ideas and start moving toward a more balanced life and diversified set of interests, relationships, and routines.
- **Disenchantment**: For some people, a period of disenchantment and sometimes depression follows the honeymoon.
- **Reorientation**: This is when you develop ideas and start moving toward a more balanced life and diversified set of interests, relationships, and routines.
- **Stability**: In this phase, you’re not just planning your retirement, you’re living it.

_Help is available from CMU’s employee assistance vendor, Encompass, including on-line resources, work-life consultants, counseling providers._

Retirement Resources

TIAA

- Customer Service: 800-842-2776
- Website: www.tiaa.org/cmich
- Schedule an individual counseling session: call 800-732-8353 or visit www.tiaa.org/moc, select Michigan and then look for appointments under Central Michigan University

Straightline Investment Management

- Customer Service: 877-338-4032
- Website: www.straightline.com/cmu

MESSA

- Customer Service: 800-292-4910 and ask for MESSA Direct Pay rates as a CMU eligible faculty member

Medicare

- Customer Service: 800-MEDICARE (633-4227)
- Website: www.MyMedicare.gov

Social Security Administration – most services available on-line

- Automated telephone service: 800-772-1213
- Website: www.socialsecurity.gov to apply for benefits, estimate your future benefits, get a replacement card
- Limited local hours: 1940 Sweeney Street, Mount Pleasant, MI 48858 or 877-405-7667

Isabella County Commission on Aging

- Insurance Hotline: 989-772-0748; 220 S. Lincoln Rd. Mount Pleasant, MI 48858
Retirement Planning Checklist

Getting ready to retire? Below is a checklist to help you get prepared.

This checklist should only be used as a guideline. It is not intended to be all-inclusive but is meant to highlight some of the critical steps you review.

- Select an anticipated date of retirement
- Submit written notification of your intent to retire to your department with a copy provided to the CMU Benefits & Wellness office
- Review this pre-retirement packet and begin gathering information
- Contact a retirement or financial advisor
- Arrange for post-retirement health insurance
- Determine how Social Security and Medicare benefits will impact your retirement
- Consider tax deferring your final payoff accrual and, if pursuing, complete and submit the appropriate forms to CMU’s Benefits & Wellness office
- Make a decision regarding life insurance coverage and, if desired, arrange for your coverage to be converted or ported with The Hartford
- Visit CMU Parking to obtain your complimentary retiree parking pass (only available for retirees with CMU Retiree or Emeritus status)

Regular Faculty only:

Apply to continue your $5,000 group term life insurance with MESSA Direct Pay

Every effort has been made to ensure the accuracy of the information in this booklet. If a conflict arises between the terms in this document and a Central Michigan University (CMU) policy/contract or a state/federal program, the terms of the CMU policy/contract or state/federal program will control.