

Retiree Return to Work Checklist

Name: _____ Employee ID/SS#: _____

Department Name: _____ Retiree return to work hire date: _____

Please review the items below and add your initials next to each item to acknowledge you have read and understand the information. Email the completed form to benefits@musc.edu.

Temporary position-Post Retirement

Per [HR Policy 51](#) all **Post Retirement employees** returning to work will be employed in a **temporary position**. Temporary employees are typically* not eligible for benefits, annual leave, sick leave or holidays. Temporary employees are required by State guidelines to take a 15 calendar day break after one year of temporary employment, however, temporary returned retirees at MUSC are exempt per MUSC Legal Counsel.

Temporary employees do not accrue annual or sick leave nor have paid holidays.

If you will be rehired in your department as a retiree, you must sign a [Statement of Understanding](#) and submit it to your Business Manager. Your Business Manager should provide this form to you. A return retiree is required to complete all steps required for new hires, including background check, health screening and all required paperwork.

Should you be rehired, your department must also submit a PEAR to rehire you and submit a [NetId Extension Request Form](#) if they approve your email and/or NetID to remain active during this break.

You must contact the MUSC University Benefits office at benefits@musc.edu to resume supplemental retirement contributions from my MUSC University paychecks.

Earnings Limitation for Defined Benefit Plan (PORS/SCRS)

If a retiree returns to work after for any employer who participates in the PEBA Retirement plans, their retirement benefit will be subject to an earnings limitation. Once the retiree earns \$10,000 from their employer, their retirement benefit will cease for the remainder of the calendar year; retirement benefits will resume the following calendar year subject to the same limitation. The \$10,000 limitation does not apply if the retiree was at least 62 years of age on the date of their retirement for SCRS. The \$10,000 limitation does not apply if the retiree was at least 57 (PORS plan) years of age on the date of their retirement. The \$10,000 limit does not apply to members of the Optional Retirement Plan.

Returning to covered employment

To retire, you must first have a complete, bona fide severance or termination of employment. If your department rehires you as a retiree, they must indicate on the **Notice of Separation** that you are a retiree returning to work on: **month/day/year**. You must have at least a **30 calendar day** break in service before returning to work. After 30 days of retirement, you may be hired by an employer covered by one of the retirement systems administered by PEBA. If you return to covered employment sooner than 30 consecutive calendar days after retirement, your monthly benefit will be suspended while you remain employed by a covered employer.

Employment status

Any retired member who is employed by an agency that adheres to state personnel policies will be exempt from

the State Employee Grievance Procedure Act. This means your employment is at will. Employment is at-will, and may be terminated at any time, with or without cause, at the discretion of the hiring official. Post-TERI and other retired employees do not have faculty or staff grievance rights or tenure status.

Working retired member contribution rate

[] If you return to work for a covered employer after you retire, you will contribute the same tax deferred percentage of your gross pay into your SCRS/ORP retirement account as an active member . The member contribution rate is 9 percent. PORS return to work retiree contribution rate is 9.75 percent. As a working retiree, you will not earn additional service credit or receive interest on your account.

Retiree return-to-work dates

[] PEBA must be notified when a retired member is hired. If a retired member receives an overpayment of benefits because a covered employer failed to notify PEBA of the retired member is hiring in a timely manner, the employer is responsible for reimbursing PEBA for any benefits that were paid in error to the retired member.

Working 48 continuous months

[] If you return to employment and work 48 continuous months for a covered employer with an annual earnable compensation of at least 75 percent of the AFC used to calculate your monthly benefit, you may elect to cease your monthly benefit and become an active member of SCRS (or PORS, if applicable). If you become an active member again, you have the option to repay some or all retirement benefits to receive additional service credit for that period. When you subsequently retire, PEBA will calculate your monthly benefit as if you were retiring for the first time.

Insurance

[] If a retiree, who is covered under the state retiree group, returns to an **insurance-eligible position**, he must return to active coverage status or refuse all PEBA coverage. The Affordable Care Act requires employers to offer coverage to all employees who work an average of 30 hours a week. Because of this federal law, if you return to work at MUSC as a retiree employed in a temporary position, and you average 30 hours, you could be eligible to keep benefits through MUSC. **If you and/or your spouse are eligible for Medicare, you are required to keep your benefits through MUSC based on the federal law governing Medicare enrollment.** [Return to work retiree](#) must be coded as **“Full Time Non- Permanent”** on the Active Notice of Election Form.

[] If you, your spouse or your child is covered under the retiree group insurance program, and you return to work for an employer participating in the state insurance program in a way that makes you eligible for enrollment in the State Health Plan, such as working at least 30 hours a week, you may not remain on retiree coverage. You will need to switch back to the active MUSC insurance plans.

[] If return to work retiree returns to active employment and are not in an insurance-eligible position, the return to work retiree may remain on PEBA retiree coverage.

Medicare-eligible return-to-work retiree

[] If return to work retiree elects coverage under the MUSC Health Plan as an active employee and he/she is Medicare-eligible, the MUSC Health Plan will be primary, paying claims before Medicare. The return-to-work may want to drop Medicare Part B.

[] If return to work retiree refuses all health coverage under the State Health Plan and is Medicare-eligible, Medicare will be primary. Return to work retiree will not be able to enroll in PEBA’s Medicare Supplemental Plan and

may want to pursue a supplemental plan on his/her own. Return to work retiree will not be enrolled in drug coverage through PEBA and will need to enroll in other Part D coverage.

[] Federal law will not allow a person in an insurance eligible position, or any person he covers, to use Medicare as his primary insurance and coverage through PEBA as his secondary insurance. This means that even if you are eligible for PEBA sponsored coverage as a retiree, if you return to work in an insurance-eligible position, you may not be covered as a retiree. As a result, you will need to do one of these things: Enroll as an active employee with Medicare as the secondary payer; or Refuse all PEBA-sponsored health coverage for you, your spouse and your children and have Medicare coverage only.

[] Even with active employee insurance through PEBA, you may still remain covered by Medicare Part B as a secondary payer and continue paying the Part B premium. You can also delay or drop Part B without a penalty while you have active group coverage. For more information, contact the Social Security Administration at **800-772-1213**.

Optional Life

[] If the retiree continued his Optional Life coverage at retirement, he must decide whether to keep his continued coverage or cancel it and enroll in optional life as an active employee.

[] If the retiree elects to enroll in optional life coverage as an active employee, he must contact MetLife to cancel his continued retiree coverage due to his return to active status. A return-to-work retiree cannot keep his continued policy and elect optional life coverage as an active employee.

[] If the retiree converted his optional coverage at retirement, he may keep the converted policy and enroll in optional life as an active employee. In the event of a claim, both policies would pay, provided the premiums are paid.

Dependent Life

[] Since Dependent Life coverage may be converted only at retirement, if the retiree returns to work and enrolls as an active employee, he/she is not required to drop any converted dependent life coverage to enroll his spouse and/or child(ren) in dependent life as an active employee.

Return-to-work retiree leaves active employment

[] When the return-to-work retiree leaves active employment and his/her active group coverage is terminated, he/she will be eligible to return to retiree group coverage. One must submit a [Retiree notice of election \(NOE\)](#) to return to the state retiree group within **31 days** of termination. If the return to work retiree is Medicare-eligible, Medicare will be primary.

[] Return to work retiree must notify Social Security that he/she is no longer covered under an active group, so Medicare can become his/her primary payer or so he/she can re-enroll in Medicare Part B during the special enrollment period, if Part B was canceled. The cost of Part B will not increase. Call the Social Security Administration at 800-772-1213 with questions.

By signing below, I acknowledge that I have read and understand the information outlined in this checklist. Please email the completed checklist to benefits@musc.edu.

Employee Signature: _____ Date: _____