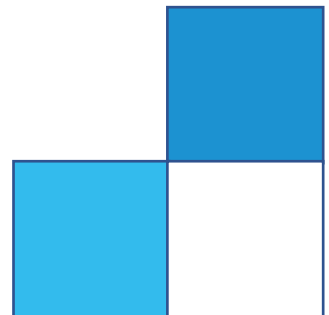
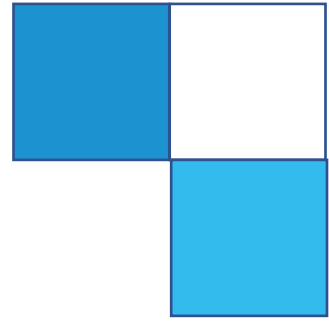
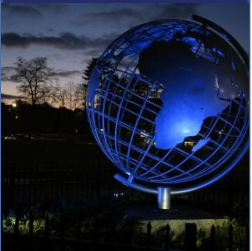


# Retirement Planning Guide

2024-2025

Updated 01/13/25



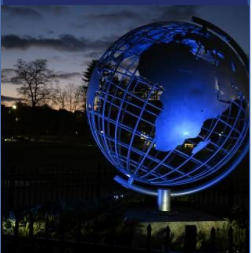
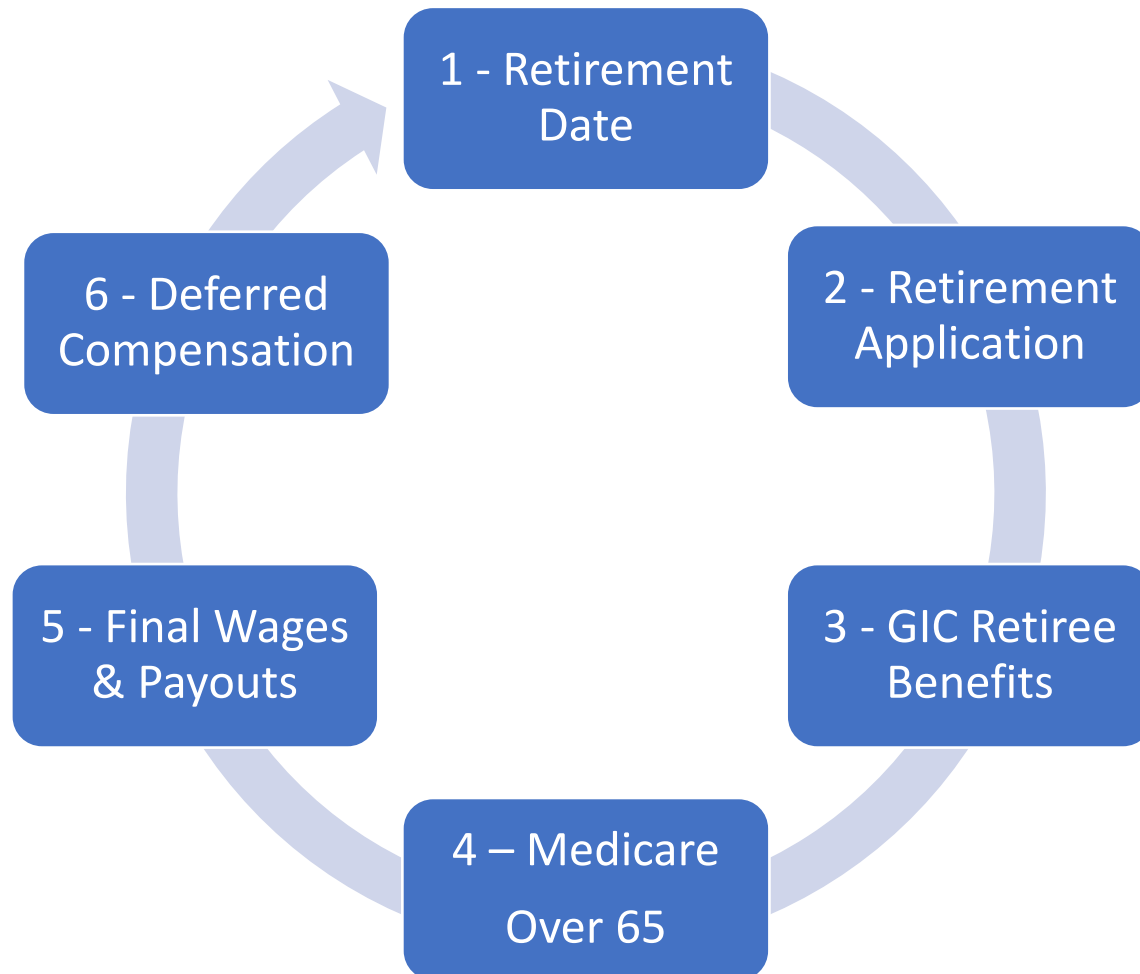
# Guide Contents

- Retirement Overview ----- 3
- Timelines ----- 4
- Written Notice ----- 5
- Planning for Retirement with MSERS ----- 6
- Applying for Retirement with MSERS ----- 10
- Planning for Retirement with ORP ----- 11
- Applying for Retirement with ORP ----- 12
- GIC Retiree Benefits ----- 14
- GIC & Medicare ----- 17
- Dental & Vision Insurance ----- 20
- Final Wages ----- 22
- Final Payouts ----- 24
- Deferred Compensation ----- 25
- Additional Benefits ----- 26
- Additional Resources ----- 28

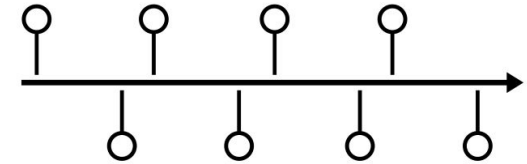
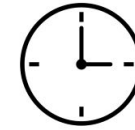
Your Westfield State University HR Benefits Team is available to assist you!

*[Benefits@westfield.ma.edu](mailto:Benefits@westfield.ma.edu) or (413) 572-8476*

# Retirement Overview



# Timelines



Retiring from state service requires advance planning.

It is recommended to start the process no later than six (6) months prior to your planned retirement date.

| 120 – 90 days prior   | 60 days prior  | 30 days prior  |
|---|--|--|
| Get educated about retirement options & GIC retiree benefits    | Choose GIC retiree health, dental/vision, or optional life plans | If enrolled in FSA plan, know options to continue or complete final transactions |
| Notify the university of retire date no later than 90 days out* | Medicare eligibility and enrollment                              | Change email and address in HRCMS  |
| Submit retirement application to MSERS or ORP                   | One-time deferred comp deductions for final bulk payouts         | Prepare for final wages & final bulk payouts                                     |

\*See Written Notice slide

# Written Notice

A notice of retirement is the same as a notice of resignation from employment.

MSCA, APA, and NUP employees must provide 90 days notice to be paid the value of their unused sick balance at 20%.

- AFSCME employees do not have this requirement.

Be sure you are ready to retire before giving notice. Continued employment beyond your retirement date is not guaranteed.

Timely notice allows your department to start succession planning.



# Planning for Retirement *with MSERS*

The Massachusetts State Employees Retirement System (MSERS) is a Defined Benefit (Pension) program that provides lifelong, monthly payments.

The complete **MSERS Retirement Benefit Guide** can be found online at: <https://www.mass.gov/doc/msers-retirement-benefit-guide-o/download>

**Retirement Information for Active Members (MSRB):**  
<https://www.mass.gov/retirement-information-for-active-members-msrb>

- Forms
- Calculate Your Estimated Pension Benefits
- Ready to Retire Checklist
- Creditable Service
- Service Purchase Buybacks
- Retirement Allowance Options A, B, or C

Register for a **NEARING RETIREMENT Webinar** with presentations by the Massachusetts State Retirement Board (MSRB) and 457b Smart Plan:  
<https://www.mass.gov/service-details/smart-retirement-beyond-virtual-webinars-msrb>



# Planning for Retirement *with MSERS*

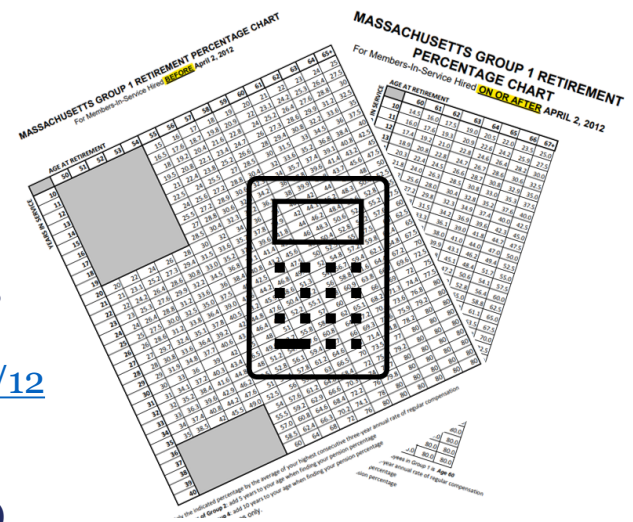
## Calculate Your Estimated Pension Benefits

<https://www.mass.gov/service-details/how-to-calculate-your-estimated-pension-benefits-msrb>

- [Online Pension Estimate Calculator](#)
- [Paper Pension Estimate Request Form](#)

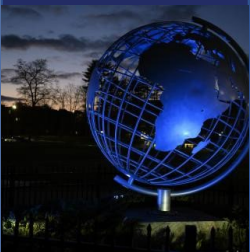
## Group 1 Retirement Percentage Estimate Charts

- [For Members-In-Service Hired BEFORE 04/02/12](#)
- [For Members-In-Service Hired ON or AFTER 04/02/12](#)



## Understand Your Allowance Options (A, B, or C)

<https://www.mass.gov/service-details/allowance-options-a-b-and-c-msrb>



# Planning for Retirement *with MSERS* [cont.]

## Important to consider when selecting a retirement date

- **Your age** impacts your annual pension until you reach the maximum age factor (or max Option A pension percentage)
- **Pension payments do not keep up with the cost of living**
  - Cost of Living Adjustments (COLA) apply to only the first \$13,000 of your annual pension
  - Cost of Living Adjustments (COLA) applies only after you have been retired for at least one full fiscal year (July 1- June 30) and dependent on state legislature vote
- **It can take three-to-five full calendar months from your retirement date for the retirement board to process your first pension payment**
  - The first payment is retroactive to your retirement date and it may be estimated.
  - It is important to have an income source in the interim
  - GIC will invoice you directly by mail for Health, Dental/Vision, and Life insurance premiums during this period or you may pay directly via your [MyGICLink](#) online portal

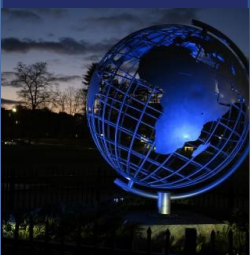




# Planning for Retirement *with MSERS* [cont.]

## Deferred Retirement with MSERS

- If you leave state employment after *vesting*, you can defer your retirement and begin to draw your pension at a later date.
- Your pension will be calculated based on your age when you begin drawing the pension.
- GIC health insurance is available during the deferral period at 100% of premium cost.
- There is no retirement payout of 20% of unused sick leave with deferred retirement.
- If you die while under deferred retirement and/or COBRA coverages, your survivors are **not** eligible for survivor benefits with GIC.



# Applying for Retirement *with MSERS*

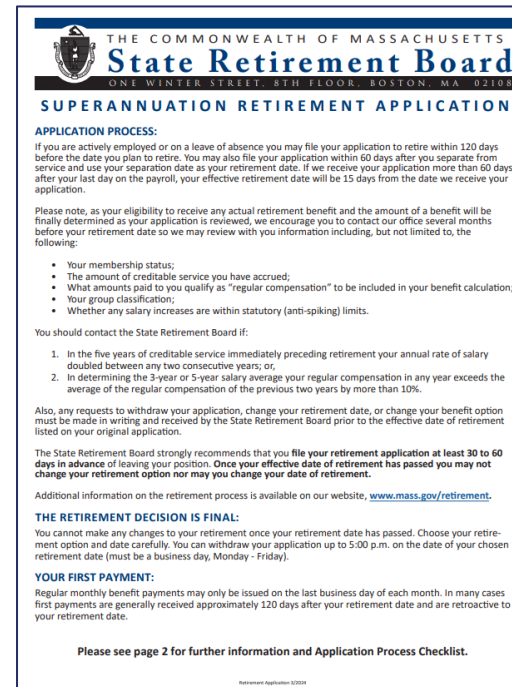
## Submit Your MSERS Pension Application

When you are ready to begin the retirement process, please reach out to HR Benefits communicating your intent to retire at least 90 days out from your planned retirement date.

## The Superannuation Retirement Application

- Download the form:  
<https://www.mass.gov/doc/application-for-voluntary-superannuation-retirement/download>
- For complete instructions on how to complete this form:  
<https://www.youtube.com/watch?v=8jC9rvJaCz4>

The HR Benefits team is happy to review your application prior to mailing.



THE COMMONWEALTH OF MASSACHUSETTS  
**State Retirement Board**  
ONE WINTER STREET, 5TH FLOOR, BOSTON, MA 02108

**SUPERANNUATION RETIREMENT APPLICATION**

**APPLICATION PROCESS:**

If you are actively employed or on a leave of absence you may file your application to retire within 120 days before the date you plan to retire. You may also file your application within 60 days after you separate from service and use your separation date as your retirement date. If we receive your application more than 60 days after your last day on the payroll, your effective retirement date will be 15 days from the date we receive your application.

Please note, as your eligibility to receive any actual retirement benefit and the amount of a benefit will be finally determined as your application is reviewed, we encourage you to contact our office several months before your retirement date so we may review with you information including, but not limited to, the following:

- Your membership status;
- The amount of creditable service you have accrued;
- What amounts paid to you qualify as "regular compensation" to be included in your benefit calculation;
- Your group classification;
- Whether any salary increases are within statutory (anti-spiking) limits.

You should contact the State Retirement Board if:

1. In the five years of creditable service immediately preceding retirement your annual rate of salary doubled between any two consecutive years, or,
2. In determining the 3-year or 5-year salary average your regular compensation in any year exceeds the average of the regular compensation of the previous two years by more than 10%.

Also, any requests to withdraw your application, change your retirement date, or change your benefit option must be made in writing and received by the State Retirement Board prior to the effective date of retirement listed on your original application.

The State Retirement Board strongly recommends that you file your retirement application at least 30 to 60 days in advance of leaving your position. Once your effective date of retirement has passed you may not change your retirement option nor may you change your date of retirement.

Additional information on the retirement process is available on our website, [www.mass.gov/retirement](http://www.mass.gov/retirement).

**THE RETIREMENT DECISION IS FINAL:**

You cannot make any changes to your retirement once your retirement date has passed. Choose your retirement option and date carefully. You can withdraw your application up to 5:00 p.m. on the date of your chosen retirement date (must be a business day, Monday - Friday).

**YOUR FIRST PAYMENT:**

Regular monthly benefit payments may only be issued on the last business day of each month. In many cases first payments are generally received approximately 120 days after your retirement date and are retroactive to your retirement date.

Please see page 2 for further information and Application Process Checklist.

Retirement Application 02/2018

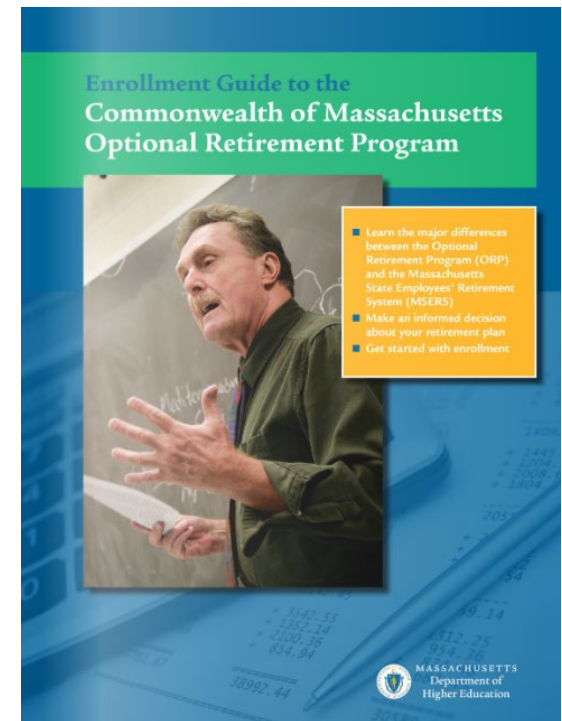
**Documents that are or may be required:** Your birth certificate or unexpired passport, marriage certificate, divorce decree(s), beneficiary birth certificate, and voided check.

# Planning for Retirement *with ORP*

## Retirement Income with the Optional Retirement Plan (ORP)

- Participants are eligible to draw benefits from the ORP any time after termination of employment with the Commonwealth.
- Retirement Income with ORP is based on your total accumulated balance
- Plan offers variety of payment methods including:
  - » Full or partial lump sum
  - » Lifetime annuity income for yourself/another person
  - » Systematic payments
  - » Payments over a fixed period
  - » Interest-only payments
  - » Any combination of the above

<https://www.mass.edu/forfacstaff/orp/benefitpayments.asp>



# Applying for Retirement *with ORP*

## ORP Benefit Application Process

When you are ready to retire and begin distributions from the ORP, visit the Massachusetts Board of Higher Education plan administrator webpage at:

<https://www.mass.edu/forfacstaff/orp/benefitapplication.asp>

### Retiree Checklist

The plan administrator has developed a Retiree Checklist to help participants prepare for the transition to a retiree (for GIC purposes).

- Retiring participants should complete the checklist and send it to the plan administrator **with their (completed) provider's application** for their retiree income. Participants can contact the plan administrator any time with questions they may have about the checklist.

<https://www.mass.edu/forfacstaff/orp/retireechecklist.asp>



# Applying for Retirement *with ORP* [cont.]

## Additional things to consider for ORP retirement

### Tax Impacts

Learn more about tax issues related to ORP distributions:

<https://www.mass.edu/forfacstaff/orp/taxissues.asp>

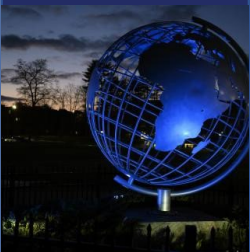
### Contacts:

<https://www.mass.edu/forfacstaff/orp/contacts.asp>

### Post Employment Benefits with the GIC:

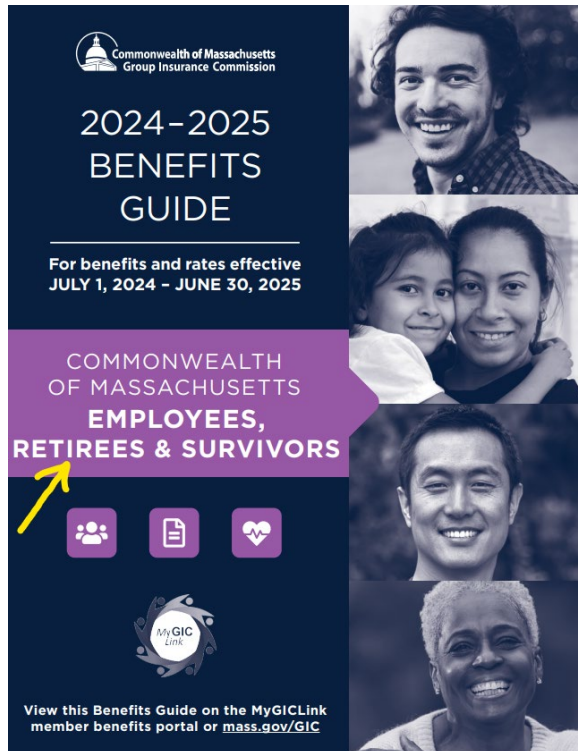
<https://www.mass.edu/forfacstaff/orp/postemployment.asp>

Participants must draw a monthly income from their ORP account (retiree income) in order to satisfy the Group Insurance Commission's (GIC) definition of a retiree; thereby enabling participants to purchase post-employment "retiree insurance" from the GIC.



# GIC Retiree Benefits

## *The Benefits Guide*



## GIC Retiree Plan Options

Review the Commonwealth of Massachusetts Guide for GIC Benefits of Retirees and Survivors for premium cost and plan options:

<https://www.mass.gov/doc/2024-2025-state-employees-retirees-survivors-benefits-guide/download>

# GIC Retiree Benefits

## MyGICLink

Cannot  
complete any  
earlier than 60  
days from  
retirement

### Completing GIC Retiree Enrollment via MyGICLink

- GIC Retiree enrollment is completed using [MyGICLink](#), GIC's member benefits portal *with assistance from your HR Benefits Team.*
- Important things to consider when enrolling:
  - Your retirement date
  - Medicare numbers for yourself if over age 65 and any dependents over 65
  - Relationship documentation if adding spouse or any eligible dependents who are not already enrolled on your health insurance plan
  - Health insurance election
  - Optional life insurance decision
  - Dental & vision election (GIC or COBRA)
  - Beneficiary information
    - Legal name
    - Date of birth
    - Address
    - Phone & email



# GIC Retiree Benefits

## Health Insurance Benefits



### Health Insurance Transition at Retirement

- Your current GIC employee insurance coverage will remain in effect through the last day of the following month after your retirement date. On the first of the following month, your retiree health insurance becomes effective with no gap in coverage. This is contingent on *timely* enrollment.
- The GIC will direct bill you for any required premiums due after your final regular paycheck, prior to deductions being taken from your pension payment. This deduction usually begins in 2nd or 3rd pension payment.
- If you do not have the GIC health insurance coverage as an active employee, or are retiring at a later date, you may enroll in GIC Retiree health insurance using MyGICLink at: <https://www.mass.gov/mygiclink-member-benefits-portal>.

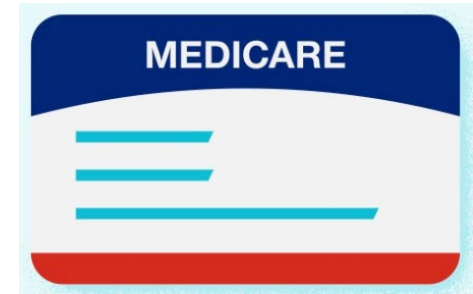
### GIC Retiree Health Insurance Benefits

- Both MSERS and ORP retirees may continue to purchase health insurance through the MA Group Insurance Commission (GIC).
- Retirees currently pay 20% of premium (this includes basic life insurance).
- If you are under age 65 at retirement, you can maintain the same GIC health insurance plan that you carried as an active employee or you may elect to choose another health insurance plan at retirement.
- If you plan to relocate to another state after retirement, you may need to change your health insurance plan. Review the GIC Benefits Guide for your options.
- The GIC will direct bill you for the premium for at least 3 months until your pension payments or ORP distributions begin.



# GIC & Medicare

## *Over age 65*



### **For Employees and Dependents Aged 65+**

- You must contact the Social Security Administration (SSA) regarding Medicare if you are over age 65 at retirement.
- At 65, you must enroll in Medicare Part A to avoid penalty. At retirement, you and/or your spouse must enroll in Medicare Part B in order to maintain your GIC insurance as a supplemental plan.
- At retirement, Medicare Parts A & B become your primary coverage and your GIC plan becomes your supplemental plan.
- In 2025, the *standard* premium for Medicare Part B is \$185.00/month. Higher income earners may pay more.
- Visit [Medicare.gov/eligibilitypremiumcalc](https://www.medicare.gov/eligibilitypremiumcalc) to get an estimate of your Part B premium.

### **Medicare Enrollment with GIC Health Coverage:**

<https://www.mass.gov/info-details/medicare-enrollment-with-gic-health-coverage>

### **Turning Age 65 Q&A Pamphlet**

<https://www.mass.gov/doc/turning-age-65-q-and-a/download>

# GIC & Medicare

## Over age 65 *[cont.]*

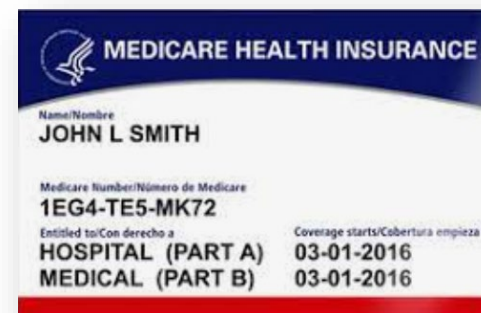
### Medicare Basics

- If already enrolled in Medicare Part A, you will complete two forms:
  - To enroll in Medicare online, please go to the Social Security website: <https://ssa.gov/medicareonly/>
  - You may also retrieve the following forms to print at the Social Security website:
    - [Application for Enrollment in Medicare Part B \(Medical Insurance\) CMS 40-B](#) – This form is completed by you, the applicant
    - [Request for Employment Information CMS L564](#) – This form is completed for you by your HR Benefits team, as we verify that you have had insurance coverage through Westfield State University
- You submit both forms to the Social Security Administration together

### Medicare Basics

|               |   |
|---------------|---|
| <b>Part A</b> | Free coverage for in-patient care in hospital, nursing facility, hospice care.  |
| <b>Part B</b> | Medically necessary and preventive services, ambulance services, mental health treatment and durable medical equipment. |
| <b>Part C</b> | Private health insurance purchased to supplement Medicare.  |
| <b>Part D</b> | Prescription drug coverage.*  |

\* Do not enroll in Medicare Part D directly with the Social Security Administration if you wish to continue health insurance through the GIC, otherwise, the GIC will cancel your health insurance. While Medicare Part D will be part of your CVS/Silverscript coverage, you will not initiate that enrollment.



# GIC & Medicare

*Over age 65 [cont.]*

## GIC Medicare Supplemental Plans

- Choose your GIC Medicare supplemental plan during your GIC Retiree enrollment using *MyGICLink* at: <https://www.mass.gov/mygiclink-member-benefits-portal>.
- Your GIC non-Medicare plan remains primary until the GIC processes your enrollment in the Medicare supplement plan
- The GIC Medicare supplement prescription coverage is not through CVS Caremark, but through CVS SilverScript
- The shift to the GIC Medicare Supplement plan and SilverScript occur effective the first day of a month but not always the same month
- You will get new medical insurance cards for both plans



# Dental+Vision Insurance *at Retirement*

Many options exist for dental & vision insurance coverage, including (but not limited to):

- Enroll in GIC Retiree Dental & Vision Plan – *see next slide*
- COBRA current employee Dental & Vision Plan
  - AFSCME employees: <https://www.mpefund.org/retiree-cobra/>
  - MSCA, APA, NUP, and NUC employees:  
<https://bhe.healthplansinc.com/employers/cobra-rates/>
- Commonwealth Connector (Delta, Altus) [www.mahealthconnector.org](http://www.mahealthconnector.org)



# Dental+Vision Insurance

## *at Retirement* [cont.]

### **GIC Retiree Dental**

- As a Retiree, you are eligible for the GIC sponsored dental & vision plan administered by Met Life. This coverage will begin the day after your active dental coverage ends, providing you make the required elections via MyGICLink member benefits portal.
- You can enroll upon retirement, upon involuntary loss of other coverage (end of COBRA period), or during the next GIC Annual Enrollment period.
- Enroll via [MyGICLink](#) with assistance from your HR Benefits team
- Once enrolled, if you discontinue coverage you cannot re-enroll.



# Final Wages

## *at Retirement*



### **Final Wages**

All final wages are paid in the 1<sup>st</sup> paydate following the retirement date.

Unused accrued time that is eligible for payout at retirement are generally paid the 2<sup>nd</sup> paydate after retirement.

### **Balance of Contract for MSCA Faculty**

The MSCA faculty academic work year is 09/01 – 05/31 with the nine (9) month salary period spread out over the full year.

- ❖ Retire 12/31 → owed salary through end of FEB
- ❖ Retire 05/31 → owed salary through end of AUG
- ❖ Retire 08/31 → no salary owed because end of academic work year.
- ❖ Retire mid-semester → prorated
- ❖ Unpaid leave in any portion of the academic work year prior to retirement will reduce wages due.

# Final Wages

## *at Retirement* [cont.]



### Salary Spread **Due** or **Owed** for APA <52 Week Employees

If you are an APA member whose work year is less than 52 weeks, your salary is spread out over a full year so that when you are outside your work year and not working, you continue to receive your full salary.

This is only possible because your biweekly salary is lowered and, for each week you work, a portion of your pay is “banked” to pay your salary for non-work year weeks.

Most positions are setup where you work your full work year *before* your non-work weeks to ensure sufficient “banked” salary to cover all your non-work year weeks.

**SALARY SPREAD DUE TO YOU:** You have “banked” salary **remaining** from your worked weeks because you did not receive salary for non-work weeks that exceeded your “banked” balance.

**SALARY SPREAD YOU OWE:** You are in a deficit for “banked” salary and owe the university because you received salary for non-work weeks that exceeded your “banked” balance from worked weeks. Payroll will make arrangements to collect any balance due through a reduction of your remaining pay or request a direct payment to the university prior to your retirement.

# Final Payouts

## *at Retirement*



### **Unused Vacation and Sick Buyouts**

Accruals are paid out in the pay period following the last regular paycheck.

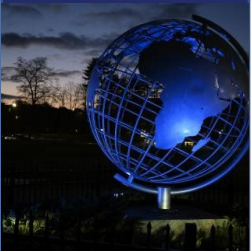
This payment includes:

- Unused Vacation – 100% of balance is paid to you
- Unused Sick – 20% of balance is paid to you

These payments are subject to federal and state withholding taxes.

Please note that Vacation time accruals are capped at 50 days (375 hours or 400 hours).

Any hour accrued over the maximum will be forfeited and not be paid out to you.





# Deferred Compensation *at Retirement*

## 403(b) and 457(b) SMART Plan Deferrals

Some retirees may wish to defer some or all of their final bulk payouts to limit their total taxable income in their retirement year. *Incentive payments to retire are not eligible.*



Your final bulk payouts can be tax-deferred into the Mass. Board of Higher Education 403(b) plan with either Corebridge, Fidelity, or TIAA or the SMART 457(b) plan with Empower. ROTH options are also available.

A one-time deferral form is needed to defer to each plan.

You can contribute to both plans and each has an independent limit. In 2025, the annual limits for an individual aged 50+:

» 403(b) – \$31,000      » 457(b) – \$31,000

Your HR Benefits team can provide you with the forms needed and answer any questions you may have about the process. Once completed, submit information to [benefits@westfield.ma.edu](mailto:benefits@westfield.ma.edu) **no later than 60 days** prior to retirement date.

Form submission links using DocuSign:  
[403\(b\) Salary Reduction Agreement form](#)  
[457\(b\) Paycheck Contribution Election form](#)

# Additional Benefits

## *at Retirement*

### **Optional Life Insurance**

You may continue coverage, reduce, or cancel coverage effective the first day of any future month.

Once you decrease your GIC life insurance at retirement, you may never increase it.

### **Long Term Disability**

Coverage will terminate automatically at retirement.



# Additional Benefits

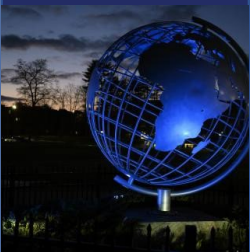
## *at Retirement* [cont.]

### **Flexible Spending Accounts**

Your participation in Health Care Savings Account (HCSA) and Dependent Care Assistance Program (DCAP) will terminate as of midnight the day of termination and your HCSA cards will be inactivated. You will only be able to submit claims for eligible health care expenses that were incurred on or before your last day of active employment.

You may elect to continue to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis.

- Your eligibility for COBRA will be determined by TASC.
- TASC will send the COBRA Qualifying Event Election Notice directly if you qualify for COBRA coverage.
- If you elect COBRA coverage for the Healthcare FSA, the amount billed to you will include a 2% administrative fee.



# Additional Resources

## *at Retirement*

### **MSRB**

<https://www.mass.gov/retirement-information-for-retirees-and-survivors-msrb>

### **ORP**

<https://www.mass.edu/forfacstaff/orp/postemployment.asp>

### **GIC**

<https://www.mass.gov/state-retiree-benefits>

Your Westfield State University HR Benefits Team is available to assist you!  
*[Benefits@westfield.ma.edu](mailto:Benefits@westfield.ma.edu) or (413) 572-8476*

