



Retirement

Are you ready?

Preparing for Retirement

Maricopa County Department of
Employee Benefits and Health



Retirement Checklist

- ✓ Contact applicable retirement system
- ✓ Notify Maricopa County of retirement
- ✓ Learn about final payroll information
- ✓ Learn when 'Active' benefits end
- ✓ Choose a health insurance option
- ✓ Request the Health Insurance Premium Benefit
- ✓ Learn about the PEHP and Deferred Compensation
- ✓ Additional Resources



Contact Your Retirement System

Your retirement system can help you with:

- Your retirement eligibility
- Your monthly estimated pension and pension set-up options
- Submitting the necessary retirement forms
- Answering questions about a service purchase or returning to work after retirement



Contact Your Retirement System

How soon should I contact my retirement system?

- Within 3 years of retirement, ASRS members can register to attend the Route 3: Destination in Sight group meeting or online webinar to learn about topics such as the ASRS benefits, retirement criteria, annuity options, timelines and more
- Within 6 months of retirement, both ASRS and PSPRS members can begin to gather and submit the necessary information for retirement applications
- If electing the retirement system health insurance, complete and submit the Health and Dental Insurance Enrollment Forms within 3 months of retiring



Contact Your Retirement System

Arizona State Retirement System

- Arizona State Retirement System has a variety of resources to help you stay on track and make sure you are ready for retirement
 - myASRS account – logging in gives you access to learn about your benefits through ASRS
 - Retirement Central
 - Webinars, in-person group meetings, videos and e-learning tools, remote online counseling and in-person appointments are available

*Contact Information for ASRS

Phone: (602) 240-2000

Website: www.azasrs.gov



Contact Your Retirement System

Public Safety Personnel Retirement System

- Public Safety Personnel Retirement System has a variety of resources for Public Safety Personnel, Corrections Officers and Elected Officials
 - Members Only Website – logging in gives you access to retirement estimates, benefit FAQs, information on returning to work, etc.
 - Retiree Group Insurance Guide

*Contact Information for PSPRS

Phone: (602) 255-5575

Website: www.psprs.com



Notification to Maricopa County of Retirement

- Submit your retirement letter to your supervisor or manager at least two weeks in advance of your retirement date
- State your name, employee ID number, and last day of work on your retirement letter
 - Be sure to return your ID badge, bus card, keys, laptop, cell phone, etc.
 - You may also be asked to complete an exit interview
- Notify the Payroll Department at 602-506-3519 or update your address online in the ADP Self Service Portal if you will be moving



Notification to Maricopa County of Retirement

Once you submit your retirement letter, your employment status will change from “Active” to “Retired” in the Payroll System. The following will occur:

- Maricopa County’s COBRA administrator (ADP) is notified of your retirement and will mail your COBRA enrollment information to your home address
- The Payroll Department will finalize your retirement system’s request for final payroll information
- If you are eligible, a Post Employment Health Plan will be set up in your name (as long as you agree to receive the account)



Final Paycheck

- Your final paycheck will be issued in the same manner in which your active employment status paychecks were issued
- Benefit deductions and retirement system contributions will be taken on your final paycheck
- Any earned, unused Vacation Hours are automatically paid to you on your final paycheck
- Any Sick Hours under 1,000 are forfeited
 - If eligible, Sick Hours over 1,000 are converted to a \$10,000 Post Employment Health Plan through Nationwide Retirement Solutions



When Do My Benefits End?

Benefits terminate on the last day of the month in which your employment ends

- Example: You retire on May 20th. Active benefits terminate the last day of the month, May 31st
- Example: You retire on September 30th. Active benefits terminate the last day of the month, September 30th



When Do My Benefits End?

When do claims for reimbursement of health care expenses from my Flexible Spending Account (FSA) have to be filed?

- Your FSA coverage terminates on the last day of the month in which your employment ends
- If you have an electronic payment card, the card will be turned off when your coverage terminates
- Requests for reimbursement of health care expenses incurred between July 1, 2016 through the last day of the month in which your employment ends must be filed within 60 calendar days from your benefits end date

*Contact Information for ADP Flexible Spending Accounts

Phone: (800) 654-6695

Website: <https://myspendingaccount.adp.com>



When Do My Benefits End?

- **FSA grace periods and claims run out periods:**

Health Care FSA/Limited Scope FSA		
	Incur Claims by	Submit Claims for Reimbursement by
Active Employees	September 15	November 30
Terminated Employees	Benefits Termination Date	60 Days From Benefits Termination Date
Dependent Care FSA		
	Incur Claims by	Submit Claims for Reimbursement by
Active Employees	June 30	August 31
Terminated Employees	Benefits Termination Date	60 Days From Benefits Termination Date



When Do My Benefits End?

What happens to my life insurance after retirement?

- Your group term life insurance terminates on the last day of the month in which your employment ends
- You have 45 days from that date to apply for and pay to port to an individual life insurance policy through ReliaStar Life Insurance Company, a member of the VOYA family of companies
- You may port Dependent Life Insurance if you port your own Basic Life Insurance
- You cannot port coverage if you retire after you reach the age of 75

***Contact Information for ReliaStar Life Insurance Company, a member of the VOYA family of companies**

Policy: 67444-3

Phone: (855) 369-9500



When Do My Benefits End?

What happens to my MetLaw Hyatt Legal Plan after retirement?

- Your group legal plan terminates on the last day of the month in which your employment ends
- You have 30 days from your last day of employment to apply for and pay to port to an individual policy through MetLaw Hyatt Legal. Enrollment is prepaid via remittance of a lump sum payment equal to the legal plan's monthly rate times 30 months ($\$15.75 \times 30 = \472.50)

*Contact Information for MetLaw Hyatt Legal Plan

Phone: (800) 821-6400

Website: <https://info.legalplans.com>

Access Code: 1500518



When Do My Benefits End?

What happens to my Health Savings Account (H.S.A.) when I retire or leave employment with Maricopa County?

- When you leave the County, the H.S.A. is portable and you can take it with you
- If you are no longer covered by a qualifying high deductible health plan, you cannot continue to contribute to your H.S.A.
- Your H.S.A. is converted into a “Free Agent” account by the bank and you will be responsible for the monthly administration fees
- You can continue to use the existing funds in the account to pay for qualified medical expenses



When Do My Benefits End?

- After you turn age 65 or become eligible for Medicare, you may withdraw money from your H.S.A. for non-medical purpose without a penalty. The withdrawal will be subject to normal income tax as it is treated as retirement income
- Consult your tax advisor for guidance

*Contact Information for Optum Bank

Phone: (800) 791-9361



Health Insurance Options

- When you retire, you have the option to elect to continue your current Maricopa County benefits plan through COBRA, or enroll in the Arizona State Retirement System plans
- You have the option to enroll in private, individual health insurance coverage through any other insurance company. You are not required to elect insurance coverage through either COBRA or ASRS
 - Coverage through Spouse
 - Medicare, Medicare Advantage, or Medicare Supplement Plan (if age eligible)
 - Coverage through the Marketplace (Public Health Insurance Exchange) as a result of the Affordable Care Act through healthcare.gov
 - Other individual plans (i.e. through Cigna directly)



COBRA

What is COBRA?

- COBRA (Consolidated Omnibus Budget Reconciliation Act) allows you to temporarily continue your group health insurance coverage after you retire from the County. The standard duration of coverage through COBRA is 18 months

What is my timeframe to enroll in COBRA?

- You have 60 days from the date your COBRA packet was mailed to enroll in COBRA benefits. You have 45 days from the date you enroll in COBRA to make your first premium payment. If this does not occur, you forfeit your COBRA rights and will no longer be eligible for COBRA. There are no exceptions to this rule



COBRA

When is COBRA effective?

- Benefits termination will occur the last day of the month in which you retire. Therefore, the COBRA Qualifying Event date for an active employee (and his/her dependents) who terminates employment will be the first of the month following the date of termination
- You must complete COBRA enrollment and pay the first month's COBRA premium before your COBRA coverage is reinstated. Your benefit effective date will be retroactive to the day following the date your benefits ended as an active employee. Once you have elected and paid for COBRA coverage, there will be no gap in your benefits
- You must make monthly COBRA premium payments by the due date otherwise coverage will be terminated



COBRA

How do you enroll?

- Once your group benefits as an active employee are terminated, ADP (Maricopa County's COBRA administrator) will mail a COBRA enrollment packet to your home address (that is listed in the Payroll System). It will take approximately 2-3 weeks **after your active benefits termination date** to receive your COBRA packet in the mail. There may be a period of time in which there is no insurance coverage in force. However, once you enroll, coverage will be retroactive so that there is no gap in coverage

You may complete enrollment via:

1. The COBRA enrollment form that is mailed to your home address (mail or fax it back to ADP); or
2. By making your elections online via the ADP COBRA website:
<https://www.benedirect.adp.com/>



COBRA and Medicare

- You and/or any dependents you currently cover under your plans may enroll in COBRA if Medicare (either Part A or Part B) was in effect prior to leaving the County. However, if you become Medicare-eligible while on COBRA, you will not be able to continue your medical benefits under COBRA
- Medicare coverage is primary and COBRA coverage is secondary



COBRA

- COBRA allows continuation of your current coverage that you had elected as an active employee. You will not be able to change your medical, prescription, dental, or vision plan until the next COBRA Open Enrollment period
- You may elect the medical/prescription/behavioral health bundle separately from dental and vision
- You may enroll in COBRA for yourself or for a dependent only who was covered under active insurance
- If you enroll in COBRA, you will be responsible for paying the entire premium (employee and employer portions) plus a 2% administration fee

***Contact Information for ADP COBRA**

Phone: (855) 219-5022

Website: <https://www.benedirect.adp.com>



PY2016-17 COBRA Combined Medical, Prescription, Behavioral Health Rates

Plan	Tier	Monthly Total Premium
Cigna HMO	Beneficiary	609.29
	Beneficiary + Spouse	1215.39
	Beneficiary + Child(ren)	992.73
	Beneficiary + Family	1599.42
UnitedHealthcare PPO	Beneficiary	632.54
	Beneficiary + Spouse	1286.91
	Beneficiary + Child(ren)	1057.31
	Beneficiary + Family	1701.89
UnitedHealthcare HDHP	Beneficiary	551.28
	Beneficiary + Spouse	1059.73
	Beneficiary + Child(ren)	860.07
	Beneficiary + Family	1414.28



PY2016-17 COBRA Vision Rates

Plan	Tier	Monthly Total Premium
EyeMed	Beneficiary	6.94
	Beneficiary + Spouse	13.28
	Beneficiary + Child(ren)	13.44
	Beneficiary + Family	20.22



PY2016-17 COBRA Dental Rates

Plan	Tier	Monthly Employee Premium
Cigna Prepaid DHMO	Beneficiary	8.49
	Beneficiary + Spouse	14.34
	Beneficiary + Child(ren)	19.85
	Beneficiary + Family	23.38
Cigna PPO	Beneficiary	34.21
	Beneficiary + Spouse	75.34
	Beneficiary + Child(ren)	81.52
	Beneficiary + Family	104.63
Delta PPO	Beneficiary	43.35
	Beneficiary + Spouse	95.53
	Beneficiary + Child(ren)	103.37
	Beneficiary + Family	132.87



Retirement System Health Insurance Options

- Arizona State Retirement System (for Retirees from ASRS and PSPRS) offers several different options through UnitedHealthcare for both Medicare and Non-Medicare eligible individuals and their eligible dependents
- ASRS offers retirement classes specific to health insurance benefit options. Information regarding dates and times of these classes can be found on the ASRS website: <https://www.azasrs.gov> or by calling (602) 240-2000



Health Insurance Premium Benefit (Subsidy)

Who is eligible for the Premium Benefit?

- If you have elected health insurance benefits through COBRA or through ASRS, you are eligible for a monthly payment to help reduce your health insurance premiums
- You must have at least 5 years of service with your retirement system
- Your subsidy amount will vary based on your coverage level (i.e. individual versus family coverage), and whether you and your covered family members are eligible for Medicare
- The subsidy will apply to medical and dental enrollment only

***Contact your appropriate retirement system for more information regarding the subsidy**



Health Insurance Premium Benefit (Subsidy)

How do I initiate the Premium Benefit?

- If you are electing a plan through ASRS, **you** must contact the appropriate retirement system to get the Health Insurance Premium Benefit started
- If you enroll in COBRA, you must contact the Employee Benefits Division to initiate the Health Insurance Premium Benefit. The Employee Benefits Division will send the request to the appropriate retirement agency on your behalf

*Contact Information for the Maricopa County Employee Benefits Division

Phone: (602) 506-1010

Email: benefitsservice@mail.maricopa.gov



Health Insurance Premium Benefit (Subsidy)

How long does it take for the Premium Benefit to be applied to my health insurance premiums?

- Upon submission of a completed Health Insurance Premium Benefit Authorization form, it can take several billing cycles, usually 3 months, before you see the premium reductions reflected in your ADP coupon

Will I get a check in the mail for the Premium Benefit?

- If you are electing coverage through COBRA, the Health Insurance Premium Benefit is paid by your retirement system to the Maricopa County Employee Benefits Division. The benefits office then notifies ADP, the administrator, to apply the premium benefit towards your health insurance premiums. Your ADP billing statement will show the net amount due



Health Insurance Premium Benefit (Subsidy) for ASRS Retirees

The amount of your Health Insurance Premium Benefit depends on your years of service and your Medicare status

Monthly Retiree Premium Benefit	WITHOUT MEDICARE		WITH MEDICARE Part A & B		COMBINATIONS	
	Retiree Only	Retiree & Dependents	Retiree Only	Retiree & Dependents	Retiree & Dependents, one with Medicare, the other(s) without	Retiree & Dependent, both with Medicare, other Dependents without
YEARS OF SERVICE						
5.0-5.9	\$75	\$130	\$50	\$85	\$107.50	\$107.50
6.0-6.9	\$90	\$156	\$60	\$102	\$129	\$129
7.0-7.9	\$105	\$182	\$70	\$119	\$150.50	\$150.50
8.0-8.9	\$120	\$208	\$80	\$136	\$172	\$172
9.0-9.9	\$135	\$234	\$90	\$153	\$193.50	\$193.50
10.0 and up	\$150	\$260	\$100	\$170	\$215	\$215



Health Insurance Premium Benefit (Subsidy) for PSPRS Retirees

Health Insurance Premium Benefit

Base Premium Benefit

The monthly premiums shown in the charts on the preceding page are the full cost for the coverage(s). The Arizona State Retirement System, Public Safety Personnel Retirement System, Elected Officials Retirement Plan, and Corrections Officer Retirement Plan will provide payment toward insurance premiums for eligible members and their dependents. The charts below reflect maximum monthly subsidy amounts available for eligible members and their dependents.

Years of Credited Service	<u>MEMBER ONLY</u>		<u>MEMBER AND DEPENDENT(S)</u>		
	NOT MEDICARE ELIGIBLE	MEDICARE ELIGIBLE	ALL NOT MED. ELIGIBLE	ALL MED. ELIGIBLE	ONE WITH MEDICARE
Elected Officials Retirement Plan (EORP)					
5 - 5.9	\$90.00	\$60.00	\$156.00	\$102.00	\$ 129.00
6 - 6.9	\$112.50	\$75.00	\$195.00	\$127.50	\$ 161.25
7 - 7.9	\$135.00	\$90.00	\$234.00	\$153.00	\$ 193.50
8 - 8.9	\$150.00	\$100.00	\$260.00	\$170.00	\$ 215.00
Corrections Officer Retirement Plan (CORP)					
not applicable	\$150.00	\$100.00	\$260.00	\$170.00	\$ 215.00
Public Safety Personnel Retirement System (PSPRS)					
not applicable	\$150.00	\$100.00	\$260.00	\$170.00	\$ 215.00



Returning to Work Following Retirement

ASRS Retirees Returning to Work

- If you are of normal retirement age, you may return to work for an ASRS employer the day after retirement and work less than 20 hours a week for any length of time and remain eligible to continue receiving pension benefits
- You may choose to work for any non-state retirement system agency for any amount of time for any amount of hours and it will not affect your retirement



Returning to Work Following Retirement

What if I work more than 20 hours a week at an ASRS Employer?

- You may return to work the day after retirement and work 20 hours or more a week for 19 weeks in any fiscal year (including weeks prior to retirement) and continue to receive your pension benefit. After the 19th week, you must work less than 20 hours per week for the remainder of that fiscal year to remain eligible to continue receiving pension benefits
- If you continue working 20 hours or more per week, you will resume active membership. The ASRS will suspend your pension benefit, and your employer will be required to withhold retirement contributions from your wages



Returning to Work Following Retirement

What happens after 12 months of Retirement?

- If you are retired and terminated employment at least 12 months earlier (not meeting the conditions for ASRS active membership during that period), upon reaching normal retirement, you may return to work for any amount of time and continue to receive pension benefits. You must notify the ASRS and your employer in writing of your intention to work and not have retirement contributions withheld from your wages and not accrue additional credited service or Long Term Disability benefits
- At any time, you, as a rehired Retiree, can suspend your retirement benefit and resume active member status. While you remain in active status, you will earn additional credited service and can re-retire with a higher benefit after working more than 20 weeks

**For PSPRS Retirees please contact PSPRS for additional information for returning to work.*



Nationwide[®] Retirement Solutions

Jennifer Foglia (480) 433-8789
Licensed Retirement Specialist

Linda Pond (602) 293-1157
Licensed Retirement Specialist

***Contact Information for Nationwide Retirement Solutions (NRS)**

Phone: (800) 598-4457 or (602) 266-2733

Website: www.maricopadc.com



Post Employment Health Plan

What is a Post Employment Health Plan (PEHP)?

- A PEHP is a unique Retiree benefit where Maricopa County contributes \$10,000 tax free to fund an investment account (post employment) to be used to pay for qualified medical expenses
- The PEHP is administered by Nationwide Retirement Solutions (NRS)
- The PEHP is established pursuant to Internal Revenue Code 501
- The PEHP can be used by the Retiree, their spouse and qualified dependent(s)



Post Employment Health Plan

Who is eligible for a PEHP?

- Maricopa County Retirees who meet all of the following criteria are eligible for a PEHP:
 - Retiree must officially retire on or after January 1, 2007 from Maricopa County as verified by the appropriate state retirement system;
 - By no later than his or her retirement date from Maricopa County, Retiree must file the required documentation for retirement with the appropriate state retirement system and must be set up to receive a pension from the appropriate state retirement system;
 - Retiree must have a minimum of 1,000 hours of accrued Sick Leave at the time of retirement
- If Human Resources Payroll cannot verify retirement with the employee's respective retirement plan before final wages are paid the option to open a PEHP is forfeited



Post Employment Health Plan

What are the benefits of a PEHP?

- The principal advantage of the PEHP is that the amount contributed to the plan by the employer, plus investment earnings of the contributions and the amounts distributed for the reimbursement of qualified health care expenses are free from Federal and State income and FICA taxes
- The Retiree may direct NRS to have contributions directed to the investment option of their choice. All deposits by Maricopa County will be made to the most conservative investment option in the group variable annuity product until the Retiree makes a change



Post Employment Health Plan

Using the PEHP:

- There is no time limit for using the funds in the PEHP
- Once reimbursement of qualified health care expenses equal or exceed your account balance, you will effectively terminate participation in the PEHP when the account balance is depleted
- The Retiree cannot make additional contributions to the PEHP
- If you have no spouse or qualified dependents or the Administrator is unable to locate you within 36 months after attempting to do so, your account balance will be forfeited
- If you die, the funds in the PEHP are available for the use by your surviving spouse and/or qualified dependents to use for qualified health care expense
- There is a 0.50% annualized asset fee that the Retiree is responsible for paying



PEHP Eligible Expenses

What types of expenses can the PEHP be used to pay for?

- Qualified health care expenses are defined by IRS Publication 502
- Only expenses incurred after the Retiree's retirement from Maricopa County qualify for reimbursement
- Examples of qualified medical expenses include:
 - Medical co-pays, deductibles, and co-insurance;
 - Insurance premiums for coverage of medical and health care such as COBRA, Medicare Part B, Medicare supplemental insurance, and qualified long-term care;
 - Dental care;
 - Eye care;
 - Hearing care;
 - Prescription drugs;
 - Any other medical care item which is approved by the Administrator and which is consistent with the definition of "medical expenses" within the meaning of the IRS Publication 502



How to Obtain the PEHP

PEHP Account Set-Up:

Once it has been determined that the Retiree qualifies for the PEHP, the following steps will occur:

- Employee Benefits (EB) confirms with the Retiree that the Retiree approves of having a PEHP set up on his/her behalf
- EB obtains funding for the PEHP from the Retiree's department and requests the payment of \$10,000 to be sent to NRS for deposit into the Retiree's PEHP
- EB provides NRS with the Retiree's information to set up the account and mails the PEHP packet to Retiree's home address
- The Retiree may contact NRS to select their investment options (If Retiree has not contacted NRS to determine their investment options prior to NRS's receipt of the \$10,000, NRS will establish an account investing the \$10,000 in the most conservative investment)
- Retiree gains access to submit claims for reimbursement from the PEHP



Deferred Compensation

Speak to your Nationwide Retirement Specialist regarding Deferred Compensation and the options available to you as you near retirement:

- Age 50+ Catch-up
- Special 457 Catch-up
- Deferring vacation payout on your final paycheck
- Rolling over other assets to your Deferred Compensation account
- Withdrawing your money after retirement and what type of payment options are available to you



Additional Resources

Social Security

- If age eligible, contact Social Security to learn when you can qualify for retirement, receive an online retirement benefit estimation, apply for your benefit, learn about Medicare, and learn about returning to work while receiving your benefit
- Visit your 'my Social Security Account' directly at www.socialsecurity.gov/myaccount
- Most public libraries will host periodic Social Security Administration information sessions
- Contact Social Security up to 4 months in advance of wanting to initiate your benefit

*Contact Information for Social Security Administration

Phone: (800) 772-1213

Website: www.ssa.gov



Additional Resources

Medicare

- If age eligible, contact Medicare to learn about:
 - Enrolling in Medicare
 - What services Medicare covers
 - The cost of Medicare
 - Part D Drug Coverage
 - Advantage plans and supplemental insurance
 - How to compare plans
 - How Medicare works with other insurance

*Contact Information for Medicare

Phone: (800) Medicare (1-800-633-4227)

Website: www.medicare.gov



Additional Resources

Local resources that can provide objective information about Medicare and other health insurance benefits for seniors:

- **Area Agency on Aging and Arizona Department of Economic Security (DES) – Division of Aging and Adult Services (DAAS)**
 - Both resources can put you in contact with State Health Insurance Program (SHIP) counselors that can provide free health benefits counseling services

***Contact Information for Area Agency on Aging**

Phone: (602) 264-2255

Website: <https://aaaphx.org>

***Contact Information for DAAS**

Phone: (602) 542-6575

Website: www.des.az.gov



Contact Information

- **Cigna Dental - Group # 2465354**
 - Cigna Dental (PPO)
(888) 336-8258
 - Cigna Pre-Paid Dental
(800) 244-6224
 - www.cigna.com
- **Cigna Medical Plan - Group #3205496**
 - (800) 244-6224
 - www.mycigna.com
- **Delta Dental - Group # 4500**
 - (602) 938-3131 or
(800) 352-6132
 - www.deltadentalaz.com
- **EyeMed – Group # 1004141**
 - (866) 724-0782
 - www.eyemed.com
- **Magellan Health Services**
 - (888) 213-5125
 - www.magellanhealth.com
- **OptumRx Co-Insurance Prescription Plan – Group #512229**
 - (866) 312-1597
 - www.optumrx.com/mycatamaranrx
- **OptumRx HDHP Prescription Plan – Group #901632**
 - (888) 876-7098
 - www.myuhc.com
- **UnitedHealthcare – Group #901632**
 - (888)876-7098
 - www.myuhc.com



Contact Information

- **Maricopa County Employee Benefits Division**
 - 301 W. Jefferson Street, Suite 3200
Phoenix, Arizona 85003
 - (602) 506-1010
 - Fax: (602) 506-2354
 - www.maricopa.gov/benefits
 - Email: BenefitsService@mail.maricopa.gov

Important: The information and benefits described herein are intended as a general overview. If there is a discrepancy between the information in this presentation and official plan documents, the official plan documents will govern.