

*The University of Houston*

**BENEFITS RETIREMENT HANDBOOK**

# UNIVERSITY OF HOUSTON BENEFITS RETIREMENT HANDBOOK

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## SECTION I

### **DEFINITION OF A RETIREE**

1. For insurance purposes, a retiree is defined by the Employees Retirement System of Texas as any former employee, regardless of date of retirement, who retires or has retired and who receives, or is eligible to receive, benefits under a retirement provision and the jurisdiction of:
  - A. The Teacher Retirement System of Texas (TRS)
  - B. The Optional Retirement Program (ORP)
  - C. The Employees Retirement System of Texas (ERS)

Provided, however, that the employee has at least 10 years of service credit under either TRS, ORP or ERS and is at least 65 years of age, or whose age and years of creditable service total 80.

- D. Any other federal or state statutory retirement program to which the institution has made employer contributions
2. In addition, "retired employee" shall mean any former employee who has not reached the age to apply for full formula service retirement benefits but who has reached a state of permanent disability, where the individual is unable to perform the assigned duties and has:
  - A. been approved by TRS for disability retirement; or
  - B. been determined by the Employees Retirement System group insurance division to be permanently and totally disabled as defined by TRS and the employee is an ORP participant.

**Employees who elect a full lump sum withdrawal from TRS are not considered retirees since a refund of deposits is not an approved retirement option. These employees are not eligible to continue participation in group insurance as a retiree. Employees who elect to receive an annuity based on at least 5 but less than 10 years of service credit are not eligible for participation in retiree group insurance coverage. Coverage may be continued under COBRA for a maximum of 18 months.**

## SECTION 11

### RETIREE INSURANCE BENEFITS

#### REGULAR RETIREE

Health and other insurance benefits for members and retirees are subject to change based on available State funding. The Texas Legislature determines the level of funding for such benefits and has no continuing obligation to provide those benefits beyond each fiscal year.

You are eligible to enroll in the state insurance program as a retiree if you meet all five (5) of the following requirements:

- You have at least 10 years of service credit in Teacher Retirement System of Texas (TRS), the Optional Retirement Program (ORP), Employees Retirement System (ERS) or any entity that participates in the state retirement program
- Of the 10 years service credit in #1 above, employees hired **after** 8/31/01 must have 10 years of actual service in a GBP-participating agency or institution to qualify for retiree health insurance. Employees hired **prior** to 9/1/01 are grandfathered under the old rule, which required 10 years of service, but only three (3) years of actual service with a GBP-participating agency. ***The University of Texas, Texas A&M University and all public independent school districts do not participate in the GBP program.***
- You are at least age 65 or retire under the rule of 80. If you do not retire under the Rule of 80 and are less than age 65 with at least 10 years of service credit at the time of retirement you will not be eligible for the retiree health insurance until you reach age 65.
- You have terminated employment from all state agencies and institutions that participate in the state program or are no longer eligible for the program as an employee.
- Your last place of public employment prior to retirement was with an agency or institution participating in the state insurance program.

## **DISABLED RETIREE**

You are also eligible to enroll in state insurance as a TRS or ORP disabled retiree if:

- If you have at least three (3) years of service credit as an employee eligible for state insurance, and
- Your last Texas public employment prior to retirement was at a state agency or institution that participates in the state insurance program.

TRS or ORP disability retirees with at least 10 years of service credit may continue state insurance participation for as long as they continue to be certified as disabled. TRS or ORP disability retirees with less than 10 years of service may continue state insurance participation for up to the same number of years for which they have retirement service, as long as they continue to be certified as disabled.

***Once you enroll in the state insurance program as a retiree, you are never eligible again as an employee.***

## **COST OF RETIREE INSURANCE**

If you are a full-time employee at the time of retirement, the state pays the entire cost of your medical insurance premium. You will also receive up to 50% of the cost of medical insurance coverage for your dependents. It is your responsibility to pay the remaining premium for your dependents medical coverage and for other optional coverages you elect.

If you are classified as a part-time employee during any portion of the three consecutive months prior to retirement, the state will pay 50% of the cost of your medical insurance premium and 25% of the cost the medical insurance premium for your covered dependents. It is your responsibility to pay the remaining 50% of your medical insurance premium and 75% of your dependent's medical insurance premium.

## **COVERAGE AVAILABLE TO RETIREES**

- As a retiree you are eligible to participate in any group medical plan offered by ERS. Currently ERS offers a Point-of-Service plan and several Health Maintenance Organizations (HMOs) statewide. (There are currently no HMOs available in the Houston area) The retiree's residential zip code must be in the HMO service area in order to join an HMO. Coverage is available

for the retiree and all eligible dependents. All health plans include \$2,500 in basic life insurance benefits.

- You are eligible to participate in any dental plan offered by ERS.
- If you were covered under any optional term life insurance plan at the time of retirement, then you are eligible to continue optional life insurance of \$10,000, Election I coverage and Election II coverage. Election II coverage is available only if the amount of optional life prior to retirement was at Level II, III or IV times salary.
- You may continue dependent life insurance on any dependents who are covered under the dependent life at the time of retirement. Dependent life insurance is valued at \$2,500.
- As a retiree, you may not continue coverage under the disability income plans (STD OR LTD) or accidental death and dismemberment (AD&D).
- In the event of your death, your surviving spouse may continue medical/dental coverage indefinitely on a self-paid basis. The surviving spouse does not receive a state contribution and must pay the entire cost of the coverage. ERS will mail insurance continuation forms to the surviving spouse upon receipt of written notification of the retiree's death. If a covered dependent dies, you should notify ERS immediately in writing to obtain the forms to change the coverage level and receive new premium billings.
- Life insurance claims are processed directly with ERS. The beneficiary should notify ERS immediately of the death of the retiree or a covered dependent of the retiree. ERS will send the beneficiary the necessary forms to file for life insurance benefits. A certified copy of the death certificate will be required by ERS along with a completed claim form in order to process the claim.

### **LONG-TERM CARE INSURANCE**

ERS offers a long-term care program administered by John Hancock. This program is available to you, your spouse, your adult children over age 25 and to the parents and grandparents of you and your spouse.

There is no annuity deduction for the payment of premiums for this coverage. Premiums are paid directly to John Hancock on a quarterly, semi-annual or annual basis. Participants may also elect to have a monthly deduction from his or her checking or savings account. Premiums are based on the participant's age on the effective date of coverage and will be shown in quarterly amounts in the enrollment material.

Evidence of insurability (EOI) is required for retirees and family members to enroll. Your spouse may enroll in long-term care

insurance even if you do not. Once approved, participants may continue their long-term care insurance with the same benefits and premiums. Contact ERS for detailed information about long-term care insurance.

### **RETIREE HEALTH COVERAGE AND MEDICARE**

If you retire prior to age 65, or if your dependents are under age 65, the medical insurance coverage will continue to pay you claims as if you were an active employee. Your health coverage will be the primary carrier and Medicare will be secondary. ERS requires that retirees age 65 or older have Medicare Parts A ***and*** B. Medicare becomes the primary carrier at retirement. To enroll in Medicare, the retiree must contact the Social Security Administration directly. Medicare Part A (hospital benefits) is at no cost to the retiree. Medicare Part B (medical coverage) does have a monthly premium.

***Your health plan requires that you elect Medicare Parts A & B. If you decline Medicare Part B when you initially become eligible, you will be responsible for the cost of health care expenses (physician's charges, outpatient charges, etc.) that Medicare would have paid for these Part B covered items. If you initially decline Part B as a retiree, you will have to pay a premium surcharge if you apply later.***

### **Coverage Changes**

As a retiree you are eligible to make plan changes each year during the summer enrollment (July and August). Since premiums are paid after tax, the retiree may also make mid-year changes to the health coverage levels and option coverages. Changes in the insurance plan are generally restricted to summer enrollment; however, these changes are allowable at other times if the retiree has an address change.

ERS mails summer enrollment information packets to the retiree's home address each year. All summer enrollment change forms or mid-year change requests must be submitted directly to ERS.

### **PAYMENT OF PREMIUMS**

If the total monthly premium for insurance coverage selected is more than the state contribution, the balance of premiums is the retiree's responsibility. Retirees have the option to have excess premiums billed directly to you by ERS, by bank draft or from your TRS monthly annuity check. TRS members whose annuity payments have not yet started and ORP participants will be billed directly by ERS or have the option of a bank draft. Upon receipt of the ERS billing, payments should be made directly to ERS – not to the University of Houston.

### **ACCELERATED LIFE BENEFIT**

Accelerated life benefit (ALB) allows you or your court-appointed legal representative to request payment in one lump sum of up to 80% of the combined amount of your basic group term life and optional group term life insurance. A valid power of attorney accepted by ERS or the carrier may be used to designate a representative. You must be diagnosed with a terminal condition and have a life expectancy of 12 months or less.

### **VIATICAL SETTLEMENT**

Individuals diagnosed with a terminal illness may contract with a viatical company to receive a lump sum payment of a percentage of the face value of their life insurance coverage; in return, the company becomes an irrevocable beneficiary of the policy.

## SECTION III

### TEACHER RETIREMENT SYSTEM OF TEXAS (TRS) SERVICE RETIREMENT BENEFITS

#### RETIREMENT AGE

A member of the Teacher Retirement System of Texas (TRS) may receive an unreduced standard annuity at

- Age 65 with 5 or more years of membership or
- Any age when age and years of service combine to total 80.

Early retirement and a reduced standard annuity is available at

- Age 55 with 5 or more years of membership or
- Any age below 50 with 30 or more years of membership

***Those who establish TRS membership on or after 9/1/07 and meet the rule of 80 will now need to be at least age 60 at the time of retirement to qualify for an unreduced annuity. Members retiring before age 60 will have a 5% annuity reduction for each year under age 60.***

Current TRS members should not be affected if they maintain membership status by not withdrawing their TRS contributions upon termination of employment with a TRS-eligible employer.

#### ANNUAL COMPENSATION

Annual compensation is defined as salary and wages paid or payable to a member during a school year. For salary credit purposes, increases in compensation during the last 5 years prior to retirement may be limited to no more than a 20% increase over the previous years salary.

#### BENEFIT CALCULATION

When calculating a month annuity, TRS uses the following formula:

- **Average of highest five (5) annual salaries based on creditable compensation**
- **Total years of service credit X 2.3% = Total percentage**
- **Total % X average salary = Annual annuity**
- **Annual annuity / 12 = Monthly annuity**

Certain members are eligible to have their standard annuity calculated using the average of their highest three (3) salaries. To be eligible you

must have met at least one of the following requirements as a member on or before August 31, 2005:

- **Attained age 50**
- **Had at least 25 years of service credit, or**
- **Age and years of service credit totaled at least 70**

Members who do not meet one of the above grandfather provisions will also be subject to the following new law changes effective September 1, 2005:

- **Final average salary at retirement will be determined by the by the highest five years (instead of three) of salary**
- **Subsidized early retirement will be eliminated. This means that members age 55 or older with 20 to 29 years of credited service who take early retirement will receive a greater reduction to their annuities than in the past**
- **The Partial Lump Sum Option (PLSO) eligibility will require a combined age plus years of creditable service that equals at least 90 (“Rule of 90”)**

## **RETIREMENT PLAN OPTIONS**

A member may select one of six payment plans at retirement. ***This selection requires careful selection since it cannot be changed after retirement.***

***THE STANDARD ANNUITY*** - This selection pays the maximum monthly benefit to the retiree. Payments are made each month throughout the retiree’s life. Payments cease upon death of the retiree.

**NOTE: TRS gives a year of credit for any fiscal year in which the participant worked 4 ½ months, a full semester of more than 4 months, or 90 actual working days of service in an eligible position during a school year.**

***OPTION 1 – 100% JOINT LIFE ANNUITY*** - Reduced monthly annuity payments are made throughout the life of the retiree. Upon the retiree’s death, the same reduced monthly payments will continue throughout the life of the surviving primary beneficiary who was named at the time of retirement. If the primary beneficiary dies before the retiree, the retiree’s future monthly annuity payment will increase to the amount of the standard annuity as if the member had elected it at retirement.

Example: Age of member at retirement	65	59
Age of primary beneficiary	63	57
Percentage of standard annuity received by retiree	86.06%	89.93%

**OPTION 2 – 50% JOINT LIFE ANNUITY** - Reduced monthly annuity payments are made throughout the life of the retiree. Upon the retiree’s death, one-half (1/2) of the monthly payment will continue throughout the life the surviving beneficiary who was named at the time of retirement. If the primary beneficiary dies before the retiree, the retiree’s future monthly annuity payment will increase to the amount of the standard annuity as if the member had elected it at retirement.

Example: Age of member at retirement	65	59
Age of primary beneficiary	63	57
Percentage of standard annuity received by retiree	92.51%	94.70%

**OPTION 3 – 60 MONTHLY PAYMENTS** - Reduced monthly annuity payments are made throughout the life of the retiree. If the retiree dies before 60 monthly payments (5 years) have been made, payments will be made to the beneficiary until the remainder of the 60 payments have been made.

Example: Age of member at last birthday	65	59
Percentage of standard annuity received by retiree	98.99%	99.57%

**OPTION 4 – 120 MONTHLY PAYMENTS** - Reduced monthly annuity payments are made throughout the life of the retiree. If the retiree dies before 120 monthly payments (10 years) have been made, payments will be made to the beneficiary until the remainder of the 120 payments have been made.

Example: Age of member at last birthday	65	59
Percentage of standard annuity received by retiree	96.42%	98.34%

**OPTION 5 – 75% JOINT LIFE ANNUITY** - Reduced monthly payments are made throughout the life of the retiree. Upon the retiree’s death, three-fourths (3/4) of the monthly payment will continue throughout the life of the surviving beneficiary who was named at the time of retirement. If the primary beneficiary dies before the retiree, the retiree’s future monthly annuity payments will increase to the amount of the standard annuity as if the member had elected it at retirement.

Example: Age of member at retirement	65	59
Age of primary beneficiary	63	57
Percentage of standard annuity received by retiree	89.17%	92.25%

**PARTIAL LUMP SUM OPTION (PLSO)**

At retirement, you may select a partial lump sum distribution in addition to an actuarially reduced annuity or optional form annuity. You may do so if you are eligible for unreduced service retirement benefits (not an early age retirement benefit) and are not retiring with disability benefits. ***If you do not meet one of the grandfather provisions listed in Benefit Calculation Section, eligibility for the PLSO will require a combined age plus years of creditable service that totals 90 (“Rule of 90”)***

You may select a partial lump sum distribution equal to 12, 24, or 36 months of a standard service retirement annuity. You may select this distribution in one, two or three annual payments. No interest will be paid on any lump sum amount paid. Retirees are also permitted to roll over the eligible portion of any lump sum payment to a qualified plan.

**REVOKING RETIREMENT**

To revoke a retirement, service retirees must file with TRS a written revocation before the first annuity payment is made or is due. The member is returned to an active status and will at a later date be eligible to retire as if the first retirement had not occurred.

**DEATH AND SURVIVOR BENEFITS**

Upon the death of a service retiree, or a disability retiree who retires on or after September, 1992, the eligible beneficiary, in addition to any joint and survivor or guaranteed period annuity that may be payable under an optional form of payment you select, may choose to receive either:

- \$10,000 lump sum payment, or
- \$2,500 lump sum payment plus \$200 per month beginning when the beneficiary reached 65, or
- \$2,500 lump sum payment plus \$300 per month if the beneficiary(ies) are the retirees children under the age of 18. The monthly amount is payable for so long as two or more of the children are under age 18, or a monthly benefit of \$200 payable as long as one child is under age 18

If the total amount of the member account at the time of service retirement has not been paid in monthly benefits to a retiree receiving

a standard annuity, the beneficiary will receive a lump sum payment of the amount not distributed.

### **SPECIAL SERVICE CREDIT**

In addition to earning service credit while employed, TRS members may purchase service credit for other specified types of service including:

- unreported, substitute or withdrawn service
- out-of-state service or military service (*after 5 years of TRS service credit*)
- credit for state sick and/or personal leave (*maximum of 1 year*) or developmental leave (*after 5 years of TRS service*)
- work experience credit as a career or technology teacher (*maximum of 1-2 years*)
- Uniformed Services Employment & Re-employment Rights Act (USERRA)

Special service is creditable only if it is purchased before death or retirement. Since retirement benefits increase with additional years of service, it is usually advantageous for a member to purchase credit for eligible special service. Generally such service can be purchased immediately upon returning to TRS covered employment or after satisfying the 5-year vesting. The cost to purchase special service credit varies according to the type of service purchased. Service may be purchased in a lump sum or in some instances payment plans may be available.

### **OBTAINING AN ESTIMATE OF RETIREMENT BENEFITS**

Employees may obtain an estimate of their retirement benefits at any time prior to their proposed retirement date by submitting form TRS 18 "Request for an Estimate of Retirement Benefits" to the Teacher Retirement System. This form can be obtained from the Benefits Office. Benefit estimates and individual retirement counseling are available from the UH Benefits Office or at the TRS office in Austin.

### **STATE EMPLOYMENT AFTER RETIREMENT**

Senate Bill 273 passed by the 77<sup>th</sup> Legislature (2001) does allow retirees who retired prior to January 1, 2001 to return to work in a TRS covered position without reduction in their annuity. For those who retired or will retire after January 1, 2001, the following retirement guidelines will apply.

Retirees may return to work in a TRS covered position after a full calendar month break in service following their effective date of

retirement, **without forfeiture of TRS benefits**, under one of the following conditions:

- As a substitute, or
- On a half-time basis, or
- Up to six months on a full-time basis (*This can begin no earlier than the September following your effective date of retirement*), or
- As a bus driver on a full-time basis; **excludes** early age retirees

***Employment by a third-party entity is considered employment by a Texas public educational institution subject to employment-after-retirement requirements. With limited exceptions, a member's employment does not terminate (end) for TRS purposes if, at time of retirement, the member has a contract, agreement, or promise for future employment with a Texas public education institution.***

Certain retirees may return to teaching full time in acute shortage areas (ASA) without interruption of TRS benefits. To be eligible to teach in an ASA, you must:

- Be a service retiree with an unreduced annuity, and
- Have a break in service of 12 consecutive months in public school service since your retirement date, and
- Be certified in ASA (Local school boards determine ASAs based on TEA Commissioner guidelines. To work in an ASA, submit TRS Form 581 to TRS

Retirees may also return to work as principals and assistant principals on a full-time basis, if certified as a principal and with a 12-month break in service; **excludes** early age retirees.

*You will receive a booklet from TRS explaining employment after retirement at the time you receive your estimate of retirement benefits. Please read carefully as you may be subject to revocation of retirement entirely or loss of monthly annuity payments for work that exceeds the allowable amount.*

## **SECTION 1V**

### **OPTIONAL RETIREMENT PROGRAM (ORP)** **SERVICE RETIREMENT BENEFITS**

#### **DEFINITION OF ORP RETIREE**

An ORP retiree, as defined by Chapter 25, Rules and Regulations of the Texas Higher Education Coordinating Board, is an individual who participated in the Optional Retirement Program (ORP) while employed in a public institution of higher education in Texas and who established retiree status by enrolling in retiree health insurance provided by the Employees Retirement System of Texas (ERS), the University of Texas System or the Texas A&M University System regardless of whether currently enrolled.

#### **ORP VESTING PERIOD**

The ORP vesting period is a “year and a day” – 12 cumulative (not necessarily consecutive) months of participation with vested status conferred on the first day of the 13<sup>th</sup> month of participation. Only one vesting period must be satisfied for any and all Texas public higher education employment.

#### **OVERVIEW OF ORP**

The Optional Retirement Program (ORP) is a defined contribution plan. A defined contribution plan is a retirement plan in which a participant’s benefit is determined by the actual amount contributed to the individual participant’s account plus any interest or return on the investment.

Contribution amounts are based on the contribution rate and total salary earned by a participant during the accumulation period. Specific retirement benefits under ORP vary among the different investment products available and are subject to individual contract provisions and federal tax laws. Federal tax laws state that any withdrawals from a tax-deferred retirement plan or ORP prior to age 59 ½ are considered early withdrawals unless it is an approved retirement option of the employer. The participant must pay a penalty to the IRS for early withdrawal. The age and service requirements for TRS are acceptable for ORP participants to avoid this penalty for early withdrawal.

ORP contracts may provide for an annuity, periodic withdrawals or withdrawal of the total balance in the account (lump sum payment). All distributions whether lump sum or in the form of an annuity are

taxable. Annuity options vary but will generally include a standard annuity payable throughout the lifetime of the retiree, joint and survivor options, and payments guaranteed for a specific period of time. Because ORP accounts are managed individually, there are no state provisions for improvement of benefits after termination of employment or retirement.

ORP does not have a provision for purchasing additional years of service credit to increase retirement benefits. Death benefits payable to the beneficiary are determined by the retirement option selected by the participant at the time of retirement. The beneficiary will always be entitled to any payments specified under a joint and survivor option.

For further information regarding retirement options available under your ORP account, contact your agent or ORP company directly.

### **RETURNING TO WORK AFTER RETIREMENT**

In accordance with Chapter 25, ORP retirees who later return to employment in Texas public institutions of higher education are not eligible to have further ORP contributions made to their ORP account. This restriction applies even if they discontinue their retiree insurance, return to employment in what would otherwise be considered a benefits-eligible position, and/or re-enroll in active insurance (if permitted by the plan).

ORP retirees who enrolled in retiree health insurance on or before June 1, 1997 are exempt from this provision. Institutional policies vary concerning whether these “grandfathered” individuals receive ORP contributions upon returning to work in what would otherwise be considered a benefits-eligible position. ***However, individuals who establish ORP retiree status after June 1, 1997 will never again be eligible to participate in ORP as active contributing participants.***

## **SECTION V**

### **PROCEDURES FOR RETIRING**

The Benefits Office of the Human Resources Department offers pre-retirement counseling to employees who are contemplating retirement. The employee will be counseled on retirement eligibility, choice of retirement dates, retirement alternatives, ERS requirements, group insurance and Social Security.

Employees are encouraged to contact the Benefits Office to review their benefits when they obtain the age and service requirements to retire, even if they will not be retiring. The Teacher Retirement System (TRS) allows for the purchase of service credit in certain situations (see Section III). A delay in purchasing such credit becomes more costly the longer it is delayed. The retirement counseling gives the Benefits Office the opportunity to advise employees of additional credits or modifications to benefits that may be presently available and advantageous at retirement.

The Benefits Office will assist any employee with retirement procedures and questions. An employee should contact the Benefits Office approximately four (4) months for TRS and two (2) months for ORP prior to the proposed retirement date to initiate retirement procedures.

The following items are needed for retirement processing for TRS:

1. Proof of age for employee and primary beneficiary
  - a. A certified copy of birth certificate, or
  - b. A Baptismal record, or
  - c. Certified Family Bible records, or
  - d. Other proof of age acceptable by the Social Security Administration
2. Primary beneficiary's social security number and address
3. Social security numbers, dates of birth and addresses for all alternate beneficiaries

### **TEACHER RETIREMENT SYSTEM OF TEXAS PARTICIPANTS**

#### **STEP 1.**

Contact the Benefits Office for an initial retirement processing session. This should be done approximately four (4) months prior to proposed

retirement date. At this session, the TRS 18 “Request for an Estimate of Retirement Benefits” is completed and sent to TRS. In 2-4 weeks, you will TRS will send a retirement packet to your home.

## **STEP 2**

After you receive the retirement packet at your home, contact the Benefits Office for a second retirement processing session. You should bring to this session the TRS retirement packet, proofs of age for you and your primary beneficiary and all other beneficiary information. At this session, the Benefits Office will review all material in the packet and help you to make a decision on whether to retire and which retirement option to select. The application for service retirement, other TRS forms and retiree group insurance enrollment forms are completed at this time. The Benefits Office will notarize and forward the retirement application and other documents directly to TRS and will make any necessary copies for you to keep for your records. The Form TRS 7 “Notice of Final Deposit” must be returned to the Benefits Office.

## **STEP 3**

If you want the TRS annuity check to be sent directly to a bank account, take the Direct Deposit Request form to the bank for completion. After the form is completed by the bank, either mail it directly to TRS or return it to the Benefits Office.

## **STEP 4**

All retirement applications processed by the Benefits Office are confidential. Therefore, the Benefits Office will not notify the employing department that you are retiring. It is your responsibility to notify your department of your plans to retire.

## **STEP 5**

Faculty and staff ID cards must be returned at the time of retirement. A retiree ID card may be obtained from the Cougar One Card office. The retiree ID card allows all of the privileges as the regular employee ID card.

## **STEP 6**

You should make a final check with the Benefits Office to ensure that all documents required for retirement have been processed.

**NOTE: *Your retirement date will be the last day of the month in which TRS receives the application for service retirement.***

## **OPTIONAL RETIREMENT PROGRAM (ORP) PARTICIPANTS**

### **STEP 1**

Contact your ORP carrier approximately 3-4 months prior to the proposed retirement date. All applications to receive a distribution from the ORP account are processed directly by the company. Contacting your carrier early allows sufficient time for processing the application.

### **STEP 2**

Contact the Benefits Office to complete a termination notice. The ORP company will not process a distribution until they receive certification from the University of Houston of your retirement date, vesting status, and that you are eligible to receive a distribution. The Benefits office will send the termination notice directly to all ORP companies indicated on the termination notice.

At this time, you will also complete the group insurance enrollment forms.

### **STEP 3**

It is your responsibility to notify the department of your plans to retire.

The department must submit a Personnel Action Request (PAR) on your retirement to the Human Resources Department. A delay in the PAR reaching the Human Resources Department for processing could result in a delay in the annuity payments. Any employee retiring should return all keys, uniforms, books, etc. to the department for initiation of the PAR.

### **STEP 4**

Faculty and staff ID cards must be returned at the time of retirement. A retiree ID card may be obtained at the Cougar One Card office. The retiree ID card allows all of the same privileges as the regular employee ID card.

### **STEP 5**

You should make a final check with the Benefits Office to ensure that all documents for retirement have been processed.

***NOTE: Retiring faculty members may be eligible for the Voluntary Modification of Employment Program (VMOE). Please contact your department for more details.***

## APPENDIX A

### IMPORTANT ADDRESSES AND TELEPHONE NUMBERS

University of Houston Human Resources Department 347 McElhinney Hall Houston, TX 77204-5009 <a href="http://www.uh.edu">www.uh.edu</a>	(713) 743-5764
Employees Retirement System of Texas Group Insurance Division P. O. Box 13207 18 <sup>th</sup> & Brazos Streets Austin, TX 78711-3207 <a href="http://www.ers.state.tx.us">www.ers.state.tx.us</a>	1-877-275-4377
Teacher Retirement System of Texas Service Retirements 1000 Red River Street Austin, TX 78701-2698 <a href="http://www.trs.state.tx.us">www.trs.state.tx.us</a>	1-800-223-8778 (512) 397-6400
Blue Cross Blue Shield of Texas Health Select Health Select Plus	1-800-252-8039 1-800-585-9393
Group Life & Health Ins. (Life Insurance Claims)	1-800-778-2281
Merck-Medco (Health Select mail Order prescription drug program)	1-800-903-8345
John Hancock Long Term Care	
Social Security Administration	1-800-772-1213

## **APPENDIX C RETIREMENT CHECKLIST**

### **All Retirees**

- \_\_\_\_\_ I have advised my department administrator and/or supervisor of my retirement so that a Personnel Actions Request (PAR) can be sent to the Human Resources Department
- \_\_\_\_\_ I have completed the University clearance form and all accounts are clear. I have returned all keys, books, ID cards, parking cards, etc.
- \_\_\_\_\_ I have completed retiree insurance enrollment forms in the Benefits Office
- \_\_\_\_\_ I have contacted the Social Security Administration regarding Social Security payments and Medicare (if disabled or age 65 or older)
- \_\_\_\_\_ I have obtained a retiree ID card

### **TRS MEMBERS**

- \_\_\_\_\_ I have submitted my application for service retirement, tax withholding preference, bank deposit request, proof of age and other required documents to the Benefits Office
- \_\_\_\_\_ I have submitted the TRS7 "Notice of Final Deposit" to the Benefits Office

### **ORP MEMBERS**

- \_\_\_\_\_ I have contacted my ORP company directly to process applications for Withdrawal
- \_\_\_\_\_ I have obtained a vesting letter from the Benefits Office

### **FOR TAX DEFERRED ANNUITIES (TDA), 457(b) TEXAS AVER**

- \_\_\_\_\_ I have contacted my company regarding withdrawal of my funds
- \_\_\_\_\_ I have completed a distribution agreement