PREPARING FOR RETIREMENT

EMPLOYEE BENEFITS AND WELLNESS DIVISION
<table>
<thead>
<tr>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact applicable retirement system</td>
</tr>
<tr>
<td>Notify Maricopa County of retirement</td>
</tr>
<tr>
<td>Learn about final payroll information</td>
</tr>
<tr>
<td>Learn when ‘Active’ benefits end</td>
</tr>
<tr>
<td>Choose a health insurance option</td>
</tr>
<tr>
<td>Request the Health Insurance Premium Benefit</td>
</tr>
<tr>
<td>Learn about the PEHP and Smart Savings</td>
</tr>
<tr>
<td>Additional Resources</td>
</tr>
</tbody>
</table>

**RETIREMENT CHECKLIST**
Retirement eligibility

Monthly estimated pension and set-up pension payout options

Submitting retirement forms

Service purchase agreements

Returning to work after retirement

CONTACT RETIREMENT SYSTEM
Within three years of retirement
ASRS members can attend the **Route 3: Destination in Sight** online webinar to learn about topics such as the ASRS benefits, retirement criteria, annuity options, timelines and more

Within 6 months to 1 year of retirement
ASRS members can attend the **Route 4: Next Exit Retirement** webinar

Within six months of retirement
ASRS and PSPRS members can begin to gather and submit the necessary information for retirement applications

Within three months of retirement
If electing the retirement system health insurance, complete and submit the Health and Dental Insurance Enrollment Forms
## CONTACT

**ARIZONA STATE RETIREMENT SYSTEM**

- myASRS account
  - log in to estimate retirement benefits
- Retirement Central
  - Retirement Readiness Quiz
  - *Road to Retirement* Guide
  - Webinars, videos and e-learning tools
- Remote online counseling and telephonic appointments available

*ASRS*

(602) 240-2000

[www.azasrs.gov](http://www.azasrs.gov)
CONTACT
PUBLIC
SAFETY
PERSONNEL
RETIREMENT
SYSTEM

- Members only website
  - log in to access personal retirement estimates
  - DROP option

- Benefit FAQs

- Information on returning to work

- Retiree Group Insurance Guide

*PSPRS/EORP/CORP
(602) 255-5575
www.psprs.com
Retirement letter to supervisor or manager

- Submit at least two weeks in advance of retirement date
- State name, employee ID number, and last day of work

Be prepared to:

- Complete all Off-boarding Tasks as assigned by your department
- Return ID badge, bus card, keys, laptop, cell phone
- Complete an exit interview, if requested

If moving, update address with Employee Records and Payroll
602-506-3519
“Active” to “Retired”

The following occurs:

- COBRA administrator mails enrollment information to your home address
- Payroll completes retirement system’s request for final payroll information
- (PEHP) Post Employment Health Plan eligibility sent to Employee Benefits
Issued the same as active employment status paychecks

Includes Benefit deductions and retirement system contributions

Any earned, unused vacation hours are automatically paid out
- Option to defer to Smart Savings
- Contact Nationwide at least 2 months prior

Any sick hours under 1,000 are forfeited
- 1,000 sick hours are converted to $10,000 Post Employment Health Plan through Nationwide Retirement Solutions
WHEN DO BENEFITS END?

Benefits end on the last day of the month that employment ends.

Examples:
- Retire on May 20
  Active benefits terminate the last day of the month, May 31
- Retire on September 30
  Active benefits terminate the last day of the month, September 30
WHEN DO BENEFITS END?

Flexible Spending Account (FSA)

- FSA coverage ends the same as all benefits
  - on the last day of the month that employment ends

- Electronic payment card will be turned off when coverage terminates

- File requests for reimbursement within 60 calendar days from benefits termination date
  - Applies to expenses incurred between July 1, 2022 through benefits termination date

* Discovery Benefits, a WEX Company
(866) 451-3399
Login (wexhealth.com)
Medical FSA / Limited FSA / Dependent Care FSA

<table>
<thead>
<tr>
<th>Incur Claims by</th>
<th>Submit Claims for Reimbursement by</th>
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<tbody>
<tr>
<td>Retired Employee</td>
<td>Benefits Termination Date 60 Days From Benefits Termination Date</td>
</tr>
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</table>

FSA grace periods and claims run out periods are different for Active employees than Retired employees

WHEN DO BENEFITS END?
Life Insurance

Group term life insurance ends on the last day of the month that employment ends.

Port to an individual life insurance policy through Securian Life Insurance Company:

- 45 days benefits termination date to apply and pay

- To port Dependent Life Insurance must port Basic Life Insurance

- After the age of 75
  - Option to port not available

*SECURIAN Life Insurance
Policy Group #70334
(866) 365-2374
WHEN DO BENEFITS END?

MetLife Legal Plan

Terminates on the last day of the month that employment ends

Port 12 months of coverage to an individual policy
  • Apply 30 days from last day of employment
  • Prepaid via remittance of a lump sum payment equal to the legal plan’s monthly rate times 12 months
    • $15.74 x 12 = $188.88

*MetLife Legal Plan
(800) 821-6400
info.legalplans.com/Home/
Access Code: 9904671
Health Savings Account (H.S.A.)

- Portable and converts to private “Free Agent” account
- Pre-tax contributions can no longer be made to the H.S.A.
- Continue to use existing funds in the account to pay for qualified medical expenses
- Monthly administration fees apply

WHEN DO BENEFITS END?
Health Savings Account (H.S.A.)
After age 65 or Medicare eligibility

If you are 6 months or more beyond your full retirement age, you need to stop contributing to your HSA 6 months before your retirement date in order to avoid IRS penalties.

- H.S.A. funds may be withdrawn for non-medical purpose without a penalty
  - Withdrawal subject to normal income tax as retirement income
  - Consult tax advisor for guidance

*HSA Bank
Cigna High Deductible Health Plan
(800) 244-6224

*Optum Bank
UnitedHealthcare High Deductible Health Plan
(800) 791-9361
HEALTH INSURANCE OPTIONS

Choices in Retirement

1. COBRA
   Continues current Maricopa County benefits plans

2. Arizona State Retirement System
   Both ASRS & PSPRS Retirees

3. Other health insurance coverage
   • Spouse’s coverage
   • Medicare, Medicare Advantage or Medicare Supplement Plan, if age eligible
   • Public marketplace
     www.healthcare.gov
   • Private individual plans
     • UHC or Cigna or other
Consolidated Omnibus Budget Reconciliation Act

Standard duration of coverage is 18 months.

Allows temporary continuation of group health insurance coverage after retirement from the County.

- Enrollment must be within 60 days from the date the COBRA packet is mailed
- First payment must be made within 45 days from the enrollment date
- If enrollment and payment have not been received COBRA rights are forfeited

There are no exceptions to these rules.
COBRA

- Effective the first day of the month following the date of Benefits termination
  - Benefits as an active employee terminate on the last day of the month that employment ends

- Active with the insurance carriers after enrollment has been completed and the first month’s COBRA premium has been received

- No gap in benefits
- Allows continuation of elected coverage as enrolled when an active employee

- Choose to enroll in coverage for Retiree only, Retiree with eligible dependents, or for eligible dependents only

- Plan changes are not allowed until the next COBRA Open Enrollment period
  - If the COBRA beneficiary lives outside Maricopa County zip code, WEX allows change to another plan since they are not eligible for the Cigna HMO

- Choose to elect dental or vision coverage only or any combination along with the medical/pharmacy/behavior health bundle

- Continuation options
  - Flexible Spending Account
  - Employee Assistance Program
Enroll online:

- Make elections online via the COBRA website or Mobile App
- **WEX Health, Inc.**
- Access available within 1-2 weeks of status update in Employee Records System as “Retired”

Enroll via mail:

- COBRA enrollment packet mailed to home address
- Allow 1-2 weeks after the active benefits termination date to receive the COBRA packet in the mail
- Mail Election with payment to COBRA Administrator
  - postmarked prior to deadline
Monthly COBRA Premium

- Employee and employer premium costs plus 2% administration fee
- Must be paid in full to the COBRA Administrator
  - Recurring ACH payment
  - Online one-time payment incurs $20 processing fee
  - Mail-in payment option
    - Check or Money Order
- Must be made by the due date or coverage will be terminated

*COBRA Administration
1-866-451-3399
Live Chat
cobraadmin@wexhealth.com
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<tr>
<td>ComPsych</td>
<td>Beneficiary</td>
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Prior To Retirement

- If enrolled in Medicare (either Part A or Part B) Retiree and/or eligible dependents may enroll in COBRA

After Retirement While On COBRA

- If Medicare-eligibility occurs
  - Discontinue COBRA coverage
  - Contact the COBRA administrator within 30 days of the new Medicare coverage start date

In retirement,

- Medicare coverage is primary
- COBRA coverage is secondary
Arizona State Retirement System

ASRS & PSPRS Retirees

- UnitedHealthcare options available
  - Medicare or Non-Medicare eligible individuals and/or eligible dependents

- ASRS health insurance benefit classes
  - Dates and times on website www.azasrs.gov
  - (602) 240-2000
HEALTH INSURANCE PREMIUM BENEFIT (SUBSIDY)

ASRS & PSPRS Retirees

A monthly payment from the retirement system to reduce premiums when coverage for health insurance is gained through COBRA or ASRS

- Subsidy amount varies based on coverage level
  - Individual or family
  - Medicare eligibility

- Subsidy applies to medical and dental coverage only

*Contact appropriate retirement system for more information regarding the subsidy*
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<tr>
<th>YEARS OF SERVICE</th>
<th>WITHOUT MEDICARE</th>
<th>WITH MEDICARE Part A &amp; B</th>
<th>COMBINATIONS</th>
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<td>9.0-9.9</td>
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<td>$234</td>
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<tr>
<td>10.0 and up</td>
<td>$150</td>
<td>$260</td>
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<td>Years of Service</td>
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<td>$234.00</td>
<td>$90.00</td>
</tr>
<tr>
<td>8.0+</td>
<td>$150.00</td>
<td>$260.00</td>
<td>$100.00</td>
</tr>
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**Elected Officials’ Retirement Plan (EORP)**

**Corrections Officer Retirement Plan (CORP)**

| not applicable | $150.00 | $260.00 | $100.00 | $170.00 | $215.00 |

**Public Safety Personnel Retirement System (PSPRS)**

| not applicable | $150.00 | $260.00 | $100.00 | $170.00 | $215.00 |
Applying for the Subsidy

If electing ASRS health insurance
- Contact the appropriate retirement system (ASRS or PSPRS)

If electing COBRA health insurance
- Contact the Employee Benefits and Wellness Division
  - verifies COBRA has been elected and paid
  - request sent to the appropriate retirement agency on behalf of the Retiree

*Maricopa County
Employee Benefits and Wellness Division
(602) 506-1010
Benefits@maricopa.gov
HEALTH INSURANCE PREMIUM BENEFIT (SUBSIDY)

COBRA Premium Adjusted for Subsidy

- Allow approximately 90 days from the date of notice to Employee Benefits and Wellness Division

- COBRA administrator adjusts the COBRA billing to reflect the net amount due each month

- Subsidy payment retro to start date of COBRA

- Plan for 3-4 months of full COBRA premiums
ASRS & PSPRS Retirees

Returning to Work in the Private Sector
- Does not impact retirement pension

Returning to Work in the AZ State public sector
- May impact retirement pension

Contact appropriate retirement system for information about working after retirement

* If returning to work with Maricopa County, you must work at least 20 hours per week to be benefits-eligible.
RETIEMENT
FINANCIAL
SERVICE
SUPPORT

➤ Post Employment Health Plan (PEHP)

➤ Smart Savings (457 (b) plan)

*Nationwide Retirement Solutions (NRS)
(800) 598-4457
(602) 266-2733
www.maricopadc.com
POST EMPLOYMENT HEALTH PLAN (PEHP)

RETIRE WITH 1,000 HOURS OF UNUSED SICK LEAVE

Maricopa County contributes $10,000 tax free to fund an investment account to be used to pay for qualified medical expenses after retirement.

- Administered by Nationwide Retirement Solutions (NRS)

- Internal Revenue Code 501

- Available for use by the Retiree and qualified dependent(s)
Who Is Eligible?

- Must officially retire on or after January 1, 2007 from Maricopa County as verified by the appropriate state retirement system.

- Must file the required documentation for retirement with the appropriate state retirement system and must be set up to receive a pension no later than their retirement date from Maricopa County.

- 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 retirement plan before final wages are paid, the option to open a PEHP is forfeited.
POST EMPLOYMENT HEALTH PLAN (PEHP)

Funds Free From Federal, State Income and FICA Taxes

- The amount contributed to the plan by the employer
- Plus investment earnings of the contributions
- Amounts distributed for the reimbursement of qualified health care expenses
Investment Options

- Funds default to the Nationwide Fixed Fund
- Retiree may choose from the menu of investment options

All deposits by Maricopa County are made to the most conservative investment option in the group variable annuity product.
TO OBTAIN THE PEHP

Employee Benefits and Wellness Division

• Confirms the Retiree acceptance of PEHP set up

• Obtains funding for the PEHP from the Retiree’s department

• Requests the payment of $10,000 to be sent to NRS for deposit

• Provides NRS with the Retiree’s information to set up the account

• Mails the PEHP packet to Retiree’s home address
TO OBTAIN THE PEHP

Retiree

- Must confirm in writing acceptance of PEHP
- Contacts NRS to select investment options
- Submit claims for reimbursement to NRS

Please note:
If re-employed with Maricopa County at any time, you are not eligible for PEHP claim reimbursements until you sever from employment again.
POST EMPLOYMENT HEALTH PLAN (PEHP)

- No time limit to use the funds
- 0.50% annualized asset fee
- Participation terminates when the account balance is depleted
- Additional contributions cannot be made
- Funds available for the use by a surviving spouse and/or qualified dependents for qualified health care expense
- If no spouse or qualified dependents is on record or the administrator is unable to locate the Retiree within 36 months after attempting to do so, account balance will be forfeited
Qualified health care expenses incurred after retirement from Maricopa County

Examples of 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 as approved by the Administrator and is consistent with the definition of “medical expenses” within the meaning of the IRS Publication 502
Contact Nationwide Retirement Specialist for:

- Age 50+ catch-up
- Special 457 catch-up
- Deferring vacation payout on final paycheck
- Rolling over other assets to your Smart Savings account
- Withdrawing money after retirement
  - Flexible payment options
Tracy Childers (602) 799-7879
Licensed Retirement Specialist
tracy.childers@nationwide.com

*Nationwide Retirement Solutions (NRS)
(800) 598-4457 or (602) 266-2733
www.maricopadc.com
ADDITIONAL RESOURCES

Social Security

If age eligible, learn about:

- Qualify for retirement
- Online retirement benefit estimation and application
- Impact on Medicare
- Returning to work while receiving SSA benefit

Visit personalized account
www.socialsecurity.gov/myaccount
ADDITIONAL RESOURCES

Social Security

- Social Security Administration information sessions
- Contact Social Security several months in advance of benefit target date

*Social Security Administration
(800) 772-1213
www.ssa.gov
ADDITIONAL RESOURCES

Medicare
If age eligible, 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
• Special enrollment periods
• Form to provide employment information

*Medicare
(800) Medicare (1-800-633-4227)
www.medicare.gov
Local resources provide objective information about Medicare and other health insurance benefits for seniors

- **State Health Insurance Program (SHIP) counselors**
- **Free health benefits counseling services**

- **Area Agency on Aging**
  (602) 264-2255
  [https://aaaphx.org](https://aaaphx.org)

- **Arizona Department of Economic Security (DES) – Division of Aging and Adult Services (DAAS)**
  (602) 542-4446
  [https://des.az.gov/services/older-adults/medicare-assistance](https://des.az.gov/services/older-adults/medicare-assistance)
Cigna Dental
Group #2465354
  Cigna Dental (PPO)
    (888) 336-8258
  Cigna Pre-Paid Dental (DHMO)
    (800) 244-6224
  www.cigna.com

Cigna Medical, Pharmacy, Behavioral Health
Group #3205496
  High Deductible Health Plan & HMO Medical
    (800) 244-6224
  https://my.cigna.com

ComPsych
Employee Assistance Program
(866) 883-0891
  www.guidanceresources.com

Delta Dental
Group #14500
  (602) 938-3131
  (800) 352-6132
  www.deltadentalaz.com

EyeMed Vision
Group #1004141
  (866) 724-0782
  www.eyemed.com

UnitedHealthcare Medical, Pharmacy, Behavioral Health
Group #901632
  High Deductible High Plan & PPO Medical
    (888) 876-7098
  www.myuhc.com

CONTACT INFORMATION
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.