



WILLIAM PATERSON UNIVERSITY

ONE HR | Division of Human Resources

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Alternate Benefit Program (ABP) Retirement Process 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 email 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 \$1000 distribution from their mandatory ABP 401(a) account in the month that the employee retires. In order to qualify for Retiree Health Benefits, you are required to take the minimum distribution within 30 days of retirement date. The vendor will provide you with the necessary forms to be completed. Once completed the vendor will forward the form to the NJ Division of Pensions & Benefits.
- Complete, sign and date ABP Retirement Application. Return completed paperwork to Employee Benefits, at least three months in advance.

[ABP Application for Retirement Form](#) (pdf)

In this application, read the terms and conditions in Part 1 and complete Parts 2, and 3. Part 4 to be completed by the Employee Benefits Department than sent to the State. The retirement date is the month and year you will be retiring. Once your application has been processed by the state you should receive a letter/notification from the Division of Pensions & Benefits in regard to your retirement. If you don't receive this letter within 6 weeks of submitting your application, please call the state at 609-292-7524.

- 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 should start one month after retirement date.
- Retiree must provide proof of Medicare Parts A & B enrollment (if eligible). Proof of enrollment is required for Medicare Parts A & B in order to enroll in Retiree health benefits. This information must be submitted into the Benefitsolver portal.
- Retiree will continue to have the Active Health Benefits through the University till the end of the month of retirement.
- **Waiving Retiree Health Benefits:**
Retirees will need to login to Benefitsolver during their Retiree enrollment window and waive benefits.
- Call Prudential at 1-855-364-7783 for life insurance conversion if interested. You have a one-time option to do so prior to the 31st day after you cease employment. After that date, you will not be eligible to purchase a conversion policy.

- Earned Vacation time will be paid to you on your last check.
- Earned Sick time will be paid at a separate check (8-10 weeks after retirement date). You may postpone the payment to the following tax year. Faculty not eligible for sick payout.
- Paid Leave Bank earned in 2010 is payable and will be on your last check
- Paid Leave Bank earned in 2020 and Compensation Time is NOT payable.

NJ Division of Pensions Retiree Fact Sheets:

<https://www.nj.gov/treasury/pensions/fact-sheets.shtml>

Health Benefits at Retirement

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 Premium 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: • 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/Final/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: - Cost of the Plan - Plan Coverage - 50% of the highest salary - Medicare eligibility	NO Part B reimbursement	