



Education & Resources for
All Stages of Retirement Planning

AU Retiree Benefits

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October 2018

OVERVIEW

- How do I retire from AU?
- Retiree Health Benefits - Benefits Extension Plan
- Medicare
- Other benefits available at retirement
- Pre-Retirement Checklist

HOW DO I RETIRE FROM AU?

Attend Pre-Retirement Sessions



Notify your supervisor in writing (e-mail/letter)



Meet with a Human Resources Team Member to discuss benefit options



60 – 90 Days Prior

Enroll in Medicare 60-90 days before retirement date, if eligible



30 Days Prior

Enroll in the Benefits Extension Plan 30 days before retirement, if eligible



Enjoy your retirement!



BENEFITS EXTENSION PLAN (BEP) - OVERVIEW

- Medical and dental benefits may be continued for the remainder of your life if you retire from active employment with the university at age **55** or later
- Coverage may also be continued for eligible family members, including:
 - Spouse/domestic partner for the remainder of his/her life
 - Dependent children through age 26 (end of the calendar year)
- Must be enrolled in AU medical and/or dental coverage at the time of retirement; can make changes at annual open enrollment each year in November

BENEFITS EXTENSION PLAN (BEP) - OVERVIEW

Retiree benefit contribution is based on date of hire and date of retirement:

1. Hired on or after January 1, 1993
 - May continue AU medical and dental coverage at own expense
2. Hired before January 1, 1993 and retiring on or after May 1, 1993
 - May be eligible for a university contribution towards the cost of AU medical coverage; coverage for spouse, domestic partner and dependents at own expense
 - May continue AU dental coverage at own expense

BENEFITS EXTENSION PLAN (BEP)

MEDICAL & DENTAL PLAN OPTIONS

Medical Plan Options – Under Age 65

- Same plan options as actives:
 - CareFirst Blue Choice/Express Scripts
 - Kaiser Medical Plan

Medical Plan Options – Over Age 65

- All plan options require enrollment in Medicare Part B:
 - CareFirst Blue Choice/Express Scripts
 - Kaiser Medicare Plus
 - AARP/United Healthcare MediGap Plan (retiree and spouse must both be age 65+)

Dental Plan Options

- Same plan options as actives:
 - Delta Dental Comprehensive Plan
 - Delta Dental Basic Plan



BENEFITS EXTENSION PLAN (BEP) - OVERVIEW

Out of area coverage

- **Carefirst**
 - Nationwide network
 - Medical services outside the United States covered under BlueCard Worldwide
 - Call Service Center at 1-800-810-BLUE (2583) or collect 1-804-673-1177 for cash-less access for outpatient/inpatient care or if admitted
- **Kaiser Permanente (DC, Maryland, Virginia)**
 - In-network only
 - Emergency care: Out-of-network/Worldwide

2018 BEP RATES AND CONTRIBUTION SCHEDULE

Medical Plan	2018 Monthly Rate
CareFirst/Express Scripts	
Individual	\$676.71
Individual with Medicare Part B	\$642.59
Individual Plus 1	\$1,352.16
Family	\$1,960.22
Kaiser Permanente	
Individual	\$531.97
Individual with Medicare Part B	\$254.50
Individual Plus 1	\$1,066.73
Family	\$1,547.99

Dental Plan	2018 Monthly Rate
Comprehensive	
Individual	\$38.60
Individual Plus 1	\$77.21
Family	\$111.91
Basic	
Individual	\$30.68
Individual Plus 1	\$61.35
Family	\$88.93

Medical Plan Contribution for Faculty Hired before 1/1/1993	
Years of Service	AU's Monthly Contribution Towards the Cost of Faculty's Own Coverage
Less than 15	\$0
15	\$90
16	\$99
17	\$108
18	\$117
19	\$126
20	\$135
21	\$144
22	\$153
23	\$162
24	\$171
25	\$180
26	\$198
27	\$216
28	\$234
29	\$252
30 and over	\$270

MEDICARE – WHAT IT COVERS

- **Medicare Part A – Hospitalization**
 - No charge for Medicare Part A
- **Medicare Part B – Physician Care**
 - Base monthly cost for 2018: \$134.00*
 - Medicare premiums may be paid directly to Medicare or withheld from Social Security benefit payment
- **Medicare Part C – Medicare Advantage**
 - Includes Parts A, B and D
 - May include extra benefits such as dental and vision
- **Medicare Part D – Prescription Coverage**
 - Administered through private insurers (i.e., AARP/UHC)
 - Monthly cost varies based on plan and insurance carrier

* The current Part B monthly premium is based on your income as reported on your 2016 IRS Tax Return, and the 2018 monthly rate ranges from \$134.00 (\$85,000 or less) to \$428.60 (above \$320,000).

MEDICARE – WHEN TO ENROLL

- **Medicare Part A**
 - May enroll beginning 3 months before age 65 through 3 months after age 65
- **Medicare Part B**
 - If currently employed at AU: Need not enroll until retirement
 - If retired from AU: May enroll anytime through the 8-month period following retirement (late enrollment penalty if enrolled after 8 months)
- **Medicare Part D (administered through private insurers)**
 - Enroll when electing a Supplemental health plan (i.e., AARP/UHC)

MEDICARE – HOW TO ENROLL

- **To enroll in both Medicare Parts A and B:**
 - Enroll on-line at www.socialsecurity.gov/medicareonly, or
 - Contact the Social Security Administration (SSA) at 1-800-772-1213
- **To enroll in Medicare Part B (if you are already enrolled in Medicare Part A):**
 - Contact the Social Security Administration (SSA) at 1-800-772-1213

OTHER BENEFITS AVAILABLE IN RETIREMENT

Life Insurance

- Ends on retirement date; may be converted to individual policy
 - Guaranteed issue available or may go through medical underwriting for possible reduced cost
- Plans eligible for conversion:
 - Basic Life, Voluntary Life, Spouse Life and Child Life
- Cost determined by Prudential
 - Can be very expensive (rates may be substantially higher than the current group rates)
 - Contact Prudential directly for continuation of life insurance coverage options and instructions
 - You will have 31 days from the date coverage ends to convert life insurance coverage

OTHER BENEFITS AVAILABLE IN RETIREMENT

403(b) Retirement Plan

- Distribution options
 - Leave it alone
 - Take periodic payments
 - Transfer/rollover into IRA
 - Annuity
 - Lump sum
- Minimum withdrawal age of 59 ½ (or subject to 10% IRS penalty)
- Mandatory withdrawals beginning at age 70 ½
- TIAA and Fidelity representatives are available for one-on-one consultations

MILESTONES

59½

Withdrawals from tax-advantaged retirement plans no longer subject to 10% early-withdrawal penalty

62

Minimum age to receive Social Security benefits, but at a reduced amount

66

Full Social Security benefits (regardless of any future earnings) available if you were born between 1943 and 1954

67

Full Social Security benefits available if you were born in 1960 or later

70½

Must begin withdrawing funds from your retirement plans

- Employer plans: By April 1 following the year you turn age 70½ or retire from the sponsoring employer, whichever is later
- IRAs (except Roth IRAs): By April 1 following the year you turn age 70½

OTHER BENEFITS AVAILABLE IN RETIREMENT

Educational Benefits

- Eligible to attend regularly scheduled courses at American University or the Wesley Theological Seminary if you retire with:
 - A minimum of 20 years of service, and
 - Age plus service is equal to or greater than 80
- Tuition benefits are also available to spouses and same-sex domestic partners
- Tax-eligible dependent children (who meet eligibility requirements in force) are eligible to receive:
 - AU Tuition Scholarship
 - Tuition Exchange (competitive – scholarship awards not guaranteed)
 - Cash Grant (if faculty hired prior to July 1, 1995)

OTHER BENEFITS AVAILABLE IN RETIREMENT FOR FACULTY

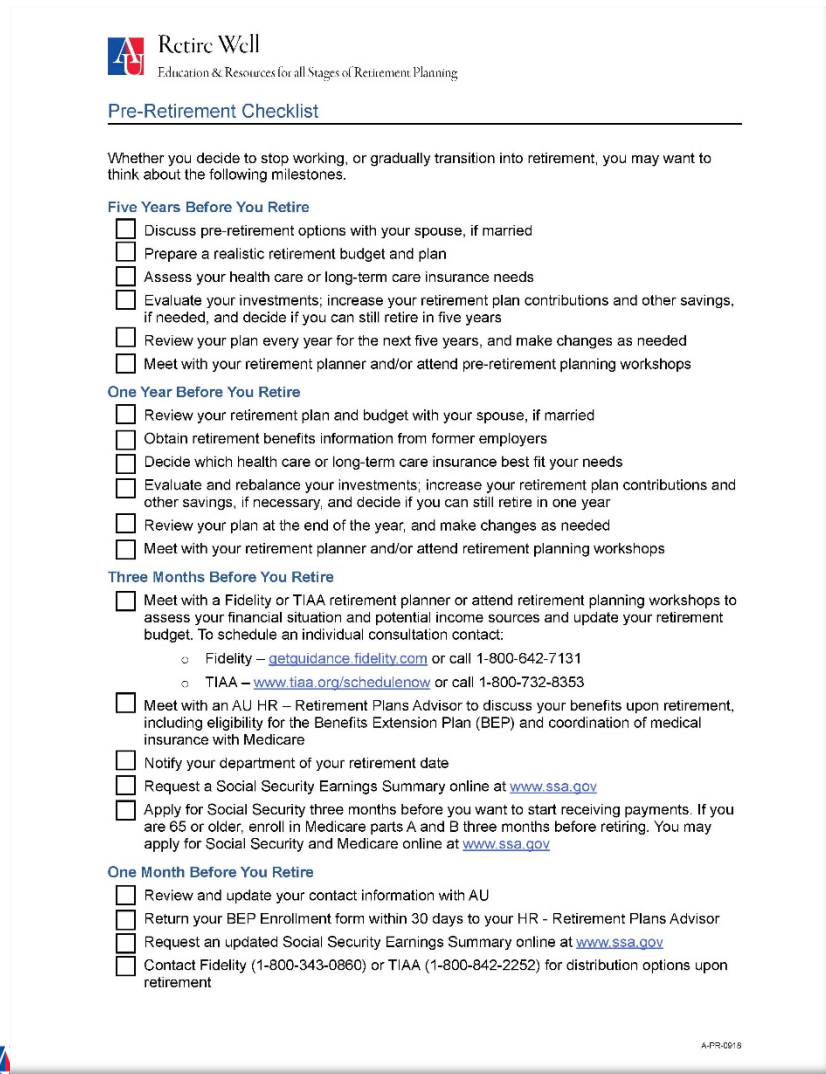
Miscellaneous Benefits

- Faculty who are appointed as an emeritus or emerita faculty member will be eligible for a free parking permit on campus (must contact the Parking & Commuter Services Office to obtain a permit)
- Emeriti faculty will also be eligible for an emeritus or emerita AU ID card for use at the sports and library facilities on campus
- Emeriti faculty will have the same privileges as a full-time faculty member in using computer center resources and services

NEXT STEPS

- Decide when you will retire
- Meet with a TIAA an/or Fidelity representative to assess your retirement readiness
- Decide whether to enroll in Medicare
- Request a copy of your Social Security Earnings History at www.ssa.gov
- Review your 403(b) Retirement Plan account statement and distribution options

NEXT STEPS: PRE-RETIREMENT CHECKLIST



Retire Well
Education & Resources for all Stages of Retirement Planning

Pre-Retirement Checklist

Whether you decide to stop working, or gradually transition into retirement, you may want to think about the following milestones.

Five Years Before You Retire

- Discuss pre-retirement options with your spouse, if married
- Prepare a realistic retirement budget and plan
- Assess your health care or long-term care insurance needs
- Evaluate your investments; increase your retirement plan contributions and other savings, if needed, and decide if you can still retire in five years
- Review your plan every year for the next five years, and make changes as needed
- Meet with your retirement planner and/or attend pre-retirement planning workshops

One Year Before You Retire

- Review your retirement plan and budget with your spouse, if married
- Obtain retirement benefits information from former employers
- Decide which health care or long-term care insurance best fit your needs
- Evaluate and rebalance your investments; increase your retirement plan contributions and other savings, if necessary, and decide if you can still retire in one year
- Review your plan at the end of the year, and make changes as needed
- Meet with your retirement planner and/or attend retirement planning workshops

Three Months Before You Retire

- Meet with a Fidelity or TIAA retirement planner or attend retirement planning workshops to assess your financial situation and potential income sources and update your retirement budget. To schedule an individual consultation contact:
 - o Fidelity – getguidance.fidelity.com or call 1-800-642-7131
 - o TIAA – www.tiaa.org/schedulenow or call 1-800-732-8353
- Meet with an AU HR – Retirement Plans Advisor to discuss your benefits upon retirement, including eligibility for the Benefits Extension Plan (BEP) and coordination of medical insurance with Medicare
- Notify your department of your retirement date
- Request a Social Security Earnings Summary online at www.ssa.gov
- Apply for Social Security three months before you want to start receiving payments. If you are 65 or older, enroll in Medicare parts A and B three months before retiring. You may apply for Social Security and Medicare online at www.ssa.gov

One Month Before You Retire

- Review and update your contact information with AU
- Return your BEP Enrollment form within 30 days to your HR - Retirement Plans Advisor
- Request an updated Social Security Earnings Summary online at www.ssa.gov
- Contact Fidelity (1-800-343-0860) or TIAA (1-800-842-2252) for distribution options upon retirement

A-PR-0016

Periodically review the Pre-Retirement Checklist to ensure you are on track to meet your retirement goals

HELP IS AVAILABLE!

Call **Lex Clary** at **x3521** or email lexclary@american.edu to:

- Schedule a meeting with **Human Resources Benefits Team** to review BEP options
- Schedule a meeting with **TIAA** and/or **Fidelity** representatives for one-on-one retirement plan counseling

THANK YOU!

Joselino Cruz-Perez



joselino@american.edu

202-885-3748

American University Retiree Benefits

10.17.2018

Out of Area Coverage

 CareFirst BlueChoice, Inc.	AMERICAN UNIVERSITY
Member Name DOE JOHN Member ID RMR810 45 6789	BC ADV OPEN ACCESS
Group 5801532 DC 00 Eff Date 01/01/17 BC/BS Plan 080/580	P20 \$40 ER75 VC ROUTINE OV COPAY \$0
	



This employee benefit plan provides benefits to you and your eligible dependents.

CareFirst BlueCross BlueShield provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

CareFirst BlueChoice, Inc. and CareFirst BlueCross BlueShield, the business name of Group Hospitalization and Medical Services, Inc. is an independent corporation operating under a license from the Blue Cross and Blue Shield Association.
5900VPHDP (10/12)

www.carefirst.com

Customer Service **800-628-8548**
 Provider Service **877-228-7288**

Vision: **800-783-5602**
 24hr FirstHelp(Nurse): **800-535-9700**
 Mental Health/Substance Abuse: **800-245-7013**
 Pre-Auth/Case Management: **866-773-2884**
 Locate Out of Area Providers: **800-810-2583**

Local CareFirst providers mail to:
Mail Administrator
PO Box 14115 (for claims)
PO Box 14114 (for correspondence)
Lexington, KY 40512

Vision Claims:
Vision Care Processing Unit
PO Box 1525, Latham, NY 12110

Vision services provided through Davis Vision

Blue Choice Advantage

Blue Choice Advantage Summary of Benefits

Services	In-Network You Pay ^{1,2}	Out-of-Network You Pay ^{1,3}
Visit carefirst.com/findadoc to locate providers		
24/7 FIRSHELPHSM NURSE ADVICE LINE		
Free advice from a registered nurse	When your doctor is not available, call FirstHelp SM to speak with a registered nurse about your health questions and treatment options. Call (800) 535-9700.	
ANNUAL DEDUCTIBLE (BENEFIT PERIOD)⁴		
Individual	\$200	\$750
Family	\$400	\$1,500
ANNUAL OUT-OF-POCKET MAXIMUM (BENEFIT PERIOD)⁵		
Medical	\$2,750 Individual/\$5,500 Family	\$4,000 Individual/\$8,000 Family
LIFETIME MAXIMUM BENEFIT		
Lifetime Maximum	None	None
PREVENTIVE SERVICES		
Well-Child Care (including exams & immunizations)	No charge*	25% of Allowed Benefit
Adult Physical Examination (including routine GYN visit)	Adult Physical—No charge* Routine GYN—No charge*	Adult Physical—Not covered Routine GYN—25% of Allowed Benefit
Breast Cancer Screening	No charge*	25% of Allowed Benefit
Pap Test	No charge*	25% of Allowed Benefit
Prostate Cancer Screening	No charge*	25% of Allowed Benefit
Colorectal Cancer Screening	No charge*	25% of Allowed Benefit
OFFICE VISITS, LABS AND TESTING		
Office Visits for illness	Deductible, then \$20 PCP/ \$40 Specialist per visit	Deductible, then 25% of Allowed Benefit
Lab ⁶	No charge* after deductible	No charge* after deductible
X-ray	No charge* after deductible	No charge* after deductible
Allergy Testing	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Allergy Shots	\$20 PCP/\$40 Specialist per visit	Deductible, then 25% of Allowed Benefit
Physical, Speech and Occupational Therapy ⁷	Deductible, then \$40 per visit	Deductible, then 25% of Allowed Benefit
Chiropractic (limited to 20 visits/benefit period)	Deductible, then \$40 per visit	Deductible, then 25% of Allowed Benefit
Acupuncture (limited to 20 visits/benefit period)	Deductible, then \$40 per visit	Deductible, then 25% of Allowed Benefit
EMERGENCY SERVICES		
Urgent Care Center	\$40 per visit	\$40 per visit
Emergency Room—Facility Services	\$75 per visit (waived if admitted)	\$75 per visit (waived if admitted)
Emergency Room—Physician Services	No charge*	No charge*
Ambulance	No charge* after deductible (if medically necessary)	No charge* after deductible
HOSPITALIZATION (MEMBERS ARE RESPONSIBLE FOR APPLICABLE PHYSICIAN AND FACILITY FEES)		
Outpatient Facility Services	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Outpatient Physician Services	Deductible, then \$20 PCP/\$40 Specialist per visit	Deductible, then 25% of Allowed Benefit
Inpatient Facility Services	Deductible, then \$250 per admission	Deductible, then 25% of Allowed Benefit
Inpatient Physician Services	No charge* after deductible	Deductible, then 25% of Allowed Benefit
HOSPITAL ALTERNATIVES		
Home Health Care	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Hospice (limited to 180 day maximum; 45 lifetime reserve days)	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Skilled Nursing Facility	No charge* after deductible	Deductible, then 25% of Allowed Benefit

Blue Choice Advantage Cont...

Blue Choice Advantage Summary of Benefits

Services	In-Network You Pay ^{1,2}	Out-of-Network You Pay ^{1,3}
MATERNITY		
Preventive Prenatal and Postnatal Office Visits	No charge*	Deductible, then 25% of Allowed Benefit
Delivery and Facility Services	Deductible, then \$250 per admission	Deductible, then 25% of Allowed Benefit
Nursery Care of Newborn	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Artificial and Intrauterine Insemination ⁴	Deductible, then \$40 per visit	Not covered
In Vitro Fertilization Procedures ⁵	Deductible, then \$40 per visit	Not covered
MENTAL HEALTH AND SUBSTANCE USE DISORDER (MEMBERS ARE RESPONSIBLE FOR APPLICABLE PHYSICIAN AND FACILITY FEES)		
Inpatient Facility Services	Deductible, then \$250 per admission	Deductible, then 25% of Allowed Benefit
Inpatient Physician Services	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Outpatient Facility Services	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Outpatient Physician Services	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Office Visits	Deductible, then \$20 per visit	Deductible, then 25% of Allowed Benefit
Medication Management	Deductible, then \$20 per visit	Deductible, then 25% of Allowed Benefit
MEDICAL DEVICES AND SUPPLIES		
Durable Medical Equipment	No charge* after deductible	Deductible, then 25% of Allowed Benefit
Hearing Aids (limited to \$2,500 maximum/ 36 months)	No charge* after deductible	Deductible, then 25% of Allowed Benefit
VISION		
Routine Exam (limited to 1 visit/benefit period)	\$10 per visit at participating vision provider	Not covered
Eyeglasses and Contact Lenses	Discounts from participating vision centers	Not covered

2018 Medicare Cost

Remaining Costs after Medicare Payment

Inpatient Hospital Part A initial deductible

Days 1 – 60 \$1,340
 Days 61 – 90 \$335 per day
 Lifetime reserve \$670 per day

Hospice Care

Medicare pays most charges. Remaining costs include drug copayment and limited cost for respite care.

Laboratory Services

You pay \$0

CareFirst Plan Payment

Inpatient Hospital

Days 1 – 60 \$1,340
 Days 61 – 90 \$335 per day
 Lifetime reserve \$670 per day

Hospice Care - Remaining cost

Laboratory Services

You pay \$0

Note: The Medicare deductibles and coinsurance amounts shown are based on 2017 figures. Medicare Part B deductible is \$183 for 2018.

Medicare's deductibles and/or coinsurance amounts are subject to change effective 1/1/2019.

Coordinating with Medicare

Same Blue Choice Advantage benefits

- Services allowed by Medicare do not require an authorization

Medicare deductible, copays and coinsurance will be considered

Non-Medicare covered services will be considered

- Acupuncture
- Routine Foot Care
- Hearing Aids
- Shingles Vaccine
- Travel Immunizations
- Out of Country Claims
- Telemedicine

CareFirst BlueCard Program

BlueCard is a national program that enables members to obtain healthcare while traveling.

The BlueCard program includes more than 6,100 hospitals and 600,000 other health care providers nationally.

Outside the United States, when you have Blue Cross Blue Shield Global Core, you have access to doctors and hospitals in nearly 200 countries and territories.

For more information, visit bcbsglobalcore.com.

Questions



Kaiser Permanente Medicare Plan

Jennifer Williams, Group Retiree Consultant
October 17, 2018
American University Pre-Retirement Session

Discussion Topics

Medicare Basics

Eligibility

Benefits

Getting Care Away from Home

Kp.org

Medicare Basics



Medicare Part A

Hospitalization Coverage

Premium free for most



Medicare Part C

A plan that contracts with Medicare to provide Part A and Part B services, plus some additional benefits



Medicare Part B

Medical Coverage

Premium paid each month to Social Security



Medicare Part D

A plan that contracts with Medicare to provide outpatient prescription drug benefits

Eligibility

- Must be eligible for retiree Medicare benefits through AU
- Must have Medicare Parts A and B
- Must permanently reside within the Kaiser Permanente Medicare Plan service area

AU Medicare Benefits with Kaiser

Benefit – Medical/Hospital	Your Cost
Doctor Visit (PCP or Specialist)	\$15 copay
Lab/Imaging	\$0 copay
Inpatient Hospitalization	\$100 copay per benefit period
ER Visit	\$50 copay (waived if admitted)
Outpatient Surgery	\$0 copay
Ambulance	\$0 copay
Preventive Care	\$0 copay

AU Medicare Benefits with Kaiser

Benefit – Rx	Your Cost
Mail Order (Generic or Brand)	\$10 copay (up to 90-day supply)
KP Pharmacy (Generic or Brand)	\$15 copay (up to 60-day supply)
Affiliated Network Pharmacy (Generic or Brand)	\$25 copay (up to 60-day supply)

AU Medicare Benefits with Kaiser

Benefit – Hearing Aids and Complementary and Alternative Medicine	Your Cost
Hearing Aids	1 hearing aid per ear every 36 months (up to \$1,000)
Acupuncture and Chiropractic Care	\$15 copay per visit (20 visit max per year)

Getting Care Away from Home

- Worldwide Coverage for Emergency and Urgent Care
- Video Visits
- 24/7 Nurse Line

Kp.org

- Email your primary care doctor or specialist
- View Lab Test Results
- Schedule and Cancel Appointments
- Order Rx Refills
- View Immunizations