



**WILLIAM
PATERSON
UNIVERSITY**

OFFICE OF PAYROLL AND EMPLOYEE BENEFITS • COLLEGE HALL
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Alternate Benefit Program (ABP) Retirement Process

Alternate Benefits Program (ABP) Retirement Steps:

- **Retirement Effective Date** - Retirements are effective as of the first of a month. Faculty members retire on January 1st or July 1st based on the contractual dates of the Spring and Fall Semesters.
- **Notification of Retirement** - Formal notification of retirement must be made to the University President, Dean, Divisional Vice President, Director and/or Academic Chairperson, as applicable at least three months in advance.
- **Retirement Distribution** - Employee must contact their investment vendor at least two months in advance to make arrangements to take at least a minimum distribution from their mandatory ABP pension account in the month that the employee retires.
 - Forms required by the vendor to make the distribution should be completed, signed, dated and returned to the vendor. The vendor will forward the forms to the NJ Division of Pensions and Benefits for the required Employer Certification.

Complete, sign and date ABP Retirement Application. Return completed paperwork to Payroll and Employee Benefits Office, at least three months in advance.

ABP Application for Retirement Form (pdf)

In this application, read the term and conditions in Part 1 and complete Parts 2, and 3. Part 4 to be completed by the Payroll and Employee Benefits Department than sent to the State. The retirement date must be at the beginning of the month.

If you do not know your ABP membership number, you can find it on WPCconnect under MY HR Profile by clicking on My HR Record/Leave Balance, it should be at the bottom of the page as My Pensions Plan Number.

- **If you or your spouse\partner age is 65 or above, contact Social Security Administration to enroll in Medicare Parts A & B at least 60 days prior to your retirement date. Medicare coverage will be effective one month after retirement date.**
- **Retiree will continue to have the Active Health Benefits through the University till the end of the month of retirement.**
- **Retiree must provide proof to the Retiree State Health Benefits Bureau of their and their spouse\partner Medicare Parts A & B enrollment (if eligible). The Retiree HB Bureau will not enroll you in the Retiree State Health Benefits until proof of Medicare A & B is provided.**

- **Copy of the Medicare Parts A & B Cards for the retiree and spouse\partner should be uploaded into Benefitsolver. It is required for both, the employee and the spouse/partner.**
- Most eligible members enrolled in coverage as active employees will automatically be enrolled as retirees; it is not necessary to complete an application.

Important:

In order to qualify for retiree health benefits, you are required to take a minimum distribution (\$1,000) within 30 days of your retirement date. You must contact your financial designated service provider for the necessary forms. Delaying this distribution for a period of time greater than one month after ceasing employment will result in the member no longer being eligible for retired group life insurance benefits under the ABP, even if the other eligibility requirements for ABP retired group life insurance coverage are met.

- Contact Deferred Compensation Vendor, 403(b) Vendor and the Flexible Spending Account (FSA) provider (if applicable)
- Waiving Retiree Health Benefits:
Retirees will be defaulted into the same plans, but if they want to waive they need to login to Benefitsolver during their Retiree enrollment window. If you have questions or need help, please contact State of New Jersey - Client Services at 609-292-7524.
- Contact the University if you change your address prior to your final W2 form being issued

Any unused Vacation time will be paid to you with your last check.

Unused Sick Leave will be paid at a separate check (4 - 6 weeks after retirement date) excluding faculty. You may postpone the payment to the following tax year.

Compensation Time is not payable, you may use it before retirement.

Paid Leave Bank earned in 2010 is payable with your last check

Paid Leave Bank earned in 2020 is NOT payable

[State Retired Group Medical Plan Design – Plan Year 2023](#)

[Percentage of Premium Chart for Retirees](#)

[Rates for State Retirees - Medical including Rx \(2023\)](#)

[Rates for State Retirees with Medicare Part D \(No Rx\) 2023](#)

[Dental Rates - 2023](#)

[State Health Benefits Information - Retirees](#)

[Aetna Medicare Advantage website](#)

[Aetna MA Frequently Asked Questions](#)

[SHBP Plan Design Chart copays, coinsurance, and more \(for plan year 2023\)](#)

Fact Sheets:

[Fact Sheet Retiree Health Benefits](#)

[Fact Sheet Retiree HB & Medicare](#)

[Fact Sheet Retiree Dental Plan](#)

[Group Life Insurance Fact Sheet](#)

Health Benefits at Retirement

Alternate Benefits Program (ABP)

Health benefits include medical and prescription drug coverage

Years of Service Credit	Health Contributions	Medicare Part B Premium Reimbursement	Dental Coverage
25 Years of Service Credit Prior to July 1, 1997	No contributions The State will pay the full health benefits cost	Full reimbursement for cost of Medicare Part B premium (per individual) provided by the State	Full Group Rates Based on Plan and Coverage: <ul style="list-style-type: none"> • Single • Family • Member & Spouse/Partner • Parent & Child
Hired <u>before</u> July 1, 1995 and attaining 25 years <u>after</u> July 1, 1997		Part B reimbursement is capped at \$46.10	
25 Years of Pension-Credited Service <u>after</u> July 1, 2007 and <u>before</u> June 28, 2011	Health contribution of 1.5% of 50 percent of the Highest Salary 1.5% Waived if enrolled in the SHBP Retiree Wellness Plan	NO Part B reimbursement	
20 Years of Service on or <u>Before</u> June 28, 2011 and Retire With 25 or More Years of Service	Health contribution of 1.5% of 50 percent of the Highest Salary Wellness Program NOT available	NO Part B reimbursement	
Do Not Fall Within the Previous Provisions and retires with 25 or More Years of Service	Contribution determined based on: <ul style="list-style-type: none"> - Cost of the Plan - Plan Coverage - 50% of the highest salary - Medicare eligibility 	NO Part B reimbursement	
Less Than 25 Years of Service	<ul style="list-style-type: none"> ▪ Member is responsible for FULL Payment 	NO Part B reimbursement	