



A GUIDE TO RETIREMENT FOR HOURLY EMPLOYEES AND UNIVERSITY SUPERVISORS

This guide has been prepared to provide hourly employees and University Supervisors with some of the resources available for retirement planning and to provide employees who have made the decision to retire with a timetable and guide to the paperwork involved. Please contact your Campus Benefits Office for additional information. This guide describes policies, procedures and services in effect as of the date of publication. All information and University policies stated are subject to change.

PLANNING FOR RETIREMENT

The System Office of Human Resources conducts planning for retirement programs on several campuses each year. Various topics related to retirement are included in this half-day program. All employees age 45 and older and their spouses or partners are invited to attend. Where space permits, employees age 40 or older are invited.

If you chose to remain in the defined benefit (DB) University of Maine System Retirement Plan for Classified Staff (formerly the Non-Contributory Retirement Plan) as of July 1, 1998, estimates of retirement benefits can be obtained by contacting your Campus Benefits Office. All hourly employees who participate in the defined contribution (DC) retirement plans with TIAA-CREF, ING, Fidelity, or VALIC should contact the vendor directly to obtain retirement plan estimates.

The Social Security Administration no longer sends an annual summary of benefits to your home. You may contact your local Social Security office for further information about that plan. You may also obtain a retirement benefit estimate, complete applicable retirement forms, or simply review your personal information and credited earnings history by accessing Social Security services on line at www.socialsecurity.gov

RETIREMENT POLICY

There is no mandatory retirement age at the University of Maine System. For employees who choose to work beyond their 65th birthday, basic and supplemental life insurance coverage continues, but at the reduced rate of 65% of the previous level of coverage. This reduction is in compliance with applicable law. Employees who reach age 65 and who continue in employment may also continue to participate in the University health, dental, vision, and disability plans. Spousal or eligible domestic partner and child life insurances are not reduced at age 65; however, spousal or eligible domestic partner coverage ceases when they reach age 70. Basic and supplemental accidental death and dismemberment (AD&D) coverage continue but are reduced at age 70 for employees who continue to work.

Employees are eligible to retire if they are at least age 55 with at least 10 years of continuous full-time regular equivalent service immediately preceding retirement from the University or meet the specific requirements of the retirement plan in which they participate. This includes:

- * Former employees who are receiving long-term disability benefits when the disability continues until the applicable retirement age.

THE UNIVERSITY OF MAINE SYSTEM RETIREMENT PLAN FOR CLASSIFIED STAFF

Employees who are participants in the University of Maine System Retirement Plan for Classified Staff (UMSRPCS), formerly the Non-Contributory Retirement Plan), are 100% vested if they were at least age 50 as of July 1, 1998, and chose not to participate in the TIAA-CREF Basic Retirement Plan for Classified Employees.

The UMSRPCS is in addition to retirement benefits provided under the Social Security program. The University pays the entire cost of UMSRPCS. Vested employees may retire and begin receiving benefits at a reduced level as early as age 55. Full benefits are payable if an employee retires at or after age 65.

For employees with at least 25 years of service, the early retirement reduction is not as great as for employees retiring prior to age 65 with less than 25 years of service. If eligible, employees may retire at age 62 with full pension benefits. Benefits at retirement are calculated using the following formula: highest 10 consecutive year salary times 1 ¼% (if less than 20 years of service) or 1 ½% (if 20 or more years of service) times years of service (30 year maximum).

The University provides an additional death benefit of: \$500 for each year of completed, regular University service. The University pays the entire cost of this coverage. There is no service cap when calculating this benefit. This benefit ceases upon retirement.




Participants in the UMSRPCS have the opportunity to participate in the following defined contribution options available through the University: TIAA-CREF, ING, Fidelity, and VALIC. The approved alternate vendors represent an additional supplement to Social Security and the UMSRPCS. Questions regarding the specific plan should be directed to the vendor, listed below.

Participants in this plan as of July 1, 1998 who chose to freeze their benefit under the UMSRPCS rather than roll over the value to TIAA-CREF, should contact the Campus Benefits Office prior to retirement for the forms necessary to begin receiving that benefit.

THE UNIVERSITY OF MAINE SYSTEM BASIC RETIREMENT PLAN FOR CLASSIFIED EMPLOYEES

Employees who are participants in the University of Maine System Basic Retirement Plan for Classified Employees, which includes TIAA-CREF, ING, Fidelity, and VALIC, are 100% vested in their own contributions regardless of their date of hire. Hourly employees hired December 31, 2009 or earlier are also 100% vested in their University matching contributions. Hourly employees hired on or after January 1, 2010 must complete four (4) years of service in order to be vested for the University matching contribution.

Questions regarding each specific plan should be directed to the following vendors,

-  TIAA-CREF 1-800-842-2776
-  ING Retirement Services 1-800-262-3862
-  Fidelity Investments 1-800-343-0860
- VALIC 1-800-892-5558 (Ext. 89272)

WHAT TO DO AFTER MAKING THE RETIREMENT DECISION

1. At least 60 days prior to the date you expect to retire, advise your supervisor in writing and request that the appropriate departmental paperwork be completed and submitted to the Campus HR/Benefits Office.
2. At least 45 days prior to retirement, arrange for payment of retirement benefits.

If you participate in the University of Maine System Retirement Plan for Classified Staff, request an application and other necessary papers from your Campus Benefits Office. Return the completed application form and a copy of your birth certificate or other proof of age to the Campus Benefits Office for processing.

3. If you are also eligible for TIAA-CREF, ING, Fidelity, or VALIC retirement benefits, contact the pension vendor directly advising them of the anticipated retirement date and requesting that a retirement packet be sent to you.
4. Check on continuation of health and/or dental insurance at least one month prior to your retirement (see below).

Employees who will be 62 or older when they retire, and widowed employees at age 60, should also contact the local Social Security office to obtain forms for payment of Social Security benefits. An original copy of the birth certificate (photocopies are not acceptable), marriage certificate, military discharge papers, if applicable, and W-2 forms for the last year, are needed in order to apply for benefits. Social Security retirement benefits are not payable before age 62, except for widowed persons and children's allowances.

Social Security retirement benefits begun prior to age 65 are paid at a permanently reduced rate, except under certain conditions. Eligibility for full Social Security retirement benefits varies between ages 65 and 67, depending on your year of birth.

UNIVERSITY HEALTH AND DENTAL INSURANCE

At least four weeks before your retirement date, notify the Campus Benefits Office, in writing, about whether you wish to continue health and/or dental insurance coverage under the University's group plan for yourself and any eligible dependents. If you are over 65 years of age when you retire, you will pay 7%, 10%, or 15% of the individual health premium (based on your years of University service) and one-half (50%) of the premium for dependent health coverage. If you are under 65 years of age when you retire, you must pay the total monthly health premium until you attain age 65 and become Medicare eligible.

If you elect to retain dental insurance as a University retiree, you must pay the total monthly dental premium for individual as well as any dependent coverage.

You may elect to have the applicable health and/or dental premiums withheld from a checking or savings account.

GOVERNMENT MEDICARE

Medicare A (hospitalization) and B (physician/out-patient) coverage is generally available upon attainment of age 65. If you wish to continue to participate in the University health plan as a retiree, the University **REQUIRES** that you and your spouse or eligible domestic partner enroll in **BOTH** parts A & B of the Government Medicare program when you are first eligible as a retiree.

RETIREE HEALTH COVERAGE OPT OUT AND RE-ENROLLMENT PROVISION

Effective April 1, 2008, retirees have a one-time option to cease coverage under the University retiree health plan with an opportunity to re-enroll in the plan, provided that the election to re-enroll occurs no later than ninety (90) days after the retiree becomes eligible for Government Medicare and the retiree can document having continuous health coverage for him/herself and any eligible dependents who will be enrolled during the entire opt out period.

For more detailed information on the University's retiree health coverage, premium policy, opt out and re-enrollment provision, and frequently asked questions, please visit <http://www.maine.edu/system/hr/hnwellretirees.php>

UNIVERSITY LIFE INSURANCE

University group term life insurance terminates at the end of the month in which your retirement is effective. You have 31 days from that date to convert your basic life, supplemental life, spousal/domestic partner, and child life insurance from the University's group policy to an individual (personal) policy without needing to complete an Evidence of Insurability form. A notice will be sent to you providing contact information for the University's group life carrier.

WHOM TO CONTACT WITH PROBLEMS AFTER RETIREMENT

Health insurance questions should be directed to Anthem Blue Cross and Blue Shield using the customer service number on your health ID card; dental insurance questions should be directed to CIGNA using the customer service on your dental ID card; and health and dental premium payment questions should be directed to EBPA at 1-800-278-7298. The System Office of Human Resources should be contacted for assistance if you are unsuccessful in resolving problems with Anthem CIGNA, or EBPA after retirement.

Non-Discrimination Notice

In complying with the letter and spirit of applicable laws and in pursuing its own goals of diversity, the University of Maine System shall not discriminate on the grounds of race, color, religion, sex, sexual orientation, including transgender status and gender expression, national origin, citizenship status, age, disability, genetic information or veterans status in employment, education, and all other areas of the University System. The University provides reasonable accommodations to qualified individuals with disabilities upon request.

Questions and complaints about discrimination in any area of the University should be directed to the Director of Equity and Diversity for the University of Maine System, who can be reached at (207) 973-3372 (voice) or (207) 973-3300 (TDD), 16 Central Street, Bangor, Maine 04401.

The University of Maine System is committed to providing access to people with disabilities. To request an accommodation to be able to participate in this program, contact the Campus Benefits Office.