



Retirement Orientation

Prepared for the Faculty & Staff of Delta State University

Retiree Benefits



When can I retire?

- Any age with 25 or 30 years of service
- Age 60 with 4 or 8 years of service

What's the best time of year?

- Before or on July 1st
- 13th check in December or July of next year

What benefits will I receive?

- Voluntary retiree medical insurance
- Voluntary retiree life insurance
- Voluntary dental, vision, and cancer insurance
- Tuition benefits
- Lifetime membership in Alumni Association
- Activity card
- All zones parking decal
- Membership in DSU Dedicated Statesmen Association
- DSU retiree email account
 - Application is made through the Office of Information Technology, Bailey 102.
- For eligibility of some benefits, a retiree is defined as a full-time employee retiring with ten or more years of full-time service to DSU or a part-time employee retiring with fifteen or more years of service.

Retirement Process



When do I apply for retirement?

Phase I

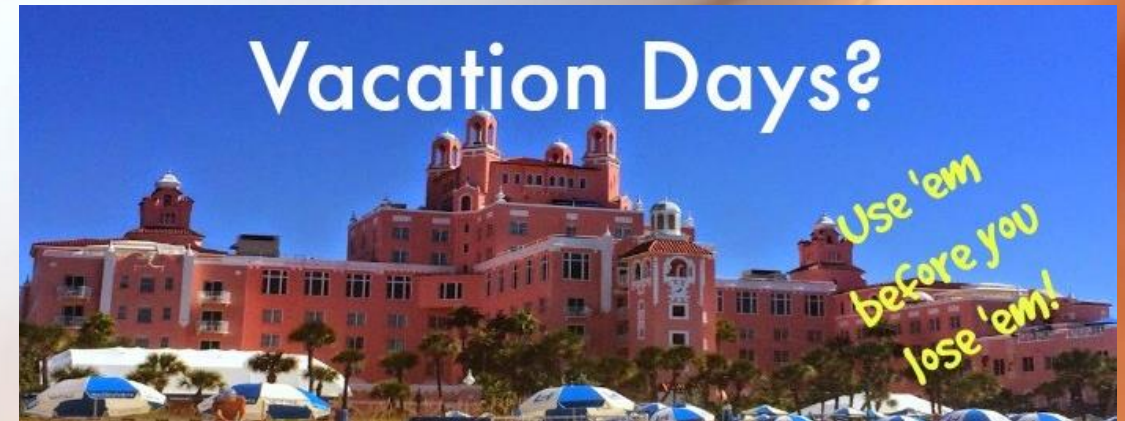
- Complete Pre-Application for Service Retirement Benefits 3-4 months prior to retirement date
- Retirement date will be no earlier than the first of the month following termination from employment
- Beneficiary's social security number and date of birth
- Copy of your birth certificate

Phase II

- PERS will conduct an audit on account
- Receive a final packet of retirement information
 - PERS estimate of benefits
 - Application for retirement
 - Benefit option and election
 - Partial Lump Sum Option (if applicable)
 - Direct deposit - mandatory
 - COLA election
 - Federal withholding election (state taxes are not withheld)
- Beneficiary's birth certificate & SSN card (if applicable)
- Return all PERS forms within 90 days following the effective date of retirement

Accumulated Unused Leave Time

- May receive service credit for accumulated uncompensated, unused leave, if eligible upon retirement
- Accumulated unused and uncompensated personal (vacation) and major medical (sick) leave certified to PERS at or prior to retirement.
- Credit is awarded in months of service
- HR will evaluate your leave and inform you of how many days you will need to take
- Use 'em before you lose 'em!
- May receive leave payment
 - Up to 240 hours personal leave for 12, 11, and 10 month faculty
 - Up to 240 hours of personal leave for staff
 - Up to 240 hours of major medical leave for 9 month faculty.
- Pay is usually issued on the last scheduled payment before retirement
- 9 month faculty – will receive their defer pay and leave payment on the month before retirement



Accumulated Unused Leave Time

Total Hours*	Equivalent 8-Hour Work Days**	Applicable Service Credit Based on 8-Hour Work Days	
		Before July 1, 2017	July 1, 2017, and After
120	15	0.2500	0.2500 (3 months)
288	36	0.2500	0.2500 (3 months)
456	57	0.2500	0.2500 (3 months)
624	78	0.5000	0.5000 (6 months)
792	99	0.5000	0.5833 (7 months)
960	120	0.5000	0.6667 (8 months)
1,128	141	0.7500	0.7500 (9 months)
1,296	162	0.7500	0.8333 (10 months)
1,464	183	0.7500	0.9167 (11 months)
1,632	204	1.0000	1.0000 (12 months)
1,800	225	1.0000	1.0833 (13 months)
1,968	246	1.0000	1.1667 (14 months)

Note: All accumulated, uncompensated unused leave certified to PERS must have been actually earned and accrued by the employee for whom the leave is certified. It is unlawful to certify leave to PERS that has been donated or transferred from another individual.

* 120 hours for first month and 168 hours for each subsequent month ** 15 days for first month and 21 days for each subsequent month

Retirement Options

Maximum Option

- Provides the highest possible monthly benefit for life
- Monthly benefit payments stop at your death
- No monthly benefits are payable to any beneficiary
- If the total monthly retirement benefits paid before your death is less than your contributions and interest, the remainder will be refunded to your designated beneficiaries.
- Must name one or more beneficiaries as primary or contingent or to share proportionately
- No restrictions on who is named as a beneficiary – person, estate, organization, or trust
- Not required to name your spouse as beneficiary
- Change your beneficiary at any time
- Marry after retirement - may apply to Pop-Down to Option 2, Option 4, or Option 4A to provide beneficiary protection for spouse
- Must apply for this provision within one year of the date of the marriage
- PLSO is available with this option, if eligible



Retirement Options

Option 1 - Pro-rated Single Life Annuity

- Reduced monthly benefits for life compared to what you would receive under the Maximum Option
- Contributions are pro-rated over actuarial life expectancy, which could increase the available refund amount for beneficiaries.
- Monthly benefit payments stop at your death.
- No monthly benefits are payable to any beneficiary.
- If there are contributions and interest remaining at your death, that remainder will be refunded to your designated beneficiaries.
- Must name one or more beneficiaries as primary or contingent or to share proportionately
- No restrictions on who you may name as a beneficiary - person, estate, organization, or trust as beneficiary.
- Not required to name spouse as a beneficiary.
- Change your beneficiaries at any time.
- Marry after retirement - may apply to Pop-Down to Option 2, Option 4, or Option 4A to provide beneficiary protection for spouse.
- Must apply for this provision within one year of the date of the marriage.
- PLSO is not available with this option, regardless of eligibility.



Retiree Options

Option 2 - 100 Percent Joint and Survivor Annuity

- Reduced monthly benefits for life compared to the amount received under the Maximum Option
- Beneficiary will receive the same monthly amount for life.
- Must name one beneficiary.
- Must be a person, not an estate, organization, or trust.
- Not required to name your spouse as a beneficiary.
- May not change your beneficiary once selected unless he or she dies or unless you divorce and your spouse is named as beneficiary. If so, you may apply to Pop-Up to the Maximum Retirement Allowance Option.
- In the event of a late filing, the recalculation of benefits can be retroactively effective for up to three months if the beneficiary dies.
- Beneficiary's benefit may be limited by the IRS if the beneficiary is not your spouse.
- PLSO is available with this option, if you are eligible.



Retiree Options



Option 3 - 100 Percent Joint and Survivor Annuity – 2 Beneficiaries

- Reduced monthly benefits for life compared to the amount received under the Maximum Option
- Two beneficiaries will receive half of the same monthly amount for life.
- Must name two beneficiaries.
- Must be people, not an estate, organization, or trust.
- Not required to name your spouse as a beneficiary.
- May not change your beneficiaries once selected
- If one beneficiary dies, the remaining beneficiary receives 100% of the monthly benefit for life.
- If both beneficiaries die, the remaining contribution balance is refunded to the contingent beneficiary.
- Beneficiary's benefit may be limited by the IRS if the beneficiary is not your spouse.
- PLSO is available with this option, if you are eligible.

Retirement Options

Option 4 – 75% Joint and Survivor Annuity

- Reduced monthly benefits for life compared to what you would receive under the Maximum Option
- Beneficiary will receive 75% of the same monthly amount for life after your death.
- Must name one beneficiary
- Beneficiary must be a person - not an estate, organization, or trust.
- Not required to name your spouse as a beneficiary.
- May not change your beneficiary once selected unless he or she dies or unless you divorce and your spouse is named as beneficiary. If so, you may apply to Pop-Up to the Maximum Retirement Allowance Option.
- In the event of a late filing, the recalculation of benefits can be retroactively effective for up to three months if the beneficiary dies.
- PLSO is available with this option, if eligible.



Retirement Options

Option 4a – 50% Joint and Survivor Annuity

- Reduced monthly benefits for life compared to what you would receive under the Maximum Option
- Beneficiary will receive 50% of the same monthly amount for life after your death.
- Must name one beneficiary
- Beneficiary must be a person - not an estate, organization, or trust.
- Not required to name your spouse as a beneficiary.
- May not change your beneficiary once selected unless he or she dies or unless you divorce and your spouse is named as beneficiary. If so, you may apply to Pop-Up to the Maximum Retirement Allowance Option.
- In the event of a late filing, the recalculation of benefits can be retroactively effective for up to three months if the beneficiary dies.
- PLSO is available with this option, if eligible.



Retiree Options



Option 4B – 10, 15, or 20 Years Certain

- Reduced monthly benefits for life compared to the amount received under the Maximum Option
- Beneficiaries will receive the same amount for the remainder of your selected guaranteed payment periods – 10, 15, or 20 years - that begin from effective date of retirement.
- Must name one or more beneficiaries.
- No restrictions on who may name as a beneficiary – person, estate, organization, or trust
- Not required to name your spouse as a beneficiary
- May change beneficiaries at any time
- Internal Revenue Code may limit eligibility for selecting Option 4B based on age at retirement.
- PLSO is available with this option, if eligible.

Partial Lump Sum Option (PLSO)

(If eligible and in Addition to Selected Base Option)

By choosing the PLSO, any monthly retirement benefit received by you or a designated beneficiary to receive a PLSO distribution will be actuarially reduced.

By electing to receive a PLSO distribution, your monthly benefit and Cost-of-Living Adjustment (COLA) will be reduced for your lifetime.

Seek assistance from a financial advisor and/or a tax professional to help you decide if selecting the PLSO is the right choice for you and your retirement needs.



Partial Lump Sum Option (PLSO)

Eligibility

The PLSO is available to first-time retirees who are entering service retirement. A member retiring on disability retirement is not eligible for the PLSO.

To be eligible, you must meet the requirements of your respective Retirement Tier.

- Tiers 1 and 2 - Hired June 30, 2007, or earlier; must have 28 years of creditable service at any age or must be at least age 63 and vested (four-year vesting)
- Tier 3 - Hired July 1, 2007, through June 30, 2011; must have 28 years of creditable service at any age
- Tier 4 - Hired July 1, 2011, or later; must have 33 years of creditable service at any age



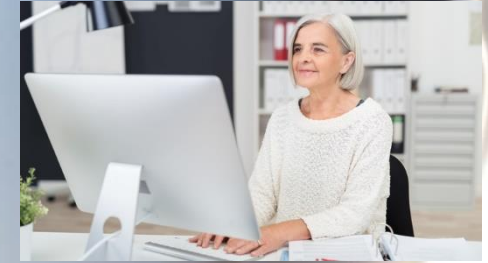
Partial Lump Sum Option (PLSO)

Distribution Options

- May elect a PLSO distribution in an amount equal to either 12 months, 24 months, or 36 months of your Maximum Retirement Allowance.
- PLSO distribution will be a single payment and will be paid near the same time as your first monthly retirement benefit.
- Paid directly to you by check, or, part or all of the distribution may be rolled over to another eligible retirement account.
- Generally, 20 percent of a PLSO distribution paid directly will be withheld for federal income taxes.
- All PLSO distributions are considered final once cashed or deposited.
- If you receive a PLSO distribution before you reach age 55, the IRS may impose an additional 10 percent federal tax penalty on the distribution.
- Payment of all taxes and/or associated penalties are your responsibility.



Returning to Work



No PERS retiree may return to covered employment for at least 90 consecutive calendar days from his or her effective date of retirement without terminating retirement.

If you decide to return to employment with a covered employer after you retire, you and the employer must notify PERS in writing within five days of the reemployment and provide the conditions under which you are being reemployed. Notification must be repeated each new fiscal year of post-retirement employment.

- Mandatory 90-day break in service before returning to employment with a PERS-covered employer must begin with a complete withdrawal from service
- Defined by statute as the complete severance of employment in state service of any member by resignation (including retirement), dismissal, or discharge.
- Should not make any pre-arranged agreements regarding post-retirement employment.
- IRS requires an employee who participates in a governmental pension plan to have a break in service.
- IRS defines "retire" to mean "stop working."
- Employees who retire with the explicit understanding with their employer that they will return to work are not legitimately retired because they have not had a true separation from service.
- These retirements violate IRS Code 401 (a) and can result in the disqualification of the plan.

A member has not withdrawn from service if he or she is reemployed with a covered employer in any capacity,

Not applicable to those individuals who participate in the ORP plan.

Limited Re-employment Conditions

Works for a period of time not to exceed one-half of the normal working days or hours for the position in any fiscal year during which the retiree will receive no more than one-half of the salary in effect for the position at the time of employment

or

Retiree works long enough in any fiscal year to earn no more than 25 percent of his or her average compensation that was used in the calculation of his or her benefit.

RE-EMPLOYMENT

Limited Re-employment Conditions

Contract Worker – same conditions apply

Classified as an employee if the employer has the right to:

1. Control the work being performed (regardless of whether the employer exercises that right)
2. Give the worker instructions about when, where, and how to do the work;
3. Set the hours worked;
4. Require the work to be done on the employer's premises; and
5. Hire or fire the worker.



ORP Retirement

- Eligible to retire once the provisions of the ORP account are met.
- Usually 59 ½ years of age
- Must be employed four years to be eligible for health and life (if currently enrolled) insurance continuation as a retiree
- Must contact your ORP vendor/ representative for information regarding retirement options



Health Insurance

Retire Eligibility

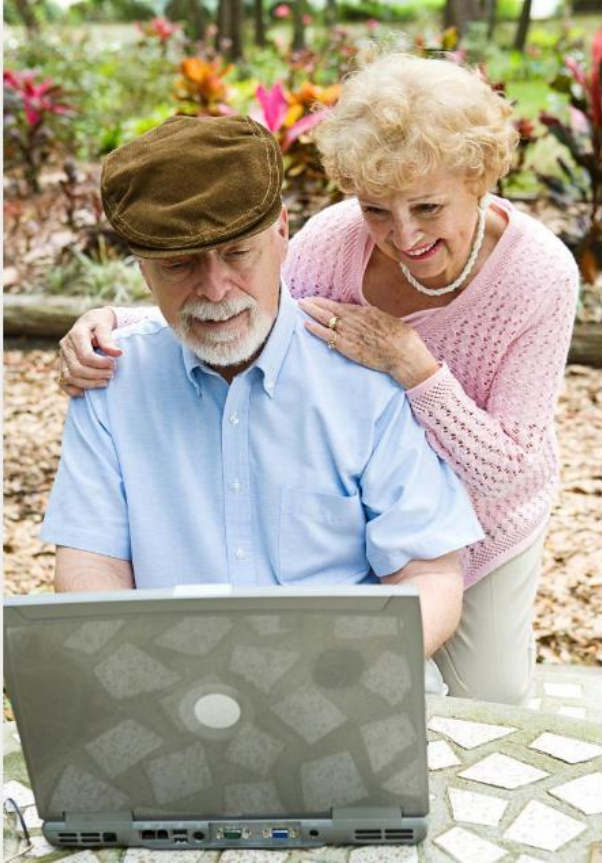


- May continue coverage through State Health Insurance Plan
- Participating in the Plan on the day before the effective date of retirement, and
- Participated in the Plan for four years or more (unless retiring due to work – related disability), and
- Participate In a retirement plan approved by the Mississippi Public Employees' Retirement System (PERS), and
 - Qualify for service retirement under the applicable PERS regulations, or
 - Be approved for disability retirement benefits by PERS,

For more information, contact DFA's Office of Insurance at 866-586-2781 or 601-359-3411 or visit knowyourbenefits.dfa.ms.gov.

Health Insurance

Retiree Enrollment



- Apply for retiree coverage at least 31 days before retirement date to avoid a temporary lapse in coverage.
- Complete Application for Coverage form in Human Resources
- Failure to submit Application for Coverage form more than 31 days after coverage as an active employee has terminated, the right to continue coverage as a retiree is forfeited.
- Effective date of retiree coverage will be the first day of the month following termination as an active employee.
- Retirement is not a qualifying event, and coverage type changes cannot be made at that time.
- In the event retiree health insurance is not elected within 31 days of leaving employment - may enroll in COBRA coverage during the balance of the COBRA election period.
- Once the election period expires, the retiree has no option for under the Plan.

Health Insurance

Cost of Retiree Insurance

RETIRED EMPLOYEE - NON-MEDICARE ELIGIBLE	LEGACY RETIREES		HORIZON RETIREES	
	BASE	SELECT	BASE	SELECT
Retiree	\$409	\$432	\$653	\$676
Retiree + Spouse (Non-Medicare)	\$856	\$941	\$1,309	\$1,394
Retiree + Spouse & Child(ren) (Non-Medicare)	\$1,091	\$1,176	\$1,464	\$1,549
Retiree + Child	\$525	\$587	\$746	\$831
Retiree + Children	\$706	\$744	\$903	\$988
Retiree + Spouse (Medicare)	N/A	\$616	N/A	\$860
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$771	N/A	\$1,015

RETIRED EMPLOYEE - MEDICARE ELIGIBLE	BASE	SELECT	BASE	SELECT
Retiree	N/A	\$184	N/A	\$184
Retiree + Spouse (Non-Medicare)	N/A	\$693	N/A	\$902
Retiree + Spouse & Child(ren) (Non-Medicare)	N/A	\$928	N/A	\$1,057
Retiree + Child	N/A	\$339	N/A	\$339
Retiree + Children	N/A	\$496	N/A	\$496
Retiree + Spouse (Medicare)	N/A	\$368	N/A	\$368
Retiree + Spouse & Child(ren) (One or more Medicare)	N/A	\$523	N/A	\$523

- Responsible for paying 100 percent of the premium for coverage selected for himself and covered dependents.
- Deducted from retiree's monthly PERS retirement benefit or will be direct billed by BCBSMS if the monthly PERS benefit is insufficient to cover the cost of the premium.
- Direct bill participants, premium payments are due on the first of each month.
- Automatic bank drafts are also available.

Health Insurance

Medical Coverage: Non-Medicare Eligible Retirees

The Plan is the primary payer for a retired employee, who is under age 65, is not on Social Security disability, and is not covered as an active employee under another plan.

If you are under age 65, your coverage is identical to that of an active employee.

Non-Medicare eligible retirees choose Select Coverage or Base Coverage.



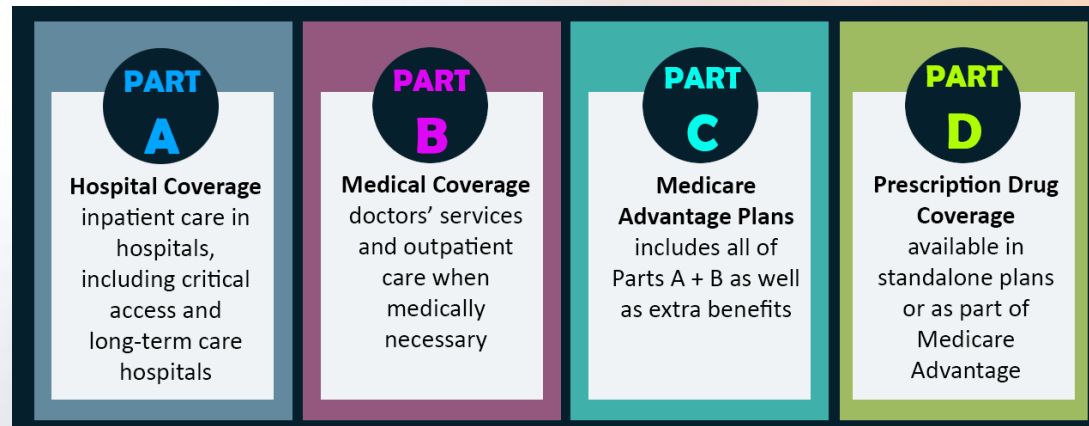
Health Insurance

Medical Coverage: Medicare Eligible Retirees

Medicare is the primary payer for a retired employee, who is:

- Age 65 or older.
 - Under age 65 with Social Security disability.
- Plan will provide 100% toward the Medicare deductible and coinsurance amounts not covered by Medicare.
 - Benefits are paid at 100% for covered expenses that is not covered by Medicare.
 - Allowed based on the difference between the Medicare maximum allowable charge and the amount Medicare paid (or the difference between the Medicare allowed amount and the amount Medicare paid if assignment is accepted by the provider).
 - Plan only provides benefits for covered expenses outlined in this Plan Document.

Medicare coordination provisions are subject to change in accordance with changes in the Medicare program.



Health Insurance

Medical Coverage: Medicare Eligible Retirees

If a retired employee, is eligible for Medicare and does not elect Medicare Part A and B, benefits will be reduced as though Medicare is the primary payer.

Plan will calculate benefits assuming the participant has both Medicare A and B.

It is important to enroll in Medicare Parts A, B and D to receive maximum benefits.

Once a retiree is approved for Medicare due to Social Security disability, the Plan will update their records to reflect Medicare as the primary coverage effective the date of Medicare eligibility.

The Plan will also refund any overpayment of premiums and reprocess claims to calculate benefits as secondary to Medicare retroactive to the effective date of Medicare.



Health Insurance

Prescription Drug Program

Non-Medicare Eligible:

- The Plan contains prescription drug coverage.
- Identical to the same Plan as active member coverage.

Medicare-Eligible:

- The Plan does not provide prescription drug coverage for Medicare eligible retirees
- Must enroll in Medicare Part D to receive prescription drug coverage



Health Insurance

Adding Dependents

Open Enrollment

- Cannot add dependents during open enrollment.
- Non-Medicare eligible retiree may choose either Base Coverage or Select Coverage.

Special Enrollment Periods Resulting from Loss of Coverage

- Dependent loses coverage under another health plan
- The following apply:
 - Declined coverage for dependents when first eligible because the dependent was covered by other health insurance coverage.
 - Lost other coverage as a result the following events:
 - Divorce;
 - Dependent is no longer eligible for coverage. Loss of coverage due to non payment of premiums does not qualify;
 - Employer unit ceased to contribute toward the cost of the other health plan and it was terminated;
 - Dependent's COBRA continuation coverage has expired.

Application for Coverage form must be submitted within 60 days of losing coverage and appropriate premium payments must be made.

Proof of loss of coverage must be provided.

Effective date will be the first day following the loss of other coverage.



Health Insurance

Adding Dependents

Special Enrollment Period as a Result of Gaining a New Dependent

- Enroll a new dependent if the new dependent was acquired as a result of any of the following qualifying events:
 - Marriage
 - Birth
 - Adoption
 - Placement in anticipation of adoption
 - Legal guardianship
 - Legal custody
 - Qualified Medical Child Support Order
 - Placement for foster care

Application for Coverage form submitted to BCBSMS within 60 days of the date of the qualifying event and the appropriate premiums paid.

Any Application for Coverage form received by BCBSMS more than 60 days from the date of the qualifying event will be returned, and coverage will not be available.

Proof of the qualifying event may be required.

Effective date will be the date of the qualifying event.

In the case of a QMCSO, the coverage will be effective the first day of the month following the date of the Order.

Health Insurance

Medicare



Reminder:

If you or your spouse is eligible for Medicare, contact your local Social Security Administration Office to enroll in Medicare Parts A and B. It is important to enroll in Medicare to receive maximum benefits.

Even if Medicare is not elected, benefits under the Plan will be reduced as though Medicare is the primary payer.

Participants should contact the local Social Security office for information on medical coverage.

Health Insurance

- Apply through the HR office one month before retirement.
- Once enrolled as a retiree, all changes must be submitted directly to BCBSMS.
- Be sure to keep address up to date to ensure that all communications regarding life and health insurance coverage are received.
- Any change in enrollment status, such as death, divorce, entitlement to Medicare, etc., should be reported to BCBSMS as soon as possible.
 - Application for Coverage form obtained from BCBSMS.



What is Medicare?

Part A

- Hospital Insurance
- Most people pay no premium if they paid taxes in the U.S.



Part B

- Medical Insurance
- Premiums based on income
- Between \$134.00-\$428.60

Medicare Part D is prescription drug coverage. If you are medical eligible, you must enroll in Medicare Part D.

Life Insurance

MISSISSIPPI STATE AND SCHOOL EMPLOYEES' LIFE INSURANCE PLAN
 RETIREE LIFE INSURANCE RATES
 01/01/2014

Age	Rate/\$1000	\$5,000	\$10,000	\$20,000
40 & under	\$0.20	\$1.00	\$2.00	\$4.00
41	\$0.22	\$1.10	\$2.20	\$4.40
42	\$0.24	\$1.20	\$2.40	\$4.80
43	\$0.26	\$1.30	\$2.60	\$5.20
44	\$0.28	\$1.40	\$2.80	\$5.60
45	\$0.31	\$1.55	\$3.10	\$6.20
46	\$0.34	\$1.70	\$3.40	\$6.80
47	\$0.38	\$1.90	\$3.80	\$7.60
48	\$0.42	\$2.10	\$4.20	\$8.40
49	\$0.47	\$2.35	\$4.70	\$9.40
50	\$0.52	\$2.60	\$5.20	\$10.40
51	\$0.57	\$2.85	\$5.70	\$11.40
52	\$0.63	\$3.15	\$6.30	\$12.60
53	\$0.69	\$3.45	\$6.90	\$13.80
54	\$0.76	\$3.80	\$7.60	\$15.20
55	\$0.85	\$4.25	\$8.50	\$17.00
56	\$0.94	\$4.70	\$9.40	\$18.80
57	\$1.05	\$5.25	\$10.50	\$21.00
58	\$1.20	\$6.00	\$12.00	\$24.00
59	\$1.35	\$6.75	\$13.50	\$27.00
60	\$1.50	\$7.50	\$15.00	\$30.00
61	\$1.65	\$8.25	\$16.50	\$33.00
62	\$1.80	\$9.00	\$18.00	\$36.00
63	\$1.95	\$9.75	\$19.50	\$39.00
64	\$2.10	\$10.50	\$21.00	\$42.00
65	\$2.25	\$11.25	\$22.50	\$45.00
66	\$2.40	\$12.00	\$24.00	\$48.00
67	\$2.55	\$12.75	\$25.50	\$51.00
68	\$2.70	\$13.50	\$27.00	\$54.00
69	\$2.85	\$14.25	\$28.50	\$57.00
70+	\$3.00	\$15.00	\$30.00	\$60.00

- Must currently have the State of MS life insurance program
- Amounts: \$5,000 \$10,000 \$20,000
- Cost depends on age
- Premium increases each year until age 70
- Apply at least 31 days before retirement, but no later than 31 days after losing coverage
- Must pay the first month's premium when applying.
- Late retiree applications will not be accepted.
- Application is made through the HR department
- May also be eligible to port some or all of the coverage you had as an active employee

Dental Insurance



Delta Dental

- 100% retiree paid
- Same benefits
- \$1,500 calendar year maximum per participant
- Must be currently enrolled in dental.
- Premium is bank drafted.
- Application is made through HR.

Premiums

Plan Type	Low Plan Rates	High Plan Rates
Employee Only	\$21.88	\$37.60
Enrollee + Spouse	\$44.72	\$71.47
Enrollee + Child(ren)	\$67.67	\$96.34
Family	\$85.91	\$130.20

Vision Insurance



Davis Vision

- 100% retiree paid
- Same benefits
- Must be currently enrolled in dental.
- Premium is bank drafted.
- Application is made through HR

Premiums

Plan Type	Rates:
Employee Only:	\$7.37
Employee + 1 Dependent	\$13.89
Employee + Family	\$21.66

Other Insurances

Cancer, Accident, Etc.

- 100% retiree paid
- Same benefits
- Must be currently enrolled in the benefit.
- Premium is bank drafted.
- Application is made through HR.
- Premiums are the same.



Tuition Assistance

What Benefits Will I Received?

- Eligible for 18 credit hours per fiscal year
- Must make application through HR each semester
- The same rules apply for retirees as for active employees.



Individual

Tuition Assistance

Spouse

18 credit hours per fiscal year

*same provisions apply as for active employees and retirees

Dependent Children

50% Tuition Assistance



QUESTIONS