Office of Human Resources
Benefits Department

Retiree Benefits
Pre-65 and Post-65 Coverage

- The University of Pittsburgh provides group retiree benefit coverage/access to eligible retirees and their spouse/domestic partners including:
  - Medical
  - Dental
  - Vision
  - Life Insurance
  - Long-term Care
Eligibility for Retiree Benefits

• Hire date **prior to July 1, 2004**
  – Age 62

• You must be Full-Time Regular for your entire career
  - Staff
  - Faculty/Librarian
  - Research Associate
  - Executive
  - Union Employees should check CBA for eligibility
Eligibility for Retiree Benefits

• Hire date on or after July 1, 2004 - Age and service must equal 85 points and a minimum age of 62.

• You must be Full-Time Regular for your entire career in one of the following jobs:
  - Staff
  - Faculty/Librarian
  - Research Associate
  - Executive
  - Union Employees should check CBA for eligibility
Eligibility for Retiree Benefits

Example

Date of Hire: 4/1/2005 at age 50

Goal is: 85
As of 2015:
  Service: 10
  Age is: 60
  Points needed: 15

Retirement age of 67.5 in 2022.
Pre-65 Retiree Benefits

• Retirees between age 62 and 65 have two options:
  – Elect to continue the same group coverage as active faculty and staff
    • Contribution is the same as active employees
    • Spouse/Partner under the age of 62 is responsible for the full premium until age 62.
  – Elect credits under the DDB Program if University coverage is waived (Other Employer/Spouse Employer)
    • Credits may be banked for future use
Other Pre-65 Benefits

- Dental
- Vision
- Life Insurance
  - Retiree Life
  - Optional Life
- Long-term care
- Education Benefits

- Services to be reimbursed by Flexible Spending account must be incurred prior to retirement.
Post-65 Benefits
Post-65 Benefits

• Benefit Options Change at age 65
• Retiree health care is coordinated with Medicare
• Dental and Vision Plans are different
Post-65 Benefits
Medicare

• Enrollment in Medicare Part A and Part B is required at age 65 – and should be processed 3 months before birthday.

• You may postpone enrollment in Medicare if you are actively working, and in a group health plan.

• If you or your spouse/partner are over the age of 65 at retirement, and have postponed enrollment in Medicare, Employer Verification form is required.

• All University plan provide prescription drug coverage – enrollment in Medicare Part D is not necessary.
 Defined Dollar Benefit Program (DDB)

• What is DDB?
  – DDB is an acronym for Defined Dollar Benefit Program – plan implemented July 1, 2004
  – Think of the DDB program as a flexible spending account. The difference is:
    • The University funds the account with credits
    • Only retiree health care premiums may be reimbursed from the account
    • Credits can not be used for Medicare Premiums, Dental or Vision coverage
Defined Dollar Benefit Program

- **Amount of Credits**
  - Each month, $380 in credits will be applied to an account in your name and your eligible spouse/domestic partner (Must be 62 years of age)
  - Credits may be used to offset the cost of coverage now or may accrue for use at a later date

- **Increase in Credit Amounts**
  - On January 1, the amount of credits is adjusted according to the medical component of the consumer price index but it may not exceed 5% in any one year period. Credits were $245 in 2004
Post-65 Benefits

• Current Plans Offered:

[Logos of UPMC and Highmark Blue Cross Blue Shield]
# Post-65 Benefits

**Medicare Advantage**  
*(Health Plan is Primary)*

<table>
<thead>
<tr>
<th>Medical Options</th>
<th>Monthly Premium</th>
<th>University DDB Credits</th>
<th>Retiree Responsibility</th>
<th>DDB Credit Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPMC for Life HMO</td>
<td>$272</td>
<td>$380</td>
<td>$0</td>
<td>$108</td>
</tr>
<tr>
<td>UPMC for Life PPO - Standard</td>
<td>$330</td>
<td>$380</td>
<td>$0</td>
<td>$50</td>
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<tr>
<td>UPMC for Life PPO – Basic</td>
<td>$290</td>
<td>$380</td>
<td>$0</td>
<td>$90</td>
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<tr>
<td>Highmark Freedom Blue PPO - Standard</td>
<td>$337</td>
<td>$380</td>
<td>$0</td>
<td>$43</td>
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<tr>
<td>Highmark Freedom Blue PPO – Basic</td>
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<td>$380</td>
<td>$0</td>
<td>$99</td>
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</tbody>
</table>
### Post-65 Benefits

**Medicare Supplement**

*(Medicare is Primary)*

<table>
<thead>
<tr>
<th>Medical Options</th>
<th>Monthly Premium</th>
<th>University DDB Credits</th>
<th>Retiree Responsibility</th>
<th>DDB Credit Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPMC National Complementary with PDP</td>
<td>$365</td>
<td>$380</td>
<td>$0</td>
<td>$15</td>
</tr>
<tr>
<td>Highmark Signature 65 with Blue Rx</td>
<td>$355</td>
<td>$380</td>
<td>$0</td>
<td>$25</td>
</tr>
</tbody>
</table>
Post-65 Benefits

• More about DDB Credits
  – Unused credits roll-over in your account from month to month and year to year
  – If premiums exceed credits, you are responsible for the balance
  – Credit bank is administered by the Benefits Management Services
Surviving Spouse Benefits

• Coverage will continue for three months following the end of the month in which the retiree passes away
  – Surviving spouse is eligible to continue group coverage at 100% of the University cost
  – Applies to active faculty and staff as well as retirees
  – Any accumulated DDB credits in the spouse’s account may be used until depleted
  – Unused retiree DDB credits are not transferrable

A common practice of many employers is the offering of COBRA for 36 months with no further obligation
Retiree – Dental/Vision

- United Concordia Access Plan

- Davis Vision Plan
Retiree – Life Insurance

• University Paid Retiree Life Coverage is provided up to $15,000
  – $1,500 for each year of service to a maximum of 10
• Optional Life is “Portable” within 31 days of retirement
  – Available at attractive group rates without an underwriting requirement
Post-65 Benefits – Long Term Care

• Insurance Carrier is Unum
• Insurance provides reimbursement (financial protection) for:
  – Expenses related to daily living as a result of an illness, accident, or advancing age
Post-65 Benefits - Enrollment Process

– The Enrollment process is administered through Benefits Management Services.
  • Medicare Enrollment is over 65
  • Enrollment form for each retiree and their spouse/partner
  • Insurance application for UPMC/Highmark if over 65

– Annual Open Enrollment Period
  • July – Pre-65
  • January – Post-65
Post-65 Benefits – Checklist

– Notify your Department at least 3 months prior to retirement
– Complete Medicare/Benefits enrollment forms
– Port Life Insurance within 31 days
– Schedule a meeting with TIAA-CREF to review options
– Use remaining Flex Spending Account balance prior to retirement
– LTC invoice will automatically be sent to you
Where to Go for Answers?

Call Us: (412) 624 – 8160

Visit Us: Craig Hall – 3rd Floor

Web site: http://www.hr.pitt.edu/retirees