

Leaving employment before retirement eligibility

If you leave covered employment before you are eligible to retire, there are a few decisions you need to make regarding your benefits. This checklist can help guide you through those decisions. Please note, not all items apply to all employees.

Employee to-dos: insurance benefits

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

- If your employer determines that you and/or your dependents are eligible for COBRA, review the 18-month COBRA notice and complete the COBRA *Notice of Election* form, if applicable.
- If applicable, MetLife will contact you about converting life insurance.
- Flexible spending accounts: You have until March 31 of the following year to submit claims for eligible expenses for your Medical Spending and until March 15 to incur expenses for Dependent Care Spending Accounts. You may take your Health Savings Account with you. Contact Central Bank for more information.
- Review retiree insurance eligibility and funding flyers. Only PEBA can determine eligibility for retiree insurance. Upon reaching eligibility for retirement, complete an *Employment Verification Record* and *Retiree Notice of Election* form.

Employee to-dos: retirement benefits

- Review applicable retirement member handbook.
- If requesting a refund of retirement contributions, you must terminate all covered employment and you forfeit your rights to any future service retirement or disability retirement benefit. Log in to Member Access to apply for a refund. By law, a refund cannot be issued sooner than 90 days after employment is terminated. Refund may be subject to income tax and other penalties.
 - If you participate in State ORP, you must also terminate all covered employment and should contact your service provider to request forms needed to receive a distribution of your account balance.
- 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 at a later date or apply for a service retirement benefit upon reaching eligibility.