



# Leaving employment before retirement eligibility

This checklist can help guide you through the decisions you need to make if you leave covered employment before you are eligible to retire. Please note, not all items apply to all members.

## Member to-do's: insurance benefits

Leaving covered employment before becoming eligible for retirement can affect your eligibility for retiree insurance.

- ☐ If your employer determines you and/or your dependent(s) are eligible for COBRA, review the 18-month COBRA notice you receive from your employer and complete the [COBRA Notice of Election](#), if applicable.
- ☐ Complete forms received from MetLife to convert life insurance, if applicable
- ☐ Contact The Standard to convert Supplemental Long Term Disability coverage, if applicable.
- ☐ Submit claims by March 31 of the following year to ASIFlex for eligible flexible spending account expenses incurred by the first of the month following your date of termination.
- ☐ Keep your Health Savings Account if you have one. The money in your account belongs to you, and you can continue to use it for qualified expenses.
- ☐ Review the retiree insurance eligibility and funding flyers. Only PEBA can determine eligibility for retiree insurance. Upon reaching eligibility for retirement, complete a [Retiree Notice of Election](#).

## Member to-do's: retirement benefits

If you leave your job and terminate all covered employment before you are eligible to retire, you have two options concerning your contributions—request a refund of your contributions plus interest earned on your account or leave your funds in your retirement account with PEBA. If you leave your funds in your retirement account, you retain your years of service credit, which may be added to any future service you may accrue if you later become employed in a position covered by one of the correlated retirement systems administered by PEBA. Your account will continue to accrue interest until it becomes inactive, which is when no contributions have been made to the account in the preceding fiscal year and no other active, correlated system or State ORP account exists. You may apply for a refund later or apply for a service retirement benefit upon reaching eligibility.

- ☐ Review the [SCRS Member Handbook](#) or [PORS Member Handbook](#) and the [Leaving Your Retirement System Early](#) flyer.
- ☐ Complete a [Refund Request](#) (Form 4101) to apply for a refund, if desired. By doing so you forfeit your rights to any future service retirement or disability retirement benefit. By law, a refund cannot be issued sooner than 90 days after employment is terminated. Your refund may be subject to income tax and other penalties.
- ☐ If you participate in State ORP, you must also terminate all covered employment to receive a distribution from your State ORP account balance unless you are older than age 59½. [Contact your service provider](#) for the forms needed to request a distribution.