

CITY OF MADISON

Planning for Retirement

RETIREMENT PROCESS:

- | | |
|--|------------------------------|
| <input type="checkbox"/> Attend Trainings | My retirement date is: _____ |
| <input type="checkbox"/> Set Tentative Retirement Date (6 to 12 months before retirement date) | (Date: _____) |
| <input type="checkbox"/> Get Benefits Estimate (6 to 12 months before retirement date) | (Date: _____) |
| <input type="checkbox"/> Schedule Exit Interview (3 to 4 months before retirement date) | (Date: _____) |
| <input type="checkbox"/> Submit ETF Application (45 to 90 days before retirement date) | (Date: _____) |
| <input type="checkbox"/> Attend Exit Interview (45 to 90 days before retirement date) | (Date: _____) |
| <input type="checkbox"/> Notify your department of your retirement (14-90 days before retirement date) | (Date: _____) |

INFORMATION COVERED IN THE MEETING WITH CITY HR INCLUDES:

- ✓ Your date of retirement and how that will affect your benefits
- ✓ Benefits in place and options for continuing or ending benefits
- ✓ Payment of leave balances (vacation, floating holidays, compensatory time)
- ✓ Conversion of accrued sick leave
- ✓ Notice to retiring employee's department

IMPORTANT FORMS:

Notice of Retirement Form: <https://www.cityofmadison.com/human-resources/documents/FormsRetirementNotice.pdf>

ETF Verification of Health Insurance Coverage: <https://etf.wi.gov/publications/et4814/direct>

Dental Insurance at Retirement: <https://www.cityofmadison.com/human-resources/documents/FormsDeltaDentalContinuationatRet.pdf>

Life Insurance at Retirement: <https://www.cityofmadison.com/human-resources/documents/FormsLifeInsContinuationYesNo.pdf>

Flex Spending at Retirement: <https://www.cityofmadison.com/human-resources/documents/FormsFlexSpendingatRetirement.pdf>

YOUR PLANNING:

Important Points

Health Insurance

Continuing Health Insurance:

- Costs may be deducted from annuity payments
- Premiums change every year under ETF
- Premiums are adjusted for Medicare coverage
- You will have yearly “It’s Your Choice” opportunities to change providers

Cancelling Health Insurance:

- If you cancel coverage, you can re-enroll but only under specific conditions. It is critical to reach out to ETF prior to canceling to understand the impacts of cancellation

Medicare

- At 65 you should enroll in Medicare Part A (hospital) and B (provider services)
- At 65, Medicare becomes the primary payer for retirees 65 and older.
- Part D (prescription coverage):
- If continuing ETF coverage, your group health insurance premium already includes the cost of prescription coverage (Part D)

Dental Insurance

- Monthly invoice mailed to your home by Delta Dental.
- Dental coverage for retirees is the same as for active employees
- There continues to be an annual open enrollment period – information is sent to your home by Delta Dental during the open enrollment period
- You can cancel dental enrollment at any time, but there is no opportunity to re-enroll

Key Decisions

I plan to:

- Continue Health Insurance
- Cancel Health Insurance

Health insurance will be paid/reimbursed through:

- Sick leave payout (Pellion/Prime Choice reimbursement)
- Post-retirement health plan
- Annuity/billing through ETF
- City employer contribution (Police, Fire, Teamsters)

I understand that:

- Failure to enroll in Medicare when required will end eligibility for continuation of ETF Group Health Insurance Coverage

I plan to:

- Continue Dental Insurance
- Cancel Dental Insurance
- I do not have Dental Insurance

Flex Spending

- You are only eligible for Flex Spending in the last year of employment
- Upon retirement, you may end deductions as of the final paycheck or have the balance of annual deductions taken out of the final paycheck.

I plan to:

- Stop contributions as of the final paycheck
- Have the balance of the annual election deducted from my final paycheck
- I do not have Flex Spending

Life Insurance

- If you have maintained life insurance while actively employed, you may continue it after retirement.
- If you are age 65 or older at retirement, or when you reach age 65 in retirement, no more premiums will be due but coverage will continue at reduced amounts, but supplemental coverage is not available
- Bills will be mailed quarterly (for 3 months coverage) and must be paid or coverage will be cancelled.
- You may reduce coverage before retirement, at retirement, or at any time thereafter.
- Dependent coverage may be continued (though not added) for your qualifying dependent(s), until they are no longer qualified.

I plan to:

- Continue life insurance coverage with supplemental at retirement
- Reduce life insurance to basic coverage only at retirement
- Continue dependent coverage
- Discontinue life insurance

- I have updated my beneficiaries

Payouts

- When the value of accrued sick leave at retirement is greater than \$2,000, the value will be converted to funds that will be administered through Precision Retirement Group's *PRIME*-Choice program in a *PRIME*-Trust health reimbursement account (HRA) or 401(a) special pay account; if total value is less than \$2,000, it will be paid out on your final paycheck.
- Value of other paid leave accruals (vacation, floating holiday, compensatory) will be paid out on your final paycheck and may not be placed in a *PRIME*-Choice or RHS account.
- If you die after retirement, any remaining funds in the 401(A) or Prime Trust HRA are either paid out or eligible to be used by beneficiaries.

The value of my sick leave is:

- More than \$2,000 and will be administered by Precision Retirement
- Less than \$2,000 and will be paid out on my final check

- I have updated my beneficiaries

OTHER RESOURCES:

ETF Information on Medicare - <https://etf.wi.gov/its-your-choice/2021/local-deductible-health-plan-po14/health-insurance-retirees-medicare>

HR Website with other resources - <https://www.cityofmadison.com/human-resources/professional-development/retirement-resources>

ETF Applying for retirement website - <https://etf.wi.gov/retirement/applying-retirement>

Health Insurance at retirement information - <https://www.cityofmadison.com/human-resources/documents/retireHealthInsurance.pdf>

Local 6000 VEBA benefit form - <https://www.cityofmadison.com/human-resources/documents/FormsVEBANotice.pdf>

Medicare Part B Application - <https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS40B-E.pdf>

Mission Square (ICMA-RC) Additional Information - <https://www.cityofmadison.com/human-resources/benefits/deferred-compensation-457b-plan/missionsquare-icma-rc>

Lincoln Financial Additional Information - <https://www.cityofmadison.com/human-resources/benefits/deferred-compensation-457b-plan/lincoln-financial-group>

CONTACT INFORMATION:

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ETF Benefit Estimate
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