Preparing for Retirement: Information & Resources

Newly retired employees and those considering retirement are sure to have a number of questions. Individuals from Human Resources are available to help you start your planning.

The retirement of an experienced staff member has an impact on the operation of an office or department. Whenever possible, you are asked to give a minimum of four months' notice; however, six months to one year's notice would help your department head plan appropriately for the future. Please submit a signed and dated letter of resignation/retirement notice to your supervisor, stating the reason of your resignation and last day of work. Your supervisor will share your letter with Human Resources.

Vacation or other paid leave may not be used to extend your official termination date. Any accrued and unused vacation you have earned as of your official termination date will be paid to you. (If appropriate, please also check your union contract for additional information.) Please note that if you are eligible for a vacation or sick time payout, federal taxes will be deducted at a supplemental rate of 25%. The balance on all outstanding loans from the college must be paid on the date of retirement.

Soon after your last day of work, Human Resources will mail to your home a packet of information and forms regarding the termination, continuation, or transfer of your benefits.

OneCard

Retirees age 60 and over and their spouses or partners are eligible for OneCard identification cards, which give them access to a variety of campus services. Retirees may use their OneCards to take out materials from the libraries, to charge meals at the Campus Center, and to use the gym and fitness center. Make an appointment to receive a Retiree OneCard by calling 585-3082 or sending an e-mail to onecard@smith.edu. The OneCard office is in Stoddard Hall 24C. For more information, please see www.smith.edu/its/onecard/index.html.
E-mail and Novell Network Computer Accounts

Retirees with 25+ years of service continue to be eligible to use college e-mail and Novell network computer accounts. Direct your questions regarding the use of these resources to the User Support Center in Stoddard Hall 23 at 585-4487 or 4its@smith.edu.

Parking

Retirees are eligible to purchase a decal for parking on campus. The cost of the decal and the applicable parking regulations are the same as those for faculty and staff.

Health Insurance

Employees who retire at or after age 62 and before age 65 with 10 consecutive years of service may participate in the college’s early retirement program. Through this medical benefits program, retirees can continue their enrollment in the college’s health and dental insurance plans for themselves and their spouses until age 65. The college contributes 50 percent of the normal employer contribution until the retiree reaches age 65.

Before turning age 65, employees should contact Medicare to enroll in Part A (hospitalization) even if actively employed. Because you must pay a premium for Medicare Parts B (medical) and D (drugs), employees often don’t sign up for Parts B and D until a couple of months before their health coverage through Smith College will end. Your group health coverage ends on the last day of the month in which you retire (unless you elect coverage under the Early Retirement Option). If you elect Medicare Part B when your employment ends, there will be no penalty. However, if you do not enroll at the end of the Medicare Enrollment Period that applies to your situation, the Social Security Administration imposes an ongoing premium penalty of 10 percent for each 12-month period that you could have had Medicare Part B but did not sign up. Generally, this means you should sign up for Medicare Part B prior to retiring, even if you elect COBRA coverage. There are different Medicare Enrollment Periods for different situations. We strongly recommend that anyone near retirement contact the local Social Security Administration office or contact Social Security via the website at [www.ssa.gov](http://www.ssa.gov) and [www.ssa.gov/pubs/10043.html](http://www.ssa.gov/pubs/10043.html) for more information regarding
applying for Medicare. SSA Office: Holyoke, (877)480-4989; toll-free, (800)772-1213.

Early retirees (aged 62 through 64 with 10 years of consecutive service) or those retiring at or over the age of 65 with at least five years of consecutive service may purchase the Benistar Health Insurance Plan underwritten by the Hartford. They may also enroll eligible dependents. This is a supplemental insurance plan, similar to a medigap policy which provides additional coverage to Medicare Parts A, B and D. For information on the Benistar program, please contact True North toll-free at 888-878-6784. Keep in mind that to be eligible for this coverage, you must be covered by Smith’s group health insurance when you enroll, and you will need to have enrolled in parts A and B of Medicare. Please contact True North at least six weeks before you need coverage.

**Consolidated Omnibus Budget Reconciliation Act**

The Consolidated Omnibus Budget Reconciliation Act of 1985, otherwise known as COBRA, is a law that allows employees to temporarily continue (for up to 18 months) their health, dental, Employee Assistance Program (EAP) and Flexible Spending Account benefits when their employment ends. Under this law, you may continue the health and/or dental coverage you currently carry through Harvard Pilgrim and Delta Dental. The cost is 102 percent of the gross premium. Typically the cost for health insurance through COBRA is greater than the monthly premium for medigap insurance. However, since most medigap insurances do not offer dental coverage, continuation through COBRA may be a consideration for retirees who want to continue dental coverage or for those who retire before reaching age 62. Flexible spending accounts for medical expenses may continue on an after-tax basis only through COBRA and only through the end of the calendar year in which the employee retires. These flex spending accounts allow you to use pre-tax dollars to pay for eligible medical expenses that are not covered by your health insurance plan. You can set aside up to $2,500 per year to be payroll deducted and the funds will not be subject to federal, state or FICA taxes. Eligible expenses include, but are not limited to, glasses, dental expenses, copayments and alternative medicine. (Please contact Benefit Strategies directly to confirm eligible expenses.) Unclaimed amounts are forfeited per IRS regulations. The necessary paperwork must be completed within 60 days of the date of loss of coverage in order to continue benefits under COBRA. COBRA coverage begins on the day after the last day of coverage so there is no break in service. A bill will be sent each month from Benefit Strategies.
for the portion of the premium that must be paid before the end of the grace period. In the event of nonpayment, benefits will be terminated with no option for reinstatement. For further information about COBRA benefits, contact Benefit Strategies at 888-401-3539.

**Life Insurance**

Upon retirement, retirees may convert their group life insurance coverage to an individual policy. Human Resources will mail this form to your home close to your last day at work. Complete the required form and send it to Voya within 31 days of the date of loss of coverage. Voya will respond with a cost and benefit quotation for this coverage and an enrollment form.

**Long-term Disability**

Retirees may be eligible to enroll in personal long-term disability insurance through Voya. Human Resources will mail this form to your home close to your last day at work. Complete the form and send it to Voya within 31 days of the date of loss of coverage. Voya will respond with a cost and benefit quotation for this coverage and an enrollment form.

**Smith College Defined Contribution Retirement Plan**

Human Resources recommends meeting with your retirement vendor for an individual consultation. The dates available to meet with vendor representatives are listed at [http://www.smith.edu/hr/benefits_retirement.php](http://www.smith.edu/hr/benefits_retirement.php) under “Individual Guidance Sessions.” These sessions are held in the Office of Human Resources at 30 Belmont Avenue.

To schedule an appointment with:

- Voya: Mary Ellen Gordon  
  Call (877) 645-5206

- TIAA-CREF: Elizabeth (Betsey) O’Boyle  
  Call (800)732-8353
In addition, you may speak with a representative over the phone, or access your account online:

- Voya: (800) 584-6001 or smithcollege.prepare4myfuture.com
- TIAA-CREF: (800) 842-2776 or www.tiaa-cref.org
- Fidelity: (800) 343-0860 or www.fidelity.com
- American Century: (800) 345-3533 or www.americancentury.com

After retirement, an individual has full access to his or her funds subject to plan limitations. Under IRS regulations, there is an early withdrawal penalty if a person is under 59 1/2 years of age and takes a cash withdrawal.

**Social Security**

Full Social Security benefits normally begin (depending in part on date of birth) as early as age 65. Reduced benefits (equal to approximately 80 percent of the full benefit) are normally available at age 62. Contact the local Social Security Administration (SSA) office or contact Social Security through their Website www.ssa.gov to determine the terms of eligibility.

**Resources**

Harvard Pilgrim offers a program entitled, **Celebrating 65**, which is available at www.harvardpilgrim.org/smithcollege. This free educational program consisting of several informational webinars provides reliable, comprehensive information to help you better understand your Social Security, Medicare and retirement health care options. Also available on the website is a helpful brochure, which you can print and save.

The SHINE Program (Serving Health Information Needs of Elders) is a state health insurance assistance program that provides free health insurance information, counseling and assistance to Massachusetts residents with Medicare and their caregivers. The SHINE Program is administered by the Massachusetts Executive Office of Elder Affairs in partnership with elder service agencies, social service and community based agencies and Councils on Aging. The program is partially funded by the federal agency Centers for Medicare & Medicaid Services.
For more information about the SHINE program, visit:

Northampton residents may make an appointment to meet a SHINE volunteer at the Northampton Senior Center by calling 413-587-1228.

For more information about what the Northampton Senior Center offers, visit http://www.northamptonma.gov/713/Council-on-Aging or visit your own hometown’s council on aging website.

www.mass.gov/elders

www.medicare.gov

www.ssa.gov

If you have additional questions, please contact Human Resources at (413)585-2270.

Please note: While every attempt has been made to ensure the accuracy of this summary, the legal documents, policies or certificates pertaining to the various benefits prevail in the event of any discrepancy. The policies summarized here are not conditions of employment and are subject to change. Smith College reserves the right to amend, modify or withdraw in its sole discretion any provision contained in this summary. This summary does not constitute a legal document. Neither this document nor any of its terms or provisions constitutes a contractual obligation of Smith College.