



What happens to your benefits when you retire?

Following is important information about your fringe benefits when you retire from CGCC. If you have questions, please call Brenda Garcia Lua, Payroll & Benefit Manager at (541) 506-6153 or e-mail bgarcialua@cgcc.edu

Items covered in this document:

- Medical/Dental/Vision Insurance
- Optional Insurance Coverage
- Flexible Spending Account/Dependent Care Account
- Deferred Compensation/Tax-Sheltered Annuities (403B/457B)
- Vacation
- Sick Leave
- Compensatory (Comp) Time
- Health Savings Account

Medical/Dental/Vision Insurance

Insurance coverage(s) will continue through the last day of the last month worked. When you provide your notice, contact Brenda Garcia Lua in the Payroll & Benefits office at (541) 506-6153.

Early Retiree option - Your OEBB medical/dental/vision insurance may be continued under the Early Retiree option. An OEBB "Early Retiree" is an OEBB member who retires before the age of 65, is not eligible for Medicare, and is eligible to receive a service retirement allowance under PERS. The OEBB coverage(s) you have in place on the date of your retirement determine what you can continue into retirement. You cannot add or change plans at the time of retirement. You can, however, change plans at open enrollment each year. Eligible dependents who are covered on a retiring employee's plan(s) at the time of retirement can continue to be covered as long as they meet the definition of an eligible dependent, or until they become eligible for Medicare due to age or disability. Full premium costs are paid by the retiree directly to CGCC on a monthly basis. Retiree rates are listed on the Payroll & Benefits web page.

Medical/Dental/Vision coverage may be continued until the retiree is eligible for Medicare coverage due to age or disability, provided all premium costs are paid in a timely manner. OEBB will automatically discontinue coverage when the retiree and/or eligible dependent attain Medicare eligibility. When an early retiree becomes eligible for Medicare coverage, any currently enrolled eligible dependents may continue OEBB medical/dental/vision coverage at the employee-only rate until they no longer meet eligibility requirements or become eligible for Medicare.

COBRA Option – The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) permits you and your eligible dependents to continue your group medical and dental coverage for up to 18 months after your employment ends unless you become eligible for other group coverage. You will be required to pay the premiums plus an additional 2% administrative fee during the months you are eligible for the continued coverage. BenefitHelp Solutions administers the COBRA plans for OEBB. COBRA rates are listed on the Payroll & Benefits web page.

BenefitHelp Solutions will be notified about your termination date. They will send a notice of your rights and responsibilities to continue coverage under your group health plan along with rates by first class mail to your last known address. COBRA rates are based on the active employee group rates plus an additional 2% administrative fee. If you decide to continue your insurance on the COBRA program, follow the instructions on the PEBB COBRA Continuation Election Form and return it to the address shown on the form within the designated 60 days for



electing coverage. If you have questions after receiving the notice, contact BenefitHelp Solutions at 1-855-378-0197. At the end of the 18 months you may be able convert your group medical coverage to an individual plan.

Optional Insurance Coverage

Certain changes can be made to your OEGB optional life and optional Accidental Death & Dismemberment (AD&D) coverages at the time of retirement. You can maintain, decrease, or cancel these coverages. You cannot increase any optional life or optional AD&D coverage at the time of retirement or during future open enrollment periods as a retiree.

OEGB Long-term Disability (LTD) and college-paid AD&D insurances have no continuation rights, nor can these policies be converted to individual plans.

If you participate in the Unum Long Term Care Insurance plan, you may elect converted coverage. This means that the same coverage you had while you were employed can be continued on a direct pay basis. You must request converted coverage within 60 days of the date your group coverage ends. Complete the Election for Continuation of Coverage, the Notice of Termination for Nonpayment of Premium forms and pay premiums directly to Unum. If you have questions, you can contact Unum at 1-800-227-4165.

Optional insurance coverages purchased through American Fidelity may be able to be converted to individual accounts. Please contact American Fidelity representative Debbie Braden at 503-318-6733 for more information.

Dependent Care and Health Flexible Spending Arrangement (FSAs)

If you participate in the Flexible Spending Arrangement (FSAs), the monthly amount you are placing in your account for dependent care expenses and/or medical expenses will stop when you retire. Any monies remaining in your account may be available for qualified reimbursements. Please contact American Fidelity representative Debbie Braden at 503-318-6733 for information and assistance. See IRS Publication 969 for regulations concerning Health FSAs. See IRS Publication 503 for regulations concerning Dependent Care FSAs.

Deferred Compensation/Tax-Sheltered Annuities

You will not be eligible to continue contributing to your tax-deferred investment account after retirement. CGCC Payroll & Benefits will contact the vendor upon your end of employment and notify them of your last day worked. Contact your company representative to decide what you want to do with your accumulated funds. If you decide to withdraw your money, check with your representative about penalties or additional tax on withdrawals.

Vacation

Accrued unused vacation leave will be paid out on retirement in accordance with the vacation policy currently in effect. PERS Tier 1/Tier 2 employees' accrued vacation pay is subject to PERS contribution, and all required contributions will be calculated on the final paycheck. OPSRP employees' vacation pay is not subject to PERS contribution.

Sick Leave

Accrued unused sick leave is not paid upon termination. Accrued unused sick leave is reported to PERS for use in benefit calculations for Tier1/Tier 2 employees.



Compensatory (Comp) Time

Balances will be paid at the employee's current hourly rate upon retirement for unused comp time.

Health Savings Account

Once insurance coverage is discontinued under a high deductible health plan (HDHP), you can no longer make contributions to your HSA. Since you own the HSA, you can continue to use the remaining funds for qualifying medical expenses. See IRS Publication 969 for official regulations concerning Health Savings Accounts.

Any error or omission in this notice is unintentional. If there is a discrepancy between this notice and state and federal law or the plan documents, the law or documents will prevail.