

# RETIREMENT EDUCATION BOOKLET

You've had a successful career and now you're thinking of the next phase: retirement. Retirement decisions are among the most important you will ever make. This pre-retirement booklet will help answer some common questions.

## Central Michigan University



## BENEFITS & WELLNESS

### Basic Retirement Plan – 403(b)

*Revised: September 2025*

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# Your Retirement Date

## Staff Employees



It is recommended to use the end of the month for a retirement date. Staff employees choosing December 31 will be eligible for their holiday pay through December 31.

## Academic Year Regular and Fixed-Term Faculty



Academic year (or 10-month) faculty members should use August 15 as their retirement date. Faculty members intending to retire the end of the fall semester should use December 31 as a retirement date. Summer deferred pay will continue through your retirement date when a final calculation and payoff is made, if necessary.

If a different date is requested, please contact the CMU Benefits & Wellness office at (989) 774-3661 to discuss.

## 12-Month Regular, Fixed-Term and Medical Faculty



The retirement date typically used is the end of the month.

# **Your CMU Health Benefits**

**CMU health benefits will end on your CMU retirement date, except for those listed below.**

For Academic Year (10-month) Regular and Fixed-Term Faculty, your CMU health benefits will end as follows:

- Faculty members who work through the spring semester – CMU benefits will continue through August 15 of that calendar year, regardless of your CMU retirement date.
- Faculty members who work through the fall semester – CMU benefits will continue through the end of the calendar year, December 31.

## **Post-Retirement Health Insurance**

### **COBRA Continuation**

If you and your covered family members are enrolled in any of the CMU health plans (medical/prescription, dental, vision or health flexible spending account), you may be able to continue coverage through COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). If you are ineligible to continue your health FSA, you have 90 calendar days from your retirement date to submit reimbursement for eligible expenses incurred during your coverage period. The COBRA qualifying event notice will be mailed to you within a month of your retirement date with detailed information about this continuation coverage and your costs. CMU does not make a contribution toward COBRA continuation coverage, so your costs are the full premium plus a 2% administrative fee.

If you want to continue benefits via COBRA, you need to apply no later than 60 calendar days from the date the COBRA notice was mailed. The COBRA period typically runs for 18 months after your retirement date. Once eligible for and enrolled in Medicare, COBRA coverage will be terminated for that beneficiary. For more information on COBRA, please visit:

[www.cmich.edu/about/human-resources/benefits-wellness/health-and-insurance-benefits/cobra-continuation-coverage](http://www.cmich.edu/about/human-resources/benefits-wellness/health-and-insurance-benefits/cobra-continuation-coverage)

## Medicare

While covered under the CMU group health plan, you were not required to enroll in Medicare.

If eligible and to ensure there is no gap in coverage, you should enroll in Medicare prior to your CMU retirement date.

- Enroll in Medicare online at [www.medicare.gov](http://www.medicare.gov) or at your local Social Security office.

To avoid a late enrollment penalty, it is important to inform the Social Security office that you have been enrolled in a “large group health plan” through CMU. They will require a completed form as proof called the Request for Employment Information. Please contact the CMU Benefits & Wellness office to request this form.

- Medicare supplemental plans are available through a variety of sources including AARP and BCBS. The Commission on Aging in your area will typically assist Medicare eligible individuals with identifying and selecting an appropriate Medicare supplemental plan.
- **Medicare Part D: Check with your pension or other coverage provider prior to signing up for Medicare Part D prescription drug coverage.**

## Other Coverage Options for Consideration

You may wish to explore other health coverage options such as:

- Spouse's plan offered through his/her employer or retirement plan.
- Coverage available to you through a previous employer and/or military service.
- Healthcare Marketplace at [www.healthcare.gov](http://www.healthcare.gov)

## MESSA Coverage (Regular Faculty only)

MESSA allows you to contribute medical and prescription coverage through MESSA Direct Pay. The cost of the coverage can be obtained by contacting MESSA. You are responsible for paying the full cost of the premium directly to MESSA for this coverage.

If you are eligible for Medicare, you should contact MESSA to get information about the Limited Medicare Supplemental plan. MESSA Direct Pay health insurance will terminate upon the death of the faculty member. To contact MESSA, call (800) 292-4910 and ask for MESSA Direct Pay as an eligible CMU faculty member.

## Employee and Dependent Term Life Insurance

You may arrange for the continuation or conversion of your life insurance coverage by direct payment to the insurance company. Two continuation options may be available, and each has its own rates and eligibility criteria. **Port:** CMU group coverage can be transitioned to an individual term life plan. It is available provided you have not yet reached Social Security full retirement age and are terminating for reasons other than total disability.

The amount of coverage you elect to port is reduced by 75% at age 65 and coverage terminates at age 75. This type of plan is the less expensive option initially, but the premiums increase with age. **Conversion:** CMU group coverage can be converted to an individual whole life policy that has a fixed premium and accumulates a cash value. The amount of insurance that is purchased under the portability and conversion options may not exceed the amount of which you and your dependents were insured on the day before your group life insurance coverage ended. **A letter will be mailed direct from UNUM to retirees following their retirement date with additional details.**

Conversion or portability forms and premium payments must be filed and received by UNUM within 31 days of the date coverage terminates. If you have questions regarding your eligibility, or status of any request you have submitted please contact UNUM directly (800) 445-0402.

# CMU Retiree Status

To be considered a CMU Retiree, employees must satisfy one of the following requirements:

- Twenty-five (25) years of benefits eligible CMU service at any age
- Ten (10) years of benefits eligible CMU service and at least age fifty-five (55); or
- Ten (10) years of benefits eligible CMU service at any age if totally and permanently disabled as determined by the Social Security Administration.

If you qualify for CMU Retiree Status, you are eligible for certain additional courtesies:

- Parking permit for free on-campus parking
- Campus ID
- Discounts on SAC memberships
- Tuition benefit for retiree only
- Email access to cmich.edu email account for one year after retirement date (lifetime for Emeritus status)

A complete list of courtesies along with CMU Retiree Status Policy is available on the HR website: [www.cmich.edu/about/human-resources/benefits-wellness/retirement/retirement-status-and-courtesies](http://www.cmich.edu/about/human-resources/benefits-wellness/retirement/retirement-status-and-courtesies)

CMU reserves the right to modify the courtesies at any time.

**Emeritus status** may be awarded to the following groups with Board of Trustee approval:

- Senior Officer and Professional & Administrative – Salaried CMU retiree with at least 10 years of full-time CMU service
- Regular Faculty, Medical Faculty and Fixed-Term Faculty – CMU retiree with at least 10 years of service

# Notifications and Final CMU Pay

**IMPORTANT:** Written notice needs to be given to your supervisor with a copy to the Benefits & Wellness office.

Notice should include your intention to retire with your specific retirement date. Notice should be given as soon as possible and must be given according to your contract/handbook to receive your vacation payoff, if applicable.

Following receipt of your retirement letter, the CMU Benefits & Wellness office will notify the following departments: Employment Services, Payroll, Advancement, Faculty Personnel Services and Office of the President. Each office has its own role in processing your retirement. You are not required to make additional notifications.

## Your Final CMU Pay

- **Final paycheck:** You will receive your final paycheck on your regularly scheduled pay date.
- **Vacation hours:** If eligible, you will be paid any accrued, unused vacation hours, up to 160 hours, as long as you have given proper notification to CMU. You may use accrued vacation time (with supervisor approval) up to the effective date of your retirement.
  - Please review your employee group contract or handbook for eligibility and notification requirements.
  - Vacation hours can be deferred to the 403(b) or 457(b) supplement retirement plans. If interested in deferring, please go to [www.tiaa.org/cmich](http://www.tiaa.org/cmich) to manage your contributions and pay close attention to their change request deadlines for each pay period.
- **Hourly Employees:** Hourly employees will be paid any accrued comp time and applicable unused personal and/or holiday hours.



- **Sick leave:** If you are a service maintenance employee hired prior to July 1, 2002, you may be eligible for two-thirds of your sick leave balance if you meet certain criteria. This may be reduced if you are under age 60 and have less than 30 years of service. Consult your union contract for more information. Per IRS regulations, you cannot tax defer the sick leave payout.

## Participation in a Retirement Recognition Ceremony

A retirement recognition ceremony is held once per year in the spring. Once you submit your retirement notice, you will be invited to the next available ceremony. Your supervisor will also receive a request to complete a retirement resolution and/or retirement statement.

## Wellness Program

Your wellness rewards account with Health Advocate will end on your retirement date. Additionally, all earned rewards must be claimed before your retirement date using your online account at [www.HealthAdvocate.com/CMU](http://www.HealthAdvocate.com/CMU) or on their app. Please contact Health Advocate at 866-799-2691 or [answers@HealthAdvocate.com](mailto:answers@HealthAdvocate.com) if you need assistance redeeming your rewards.

# Retirement Plan Withdrawals

When it's time to withdraw money from your 403(b) Supplemental Retirement and/or 457(b) Public Deferred Compensation Plans you have a variety of options. The availability of certain distributions may depend on the type of contract underlying your plan. Taxes and penalties may apply.

When requesting a post-termination distribution, your retirement date will not be reported to TIAA until the pay period following your official retirement date. Requests made prior to this date will be declined.

We strongly recommend that you discuss your finances with a professional who can help you establish your long and short-term goals. Please contact a retirement investment advisor using the Retirement Resources section on page 11 to further discuss your options.

## Employee Assistance Program (EAP)

**Phone:** 866-799-2691

**Email:** [answers@HealthAdvocate.com](mailto:answers@HealthAdvocate.com)

**Web:** [www.HealthAdvocate.com/CMU](http://www.HealthAdvocate.com/CMU)

As with any period of change, retirement is different for every person. As you prepare for retirement, help is available from CMU's EAP vendor, Health Advocate. Health Advocate offers support anytime, anywhere, including a large library of on-line resources. You can get in-the-moment telephone support, virtual support via text, chat or video, and face-to-face sessions. Support includes counseling, coaching, financial/legal consultation, and more. EAP services end as of your CMU retirement date.

# Retirement Resources

## TIAA

- Customer Service: (800) 842-2776
- Website: [www.tiaa.org/cmich](http://www.tiaa.org/cmich)
- Schedule and individual counseling session: call (800) 732-8353 or visit [www.tiaa.org/moc](http://www.tiaa.org/moc), select *Michigan*, then *Central Michigan University*, to view consultations available in the upcoming 90 days

## MESSA

- Customer Service: (800) 292-4910 and ask for MESSA Direct Pay rates as a CMU eligible faculty member

## Medicare

- Customer Service: (800) 633-4227 (800-MEDICARE)
- Website: [www.MyMedicare.gov](http://www.MyMedicare.gov)

## Social Security Administration – most services available online

- Automated Telephone Service: (800) 772-1213
- Website: [www.socialsecurity.gov](http://www.socialsecurity.gov) to apply for benefits, estimate your future benefits, get a replacement card
- Limited Local Hours: 1940 Sweeney St., Mount Pleasant, MI 48858 or (877) 405-7667

## Isabella County Commission on Aging

- Insurance Hotline: (989) 772-0748
- Address: 220 S. Lincoln Rd., Mount Pleasant, MI 48858

# Retirement Planning Checklist

Getting ready to retire? Below is a checklist to help you get prepared.

This checklist should only be used as a guideline. It is not intended to be all-inclusive but is meant to highlight some of the critical steps you review.

- ☐ Select an anticipated date of retirement
- ☐ Submit written notification of your intent to retire to your department with a copy provided to the CMU Benefits & Wellness office
- ☐ Request a pre-retirement packet from [benefits@cmich.edu](mailto:benefits@cmich.edu) and begin gathering information
- ☐ Contact a retirement or financial advisor
- ☐ Arrange for post-retirement health insurance
- ☐ Determine how Social Security and Medicare benefits will impact your retirement
- ☐ Consider tax deferring your final vacation payoff accrual and, if pursuing, visit [www.tiaa.org/cmich](http://www.tiaa.org/cmich) to adjust your contributions
- ☐ Make a decision regarding life insurance coverage and, if desired, arrange for your coverage to be converted or ported with The Hartford
- ☐ Visit CMU Parking Services to obtain your complimentary retiree parking pass (only available for retirees with CMU Retiree or Emeritus status)

## Congratulations on your retirement!

*Every effort has been made to ensure the accuracy of the information in this booklet. If a conflict arises between the terms in this document and a Central Michigan University (CMU) policy/contract or a state/federal program, the terms of the CMU policy/contract or state/federal program will control.*