

ASU System Policy

Effective Date: December 7, 2018

Subject: Early Retirement Benefits

1. Purpose

Employees providing dedicated and lengthy service to Arkansas State University may be eligible for early retirement benefits. To the extent allowed by existing financial conditions, early retirement benefits will be available to all Arkansas State University employees hired prior to January 1, 2019.

2. Arkansas State University System Early Retirement Benefits Policy

An eligible retiree is an employee who in the calendar year of retirement:

- A. Reached fifty-five (55) years of age or older with the sum of their age and the number of years of continuous full-time service to Arkansas State University totaling seventy (70); or
- B. Reached sixty (60) years of age or older with at least ten (10) years of continuous full-time service to Arkansas State University; or
- C. Retired under a voluntary retirement window approved by the Board of Trustees of Arkansas State University.

3. Process

- A. Employees meeting age and service eligibility requirements, or who retire under a board-approved voluntary retirement window, are eligible to continue the following benefits so long as the financial condition of the University allows:
 - I. Medical insurance (including spouse and unmarried dependents, if covered at the time the employee retires) at one-half of the total combined employee and employer premium cost. Direct draft payments must be established through the payroll director prior to retirement.

Medical insurance provided to early retirees will terminate at the earlier of (a) the age at which the early retiree becomes eligible for Medicare coverage or (b) the date the early retiree becomes eligible for similar benefits under any other arrangement for members in a group, whether insured or self-insured.

Medical benefits for a covered spouse of an early retiree will terminate at the earlier of (a) the date on which such benefits terminate for the early retiree or (b) the date that the spouse becomes eligible for Medicare. If the covered spouse of an early retiree has not reached the age of Medicare eligibility at the time benefits for the early retiree are terminated, the early retiree may pay the total employee and employer premium cost of continuing medical benefits until such time as (a) the covered spouse becomes eligible for Medicare benefits, or (b) becomes eligible for similar benefits under any other arrangement for members in a group, whether insured or self-insured.

Medical insurance for unmarried dependents, if covered at the time the employee retires, will terminate at the earlier of (a) the date on which they become eligible for similar benefits under any other arrangement for members in a group, whether insured or self-insured, or (b) until they no longer meet the dependency requirements of the plan.

II. Tuition discounts for the early retiree, the spouse, and unmarried dependent children in the amount in effect for existing University employees.

B. Eligible employees under paragraphs 2(A) and 2(B) may continue life insurance and accidental death and dismemberment benefits equal to the scheduled amount at the time of the early retiree's retirement at no cost to the retiree until the retiree turns 65.

(Adopted by the Arkansas State University Board of Trustees on December 7, 2018, Resolution 18-43, supersedes the policy approved on September 19, 2014, Resolution 14-37, which superseded the original policy passed by Resolution 09-31, which superseded the Early Retirement/Retirees Unused Sick Leave Compensation Policy of July 1, 1993, and revisions December 2000 and June 30, 2003.)