



Washington University in St. Louis

RETIREMENT PLANNING GUIDE

FOR

FACULTY AND STAFF

2007

RETIREMENT PLANNING GUIDE FOR FACULTY AND STAFF

SEVERAL YEARS PRIOR TO RETIREMENT, YOU SHOULD

This is the time to begin investigating and learning more about your current benefit plan selections and what efforts need to be made for retirement.

Make an appointment with the Benefits Department.

Prepare questions.

This is a good time to begin formulating a list of questions addressing how you will continue insurance. Suggested questions include:

Health Insurance:

At what age may I continue my health and dental insurance in retirement?

Do I have to be enrolled in a WU health plan to be covered as a retiree?

Who is eligible to continue health insurance coverage through the University as a retiree?

Does the cost of retiree health insurance (2007 Rates) change significantly after I retire or when I reach age 65?

Can I continue my HMO coverage if I plan to move out of the area or if I plan to travel for extended periods of time out of the area?

What is the impact of Medicare on my health plan coverage and cost?

What are the differences between Medicare Part A, Part B and Part D?

Do I have to enroll separately in Medicare Part A, B and D?

Where do I obtain enrollment forms and when do I need to submit them to continue my insurance through Washington University?

What are my coverage options?

My spouse is currently working and will continue working after I retire, can I add my spouse to my coverage at the time my spouse retires?

When is retiree health insurance effective?

Do I receive new identification cards?

Can I change health plans after I retire?

How do I learn more?

Are the co-payments the same after I retire?

What if I die, can my spouse continue health insurance coverage through the University?

Life Insurance and other Coverage

Will I have enough life insurance coverage in the event of my death?

How do I know who I've designated as beneficiaries?

What is the cost if I choose to convert my WU insurance after I retire?

What steps do I need to take to continue coverage?

Can I continue my Long Term Care coverage after I retire?

Do the premiums change on my Long Term Care coverage and how do I pay the premiums?
Can I continue my Long Term Disability coverage after I retire?

Retirement Plan

I've worked at another University prior to coming to WU, how do I integrate the retirement or pension plans I had at those institutions into my overall retirement planning?
How do I know if I will have enough saved to cover my living expenses?
How can I find out what my options are at retirement?
Can I delay taking action or must I withdraw my accumulated funds at retirement?

Social Security

What will be the amount of Social Security income?
Am I required to begin Social Security income at the time I retire?
Can I delay the start of Social Security income?
How can I learn more about Social Security?
What do I need to do to start my Social Security benefits?

Review your current benefit plan participation.

You may find this information by reviewing your paycheck stub.

Learn about the options you have at retirement.

You should review the benefit plan participation and coverage options you will have at retirement and the specific steps you will need to take to continue desired health and dental insurance during retirement. Such information is provided in the Health Care Benefits Brochure.

Review Retirement Benefits Brochure.

This document highlights features of each of the University's benefit plans including eligibility, coverage options as a retiree and actions required to participate in the plan. It includes references to health, life insurance, long term care, tuition plans, etc.

Make an appointment with a representative from Vanguard (1-800-662-0106 ext 14500) and/or TIAA-CREF (1-800-842-2005 ext 5613).

A meeting with an investment company representative provides an opportunity to review your investment portfolio including:

- the accounts you have,
- the funds you have selected,
- their accumulated balances,
- projected totals at retirement,
- designated beneficiaries,
- evaluate if you are contributing the maximum possible,
- discuss whether your investments are balanced and positioned prudently,
- evaluate the disadvantages and advantages of changing the allocation of funds
 - prior to retirement
 - at retirement and

- after retirement
- discuss the options you have to withdraw accumulated retirement plan assets,
- identify what forms must be completed and how are they obtained

When you make an appointment, ask the representative to bring specific information illustrating your projected retirement income and distribution options.

This is the time to determine how much of your current income you will need for your living expenses in retirement, and whether you need to accelerate your savings for retirement.

Investigate and review retirement benefits from other sources.

If you are entitled to retirement income from employers or agencies other than Washington University, you should check on these plans at this time.

Contact your local Social Security Office or visit the Social Security Web Site.

This is the time to learn more about Social Security and the amount of income you may expect during retirement. <http://www.ssa.gov>

Obtain and review a copy of the Medicare Handbook.

You can obtain the Handbook by downloading from <http://www.medicare.gov> or call 1-800-772-1213 to order a copy.

Review and update beneficiary designations

The beneficiaries you designated when you first enrolled in the University's Life Insurance and Retirement Plans may no longer be current. You may have had one or more children, you may have divorced and possibly re-married, or you may have had other family status changes which may impact on your desired beneficiaries.

You should contact either Vanguard or TIAA-CREF directly to review your current beneficiary designations for your investment accounts.

You should also contact the Benefits Department to review the beneficiary designations on file for the Life Insurance Plans.

Attend Retirement Planning Seminars.

ONE YEAR BEFORE YOUR PROJECTED RETIREMENT DATE, YOU SHOULD.....

This is the time to clarify and update information you have obtained about your benefit plan selections, Medicare, Social Security and the retirement plans you have made. It is also the time to formulate specific decisions and establish a specific timeframe for implementing these decisions.

Notify your Supervisor or if you are a faculty member, notify your Department Chair and appropriate Dean.

Check your Social Security Account to make sure your records are accurate.

Make an appointment with the Benefits Department.

Review the questions and answers you had prepared and discussed during previous meetings with the Benefits Department.

Review your current benefit plan participation and prepare new questions you may have.

Learn about your current options and the specific steps you will need to take to continue desired health and dental insurance during retirement. You will want to note differences in premiums between the plans and any changes in the benefits.

ABOUT 90 DAYS PRIOR TO YOUR DETERMINED RETIREMENT DATE, YOU SHOULD....

This is the time to take action to implement decisions you have reached about benefit plan coverages during retirement.

Make an appointment with the Benefits Department.

Review the questions and answers you had prepared and discussed during previous meetings.

Learn about your current options and the specific steps you will need to take to continue health and dental insurance.

Please note that the sponsoring health insurance companies require the timely submittal of completed enrollment forms to assure a smooth transitions from active coverage to retiree coverage.

To arrange an appointment with the Benefits Department call 314-935-5907 or Medical Campus Benefits Department 314-362-9341.

Make an appointment with a TIAA-CREF or Vanguard Representative.

The purpose of the meeting should be to clarify any questions you may have about your accounts including current fund allocation, accumulated balances and distribution options. The meeting should also cover what action steps you need to take to implement your distribution decisions including what forms need to be completed and when they need to be received by the investment company to assure a smooth transition to retirement.

TIAA-CREF	1-800-842-2005 ext 5613
VANGUARD	1-800-662-0106 ext 14500

Request, complete and submit enrollment and retirement distribution forms

There are different kinds of forms to complete.

*First, you will need to complete the Benefit's Department continuation forms which sets you up in their billing system. Premiums are paid directly to the University.

*Next, you'll need to complete the Benefits Department Enrollment form indicating the change in coverage status.

*Next, you'll need to complete distribution forms from the applicable investment company for your Retirement Plan.

Coverage Effective Dates. The date the retiree insurance is effective depends on your retirement date. For example, if you retire July 31st, the July deductions for health and dental insurance pay for July's active employee coverage. This means the retiree premiums would be due August 1 for August retiree coverage.

Individuals not eligible for retiree health and dental insurance due to the age and service requirements, are offered COBRA continuation of insurance lasting for up to 18 months or until you become eligible for Medicare (whichever comes first). Participants pay the entire cost of this insurance plus a 2% administration fee.

If you are under 65 and eligible for retiree health and dental insurance you will be offered COBRA coverage for up to 18 months or until you become eligible for Medicare (whichever comes first). After that period you will then transfer to the Retiree coverage.

Retiring individuals will want to note differences in premiums between the plans and any change in the benefits.

Enrollment in Medicare is not necessary until you retire.

Most individuals enroll in Medicare Part A when they turn age 65, since there is not premium.

Enrollment in Medicare Part B and D can wait until retirement. If you or your spouse are over 65 at retirement, you will want to obtain a letter from the Benefits Department for Medicare. This will allow you to enroll at the lowest possible premium rather than paying a higher penalty rate.

In order to understand your Medicare benefits, you will want to acquire a copy of the Medicare Handbook.

Contact your local Social Security Office.

This is the time to arrange for the start of your Social Security Retirement Income.

You can call for an appointment or forms at 1-800-772-1213.

ADDITIONAL INFORMATION

BENEFITS FOR SURVIVORS FOLLOWING THE DEATH OF A RETIREE

In general, benefits do not change for a spouse and eligible surviving dependent children. If the survivors were eligible prior to the death of the retired faculty or staff member, the benefits continue as long as premiums continue to be paid.

Health & Dental Insurance

Notify the Benefits Department to have them correct the direct billing amount and correct the membership information. If payment was made in advance, you may have a credit applied to your next bill. Your insurance coverage may continue as before but with a reduced premium. A

surviving spouse who remarries or domestic partner who finds another partner may not add the new spouse or a partner to the retiree insurance plans.

Retirement Income

The continuance of retirement income will depend on the income option selected by the individual. Contact TIAA-CREF directly to notify them of the date of death.