UNIVERSITY OF CALIFORNIA

Preparing for Retirement

WELCOME TO THE WEBINAR. WE WILL START SHORTLY.

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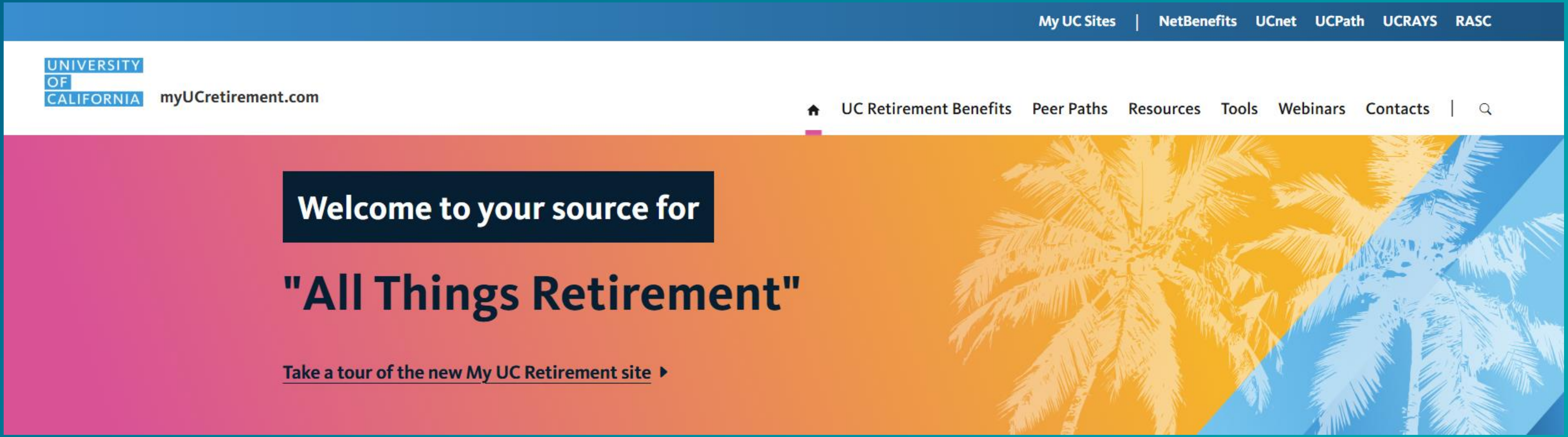


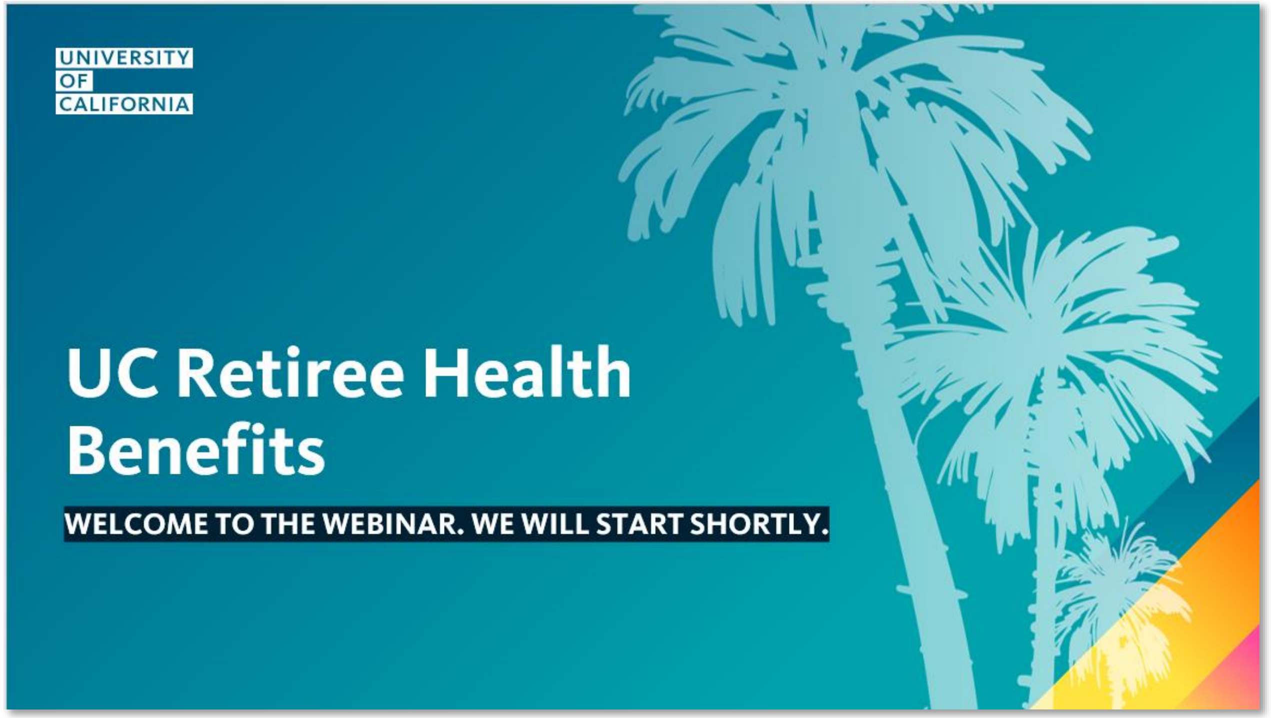
myUCretirement.com

Today's Agenda

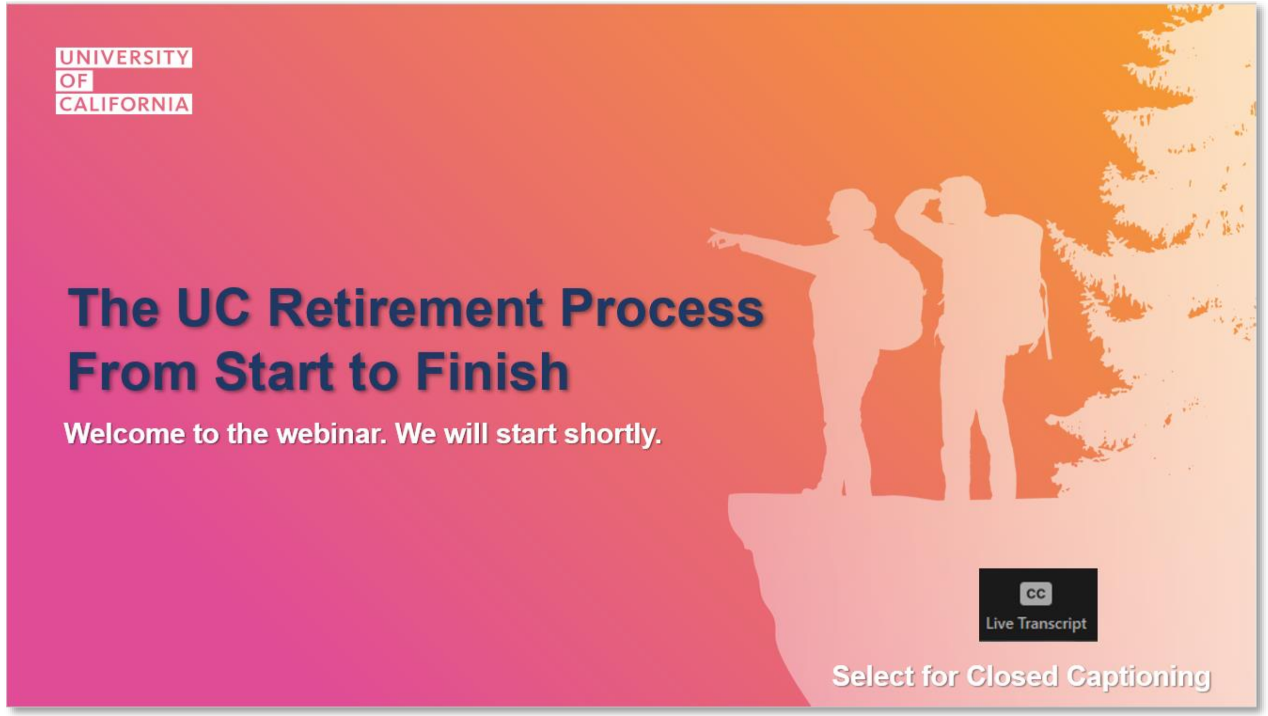
- UC Retirement Plan (UCRP)
- Monthly Retirement Income
- Retirement payment vs Employee paycheck
- Lump Sum Cashout
- Other sources of retirement income
- Retiree health benefits*
- Retirement process*
- Once you are retired

Visit UCnet for your roadmap to [Preparing for Retirement](https://ucnet.universityofcalifornia.edu/compensation-and-benefits/roadmaps/retiring.html)
https://ucnet.universityofcalifornia.edu/compensation-and-benefits/roadmaps/retiring.html

UC Retirement Planning Webinars



Overview of UC retiree health benefit program, Medicare coordination and tools and resources to assist you.



Everything you need to know about the retirement process, including required forms, important deadlines and helpful resources.

To view schedule and registration, see UCnet and search for "webinars"
https://ucnet.universityofcalifornia.edu

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Your UCRP Retirement

Your UCRP benefits depend on your membership

1976 Tier

- coordinated with Social Security
- not coordinated with Social Security

Safety

2013 Tier

Modified 2013 Tier*

2016 Tier*

Multi-tier – service in more than one tier

*UCRP benefits are subject to collective bargaining and may be different for members of certain unions.

Eligibility for UCRP retirement benefits

UCRP membership

- Hired into an eligible appointment
  - 50 percent time or more for a year or more
- Work 1,000 or more hours in a 12-month period (750 hours for certain academic appointments)
- Most 2016 Tier eligible employees must choose UCRP participation

Vesting and Eligibility

- Five or more years of UCRP service credit
- Age 50 or older (1976 Tier/Modified 2013 Tier/Safety)
- Age 55 or older (2013/2016 Tiers)

Inactive Member

- Separate from UC employment after vesting

Important Dates

Separation Date

- Last day of employment at the University in a UCRP eligible position (aka termination date)
- Can be a working day, sick/vacation day, leave of absence or weekend

Retirement Date

- Effective or start date of UCRP retirement benefits (monthly income or lump sum cashout)
- At least one day following your separation date

Your UCRP Retirement benefits

Based on three factors

- Age on the date of retirement
- Years of UCRP service credit
- Highest average plan compensation (HAPC)

Age Factor x Service Credit x HAPC =

Basic Retirement Income

Age Factor

1976/Modified 2013 Tier – ranges from:

- 1.1% for age 50 (minimum retirement age)
- Up to 2.5% for age 60 (maximum age factor)

2013/2016 Tier – ranges from:

- 1.1% for age 55 (minimum retirement age)
- Up to 2.5% for age 65 (maximum age factor)

Higher age factor = higher monthly benefit

Safety Members: 3% at 50

Service Credit

- Based on actual time worked in a UCRP-eligible position
- No service credit earned during unpaid leaves
  - Service credit purchase options if you return as an active employee
- Unused sick leave converts to service credit if you elect monthly retirement income
  - Unused sick leave hours / 2000 = UCRP service credit
    - Ex: 500 hrs / 2000 = 0.25 or a quarter of a year of service

Unused vacation, comp time or PTO is paid out on your last paycheck and does not earn service credit

Highest Average Plan Compensation (HAPC)

Highest average salary over 36 consecutive months

Calculated based on Covered Compensation

- Full time equivalent pay received for your regular and normal appointment
- Administrative stipends
- Shift differentials

Highest Average Plan Compensation (HAPC)

Does not include

- Overtime
- Summer Salary
- Negotiated Annual Additions/Incentive Compensation (Health Sciences)

Covered compensation limits

- Salary that exceeds the annual covered compensation limit
- 2024-2025 plan year limits based on membership:
  - UCRP entry date prior to July 1, 1994: $505,000
  - IRC 401(a)(17): $345,000
  - PEPRA limit for 2016 tier member: $151,446

Adjustments to HAPC

Social Security offset

- 1976 Coordinated – HAPC is reduced by $133
- Monthly supplement restores reduction until age 65

Inactive Cost of Living Adjustment (COLA)

- Annual adjustment to your HAPC
- Earned each July 1st while an inactive member
- 1976 Tier and Safety Members only
- Maximum of 2% annually

Additional Limits on your Pension

No more than 100% of your HAPC

- **1976 & Modified 2013 Tiers:**
  Age 60 and 40 years service credit
- **2013 & 2016 Tiers:** Age 65 and 40 years
- **Safety Members:** Age 50 and 33.34 years

Internal Revenue Code Section 415

- Limits the total benefit payable from a pension
- 415(m) Restoration Plan restores the difference

Monthly Retirement Income

Basic Retirement Income

1976 Tier coordinated with Social Security (age 60)

0.025	(age factor)
x 20.0000	(service credit)
= 0.5 or 50%	(benefits percentage)

x $8,333.00 (HAPC) - $133 (SS offset)

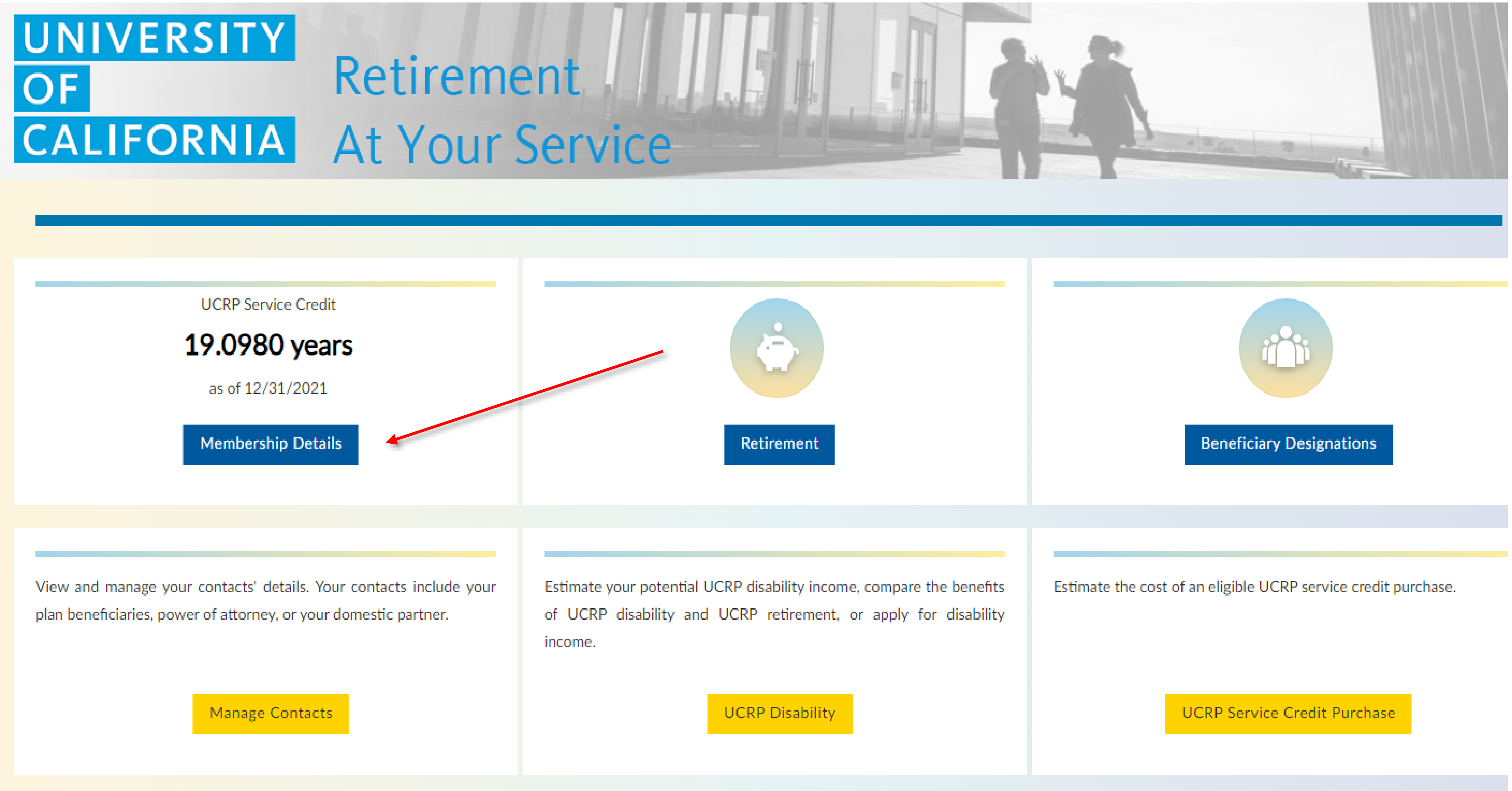
= $4,100.00	**(basic retirement income)**
+$66.50	(SS supplement until age 65)
= $4,166.50	**(monthly retirement income)**

Basic Retirement Income

2013 Tier (age 65)

0.025	(age factor)
x 10.0000	(service credit)
= 0.25 or 25%	(benefits percentage)
x $8,333.00	(HAPC)
= $2,083.25	**(basic retirement income)**

UCRAYS – UC Retirement At Your Service



https://retirementatyourservice.ucop.edu

UCRAYS – Membership Details

Membership Details

Your membership information is listed below. For more details on your UCRP or CAP balances, including UCRP service credit and contribution history, click on the membership type or plan links below.

Membership Type	Balance of UCRP Accumulation	UCRP Service
1976 Tier with SS	$80,132.39	34.6010
Total	**$80,132.39**	**34.6010**

The information shown here is based on available data and is not a guarantee of eligibility or benefit amounts.

UCRP is a defined benefit pension plan described under IRC section 401(a). Retirement benefits are based on your age at retirement, your years of UCRP service, and your average salary, not on your UCRP accumulations.

If you are eligible and elect to retire under UCRP, your UCRP accumulations are paid back as UCRP retirement income (including any monthly income or lump sum cashout). These funds are not paid out separately. If, upon separatio from UC employment, you elect a refund of UCRP accumulations, you will forfeit all UCRP service credit and any potential retirement, survivor or disability income based on that service.

Capital Accumulations Payment (CAP)	Balance as of 12/31/2022
CAP1	$34,571.34
CAP2	$14,693.05
Total	**$49,264.39**

CAP is a supplemental benefit for certain UCRP members who were actively employed on specific dates and paid covered compensation during specific periods. Any CAP balance is payable upon retirement or you may request a refund upon separation from UC employment.

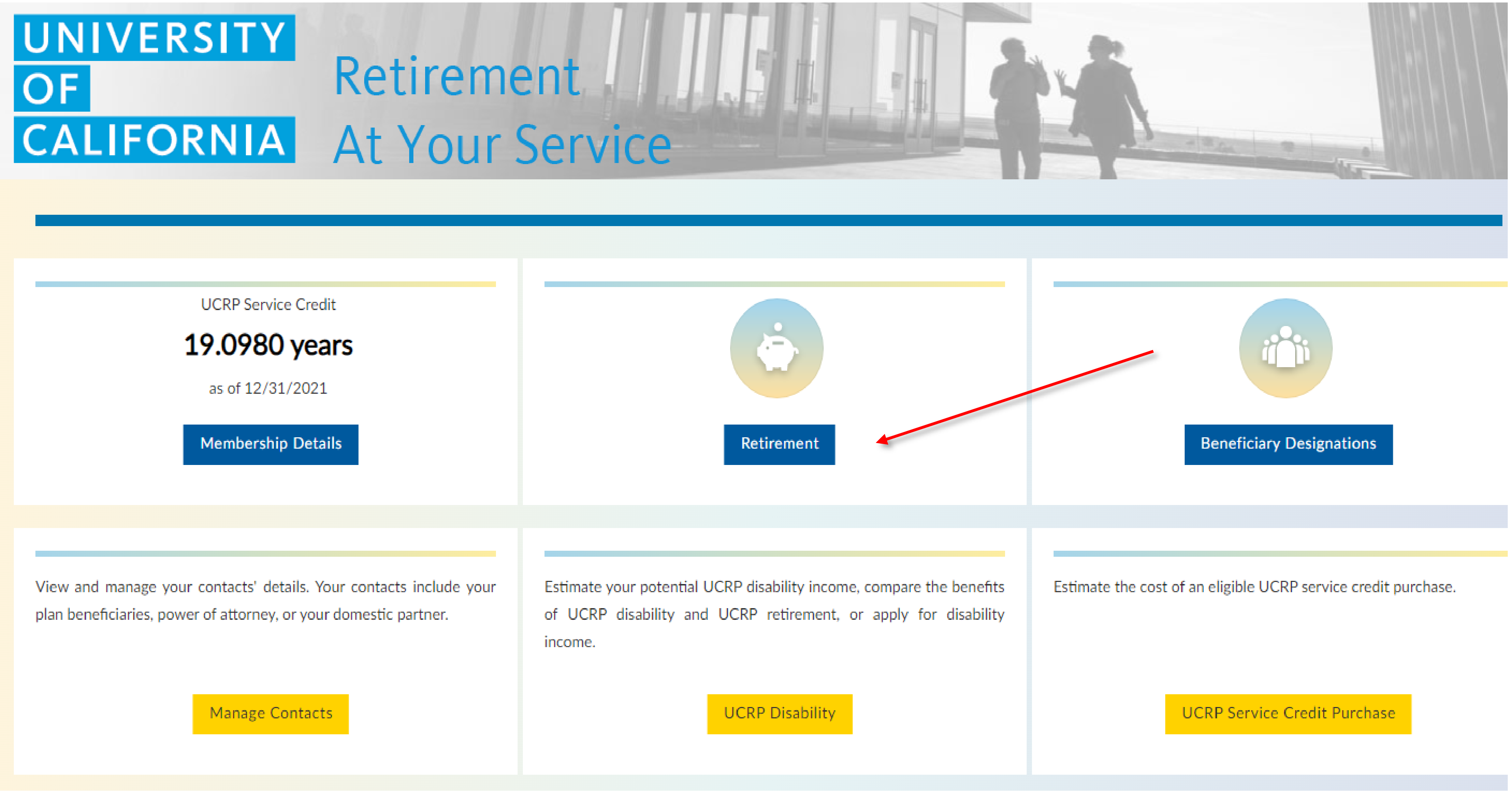
UCRP accumulations are updated with member contributions monthly after payroll processing. Interest on UCRP accumulations and CAP balances, if any, are updated with interest monthly, at the end of each month.

To view your 403(b), 457(b) and/or Defined Contribution plan balances, go to the UC Retirement Savings Program.

Health & Welfare Service

Membership Type	Health & Welfare Service
UCRP	34.6010
Total	**34.6010**

UCRAYS – Viewing your Basic Retirement Income



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UCRAYS – Viewing your Basic Retirement Income

Create a Retirement Estimate

Initiate & Elect UCRP Retirement

UCRP Benefit Estimate

If eligible, upon separation from UC employment, you may choose either monthly retirement income or, if eligible, the one-time lump sum cashout. If you are currently working at UC, the estimates below assume that you will continue working for UC until the ages listed. These estimates are not a guarantee of eligibility or benefit amounts.

Basic Retirement Income Option	Age 53	Age 58	Age 63
Lifetime Monthly Amount*	$2,298.83	$4,149.83	$5,261.08
Temporary Social Security Supplement**	$52.87	$91.32	$115.77

Lump Sum Cashout (LSC) Option	Age 53	Age 58	Age 63
One Time Payment	$422,279.71	$713,354.57	$829,821.49

*If you are a multi-tier member and retire prior to age 55, any monthly retirement income attributable to a 2013 and/or 2016 tier service credit will not be payable until you reach age 55. A lump sum cashout is not payable for any service credit in the 2013 and/or 2016 tier.

Retirement Payment vs Paycheck

Active employee paycheck vs Retiree payment

	ACTIVE	RETIRED
Monthly gross income	**SALARY**	**UCRP**
Deductions, withholdings		
Federal, state, local tax	✓	✓
Social Security (Fed OASDI/EE)	✓	--
Medicare (Fed MED/EE)	✓	--
Health Benefits	✓	✓
UCRP Contribution	✓	--
Parking, commuter costs	✓	--
Other work-related deductions	✓	--
Monthly net income	**Difference may be less than you think**	

Cost of Living Adjustments

Retirement COLA

- Effective July 1 after one full year of retirement
- Example:
  - › Retire between now and July 1, 2025 = first COLA is July 1, 2026
  - › Retire between July 2, 2025 and July 1, 2026 = first COLA is July 1, 2027
- Paid annually on August 1 pension check
- Retirement COLA ranges from 0% to 6%; generally 1-2%

Based on changes in Consumer Price Index (CPI)

- Measured from Feb to Feb for LA and SF metro areas

Payment Continuation After Death

Post-retirement Survivor Continuance

Alternate Payment Option to Contingent Annuitant

Pre-retirement Survivor Income

Lump sum death payment

Publication Resource –

Your Guide to Survivor & Beneficiary Benefits for Family Members & Beneficiaries: https://ucnet.universityofcalifornia.edu/resources/benefits-resources/hr-forms-and-publications/

Post-retirement Survivor Continuance

Monthly income to eligible survivors automatically

- Does not reduce your monthly income

This provision is only available to 1976 Tier and Safety

Your eligible survivor receives:

- **25%** of basic retirement income if coordinated with Social Security
- **50%** of basic retirement if you are not coordinated with Social Security (including Safety)

Order in which eligible survivors are paid:

Spouse or domestic partner

- Married/Partnered one year prior to retirement until death
- Marriage Cert./UBEN 250 Domestic Partnership Declaration
- Payable for life

Children

- Under age 18, or age 22 if full-time student
- Disabled, provided disability occurred before 18 or 22

Dependent parent(s)

- You must provide 50% support
- Payable for life

Alternate Payment Options to Contingent Annuitant

- Provides lifetime monthly income after your death
- Can be anyone, including person eligible for post-retirement survivor continuance, if applicable
- Your monthly retirement income is reduced
- Reduction based on your age, the age of your contingent annuitant and option you choose
  - If your contingent annuitant is not your spouse and greater than 10 years younger, your options may be limited
- **Election is made at retirement and is irrevocable**
  - Birth evidence for Contingent Annuitant

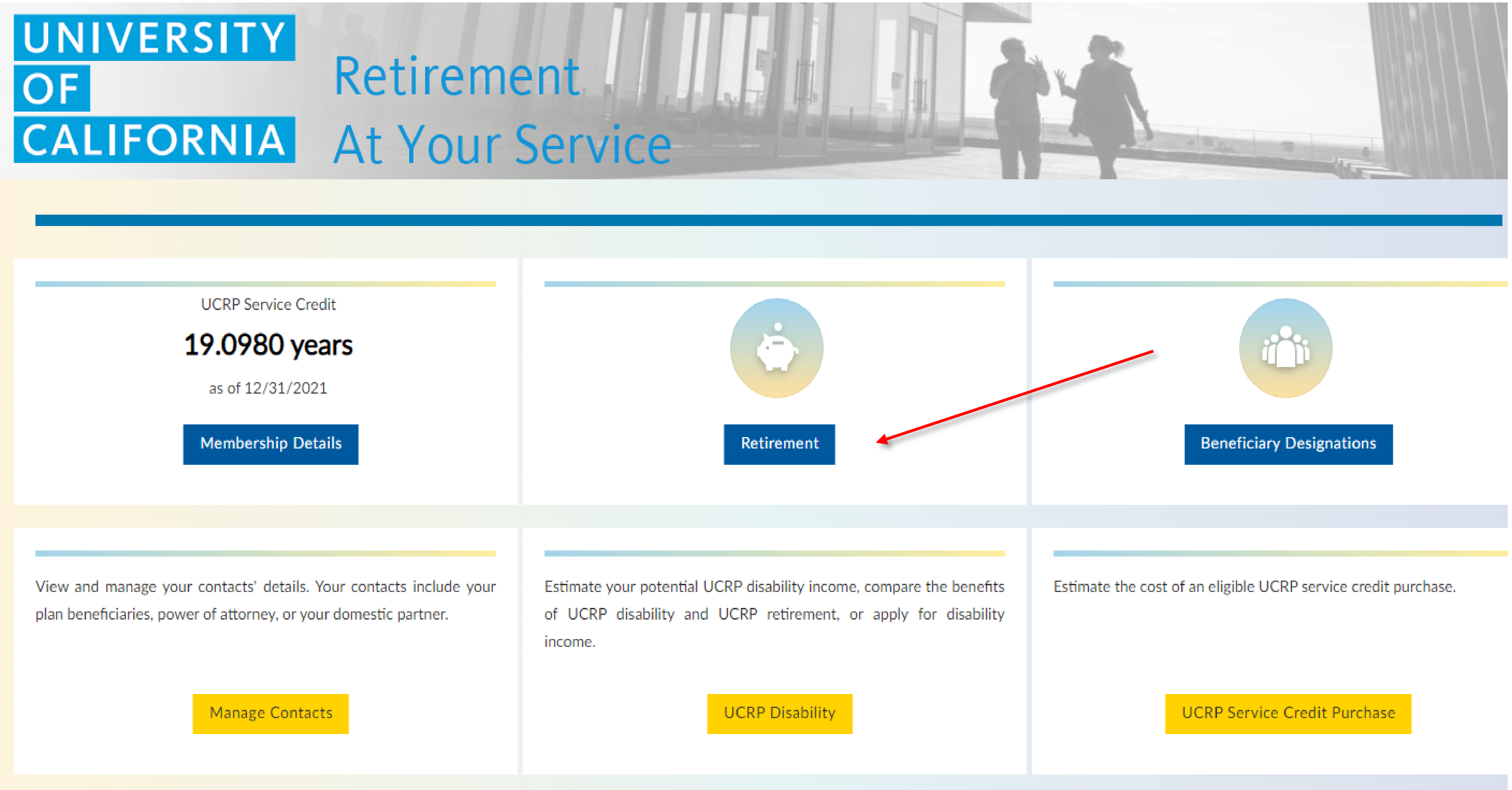
Monthly Retirement Income Options

Monthly Retirement	Lifetime monthly payment to you	UPON DEATH - Monthly payment to:		
		Eligible Survivor 25% of BRI	Contingent Annuitant	Total
Basic Retirement Income (BRI)	**$2,433**	$608	not applicable	**$608**
Payment Option A (full continuance)	**$2,219**	$608	$1,611	**$2,219**
Payment Option B (two thirds continuance)	**$2,285**	$608	$1,118	**$1,726**
Payment Option C (one half continuance)	**$2,319**	$608	$855	**$1,463**
Payment Option D (50% to eligible spouse or domestic partner)	**$2,357**	not applicable	$1,178	**$1,178**

Monthly Retirement Income Options

Monthly Retirement	Lifetime monthly payment to you	UPON DEATH - Monthly payment to:	
		Eligible Survivor	Contingent Annuitant
Basic Retirement Income (BRI)	$2,433	not applicable	not applicable
Payment Option A (full continuance)	$2,148	not applicable	$2,148
Payment Option B (two thirds continuance)	$2,235	not applicable	$1,490
Payment Option C (one half continuance)	$2,282	not applicable	$1,141

UCRAYS – Running Retirement Estimates



https://retirementatyourservice.ucop.edu

UCRAYS – Running Customized Retirement Estimates

Create a Retirement Estimate | Initiate & Elect UCRP Retirement

UCRP Benefit Estimate

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Death Prior to Retirement

Death while eligible to retire

- Alternate Payment Option A to your spouse or domestic partner

Pre-retirement Survivor Income

- Percentage of salary depending on Tier
- Surviving Spouse/Domestic Partner:
  - Lifetime monthly income at age 60 or on behalf of eligible child
- Eligible Child(ren):
  - Monthly income until the age of 18, age 22 if in school, or as long as disabled

Basic Death Payment

One time payment of $7,500 to beneficiaries

- Taxable to your beneficiary
- Can designate or change your beneficiary at anytime

Designate and maintain your beneficiaries on UCRAYS

- https://retirementatyourservice.ucop.edu

UCRP Pre-tax / After-tax Contributions

- Mandatory employee contributions into UCRP
- After-tax contributions prior to 1983
- Help to fund your UCRP benefits
- Not payable separately upon retirement
- Any unpaid contributions are refunded to your beneficiaries upon death

Maintain your beneficiaries on UCRAYS: https://retirementatyourservice.ucop.edu

Lump Sum Cashout

Lump Sum Cashout

One-time, lump sum payment

Elect instead of lifetime monthly income

- Based on the present value of the retirement income you would receive over your life expectancy
  - Basic Retirement Income x Single Payment Factor

Available to 1976 Tier members, Safety and Modified 2013 Tier members only

- Not available to 2013 or 2016 Tier members

Lump Sum Cashout (continued)

Forfeit other benefits:

- Health benefits
- UCRP basic death benefit
- UCRP survivor and contingent annuitant benefits

Sick leave is not converted to service credit

More restrictive return-to-work rules

Lump Sum Cashout (continued)

Subject to taxes the year in which you take the payout

May roll over into another eligible retirement account

- UC Retirement Savings Plans — pretax components of 403(b) or 457(b), DC Plan (rollover)
- Other qualified employer retirement plans
- Traditional IRA
- Roth IRA

Decision to take cashout is irrevocable

Lump Sum Cashout factsheet available on UCnet

Stretch / Refresh Break

Other Sources of Retirement Income

Other Sources of Retirement Income

- ✓ Capital Accumulation Payment (CAP)
- ✓ Retirement Savings Program
- ✓ Social Security
- ✓ Other Retirement Systems

Capital Accumulation Payment

Special allocations to UCRP members based on a percentage of compensation

- CAP I – issued 1992-1994 earn 8.5% annual interest
- CAP II – issued 2002-2003 earn 6.75% annual interest

Must be distributed upon retirement

- Rollover or a taxable distribution paid to you

Issued following your first pension check or lump sum cashout

Check your CAP balance at: https://retirementatyourservice.ucop.edu

Retirement Savings Program (RSP) - Employee

Defined Contribution Plan (DC Plan)

- Voluntary contributions on an after-tax basis
- Mandatory pretax contributions to DC Plan Pretax, DC Safe Harbor, DC Supplement, and DC Savings Choice
- Employer contributions to DC Savings Choice and, if eligible, DC Supplement
- 2025 Contribution limit = $70,000, DC Plan sources combined

403(b) & 457(b) Plans

- Voluntary contributions - Pretax and Roth options
- 2025 Deferral limits = $23,500 +, if age 50/+ by 12/31/25, $7,500

In-service distributions allowed at age 59 ½

Check balances, manage investment or enroll at http://netbenefits.com

RSP – Options After You Retire

- ✓ Contributions stop
- ✓ Maintain accounts if your balance is greater than $2,000
- ✓ Request one time or automatic withdrawals
- ✓ Continue to manage investments
- ✓ Roll money into or out of the plans

Manage your account and maintain your beneficiaries at http://netbenefits.com

RSP – Withdrawals

Taxed as income in year received, unless:

- After-tax contributions or qualified Roth distributions
- Rolled over to another qualified plan

Subject to early distribution penalty if taken before age 59 ½, unless:

- 457(b) funds
- Leaving UC during or after year in which you turn 55

Required Minimum Distributions (RMDs)

- Required after attaining age 73 or year of separation if later

RSP – Deferred Lifetime Income Option

- At age 62-69, convert a portion of your RSP balance into lifetime monthly payments that start at age 78
- Annual purchase opportunity
- More details about this option and an interactive estimator at: myUCretirement.com>Tools>Deferred Lifetime Income

Social Security

- Most UC employees eligible for Social Security on their own
- Social Security benefits can begin at age 62 but benefit could be higher if you delay until your Social Security Full Retirement Age or later
- Visit ssa.gov to project Social Security income

Social Security

- Some employees hired before 1976 or Safety are not coordinated with Social Security
- May still be eligible for Social Security benefits from another source
- Contact Social Security for more information

Other Retirement System Agreements

CalPERS: Reciprocity

- Must transfer from CalPERS to UCRP, or vice versa, within 180 days
- Retire from both systems on the same date

CalSTRS: Concurrent Retirement

- Must be an active UCRP member on or after July 1, 2002
- Cannot retire from one system and continue to work in the other

Advantages:

- Service shared for vesting purposes
- Highest salary in either system used to calculate benefits
- Separate benefits from each system

Retiree Health Benefits

UC Retiree Health Benefits

UC is committed to ongoing health benefits

Not a guaranteed benefit

Plan designs can change

Your share of costs may change

"Group Insurance Eligibility Factsheet for Retirees" on UCnet

To Be Eligible for Retiree Health Benefits:

- **Enrolled** or **eligible** to be enrolled in UC employee benefits
- **10 or more years** of Retiree Health service credit
- Elect **monthly retirement income***
- **Retirement date within 120 days** of the date you separate from UC employment
- **Continuous coverage** until your retiree eligibility begins
- If you are **rehired after a break in service**, you must work at least **12 months in an eligible position**

*You forfeit retiree health benefits if you elect a lump sum cash out.

Retiree Health Service Credit

- UCRP service credit
- Savings Choice service credit
  - Earned based on percent time worked in an eligible position
  - Forfeited if you take a full refund of UCRP accumulations or Savings Choice DC Plan balances before retirement
- *Reflected as "Health & Welfare Service" in Membership Details on UCRAYS*

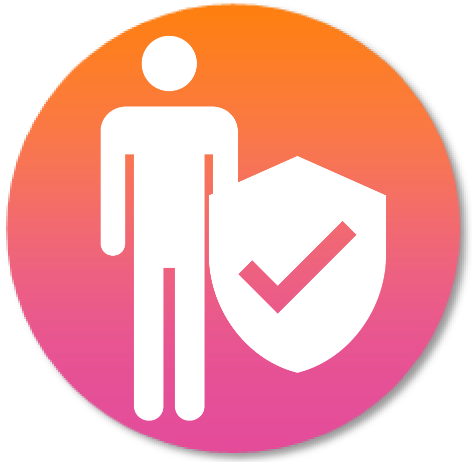
Retiree Health and Welfare Benefits

Medical

Dental

Legal

Vision



Accidental Death
& Dismemberment

Pet Insurance

Eligible Family Members

- Spouse
- Domestic partner
- Children up to age 26
- Grandchildren
- Legal ward
- Over aged disabled child
  - Certified by your medical plan prior to age 26

Your Cost for Retiree Medical and Dental

- Premiums charged to UC by each medical/dental plan depending on who is covered
- UC's contribution, determined annually
- Percentage of UC's contribution for which you are eligible
  - Your *Retiree Health Eligibility Group*
  - Your Retiree Health Service Credit and age at retirement
- Medicare coordination with your UC medical plan

Current premiums on UCnet: https://ucnet.universityofcalifornia.edu/retirees/retiree-benefits/retiree-health/medical-plans-for-retirees/retiree-medical-plan-costs/

UC Retiree Health Eligibility Groups

Group 1	Group 2	Group 3
Active UCRP member without break in service: **Before January 1, 1990**	Active UCRP member without break in service: **January 1, 1990 - June 30, 2013***	Newly hired, or rehired after a break in service: **On/after July 1, 2013***
% of UC Contribution: **100%**	% of UC contribution: **50-100% based on age and service**	% of UC contribution: **0-100% based on age and service**

*Subject to collective bargaining

Retiree Health Group 1

UC’s contribution: 100%

- Active UCRP member prior to January 1, 1990
- No break in service of more than 120 days

Retiree Health Group 2

UC's contribution: 50-100%

- Active UCRP member between January 1, 1990 and June 30, 2013*
- Rehired during this period after a break in service

50% of UC's contribution with:

- 10 years of Retiree Health service credit
- Age and service credit in whole years equals 75

Increases 5% for each whole year over 10:

- 11 years = 55%, 12 years = 60%, 13 years = 65%, etc.

100% UC contribution with 20+ years of service

*Subject to collective bargaining

Retiree Health Group 3

UC's contribution: 0-100%

- Active UCRP or Savings Choice participant on or after July 1, 2013, or rehired after a break in service
- Safety Members hired on or after July 1, 2013 are in Group 2

UC's contribution based on age and service at retirement:

- 10 years of Retiree Health service credit required
- Minimum UC contribution of 5% at age 56

100% UC contribution at age 65 with 20+ years of service

Retiree Health Group 3

Service Credit	Age at retirement										
	55	56	57	58	59	60	61	62	63	64	65
10	0%	5.0%	10.0%	15.0%	20.0%	25.0%	30.0%	35.0%	40.0%	45.0%	50.0%
11	0%	5.5%	11.0%	16.5%	22.0%	27.5%	33.0%	38.5%	44.0%	49.5%	55.0%
12	0%	6.0%	12.0%	18.0%	24.0%	30.0%	36.0%	42.0%	48.0%	54.0%	60.0%
13	0%	6.5%	13.0%	19.5%	26.0%	32.5%	39.0%	45.5%	52.0%	58.5%	65.0%
14	0%	7.0%	14.0%	21.0%	28.0%	35.0%	42.0%	49.0%	56.0%	63.0%	70.0%
15	0%	7.5%	15.0%	22.5%	30.0%	37.5%	45.0%	52.5%	60.0%	67.5%	75.0%
16	0%	8.0%	16.0%	24.0%	32.0%	40.0%	48.0%	56.0%	64.0%	72.0%	80.0%
17	0%	8.5%	17.0%	25.5%	34.0%	42.5%	51.0%	59.5%	68.0%	76.5%	85.0%
18	0%	9.0%	18.0%	27.0%	36.0%	45.0%	54.0%	63.0%	72.0%	81.0%	90.0%
19	0%	9.5%	19.0%	28.5%	38.0%	47.5%	57.0%	66.5%	76.0%	85.5%	95.0%
20 or more	0%	10.0%	20.0%	30.0%	40.0%	50.0%	60.0%	70.0%	80.0%	90.0%	100.0%

Example of Cost Calculations - Medical

	Example A 100% of UC contribution	**Example B** 75% of UC contribution	**Example C** 50% of UC contribution
Total monthly premium (Kaiser-CA, Self + Adult)	**$1,721**	**$1,721**	**$1,721**
UC contribution	**$1,207**	**$905**	**$604**
Your monthly cost	**$514**	**$816**	**$1,117**

Current premiums on UCnet: https://ucnet.universityofcalifornia.edu/retirees/retiree-benefits/retiree-health/medical-plans-for-retirees/retiree-medical-plan-costs/

Example of Cost Calculations - Dental

	Example A 100% of UC contribution	**Example B** 75% of UC contribution	**Example C** 50% of UC contribution
Total monthly premium (Dental Dental, Self + Family)	$93	$93	$93
UC contribution	$93	$70	$47
Your monthly cost	$0	$23	$46

Current premiums on UCnet: https://ucnet.universityofcalifornia.edu/retirees/retiree-benefits/retiree-health/medical-plans-for-retirees/retiree-medical-plan-costs/

Medicare – the federal program – www.medicare.gov

Part A: Hospital insurance

- Financed by payroll taxes
- If you are eligible to receive it based on your own or your spouse's contributions during employment, you do not pay a premium

Part B: Medical insurance

- Monthly premium you will pay directly to Medicare, usually deducted from SS check

Part D: Prescription insurance

- Most UC retirees do not pay an extra Part D premium
- Others may if they have a higher income

*Part C is not a component, but a type of Medicare Advantage plan

UC Medical Plans and Medicare

Retiree Medical Medicare requirements

- If eligible for Medicare Part A for free, you must enroll in Part B
  - Typically, at age 65
- Eligible under your own record or that of a current, former, or deceased spouse

Non-Medicare retirees and family members

- Same plan options as active employees
- Includes over age 65 and not eligible for Medicare Part A for free

Available resource on UCnet - “Medicare Fact Sheet”

UC Medical Plans and Medicare

Medicare becomes your primary insurance at retirement

- Switch to the version of your UC medical plan that coordinates with Medicare
- Health Savings Plan does not have a partner Medicare plan

Most UC Medicare plans coordinate with Part D

- Do not need to enroll in a separate Part D plan
  - May lose your UC medical coverage if you enroll separately

UC Medicare without Prescription Drugs plan

- Must enroll in a separate Part D plan and provide proof to RASC

Once enrolled in UC-sponsored Medicare plans

- You may be eligible for a Part B premium if the monthly UC contribution exceeds the cost of your plan

Part B Reimbursement

	Example A 100% of UC contribution	Example B 75% of UC contribution	Example C 50% of UC contribution
Total monthly premium (Kaiser Senior Advantage Self + Adult, both in Medicare)	**$464**	**$464**	**$464**
UC contribution	**$863**	**$647**	**$432**
Your monthly cost	$0	$0	$32
Part B reimbursement*	**$349**	**$183**	**$0**

*Part B reimbursement only payable if UC's contribution exceeds the Medicare plan premium

Current premiums on UCnet: https://ucnet.universityofcalifornia.edu/retirees/retiree-benefits/retiree-health/medical-plans-for-retirees/retiree-medical-plan-costs/

Medicare Coordinator Program

For retirees living outside California

- All family members in Medicare
- Within the US only

More choices

- Individual plans for each family member
- Administered by ViaBenefits

Health Reimbursement Arrangement (HRA)

- Up to $3000 for each covered family member
- Prorated if not eligible for UC's full contribution
- Used to pay premiums, out of pocket expenses, Medicare premiums
- Any unused funds roll over each year while participating

Transition from Employee Benefits to Retiree Benefits

Enrollment in retiree medical, dental and legal plans

- Occurs as part of the retirement process
- Premiums deducted from your pension payment
- We encourage you to refill any prescriptions and make any necessary appointments prior to retirement
- You will receive new medical plan cards

Eligible for Medicare

- You must enroll in Medicare when eligible
- You must complete the proper UC UBEN form to coordinate Medicare with your UC Medicare plan

Your Other Benefit

Enrollment in retiree vision, AD&D and pet insurance

- You will complete your enrollment with VSP and Prudential
- Visit Nationwide for pet insurance at http://petinsurance.com/uc/

Homeowners/renters/auto insurance

- Premiums are not deducted from your pension benefit payment. Contact California Casualty or Farmers Insurance directly.

COBRA Notification

- When your employee benefits end, you will automatically receive a COBRA packet in the mail
- If you are eligible for retiree health benefits or otherwise do not need COBRA continuation coverage, you can disregard

Enrollment Changes Once Retired

Certain qualifying events allow changes mid year

- Marriage/Domestic Partnership
- Birth/Tax dependent (such as grand child)
- Out of area move
- Involuntary loss of other coverage

Make changes during Open Enrollment

Suspend due to other coverage

- Medical and dental

Your eligible survivors may continue health benefits

- Must be provided with monthly income upon your death

Benefits That End at Retirement

Life Insurance & Supplemental Health

- Conversion or portability options may be available

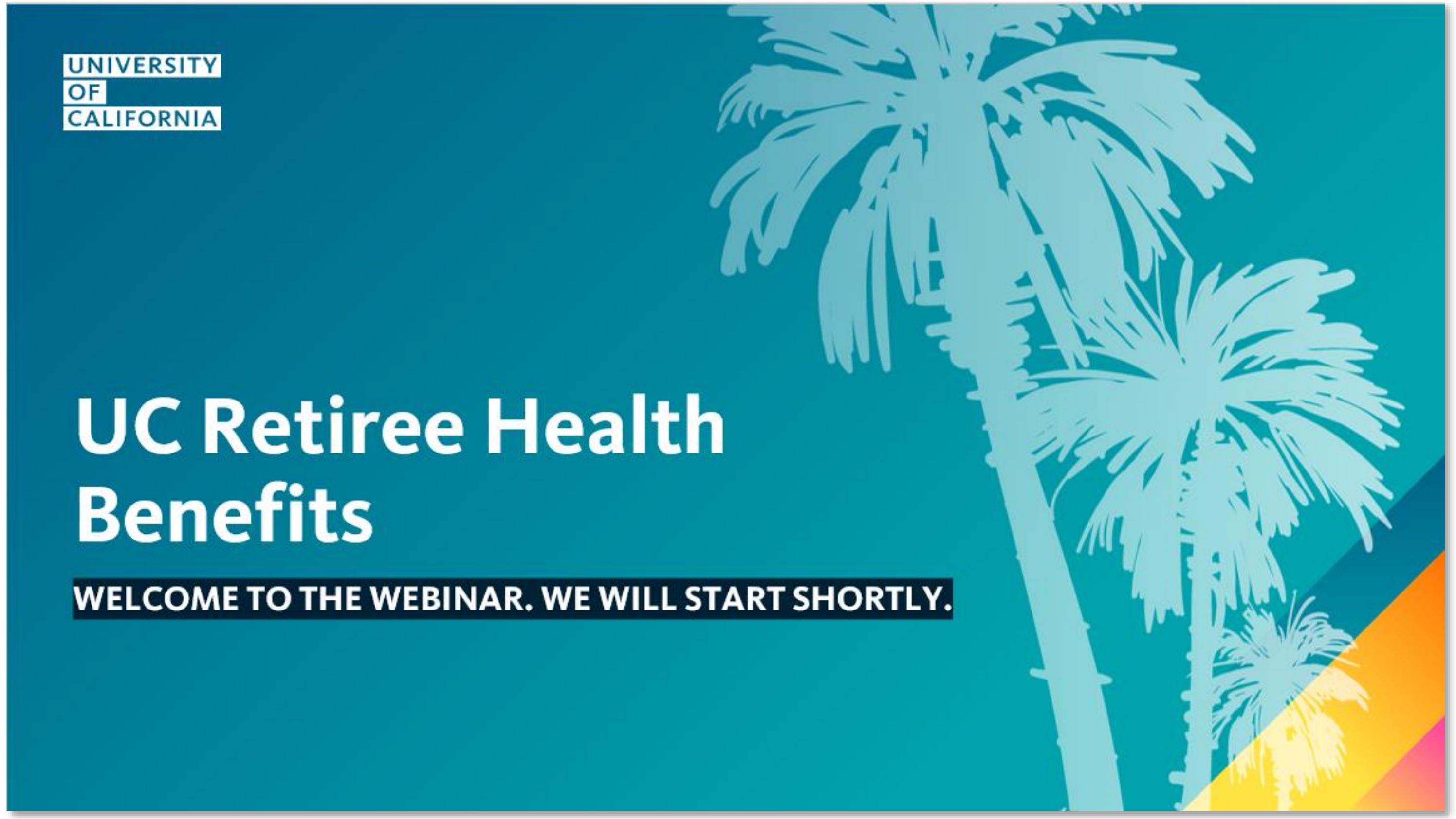
Flexible Spending Accounts (Health FSA and DepCare FSA)

- End on last day of last month you contributed
- *Specific to Health FSA only - COBRA*

UC and employee paid disability

- End on last day of work

Retiree Health Benefits Webinar



To register, or view other dates and times, see UCnet and search for “webinars”
https://ucnet.universityofcalifornia.edu

I’m ready to retire.
What do I do now?

First Steps

- ✓ Attend UC retirement planning workshops and webinars
- ✓ Review your UCRP estimates and retirement savings balances
- ✓ Read the Retirement Handbook
- ✓ See your projected Social Security benefit
- ✓ Find out if you qualify for benefits from previous employers
- ✓ Talk to a Fidelity Workplace Financial Consultant
- ✓ Consult with your tax or financial advisor
- ✓ Ensure your personal finances are in order

Additional resources on UCnet - "Preparing for Retirement Roadmap"

Decide Your Retirement Date

Select a retirement and separation dates

- Initiate your retirement up to three months in advance

Staff employees:

- Inform your department (i.e. supervisor or manager)

Academic appointees:

- Inform your department (i.e. department chair,) Dean’s Office or Academic Personnel Office
  - Academic-Year Faculty considerations
    - Service Period versus Payroll Period

Initiate Your Retirement

Log on to UCRAYS and select:

- Retirement > Initiate & Elect Retirement > Create PRP
- Follow the prompts to create and save your Personal Retirement Profile (PRP)

Or

Fill out the Request for Retirement Initiation Packet form:
http://ucal.us/retirementform

Review Your Personal Retirement Profile

- ✓ Review the retirement options in your PRP
- ✓ Read the Retirement Handbook
- ✓ Contact the Retirement Administration Service Center (RASC) for questions regarding your retirement options
  - ✓ https://rasc.universityofcalifornia.edu
- ✓ Complete your retirement election on UCRAYS or via your Election Planning Worksheet

The Election Process

Log on to UCRAYS and select:

- Retirement > Initiate & Elect Retirement
- View PRP/Elect Retirement
- Follow the prompts to prepare your retirement election

Sign and submit your election

- Your spouse or domestic partner must also sign

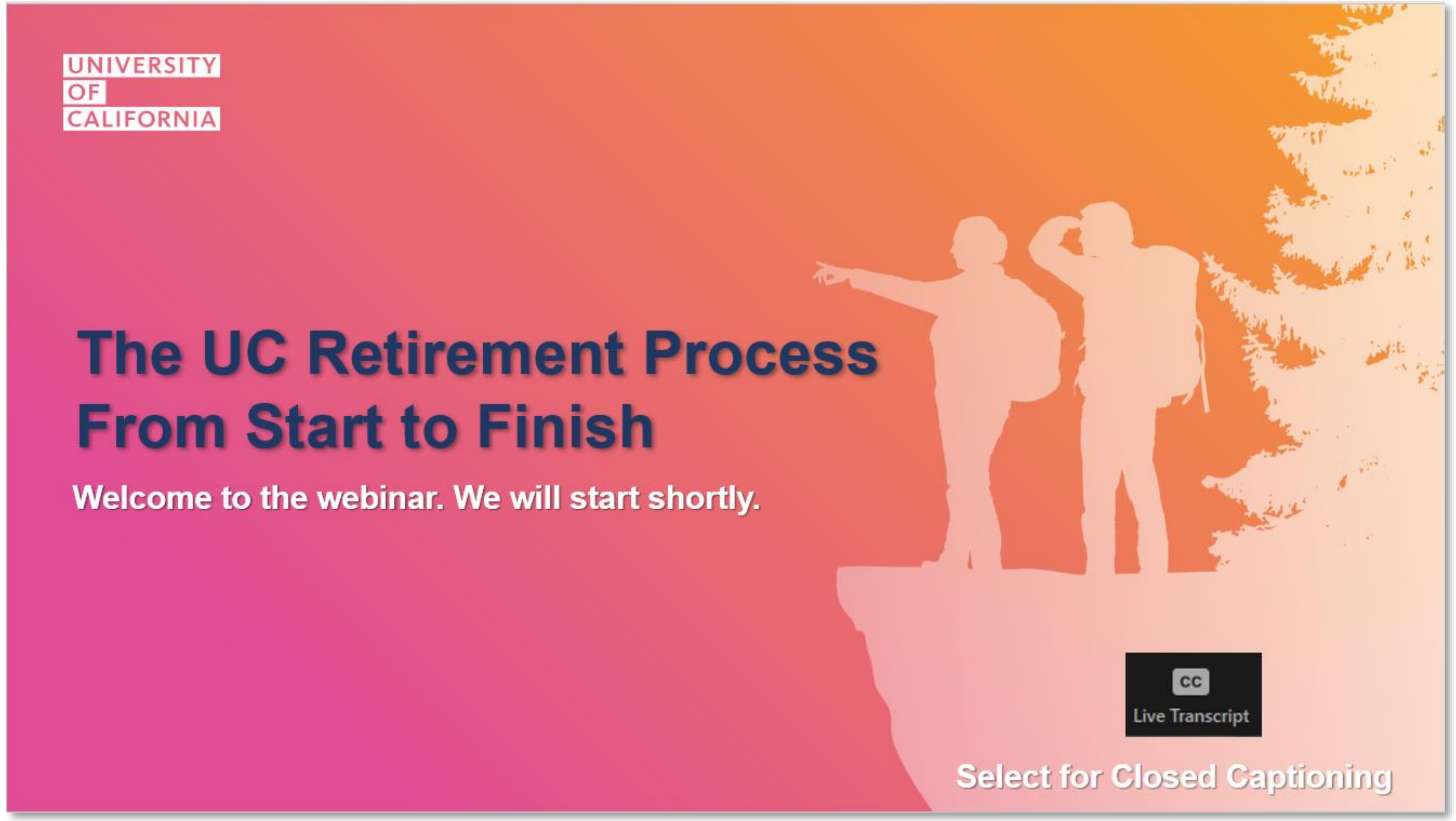
Upload any required documents

- Birth evidence for contingent annuitant, eligible children
- Marriage certificate/domestic partner documentation
- Divorce, Legal Separation, termination of domestic partnership

Final Review

- ✓ RASC reviews your retirement election documents
- ✓ Track your progress on UCRAYS
- ✓ Confirmation letter issued once election processing is complete
- ✓ Change or cancel election up to retirement date or 15 days after confirmation letter sent, whichever is later

Retirement Process Webinars



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Now That I Am Retired

What to expect with your retirement payment

- ✓ Paid around the first of each month
- ✓ Electronically deposited to your bank
- ✓ Benefit income statements on UCRAYS
- ✓ Income reported on 1099R tax form

Keep Your Personal Information Up to Date

Use UCRAYS to update:

- Address, phone or email
- Tax withholding
- Direct deposit information
- UCRP beneficiary designation and contact information
- Health benefits changes

UCRAYS – https://retirementatyourservice.ucop.edu

Use Fidelity website to update Retirement Savings beneficiaries:

www.netbenefits.com

Stay Connected

New Dimensions newsletter

Important websites

- **UCRAYS:** retirementatyourservice.ucop.edu
- **Fidelity:** netbenefits.com
- **UCnet:** ucnet.universityofcalifornia.edu
- **UCretirement:** myUCretirement.com

Local resources

- Emeriti and Retiree Associations
- Retirement Centers
- Health Care Facilitator

Returning to Work at UC After Retirement

- ✓ Break in service of at least 30 days
- ✓ Initial appointment is limited to 12 months at 43% time
- ✓ May return to employee health and welfare benefits
- ✓ You must suspend retirement income and retiree health if you return to a UCRP-eligible position
- ✓ You may earn service in a new tier
- ✓ Re-retire the day after position ends
- ✓ If taking lump sum cashout, you are restricted from being rehired into a UCRP-eligible position

Thank you! Please complete the survey!

https://ucop.questionpro.com/preparing