

William Paterson University
Division of Human Resources
Benefits Information for Separated Full Time Employees

Benefit: Medical, Dental, Prescription Drug

Status:

Effective January 2, 2020: Medical, dental and prescription drug coverage will terminate at the end of the month the termination of employment occurs. Example: employment termination date is January 29th, insurance coverage will end on January 31st.

Options available upon Separation:

- **COBRA:**

Employees or their dependents covered by the State Health Benefits Program (SHBP) who lose coverage may be able to continue health benefits coverage under COBRA. COBRA is not a separate health program; it is a continuation of SHBP coverage under the federal law. The length of COBRA coverage depends on the COBRA “qualifying event”.

Visit the [COBRA Factsheet](#) for more information. **Details regarding COBRA coverage will be sent to you directly from Benefitsolver.**

- **Health Insurance Marketplace:**

The Affordable Care Act requires most Americans to have health insurance. Loss of employer health coverage is a qualifying event that allows you to purchase insurance through the Health Insurance Marketplace. These options may be less expensive than continuing your current coverage through COBRA. In addition, premium subsidies may be available, depending on your income.

For more information:

Website: HealthCare.gov

Phone: (800) 318-2596

- **Retired Group of the State Health Benefits Program (SHBP)**

Eligibility for Retired Group SHBP coverage is available to qualified retirees from the State.

For more information:

Factsheet: [Health Benefits Coverage — Enrolling as a Retiree](#)

[Health Benefits Cost at Retirement \(ABP\)](#)

[Health Benefits Cost at Retirement \(PERS, PFRS, & TPAF\)](#)

Benefit: Life Insurance Coverage**Status:**

Life insurance coverage continues for 31 days after termination of employment date.

Options available upon Separation:

- **Alternate Benefits Program (ABP):**

During the 31-day period following termination of employment, the member may convert existing group life insurance coverage (less any amount of coverage carried over into retirement) into an individual whole life policy, without medical examination. For more information, see the [Conversion of Group Life Insurance Fact Sheet](#).

Upon retirement, life insurance reduces to 50 percent of the annual base salary. This life insurance coverage is available in retirement only to members age 60 or older, and only if the member has completed 10 years of participation in the ABP at an eligible New Jersey institution of higher education. The member also had to be an active employee in the twelve months immediately preceding the initial receipt of a retirement annuity payment.

- **Public Employees' Retirement System (PERS), and Teachers' Pension and Annuity Fund (TPAF)**

Most members of the PERS and TPAF are covered by group life insurance while employed. At retirement, those members receive a reduced life insurance benefit to be paid to their beneficiary upon their death, provided that they have credit for at least 10 years of service in the retirement system. This group life insurance benefit is in addition to the pension option selected.

Long Term Disability Coverage**Status:**

Long-Term Disability coverage ends on your last day of employment.

Options available upon Separation:

No continuation of benefit is available.

No conversion privilege.

Retirement Plan – Alternate Benefits Program (ABP)**Status:**

Employee and Employer contributions will no longer be made to the NJ ABP Retirement Plan. Contributions will stop being made to the plan with the employee's last regular paycheck.

Options available upon Separation:

The participant is not required to cash-out or transfer his or her Retirement Plan account upon termination of employment. Upon termination of employment, a participant may:

- 1) Leave accumulations in the plan account and continue to manage investments until the employee reaches the Required Minimum Distribution (RMD) age.
- 2) Withdraw all or a portion of plan account accumulations (subject to income taxes and/or penalty taxes if applicable).

- 3) Roll over all or a portion of plan account accumulations to an eligible retirement plan (e.g., an individual retirement account (IRA)).

Vesting:

- If you are vested, you do not have to withdraw funds until you reach the RMD age.
- If you are vested and choose to withdraw funds, you are considered retired and may not enroll in a New Jersey State pension plan again.
- If you have participated in ABP for less than twelve months, you will receive only your own contributions and earnings, but will not receive the University's contributions.

It is recommended that you seek professional tax advice before you initiate a distribution from the Plan. Contact your [Designated Service Provider](#) for more information or to request a distribution.

For detailed information about the ABP retirement process:

[ABP Retirement Process Information](#)

Retirement Plan – PERS and TPAF

Status:

Employee contributions will no longer be made to the State Retirement Plan. Contributions will stop being made to the plan with the employee's last regular paycheck.

Options available upon Separation:

If you have more than ten years of service and are vested, you may apply for deferred retirement. Please see the eligibility requirement based on your membership tier by visiting this link:

[PERS AND TPAF RETIREMENT BENEFITS BY MEMBERSHIP TIER](#)

If you lose your job through no fault of your own, you may leave the account open for up to ten years. Contact the Division of Pensions and Benefits at 609-292-7524 for more information.

If you have less than ten years of pension service, you may leave your account open for up to two years. The State will send you your contributions if you did not join a State Pension System within two years.

You have the option of withdrawing your pension contributions and ending pension membership. Contact the Division of Pensions and Benefits at 609-292-7524 for more information.

For detailed information about PERS\TPAF retirement process:

[PERS, TPAF Retirement Process Information](#)

Voluntary Retirement Tax Shelter Programs

Status:

If you participated in the voluntary 403(b) Retirement Plan and/or Deferred Compensation Plan (457), your participation in the Plan(s) end on your last day of employment.

Options available upon Separation:

Upon separation, you can receive your Plan accounts at any time. You may:

- 1) Elect a full or partial distribution
- 2) Rollover your account balance to an Individual Retirement Account (IRA) or another eligible retirement plan
- 3) Keep your account invested through the Plans until you reach the RMD age.

It is recommended that you seek professional tax advice before you initiate a distribution from the Plan. Contact your [Designated Service Provider](#) for more information or to request a distribution.

Paid Time Off

Vacation, COMP Time, Administrative Leave (ADL), Paid Leave Bank (PLB), and Sick Leave

Sick and vacation leave balances displayed in WP Connect reflect a combination of earned and unearned leave time. Leave balances will be adjusted to reflect actual earned leave balances upon determination of separation date. Applicable payouts are limited to earned unused leave balances and will be included in your last paycheck.

Administrative Leave (ADL) – is only applicable to Career Service (CWA/IFPTE bargaining units) employees. ADL must be used before separation. There is no payout option available.

Earned sick leave payout, Supplemental Compensation On Retirement (SCOR) is only applicable to retiring employees, excluding Faculty.

COMP Time – Earned official comp time will be paid upon separation to Career Service (CWA/IFPTE bargaining units) employees only. There is no comp time payout for Higher Education Managers and AFT bargaining unit members.

PLB – Paid Leave Bank days earned in FY21 are not eligible for payout upon separation. PLB days earned in 2010 are payable at separation.

Employee Assistance Program (EAP)

The University will extend the Employee Assistance Program for 6 months after separation.

The services includes:

- Counseling
- Executive coaching
- Job search resources
- Financial counseling

Tuition Waiver Programs

Status:

Tuition waiver benefits end on the last day of employment. If you and/or your dependent are currently enrolled in a course at the time of separation, you will be entitled to a pro-rated benefit.

Flexible Spending Accounts (FSA) for Medical and Dependent Care Costs

Status:

If you were participating in the Health Care and/or Dependent Care Flexible Spending Account (FSA) plan(s), participation ends on the date your employment ends.

Eligible expenses incurred through your termination date may be submitted to <https://www.horizonblue.com/members/plans/horizon-myway> for reimbursement through March 31st of the following Benefit year after your participation ends.

If you do not submit claims for reimbursement before that time, you will forfeit any remaining funds in the FSA. If you have a Health Care FSA, you may continue contributing for the remainder of the plan year on an after-tax basis through COBRA.

If you have questions about the Unreimbursed Medical FSA or the Dependent Care FSA, contact Horizon MyWay® Customer Service at 1-888-215-0025 Monday through Friday from 8:00 a.m. to 9:00 p.m., or visit: <https://www.horizonblue.com/members/plans/horizon-myway>

For more information visit the Factsheet on the link below:

[Unreimbursed Medical and Dependent Care TaxSave Plans - Fact Sheet #44](#)

Vision Care Plan

Vision Care Plan benefits will end on the last day of employment.

You may submit your eligible reimbursement request and applicable receipts 2 weeks before the separation date to the Office of Payroll and Employee Benefits.