

Benefits

When You Leave UW Employment

- Retirement
- Termination

This publication contains information regarding the continuation or conversion of your benefits when you leave UW employment, who is eligible to continue or convert, how and when to apply and additional program benefit information. To avoid any loss of benefits, contact your benefits office before terminating your employment to make arrangements for continuing or converting your coverage.

Detailed information, including premiums and forms can be found on the website at:
<http://www.bussvc.wisc.edu/ecbs/emp-info.html>

Benefit Plans

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Wisconsin Retirement System (WRS)

The Wisconsin Retirement System provides several types of benefits, separation/withdrawal, retirement, disability and death benefits. Contact your campus benefits office at least 12 months before you retire to ensure that you receive complete information about your benefits and rights. A benefits specialist will provide individual retirement counseling including information about application procedures, annuity options, sick leave conversion and continuation of insurance.

<p>Termination prior to age 55 (age 50 if a protective employee)</p>	<ul style="list-style-type: none"> • You may leave your money in your retirement account until age 55 or later (age 50 or later for protective category employees) when you will be eligible to receive a retirement benefit. A retirement benefit includes the employer and employee contributions; OR • You may elect to receive the employee-required contributions plus accrued interest as a separation benefit before age 55 (age 50 for protective category employees). <p>With a separation benefit you forfeit:</p> <ul style="list-style-type: none"> • The matching employer required contributions plus accrued interest; • The number of years of WRS service credits; and • All other rights under WRS. <p>A separation benefit is treated as taxable income in the year received and will be subject to mandatory 20% federal tax withholding and an additional 10% tax penalty unless rolled over into another qualified retirement account.</p> <p>The best option for you depends on a variety of factors including your age, when you were first covered under WRS, and the number of years of WRS creditable service you have accumulated.</p>
<p>Retiring (terminating) at age 55 or later</p>	<p>You can receive a retirement annuity for life beginning as early as age 55 (age 50 for protective category employees). You can apply for your annuity as early as 90 days before or as late as 90 days after your retirement date without loss of benefits.</p>

Health Insurance

See *It's Your Choice* booklet ([ET-2107](#) for State Employees Plan or [ET-2127](#) for Graduate Assistant Plan).

NOTE: Under Federal law, if your employer is not notified within 60 days of the event that terminated your coverage (e.g. loss of student status or termination of employment), the right to continuation of coverage is lost.

<p>Continuation – Definition</p>	<ul style="list-style-type: none"> • COBRA continuation coverage is a temporary extension of your current State Group Health insurance plan. • State Group Health insurance coverage is paid two calendar months in advance so the current coverage continues for two calendar months after your termination date. • You can continue group coverage for an additional 34 months under COBRA provisions. You pay the total cost (no University contribution). • Refer to applicable <i>It's Your Choice</i> booklet for monthly premiums.
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State Group Health Insurance Continued

<p>Continuation – Eligibility</p>	<ul style="list-style-type: none"> • If you had coverage as an active employee, you may continue the group health plan if you lose coverage because of a reduction in hours of employment or termination of employment (for reasons other than gross misconduct). • Your spouse is eligible for continuation if your coverage is in force at the time one of the following events: <ul style="list-style-type: none"> ○ Your death; or ○ Your termination of employment (for reasons other than gross misconduct) or a reduction in your hours of employment; or ○ Divorce. • Your dependent children (or grandchildren) are eligible for continuation if your coverage is in force at the time any one of the following events: <ul style="list-style-type: none"> ○ Your death; or ○ Your termination of employment (for reasons other than gross misconduct) or a reduction in your hours of employment; or ○ Your dependent child loses dependent status under the program.
<p>Continuation at Retirement</p>	<ul style="list-style-type: none"> • You can continue your health insurance coverage for life if you retire on an immediate annuity from the Wisconsin Retirement System (WRS) regardless of the amount of creditable service you have. An immediate annuity is one that begins no later than 30 days from your termination date. • You can continue your health insurance for life if you have 20 years of WRS creditable service at the time of your retirement, you delay applying for retirement and you have comparable coverage in force. • The total cost of health insurance is the same for active employees and retirees until eligible for Medicare. • Retiree's premiums are higher because the University no longer contributes toward the premium. Upon retirement your monthly health premiums will be paid in one of the following ways: <ul style="list-style-type: none"> ○ From your accumulated sick leave account until it is exhausted. (For more information refer to the Sick Leave Conversion Credit Program Information - UW1048 on the Office of Human Resources website). ○ Deducted from your retirement annuity; or ○ Paid directly to the insurance carrier who will bill you for the premiums.
<p>Health Insurance and Accumulated Sick Leave Conversion Credits (ASLCC) with 20 Years of WRS Creditable Service at time of Termination</p>	<ul style="list-style-type: none"> • If you are under retirement age at the time of termination and you have 20 years WRS Creditable Service (includes both State and Local) you are eligible to have your accumulated sick leave certified to pay for health insurance premium when you retire in the future provided you do not close your account by separation benefit. • If you have 15 or more years of adjusted continuous "State" service you are also eligible for certification of Supplemental Health Insurance Conversion Credits (SHICC).

State Group Health Insurance Continued

<p>Continuation at Retirement if Spouse is Still Working</p>	<ul style="list-style-type: none"> • If your spouse is a State or University employee: <ul style="list-style-type: none"> ○ You may elect to transfer your family health insurance coverage to your spouse. ○ Your sick leave credits will be placed in an inactive account until your spouse retires and depletes his/her sick leave credits. Your sick leave credits will then be used. • If your spouse is NOT a State or University employee: <ul style="list-style-type: none"> ○ If your spouse's health insurance plan has comparable coverage to the State plan, you are eligible to escrow (delay using) your sick leave credits with no time limitation. <p>To escrow your sick leave credits, complete a Sick Leave Escrow Application (ET-4305) and submit the application to Employee Trust Funds (ETF) at the time of retirement.</p>
<p>Continuation and Medicare at Retirement (age 65 and older)</p>	<ul style="list-style-type: none"> • It is mandatory that you or any of your insured dependents enroll for Medicare benefits when first eligible. • Application for Medicare is deferred until you terminate employment or your spouse terminates employment if s/he is the subscriber. • The eligible person(s) must enroll for Medicare Part A (Hospital) and Medical Part B (Physician) if age 65 or older at termination and/or retirement if no longer covered by employer-sponsored health insurance. • Failure to enroll will result in termination of State Group Health insurance coverage. • When you or your eligible dependent(s) become eligible for Medicare after retirement, your health insurance will be changed to a plan that is integrated with the Medicare program. <p>Your health coverage will remain substantially the same, but integration with Medicare will result in a reduction in premiums.</p>
<p>Continuation – Application for (Non-Retirees)</p>	<ul style="list-style-type: none"> • Complete and submit a Continuation/Conversion Notice (ET-2311) to the Department of Employee Trust Funds (ETF) within 60 days from the termination date of your current coverage, or within 60 days of the date the notice is signed by your benefits office, whichever is later. If ETF does not receive the Notice within 60 days, your coverage cannot be reinstated. • You will also need to complete and submit a Health Insurance Application (ET-2301 or ET-2302) with the Notice if: <ul style="list-style-type: none"> ○ You want to change from family to single coverage; or ○ You are divorced and need to carry your own coverage; or ○ You are the child or grandchild of an insured employee and are no longer eligible for coverage on the parent's or grandparent's plan; or ○ You need to transfer to another health insurance plan because you moved, and your current insurance plan is not available in the new location. <p>Do not send a payment with the notice. The insurance carrier will send you a bill.</p>

State Group Health Insurance Continued

<p>Conversion – Definition & Application Information</p>	<ul style="list-style-type: none"> • Conversion insurance is a non-group plan (not the State plan), which is available when group coverage ends and is subject to rates and regulations then in effect. Coverage and premiums vary greatly from plan to plan. Premiums are usually higher than the group premium rate. • You and your dependents are eligible for conversion coverage if the State Group Health coverage was in effect for at least three months prior to termination. • Upon termination of your current State Group Health coverage, or at the end of the continuation period, you and your dependents may convert your State Group Health insurance to a non-group plan or policy offered by the insurance carrier. • Contact the health plan directly for a conversion application. <p>Generally, employees opt for the continuation coverage and do not consider conversion insurance until the 34 months of continuation coverage is exhausted.</p>
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Dental and Excess Medical Insurance (EPIC)

Dental and Excess Medical coverage continues for one month after termination of employment provided premium is paid through that month.

<p>Continuation – Eligibility & Application</p>	<ul style="list-style-type: none"> • You can continue coverage for 36 months if you have less than 20 years of service at the time of termination. • You can continue coverage for life: <ul style="list-style-type: none"> ○ upon retirement if you apply for a Wisconsin Retirement System (WRS) immediate annuity (an annuity is one that begins no later than 30 days from your termination date), or ○ upon termination if you have 20 years of WRS creditable service. • Your insured spouse and/or dependents have the option of continuing coverage upon your death or loss of dependency status. • Complete and submit the continuation form (E11472-0011) to EPIC Life Insurance Company within 60 days of the coverage termination date or 60 days from the date that the continuation form was completed, whichever is later.
<p>Conversion</p>	<ul style="list-style-type: none"> • There is no conversion plan offered.

Anthem Dental Insurance (UW Non-Represented and OSER)

UW and OSER Sponsored employee dental insurance coverage continues for one month after termination of employment provided premium is paid through that month. The following information related ONLY to UW and OSER sponsored dental coverage. (Represented employees enrolled in dental plans offered through the union must contact the union for information about continuation or conversion). Refer to the appropriate Anthem Dental Benefit Handbook ([HMO](#), [PPO](#), or [Supplemental Plan](#)) for more information.

Continuation – Eligibility & Application	<ul style="list-style-type: none"> • You may continue the group dental coverage for 18 months after termination at group rate. • You may continue coverage indefinitely at retirement at group rate. • Other participants (divorced/surviving spouses, dependent children) may continue coverage for 36 months at group rate. • Employees must submit continuation form HRIS-B1603 • All employees must submit continuation form within 60 days from either the coverage termination date or the date of the continuation notice, whichever is later.
Conversion	<ul style="list-style-type: none"> • There is no dental conversion plan offered.

Vision Insurance

OptumHealth coverage continues until the end of the month in which you termination employment. See [plan documents](#) for more information.

Continuation – Eligibility & Application	<ul style="list-style-type: none"> • An employee can pay remainder of premium for the plan year from last paycheck to maintain coverage for the rest of calendar year. • All covered employees are eligible for COBRA continuation. COBRA is handled by Spectera's third party vendor, Your Benefit Plan (YBP). At termination, submit a Vision application indicating that you want COBRA coverage to YBP to continue coverage. YBP will bill you for the premium owed.
Conversion	<ul style="list-style-type: none"> • There are no conversion rights available.

Income Continuation (ICI)

Income Continuation Insurance group coverage ends on the date of termination. See the booklet *Income Continuation Insurance* ([ET-2106](#)).

Continuation	<ul style="list-style-type: none"> • There are no continuation rights at termination under the Income Continuation Insurance Program.
Conversion	<ul style="list-style-type: none"> • There are no conversion rights at termination under the Income Continuation Program.

State Group Life Insurance

Coverage continues for one calendar month after you terminate employment or for two months after you retire provided premium is paid through those months. For complete information refer to The Wisconsin Public Employers Group Life Insurance Program ([ET-2101](#)).

Note: If you retire before the 10th of the month coverage continues for one month only.

Examples:

- Retirements between June 1 and June 10, coverage is paid through July.
- Retirements between June 11 and June 30, coverage is paid through August.

<p>Continuation of State Group Life at Retirement</p>	<ul style="list-style-type: none"> • In general, you may continue your group life insurance (basic, supplemental and additional) after terminating employment providing you meet the following requirements: <ul style="list-style-type: none"> ○ Your Wisconsin Retirement System (WRS) coverage began before 1-1-90, or you have been covered by the group life insurance plan in five calendar years beginning 1-1-90; and ○ You qualify under one of the following situations: <ul style="list-style-type: none"> • You are receiving an immediate WRS annuity or meet all of the requirements for receiving an immediate WRS annuity except the filing of an application; or • The sum of the years of your creditable service in the WRS on 1-1-90 plus your years of group life insurance coverage after 1989 equals 20 years; or • You have 20 years of service on payroll with your last WRS employer. • If you begin an immediate WRS annuity, your insurance will automatically continue. Premiums will be deducted from monthly annuity check. • Supplemental and additional coverage continues at retirement if you retire or terminate prior to age 65. If retired, supplemental and additional coverage terminates at age 65 (continuation rights end at age 65) • Continuation is not available for Spouse and Dependent coverage.
<p>Continuation of State Group Life at Termination with 20+ years WRS service and NOT retiring annuity.</p>	<ul style="list-style-type: none"> • If you do not begin an annuity, you can continue coverage if your Wisconsin Retirement System (WRS) coverage began before 1-1-90, or you have been covered by the group life insurance plan in five calendar years beginning 1-1-90; and <ul style="list-style-type: none"> ○ You have 20 years of WRS credible service, OR ○ You have worked for your current employer for 20 or more years, including part-time and/or non-WRS covered service. • You must complete and submit a "Continuation Notice" (ET-2154) to the Department of Employee Trust Funds (ETF) within 31 days of your coverage end date.
<p>Conversion – Eligibility & Application for State Group Life Insurance</p>	<ul style="list-style-type: none"> • Conversion is available if you have been insured with the group plan for the entire six months preceding termination of coverage. • You are not eligible for conversion if you terminate employment at age 65 or later. • No evidence of insurability for conversion is required if you apply for individual coverage that is less than or equal to the amount of group insurance coverage you had when employed. • Premiums may be higher than the group premium rates. • Complete and submit the conversion form(s) (03-30573) and premium to the insurance company. • Form(s) and premium must be received by the insurance company within: <ul style="list-style-type: none"> ○ 31 days of your coverage termination date. ○ 31 days of the date that your insured spouse or dependent's eligibility for group coverage ends.

Individual and Family Group Life Insurance

Individual and Family coverage continues for one month after termination of employment provided premium is paid through that month. See the Individual and Family Group Life Insurance [Plan Certificate](#) and [Brochure](#) for more information.

Continuation	<ul style="list-style-type: none"> There are no continuation rights in the Individual and Family Group Life Insurance plan.
Conversion – Eligibility & Application	<ul style="list-style-type: none"> You may convert to an individual plan upon retirement or termination of employment within 31 days of coverage end date. Submit completed conversion form (03-30573), premium and your group certificate to the insurance company within 31 days of coverage end date.

Accidental Death & Dismemberment Insurance (AD&D)

AD&D insurance coverage will continue for one month after termination of employment provided premium is paid through that month. See the [Voluntary Group Accident Certificate](#) or Plan Fact Sheet ([UWS-B1246](#)).

Continuation – Eligibility & Application	<ul style="list-style-type: none"> You may continue single or family coverage at group rates when you retire. You are not eligible for the permanent disability benefit if you retire and continue coverage. Your coverage reduces beginning at age 70. Complete and submit a Continuation Application form (UW1249) along with premium to the insurance company. The form and premium must be received by the insurance company within 30 days after coverage terminates.
Conversion – Eligibility & Application	<ul style="list-style-type: none"> You are eligible to convert coverage to an individual policy without medical evidence of insurability if you terminate employment for any reason other than retirement. Premiums may be higher than the group premium rates. Contact the insurance company for rate information and application within 31 days of coverage end date.

University of Wisconsin Employees, Inc. Life Insurance

Coverage continues for one calendar month after termination of employment provided premium is paid through that month. See the UW Employees Inc Life Insurance [Plan Certificate](#) and [Brochure](#) for more information.

Continuation	<ul style="list-style-type: none"> This plan has no continuation rights, only conversion is offered.
Conversion – Eligibility & Application	<ul style="list-style-type: none"> You can convert coverage to a permanent life insurance policy upon retirement or termination of employment without showing evidence of insurability. Premiums may be higher than the group premium rates. Contact the insurance company for information and a conversion application form. Complete and submit the conversion form and premium payment to the insurance company within 31 days of coverage end date.

University Insurance Association Life Insurance (UIA)

Employees who had a deduction on either the October or March payroll (November 1st or April 1st check), will have coverage through September 30 following the date of termination or retirement. See the UIA [Plan Certificate](#) and for more information.

Continuation – Eligibility & Application	<ul style="list-style-type: none"> • You may continue group coverage at same premium rate indefinitely upon retirement or termination of employment. • Complete and submit the Continuation/Ballot Request form (UW1443-1) and premium to the insurance company. • Form and premium must be received by the insurance company by the following September 30.
Conversion	<ul style="list-style-type: none"> • Conversion to an individual policy may also be available under certain circumstances. Contact the insurance company for additional information. • Premiums may be higher than the group premium rates. • Contact the insurance company regarding the application requirements for conversion.

Employee Reimbursement Accounts (ERA)

Participation in the ERA program ceases during the plan year if you terminate employment or retire. Coverage ends at the end of the month in which your last ERA payroll deduction was taken if you have not contributed your annual election amount. Any medical expenses incurred after the coverage termination date will not be reimbursed. Eligible dependent care expenses can be reimbursed until account balance is exhausted. All funds remaining in your ERA account will be forfeited if claims are not presented before April 15 of the following year. If monies are left after claims are paid, the balance is forfeited.

Continuation of Medical Reimbursement Account	<ul style="list-style-type: none"> • Continuation of coverage provides you the opportunity to be reimbursed for eligible expenses incurred in the plan year after your normal coverage termination date. • You may continue your Medical Reimbursement account by: <ul style="list-style-type: none"> ○ Contributing the remainder of your annual election via a tax-free lump sum deduction from your last regular paycheck(s); or ○ Contributing after-tax payments to your account; or ○ Filing a Change in Status form to change election amount (may be allowed in certain situations). • Continuation is important if: <ul style="list-style-type: none"> ○ A substantial balance remains in your account; or ○ You anticipate incurring eligible expenses after termination of employment; or ○ You want to continue participating in ERA because you are expecting to be rehired in an eligible position within the plan year. • If you continue coverage via after-tax contribution, request a Continuation of ERA Coverage Request (ET-1518) from your payroll and benefits office or the Department of Employee Trust Funds. • Complete and submit the continuation form with payment directly to ETF within 60 days of the coverage termination date or 60 days from the date that the continuation form was completed, whichever is later.
Continuation of Dependent Care Reimbursement Account	<ul style="list-style-type: none"> • You cannot contribute additional funds after termination for the dependent care account. • You can continue to request reimbursement for eligible expenses until the account balance is exhausted or the plan year ends, even if the full annual amount has not been contributed.

Tax-Sheltered Annuities (TSA)

For information about options upon termination or retirement, contact the TSA vendor with whom you have your tax-sheltered contributions invested.

Deferred Compensation Program (DC)

For information about options upon termination or retirement, contact the Wisconsin Deferred Compensation Program for a form to elect the benefit commencement date for your deferred compensation funds.

Long - Term Care Insurance (LTC)

For information about options upon termination or retirement, contact the Long Term Care vendor with whom you have your coverage.

For Further Information

All plan documents, applications and continuation forms are available on this website:

<http://www.bussvc.wisc.edu/ecbs/emp-forms-listing-page.pdf>

Information on the various Benefit Program Administrator's can be found at:

<http://www.bussvc.wisc.edu/ecbs/bng-plan-administrator-contacts-uw1394.pdf>.

More information on other UW Madison benefits offered to retiring employees can be found at:

<http://acstaff.wisc.edu/Retirees.htm>