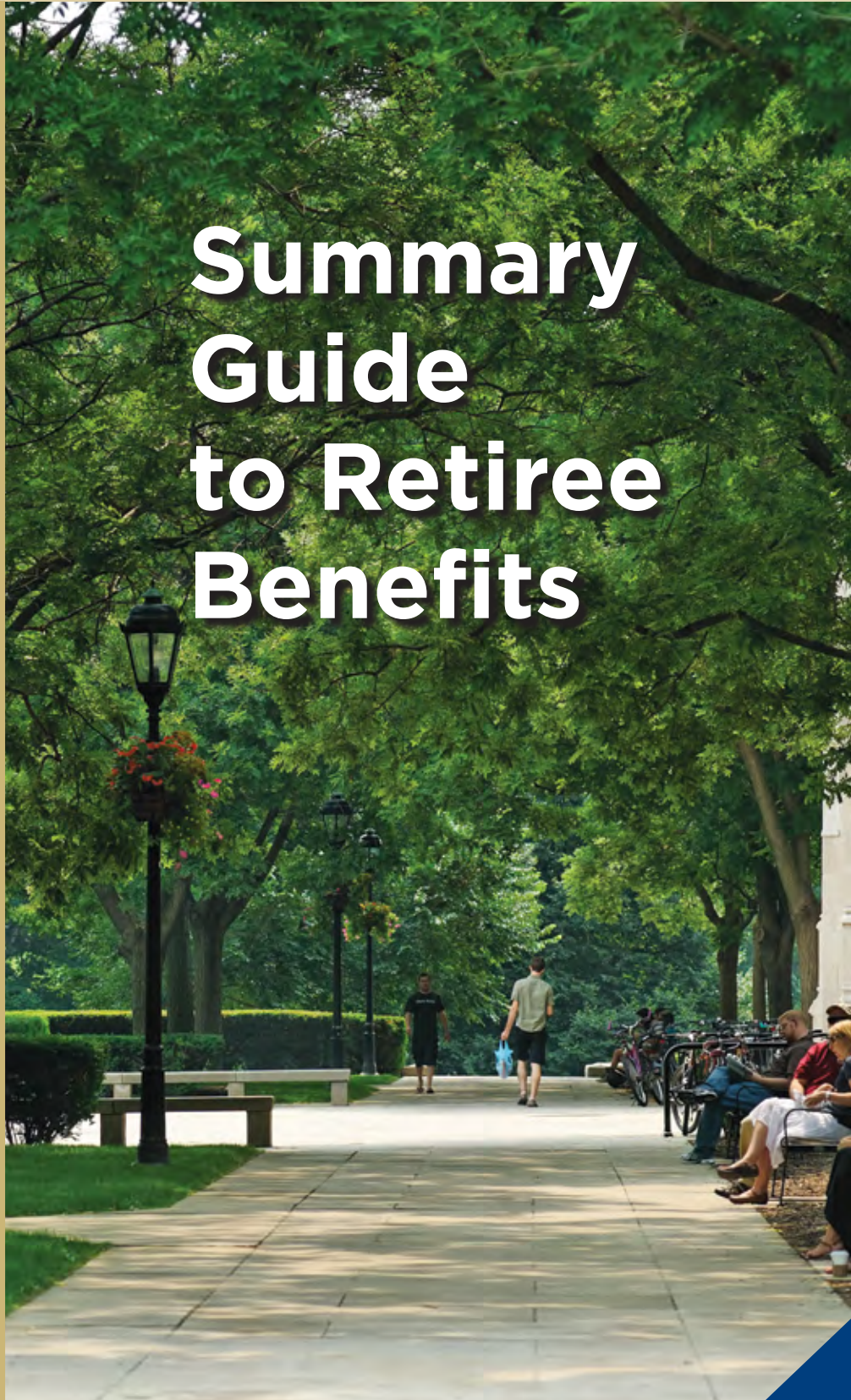




U N I V E R S I T Y   O F   P I T T S B U R G H



# Summary Guide to Retiree Benefits

2015



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# Preparing for Retirement

Considering retirement is an important decision. Having the necessary retiree benefit information is a critical part of the decision-making process. This guide is intended to provide you with the relevant information and will assist you through the retirement process. It will enhance your understanding of the benefits offered to retirees and their eligible spouses/domestic partners.

**Thinking about Retiring?  
Call the University Benefits Department!  
412-624-8160**

In addition to reading through this guide, we recommend that you call the Benefits Department at **412-624-8160** to set up a meeting with one of our retirement specialists. A retirement specialist will guide you through the entire process. We will help to make your transition easy and ensure that you retire with peace of mind.

## Meeting with a Retirement Specialist

We understand the importance of your retirement decisions. A retirement specialist will review your benefit options, help you complete and return any required paperwork, and help you understand:

- » How to choose a retirement date that maximizes the benefits you will receive from the University;
- » What your benefit options are;
- » What benefits forms and information you will receive;
- » How to apply for Social Security and Medicare benefits;
- » How to contact an investment advisor at TIAA-CREF to discuss your retirement savings accounts in person or over the phone; and
- » What action steps you need to take and when.



# Eligibility for Official University Retiree Status

The following job types are eligible for retirement status from the University of Pittsburgh:

- » Executives
- » Full-time regular Faculty
- » Part-time regular Faculty in the tenure stream or tenured for no less than half-time effort
- » Full-time regular Librarians
- » Full-time regular Research Associates
- » Full-time regular Staff who are not covered by a collective bargaining agreement

Union employees should check their Collective Bargaining Agreement for eligibility.

In addition to meeting the criteria above, official retiree status will be granted if you fulfill one of the following eligibility criteria:

- » Recognized University start date prior to July 1, 2004: Must be age 62 or older on the last day of work.
- » Recognized University start date on or after July 1, 2004: Must be a minimum of age 62 on the last day of work with age plus service (associated with recognized University start date) equal to 85 or greater.

All determinations of service credit shall be based solely on the recognized dates in the University's Employee Records.

The plan administrator, in its sole discretion, has the authority to, and will, make all determinations regarding whether employees have met the age, service, job classification, or other eligibility requirements.

Separate criteria exist for each University benefit. For example, the University considers UPMC hire dates for vacation accruals, but does not use the UPMC dates for retiree benefits.

## Eligibility for Spouses/Domestic Partners

Your spouse/domestic partner is eligible for benefits as described in this guide as long as they are designated with that status on University records at the time of your retirement.

# UPMC Benefit Management Services (BMS)

The University has partnered with UPMC's Benefit Management Services (BMS), which is a subsidiary of the UPMC Insurance Division. BMS is responsible for the day-to-day retiree benefits administration. The University has a long-standing relationship with BMS in the administration of certain aspects of the faculty and staff benefits programs such as the flexible spending accounts.

The University remains responsible for the management of the retiree benefits programs. BMS will handle the general program administration which includes:

- » Sending retiree benefit enrollment packets to newly retired faculty and staff members.
- » Distributing annual benefit enrollment packets to both pre- and post-65 retirees.
- » Assuring proper enrollment in University-sponsored retiree medical, dental, vision, and life insurance plans.
- » Administering the Defined Dollar Benefit (DDB) program (described in this guide).
- » Invoicing to collect premiums when necessary.
- » Answering retirees' general questions.
- » Accepting change of address notifications.

BMS services are incorporated into the University's dedicated member services team for all University faculty, staff, students and retirees. This dedicated team may be reached toll-free at **1-888-499-6885**.

## Questions about Ongoing Retiree Benefits Administration?

**Call BMS at**

**1-888-499-6885**

**Monday – Friday 7 a.m. to 7 p.m.**

**Saturday 8 a.m. to 3 p.m.**

# Defined Dollar Benefit (DDB) History and Description

The DDB program became effective for faculty and staff who retired on or after July 1, 2004. At the time the program was introduced, faculty and staff had the option of retiring under the provisions of the “old” plan for a two-year period that ended June 30, 2006. The DDB program became effective for all faculty and staff retiring on or after July 1, 2006.

Health care costs and the escalation of those costs can be very unpredictable. Historically, health care costs have a much higher rate of inflation than the general consumer price index (CPI). Since the University offers retiree health care coverage, it has an obligation to record the liability of the program on its financial statements. Funding the program in a way that makes the University’s contribution towards retiree health care coverage more predictable is prudent fiscal management. It helps ensure that the benefit is likely to continue by establishing a manageable budget it seeks to fund. To that end, the University established a credit-based system that it provides to eligible retiring faculty and staff. The credits each eligible retiring faculty and staff member receives monthly may be used to purchase retiree health care coverage. The credits are also provided to the eligible spouse or domestic partner.

An initial amount of monthly credits was established in 2004. Each year, the credits are reevaluated and increased by the medical component of the CPI up to a maximum of five percent (5%). The credit history is displayed on the University’s retiree web site. To correspond with the federal government’s Medicare renewals, credits (value) are reviewed annually with an effective date of January 1.

## Defined Dollar Benefit (DDB) Program

Under the DDB program, you may continue enrollment in University-Sponsored coverage or you may elect any other supplemental retiree medical coverage. The cost of the premium may be reimbursed from the credits in an account established separately for you and your spouse/domestic partner.

On the first of each month, a fixed amount of credits is applied to an account that may be used toward the reimbursement of retiree medical coverage. The credits cannot be used toward the cost of dental or vision coverage, Medicare premiums or premiums for another employer’s active coverage.

Note: Medicare Part B premiums, as deductions from Social Security income checks, cannot be claimed as reimbursement from Defined Dollar Benefit Credits (i.e., your DDB account).

Contact BMS at **1-888-499-6885** with any questions regarding DDB credits.

## Pre-65 Retiree Defined Dollar Benefit (DDB)

Instead of electing medical coverage through the University, you may obtain coverage through another source. Perhaps you may join a spouse’s plan or accept employment elsewhere that provides medical coverage. In this situation, DDB credits will accrue in an account for you that may be used at a later date. A few important notes:

1. Credits will not accrue while retirees and their spouses/domestic partners are covered under the University’s pre-65 active faculty and staff medical plans.
2. Your eligible spouse/domestic partner (at least age 62) is eligible for DDB credits if retiree medical coverage is obtained elsewhere.

## DDB Surviving Spouses/Domestic Partners

The eligible spouse/domestic partner of a deceased retiree will have continuation of coverage for three months following the end of the month in which the retiree passes away. The credits for the deceased retiree are dissolved.

Continuation of coverage refers to your ability to continue with the same cost share for coverage (if applicable) for a surviving spouse/domestic partner between the ages of 62 and 65 or accrue the Defined Dollar Benefit credits. In addition to the three months' continuation of coverage, the spouse/domestic partner may use the remaining credits in their own account until they are depleted.

After three months, the surviving spouse/domestic partner may elect to continue group coverage through the University; however, he/she will then become responsible for paying the full cost of the premium. Coverage will end if the spouse/domestic partner fails to pay the monthly premium.

A surviving spouse becomes ineligible for coverage when he/she remarries. A domestic partner becomes ineligible when he/she establishes a new domestic partnership or gets married.



# Pre-65 Retiree Benefit Elections

The following sections describe available benefit elections for faculty and staff who retire at or after age 62, but prior to age 65.

You have the following three options to choose from:

1. Enroll in the University's active medical plan at the same cost-share premium as active faculty and staff. Your contributions are made on an after-tax basis,
2. Obtain your medical insurance coverage outside the University (cannot be another employer's active coverage) and enroll in the Defined Dollar Benefit (DDB) Program for reimbursement of coverage, or
3. Accrue DDB credits for future use.

## Medical Plan Options

### University-Sponsored Medical Plans

You are eligible to continue with the current medical coverage that you were enrolled in as an active faculty or staff member; however, you will need to re-enroll for this coverage as a retiree at or after age 62, but prior to age 65. The medical plan options are as follows:

### **Pre-65 Medical Plan Options**

**UPMC Panther Gold (HMO)**

**UPMC Panther Advocate (PPO/HIA)**

**UPMC Panther Premier (PPO)**

**UPMC Panther Plus (PPO)**

**UPMC Panther Basic (PPO)**

**Waive University - sponsored medical coverage and accrue DDB Credits**

For retirees, and their spouse or domestic partner (who must be between the ages of 62 and 65), medical coverage may be obtained at individual, parent/child(ren), two adults, or family coverage levels. Your contribution towards the cost of medical coverage is the same as active faculty and staff. Refer to the enclosed rate sheets for current premium information.

Note that a retiree who is between the ages 62 and 65, but has a spouse or domestic partner who has not yet attained age 62, is able to access University-sponsored coverage; however, they are required to pay the full cost of the premium until they reach age 62. For example, the spouse, who is age 59, will be eligible for



individual University coverage. However, they are responsible for paying 100% of the premium (no University contribution), and the retiree who is 62 will have individual University coverage and pay the same cost-share premium as active faculty and staff. Once the spouse/domestic partner reaches age 62, they become eligible for the University contribution and would pay the cost share for two adults. Eligible dependent children can continue coverage as well. Refer to the following chart for information on coverage level and cost for a retiree with an eligible spouse/domestic partner and/or children.

## Retiree Medical Program Scenarios of Coverage Levels with Cost Sharing Information

Scenarios		Spouse/Partner					
		Less than 62		Between 62-65		Over 65	
		No dependent children	With dependent children	No dependent children	With dependent children	No dependent children	With dependent children
Retiree Between 62-65	Retiree	Individual Pre-65 plan at cost share	Parent/Child(ren) Pre-65 plan at cost share	Two Adult Pre-65 plan at cost share	Family Pre-65 plan at cost share	Individual Pre-65 plan at cost share	Parent/Child(ren) Pre-65 plan at cost share
	Spouse/ Partner	Individual Pre-65 plan at full cost	Individual Pre-65 plan at full cost	Under Retiree's Two Adult plan at cost share	Under Retiree's Pre-65 Family plan at cost share	Post-65 plan with DDB	Post-65 plan with DDB
	Child(ren)	N/A	Under Retiree's Parent/Child(ren) Pre-65 plan at cost share	N/A	Under Retiree's family plan at cost share	N/A	Under Retiree's Parent/Child(ren) Pre-65 plan at cost share
Retiree Over 65	Retiree	Post-65 plan with DDB	Post-65 plan with DDB	Post-65 plan with DDB	Post-65 plan with DDB	Post-65 plan with DDB	Post-65 plan with DDB
	Spouse/ Partner	Individual Pre-65 plan at full cost	Parent/Child(ren) Pre-65 plan at full cost	Individual Pre-65 plan at cost share	Parent/Child(ren) Pre-65 plan at cost share	Post-65 plan with DDB	Post-65 plan with DDB
	Child(ren)	N/A	Under Spouse/ Partner's Parent/ Child(ren) Pre-65 plan at full cost	N/A	Under Spouse/ Partner's Parent/ Child(ren) Pre-65 plan at cost share	N/A	Individual Pre-65 plan at full cost

## Examples of How Credits May Be Applied

### 1. To purchase University-sponsored coverage:

**Example:** I am 65 years of age upon retirement. My spouse is age 63. Upon retirement, I elect UPMC for Life HMO. My spouse is pre-Medicare at age 63, and elects to continue active individual coverage through the University.

Based on the 2015 monthly premiums, the following applies:

Your cost of coverage is:	\$272
Your DDB credits are:	\$380
The amount of extra credits that accrue in your account are:	\$108/mo.
Current active cost share of individual Panther Gold is:	\$72

Currently, the full cost of individual Panther Gold is \$471 per month. However, the amount your spouse pays for coverage is \$72 as long as he/she remains in the active plan until age 65 unless he/she elects to move into the DDB program before then.

BMS would apply the remaining \$108 dollars in credits to your account. Your spouse would be balanced billed \$72 per month. Note that the two accounts are kept separate.

### 2. To purchase Non-University coverage:

**Example:** Both my spouse and I are 66 years of age upon retirement. Upon retirement, we move to Florida. We liked the HMO coverage we had in Pittsburgh, but we want to purchase coverage from a local network in Florida. Our friends tell us that there are other Medicare HMO coverage options in Florida. The current cost of individual coverage there is \$330 per month.

Your cost of coverage is:	\$330
Your DDB credits are:	\$380
The amount of extra credits that accrue in your account are:	\$50/mo.

Your spouse's cost of individual coverage is:	\$330
Your spouse's DDB credits are:	\$380
The amount of extra DDB credits that accrue in your spouse's account are:	\$50/mo.

You would pay the premium to the Florida HMO and submit a receipt to BMS. A total of \$330 would be deducted from your credits of \$380. BMS will transfer the \$380 via direct deposit. As a result, a \$50 balance would remain for the month. The same process would apply for your spouse.

### 3. To accrue credits for future use:

**Example:** I am leaving the University at age 62. My spouse, who is also 62, is going to continue working and has the option of placing me on his/her employer's coverage. What are my options under the Defined Benefit Program?

You may both elect to decline enrolling in the University's retiree medical program and accrue credits for future use. At a later date, you may join the University's program, but must show proof of continuous coverage for the past 18 months in a comparable program.

The DDB credits you accrue each month are:	\$380
The DDB credits your spouse accrues each month are:	\$380

## Automatic Premium Payments

Automatic Premium Payments allow your insurance premiums to be automatically withdrawn from your checking account each month. Having your premiums automatically withdrawn gives you assurance that your coverage will not be cancelled for late payment or non-payment. Additionally, it reduces administrative costs and possibly your personal banking costs by eliminating the need to write and mail a check each month.

## Dental Plan Options

You are eligible to continue with the current active faculty and staff dental coverage; however, you will need to re-enroll for this coverage as a retiree between the ages of 62 and 65. The dental election options are as follows:

### **Pre-65 Dental Plan Options**

**United Concordia Plus (DHMO)**

**United Concordia Flex I**

**United Concordia Flex II**

**Waive University-sponsored dental coverage**

Dental coverage is a retiree paid benefit. Dental coverage may be obtained for the retiree, retiree plus one dependent or family. Therefore, the premiums for retirees remain the same as those for active faculty and staff. Refer to the enclosed rate sheet for current premium information.

You may contact United Concordia at **1-877-215-3616** with questions related to dental coverage.

## Vision Plan Options

You are eligible to continue with the current vision coverage that you were enrolled in as an active faculty or staff member; however, you will need to re-enroll for this coverage as a retiree between the ages of 62 and 65. The vision election options are as follows:

### **Pre-65 Retiree Vision Plan Options**

**Davis Vision Fashion Excellence**

**Davis Vision Designer Gold**

**Waive University-sponsored vision coverage**

Vision coverage is a retiree paid benefit. Vision coverage may be obtained for the retiree, retiree plus one dependent or family. Therefore, the premiums for retirees remain the same as those for active faculty and staff. Refer to the enclosed rate sheet for current premium information.

For additional details, you may contact Davis Vision at **1-877-923-2847**. The client control reference number is 7623.

## Retiree Life Insurance

The University provides term life insurance at no cost in the amount of \$15,000 if you have completed 10 or more years of regular full-time service in an eligible job type.

For regular full-time service of less than 10 years, the amount of coverage is calculated at \$1,500 per year for each year of service. The University will pay the full cost of the premium and the term insurance will continue throughout your lifetime. Contact Aetna, the University's life insurance carrier, directly at **1-888-584-2983** to change beneficiary information or to report a claim.

It is recommended that you complete a new beneficiary form upon retirement to ensure that the information is up-to-date and accurate.

Please refer to the "Important Pre-65 Retiree/Post-65 Benefits Details" section of this guide to obtain information about **conversion and portability** of basic and/or optional life insurance.

## Benefit Programs that Discontinue Upon Retirement

The following benefit programs discontinue upon retirement:

- » Sick day accruals/salary continuance
  - Any unused vacation and/or sick time for staff member will be paid in the month after your retirement and in accordance with University policy
- » Employee retirement plan contributions
- » University retirement plan contributions
- » Active basic life and basic accidental death and dismemberment (AD&D) insurance
- » Optional life and optional accidental death and dismemberment (AD&D) insurance
- » Short-term disability (staff)
- » Long-term disability (unless you are disabled at time of retirement - please consult with the Benefits Department)
- » Flexible spending accounts

## Pre-65 Retiree Open Enrollment/Qualified Status Changes

The benefit plan year for Pre-65 retirees runs from July 1 through June 30. Changes can be made to your benefits during the annual open enrollment period, which generally occurs sometime in May or June. In addition to the annual open enrollment period, changes can be made to your benefits during the plan year if you experience a qualified status change such as a marriage, divorce, death of a spouse/domestic partner, etc. Enrollment changes need to be completed within 60 days of the qualified status event. Contact BMS at **1-888-499-6885** to make changes to your benefit elections.

# Transitioning from Pre-65 to Post-65 Retiree Benefits

Medical benefit plans are associated with Medicare once you reach age 65 as a retiree. As a result, Pre-65 coverage discontinues at age 65. The University's health care plans will no longer be your primary coverage effective the first of the month of your 65th birthday. The University sponsors several Post-65 medical plans.

Some plans replace traditional Medicare. These plans are similar to active faculty and staff coverage. They include HMO plans similar to Panther Gold as well as PPO programs that operate in similar fashion to the active faculty and staff PPO coverage that provides both in-network and out-of-network coverage.

The University also offers plans that complement traditional Medicare. Under these programs, Medicare is primary and the University plans serve as supplemental coverage. This means the University's plans cover many services and expenses not covered by Medicare.

There are some advantages and restrictions to each plan.

Several months before you turn 65, BMS will send you enrollment materials to switch to a Post-65 retiree medical plan. You must complete this paperwork in order to transition to the Post-65 coverage. Around that same time, you will need to contact your local Social Security Office to apply for Medicare Parts A and B. Enrollment in Medicare plans is required before you are eligible to enroll in the Post-65 retiree medical plans offered by the University. (Refer to the section on Social Security.)

## Post-65 Retiree Open Enrollment/Qualified Status Changes

The benefit plan year for Post-65 retirees runs from January 1 through December 31. Changes can be made to your benefits during the annual enrollment period, which generally occurs sometime in November. In addition to the annual enrollment, changes can be made to your benefits during the plan year if you experience a qualified status change such as a marriage, divorce, death of a spouse/domestic partner, etc. Enrollment changes need to be made within 60 days of the qualified status change. Contact BMS at **1-888-499-6885** to make changes to your benefit elections.

## Social Security

### What does Full Retirement Age Mean?

Full retirement age is the age you are eligible to receive full Social Security retirement benefits. This age depends on the year you were born.

If you were born...	Your full retirement age is...
1937 or earlier	65
1938 – 1959	65 and 2 months – 66 and 10 months. Depends on the year you were born.
1960 or later	67

Apply for Social Security benefits three months before your retirement date to ensure that your benefits will begin timely if you plan to start your benefit right away.

Note: If you retire between age 62 and your full retirement age and receive Social Security benefits before your full retirement age, your benefits are reduced.

To find your exact full retirement age and how it affects your Social Security retirement benefits, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) or call Social Security Administration at **1-800-772-1213**.

## What is Medicare?

Medicare is health insurance for people age 65 or older, people under 65 with certain disabilities, and people of any age with End-Stage Renal Disease (ESRD), which is permanent kidney failure requiring dialysis or a kidney transplant.

**Important:** Enrollment in the University's post-65 retiree benefits is contingent upon enrollment in both Medicare Parts A and B.

## REMEMBER

### Enroll in Both Medicare Parts A & B for Post-65 Medical Coverage

What are the Different Parts of Medicare?

### Medicare Part A (Hospital Insurance)

This insurance helps cover inpatient care in hospitals, skilled nursing facility care, hospice care and home health care. Medicare Part A is a standard benefit and has no cost if you meet the requirements. You or your spouse must have paid Medicare taxes for 10 years or more through working wages. If not, there is a sliding scale premium.

- » If you are already receiving Social Security benefits, locate your Medicare ID card to make certain that you have been automatically enrolled.
- » If you are not receiving benefits, contact Social Security and apply for Medicare Part A about 3 months prior to your 65th birthday. (Note: This is not required for faculty and staff remaining in an active employment status.)

### Medicare Part B (Medical Insurance)

This insurance helps cover services from doctors and other health care providers, outpatient care, home health care, durable medical equipment and some preventive services. Medicare Part B is an individual election and requires a monthly premium. This premium may vary based on your income and may change each year. For reference, in 2015, the standard Part B premium is **\$104.90** per month. The premium is paid through a deduction from your Social Security check. Refer to the most recent Medicare & You brochure (available at [www.medicare.gov](http://www.medicare.gov)) for a complete listing of Medicare premiums.

If you postpone taking Social Security benefits, you will be billed quarterly by the Social Security Administration for your Medicare Part B premium.

If you are already receiving Social Security benefits, locate your Medicare ID card to make certain that you are enrolled in Part B coverage.

- » You do not have to sign up for Medicare Part B while you have active faculty and staff medical coverage, such as Panther Gold HMO, through the University.
- » To avoid a penalty, you will need to enroll in Medicare Part B upon retirement if you are over the age of 65 as part of the Special Enrollment Period (SEP).
- » Obtain a Medicare Part B application from Social Security about three months prior to your retirement date (if over age 65) or three months prior to turning age 65. If you and your eligible spouse/domestic partner are over age 65 at the time of retirement, please send your completed Medicare Part B enrollment form and the Request for Employment Information form (Form CMS-L564) to the Benefits Department for confirmation of your active faculty and staff medical coverage. This will allow you to enroll during the SEP without penalty. The Benefits Department will complete the Request for Employment Information form. If both you and your spouse/domestic partner are over 65, separate forms will be required. Forms are available from your local Social Security Office. If you are on your spouse's medical plan at the time of your retirement, their employer must complete the Employment Information form to confirm active medical coverage.

Post-65 retirees do not need to sign up for Medicare Part C (Medicare Advantage Plans) and Medicare Part D (Prescription Drug Coverage) directly. Medicare Advantage Plans are Medicare Part C plans and only require the medical plan enrollment form. The plans offered by the University are Part D credible and include prescription drug coverage, so Medicare Part D should not be purchased.

## Enrolling in Medicare and Social Security

At age 65, you become eligible for Medicare. You can enroll in Medicare and apply for Social Security benefits at the same time – as early as three months before you reach age 65. (If you are younger than 65 and already receiving Social Security benefits, you'll automatically be enrolled in Medicare as of the first day of the month in which you reach age 65.) If you wait to enroll in Medicare until you're already age 65, the start of your coverage may be delayed. Also, if you enroll after your Initial Coverage Election Period, you may have to pay higher premiums—unless you were still working and covered by the University's medical plan or your spouse's plan.

## Enrolling in Medicare Parts A and B Only

You may apply online for Medicare only at [www.socialsecurity.gov/medicareonly](http://www.socialsecurity.gov/medicareonly) if you are delaying your Social Security retirement benefits.

Otherwise, contact Social Security at **1-800-772-1213** to schedule an appointment with your local Social Security office.

You may use the Social Security Office Locator at:

<https://secure.socialsecurity.gov/ICON/main.jsp>  
or call 1-800-772-1213 to find the office you are assigned

You may also call Medicare at:

1-800-MEDICARE/**1-800-633-4227**  
24 hours a day, seven days a week

# Post-65 Retiree Benefit Elections

The following sections describe available benefit elections for faculty and staff who retire at age 65 or later.

Post-65 retirees and their eligible spouses/partners who are entitled to participate in the DDB program can use their credits three different ways:

1. Apply credits toward the cost of a University-Sponsored medical plan.
2. Apply credits toward the cost of retiree medical coverage obtained independently of the University. Reimbursements may be obtained on a monthly basis from BMS. A Defined Dollar Benefits Reimbursement request form (claim form) is required each calendar year by both the eligible retiree and eligible spouse/domestic partner, and is administered through BMS. This excludes reimbursement for Medicare premiums.
3. Accrue credits in your account for use at a later date if you have Medicare or group coverage from another insurance carrier, employer or spouse/domestic partner.

Contact BMS at **1-888-499-6885** with any questions regarding DDB credits.

Refer to the chart on page 8 for additional information.

## Medical Plan Options

The University offers numerous medical plans that have various residency requirements. Each plan provides comprehensive prescription drug coverage. The medical plan options are as follows:

### Post-65 Retiree Medical Plan Options

UPMC for Life HMO (Western Pennsylvania only)

UPMC for Life PPO–Standard (Pennsylvania only)

UPMC for Life PPO–Basic (Pennsylvania only)

UPMC Health Plan National Complementary Plan with Prescription Drug Plan (Pennsylvania or national)

Highmark Freedom Blue PPO–Standard (Pennsylvania or national)

Highmark Freedom Blue PPO–Basic (Pennsylvania or national)

Highmark Signature 65 with Blue Rx Prescription Drug Plan (Pennsylvania or national)



## Medicare Replacement Plans (HMO and PPO Plans)

The most popular Post-65 retiree medical plan is the UPMC for Life HMO. This plan provides a high level of coverage; however, out-of-network coverage is not available except for emergencies and urgent care. Retirees enrolling in this plan will find that the transition is very smooth and easy to navigate since it is similar to the active faculty and staff medical HMO coverage.

The Highmark Freedom Blue PPO plans are also very popular and they provide a high level of in-network coverage, but also allow greater flexibility with an out-of-area option for coverage.

These two programs along with the other PPO plans are known by many names including Medicare Advantage Programs, Medicare Replacement Programs, and Medicare Part C Programs. These programs replace traditional Medicare. However, you remain responsible for the Part B Medical Premium that is deducted from your Social Security check.

## Medicare Complementary Plans

Retirees who live outside of Western Pennsylvania or travel frequently typically enroll in one of the complementary plans. These plans coordinate coverage with Medicare. Medicare provides significant coverage, but it also has many gaps. Complementary plans fill in many of these gaps.

There are two complementary plans:

- » UPMC National Complementary Plan
- » Highmark Signature 65 with Blue Rx

## Dental Plan Option

Post-65 retiree University-sponsored dental coverage is available separately and does not require prior participation regardless of your election at the time of retirement. When assessing your needs for dental services, keep in mind that the Medicare Advantage HMOs and PPOs may provide limited benefits for dental care services. DDB credits cannot be used to cover the cost of the dental plan.

**Dental coverage is offered through United Concordia.  
It is called the Access Plan.**

The dental plan focuses on preventive and minor restorative services, which include cleanings and fillings. The program does not include coverage for major restorative services like crowns and dentures. However, it does provide attractive discounts for these services. Many retirees find the benefit to be a nice value.

The 2015 retiree cost is \$15.96 for individual dental coverage.

To find a participating provider in the Advantage Plan national dental provider network, use the **Find a Dentist** tool on [www.ucci.com](http://www.ucci.com).

You may contact United Concordia at **1-877-215-3616** for questions related to dental coverage.

## Vision Plan Option

Post-65 Retiree University-sponsored vision coverage is available separately and does not require prior participation regardless of the election at the time of retirement. DDB credits cannot be used to cover the cost of the vision plan.

**Vision coverage is offered through Davis Vision.  
It is called the Fashion Plan.**

This plan is similar to the Fashion Excellence Plan offered to active faculty and staff. Examinations and lenses are covered every 12 months, and frames are covered every 24 months.

The 2015 retiree cost is \$6.98 for individual vision coverage.

For additional details, you may contact Davis Vision at **1-877-923-2847**. The client control reference number is 7623.

## Retiree Life Insurance

The University provides term life insurance at no cost in the amount of \$15,000 if you have completed 10 or more years of regular full-time service.

For regular full-time service of less than 10 years, the amount of coverage is calculated at \$1,500 per year for each year of service. The University will pay the full cost of the premium and the term insurance will continue throughout your lifetime. Contact Aetna, the University's life insurance carrier, directly at **1-888-584-2983** to change beneficiary information or to report a claim.

It is recommended that you complete a new beneficiary form upon retirement to ensure that the information is up-to-date and accurate.

Please refer to the "Important Pre-65 Retiree/Post-65 Benefit Details" section of this Guide to obtain information about conversion and portability of basic and/or optional life insurance.

## **Post-65 Retiree Health Care Plans Summary Guide**

**For a more detailed overview of the Post-65 retiree benefits, please refer to the Post-65 Retiree Health Care Plans Summary Guide.**

## Benefit Programs that Discontinue Upon Retirement

The following benefit programs discontinue upon retirement:

- » Sick day accruals/salary continuance
  - Any unused vacation and/or sick time for staff member will be paid in the month after your retirement and in accordance with policy
- » Employee retirement savings plan contributions
- » University retirement savings plan contributions
- » Active basic life and basic accidental death and dismemberment (AD&D) insurance
- » Optional life and optional accidental death and dismemberment (AD&D) insurance
- » Short-term disability (staff)
- » Long-term disability (unless you are disabled at time of retirement - please consult with the Benefits Department)
- » Flexible spending accounts



# Important Pre-65/Post-65 Benefit Details

## Continuation of Certain Coverages

### Life Insurance Portability

You have a portability option to continue any Basic and/or Optional Employee Life and Optional Dependent Life insurance coverage as a term policy by paying premiums directly to Aetna. You will be billed directly by Aetna until you reach the age limit as specified in the plan or until you cancel your coverage. Portability also applies to coverage for your spouse/domestic partner and dependent children. You have **31 days** from the date of coverage termination to complete an application and submit a premium payment to Aetna without being required to complete evidence of insurability or complete a physical examination.

Contact Aetna directly at **1-877-503-3448** with questions or if you would like to port your basic and/or optional life insurance.

### Life Insurance Conversion

Subject to the terms of the Group Policy, the conversion feature allows an individual to continue the balance of Basic Life and/or optional life excluding the Retiree Life amount. The conversion feature allows you to convert your term life policy to a Whole Life policy when your group coverage ceases. Whole life insurance is generally more expensive than term insurance. Conversion is also an option for those who do not qualify for portability. Optional Dependent Life is also eligible for conversion. No evidence of insurability or medical examination is required, but application and payment of the first premium must be made within **31 days** of the date Group Coverage terminates.

Contact Aetna directly at **1-877-503-3448** with questions or if you would like to convert your basic and/or optional life insurance.

Note: Portability and conversion are not available for Basic and Optional AD&D.

### Long Term Care

Unum is the University's Long Term Care insurance carrier. The contracts are individually written and provide for future financial protection for expenses related to daily living as a result of an illness, accident or advancing age. You will be provided the option to maintain your insurance through a conversion process and by paying the full cost of the premium directly to Unum. The University will notify the carrier to send a conversion packet to your home if you are enrolled in the long term care insurance at the time of your retirement.

Participants must complete forms to convert the coverage within **30 days** of retirement.

Unum will automatically start direct billing retirees for the same coverage they had as active employees.

You may contact Unum directly with questions at **1-800-227-4165**.

## Flexible Spending Accounts

The filing deadline for claims is 180 days from your retirement date. However, *expenses have to be incurred on or before the last day of work.*

Contact UPMC Health Plan at **1-888-499-6885** or [www.upmchealthplan.com/myflex](http://www.upmchealthplan.com/myflex) to file your claims. They will be able to answer any questions you may have.

## Education Benefits

The University has allowances for eligible retirees and their dependents to continue taking classes through the tuition benefit program. The details may be found in the policies noted below.

- » Staff retirees should refer to University of Pittsburgh Policy 07-11-02 or call the Benefits Department at **412-624-8160**.
- » Faculty retirees should refer to University of Pittsburgh Policy 02-07-02 or call the Office of Faculty Records at **412-624-4232**.



# Retirement Savings and Pension Plan

## Defined Contribution Program Participants

The Defined Contribution Program benefit depends upon factors such as the amount of funds contributed over the course of your career, the investment returns on those funds, and the distribution or withdrawal option selected at the time of retirement.

Three to six months prior to your retirement date, you are encouraged to schedule an appointment with TIAA-CREF representatives to review your accounts and discuss potential investment and distribution strategies. They are committed to providing investment advice strategies to and through your retirement. Upon retirement from the University, faculty and staff have the opportunity to continue their investment relationship with TIAA-CREF provided you retain assets in your University-sponsored retirement accounts.

In accordance with IRS regulations, please note that individuals who are age 70-1/2 or older will be required to start taking a Required Minimum Distribution after retiring. It is recommended that you consult your tax advisor.

	TIAA-CREF
Telephone Counseling:	<b>1-800-682-9139</b>
Personal Appointments:	<b>412-365-3000</b>
Appointment by Website:	<a href="http://www.tiaa-cref.org/moc">www.tiaa-cref.org/moc</a>

## Noncontributory Defined Benefit Pension Plan Participants

The retirement benefit to be received under this Plan is determined by a set formula which takes into account salary and years of participation in the plan and age at retirement.

There are two ways to collect this benefit:

1. Retirement - Age 65 with 5 years of service.
2. Early Retirement - A reduced benefit is available at age 55 with 10 years of service.

The benefit is paid in one of two ways:

1. Single Annuity
2. Joint and Survivor Annuity - Annuity is reduced based on an actuarial equivalent using the difference in the participant and spouse/domestic partner's age. The spouse would continue to receive the benefit in the event that the participant should pass away.

Learn more about your options upon retirement by calling the University of Pittsburgh Pension Administration Center at **1-866-283-0208**.

# General Retiree Information

## What to Expect on Your Last Day at Work

You should schedule an exit interview with your supervisor or department administrator. Your exit interview provides an opportunity to ensure that you have been reimbursed for any University-related expenses that you have incurred, make payment of outstanding fees, and return University equipment. You will be required to turn in your active University identification card to your department administrator.

## Identification Cards

Retiree identification cards can be obtained from Panther Central located in the lobby of Litchfield Towers. The hours are from 7:30 a.m. to 10 p.m., 7 days a week.

Prior to obtaining your identification card, it is recommended that you contact Panther Central at **412-648-1100** to confirm that your payroll status has been updated.

Your retiree identification card provides the following benefits:

Non-Emeritus Retirees: The retiree ID will provide access to the University Shuttle only.

Faculty Emeritus Retirees: The Faculty Emeritus ID will provide all the same benefits as active faculty (access to facilities, including gyms and library, PAT bus pass).

## Access to the Hillman Library

A retiree can access the library and resources in the same manner as the general public; however, this does not allow for borrowing privileges. Anyone can purchase a special borrowers card, which provides limited access. This can be obtained at the Front Desk of the Hillman Library located at 3960 Forbes Avenue. You may contact the library for additional information at **412-648-3330**.

## Discounts through Athletics

Retirees can receive a 20% discount on season tickets for football, and a 10% discount for men's basketball season tickets. Retirees can attend women's basketball games for free. Tickets for Olympic sports are not discounted.

## University Club Membership

University Club memberships must be transferred from active to retiree status. Retirees can obtain a social membership to the University Club for \$30 a month; however, payment must be made on an annual basis each fiscal year starting on July 1. The first year will be prorated if the membership begins after July. Payment can be made via cash, check or credit card. Contact the University Club at **412-648-8213** for additional information.

## Other Discounts

All other University discounts, such as cell phone discounts, no longer apply.

## Action Steps

- » If you decide to retire after taking time to review this information and consulting with a University retirement specialist, you should submit a written resignation to your department supervisor.
- » Enroll in health, dental and/or vision coverage (if applicable).
- » Update life insurance beneficiary information with Aetna.
- » Enroll for Social Security (if applicable).
- » Enroll for Medicare (if applicable).
- » Submit any outstanding Flexible Spending Account claims.
- » Submit any outstanding University-related expenses.
- » Return all University property.
- » Obtain a retiree identification card.

## Future Changes of Address

Remember to notify the University's Payroll Department if you move during the same year that you retiree. This will ensure W-2 information is sent to the correct location. Otherwise, all future address changes should be communicated to BMS by calling **1-888-499-6885**.

## Additional Resources

Retiree premium rate charts and the retirement checklist are enclosed as inserts for your convenience.

You may also want to refer to the Post-65 Retiree Health Care Plans Summary Guide for detailed information on available Post-65 benefits.

General information on retiree plans and coverage may also be found on the University's retiree website at [www.hr.pitt.edu/retirees](http://www.hr.pitt.edu/retirees).





# Contact Information

Web site	Telephone Number	Description
<b>Pre-65 Retiree Health Care Insurance and other Benefit Contacts</b>		
UPMC Health Plan	1-888-499-6885	www.upmchealthplan.com
Davis Vision	1-800-999-5431 Client Code 4228	www.davisvision.com
United Concordia (Dental)	1-877-215-3616	www.ucci.com
Flex Spending UPMC Health Plan	1-888-499-6885	www.upmchealthplan.com/myflex
Aetna Life Insurance	1-888-584-2983	www.aetna.com
UNUM Long Term Care	1-800-227-4165	http://w3.unum.com/enroll/upitt
Education Benefits		
Faculty	412-624-4232	www.provost.pitt.edu/handbook/ch5_edu_ben.htm
Staff	412-624-8160	www.hr.pitt.edu/benefits/education
<b>Post-65 Retiree Health Care Insurance and other Benefit Contacts</b>		
UPMC for Life HMO & PPO, UPMC National Complementary Plan	1-877-381-3765	www.upmchealthplan.com
Highmark Signature 65 Blue Rx	1-800-472-1506 1-888-697-8714	www.highmarkbcbs.com
Highmark Freedom Blue PPO	1-800-550-8722	www.highmarkbcbs.com
Davis Vision	1-800-999-5431 Client Code 7623	www.davisvision.com
United Concordia (Dental)	1-800-332-0366	www.ucci.com
Flex Spending UPMC Health Plan	1-888-499-6885	www.upmchealthplan.com/myflex
Aetna Life Insurance	1-888-584-2983	www.aetna.com
UNUM Long Term Care	1-800-227-4165	http://w3.unum.com/enroll/upitt
Education Benefits		
Faculty	412-624-4232	www.provost.pitt.edu/handbook/ch5_edu_ben.htm
Staff	412-624-8160	www.hr.pitt.edu/benefits/education
Social Security Administration	1-800-772-1213	www.socialsecurity.gov
Medicare	1-800-633-4227	www.medicare.gov

Retirement Investment Companies		
TIAA-CREF	1-888-499-6885	www.upmchealthplan.com www.myretirement.org
Pension Administration Center – Noncontributory Defined Benefit Plan	1-866-283-0208	

Other Helpful Web sites	
Gateway to consumer health and human services	www.healthfinder.gov
To obtain information on Medicare	www.medicare.gov
Tool to help estimate benefits amounts and find more information to help you decide when to start receiving retirement benefits	www.socialsecurity.gov/planners
Retirement Estimator gives estimates based on your actual Social Security earnings record	www.socialsecurity.gov/estimator
Create an account and get your Social Security statement	www.socialsecurity.gov/myaccount
Apply for your Medicare benefits only	www.socialsecurity.gov/medicareonly
Find a wealth of information, including publications	www.socialsecurity.gov

Retiree Benefits Service Center Administered by UPMC Benefit Management Services (BMS)	
<b>Mailing Address:</b> US Steel Tower-Mailbox UST-011403 600 Grant Street Pittsburgh, PA 15219	<b>E-mail:</b> BenefitManagementServices@upmc.edu <b>Telephone:</b> 1-888-499-6885 <b>Fax:</b> 1-877-851-5591



# University of Pittsburgh

Office of Human Resources

**Benefits Department**

200 S. Craig Street

320 Craig Hall

Pittsburgh, PA 15260

Tel 412-624-8160

Fax 412-624-3485

Web [hr.pitt.edu/retirees](http://hr.pitt.edu/retirees)