

BENEFIT IMPACTS AT TERMINATION DUE TO NON-RENEWAL

ACADEMIC STAFF EMPLOYEES

NOTE: The information in this fact sheet is based on laws and insurance contracts in effect as of April 2007. It is general and does not cover all details that you may need to know. For complete and current information on how non-renewal would affect your specific benefits, consult your benefits office as soon as possible.

WISCONSIN RETIREMENT SYSTEM (WRS)

Your WRS contributions and service credits will end as of your last day paid.

1. If you are under age 55: You may take a separation benefit (withdraw the employee portion of your WRS account) before you reach age 55, or leave your account on deposit for a future benefit. With a separation benefit, you forfeit the employer half of your WRS account. It is usually more advantageous to delay taking a benefit until you reach age 55.
2. If you are age 55 or older: You may begin your WRS retirement benefit effective the day after you terminate employment. It is usually advantageous to begin a WRS benefit as soon as you become eligible, and therefore any delay should be carefully considered

STATE GROUP HEALTH INSURANCE

At the time employment terminates, premiums have been paid two months in advance. You may continue in the group plan beyond the two months as follows:

1. If you have less than 20 years of WRS creditable service, you may continue group coverage for an additional 36 months under COBRA provisions by paying the premium directly. (If you are at least age 55 and begin an immediate WRS benefit, see 3. below.)
2. If you are under age 55 and have 20 years of WRS creditable service you may continue group coverage indefinitely (provided you do not take a separation benefit) by paying the premium directly.
3. If you are age 55 or older and either begin an immediate WRS benefit or have 20 years of WRS service, you may use sick leave credits to pay premiums until they are exhausted. Thereafter, you (and your insured surviving spouse, after your death) may continue group coverage for life by paying the premium from your annuity or directly.

SICK LEAVE CREDITS

If, within 3 years of termination, you return to a University position or other state position that is eligible for sick leave, your unused sick leave balance is restored to you. If you are reinstated after more than 3 years, you will accrue sick leave as a new employee.

If you are age 55 or older and either begin an immediate WRS benefit or have 20 years of WRS service, your accumulated sick leave hours are converted to credits at your highest rate of pay and are paid out monthly to cover health insurance premiums. You may continue to use sick leave credits until they are exhausted. If you have comparable health insurance from another source, you may escrow your sick leave credits for use at a later date. In addition, if you have 15 years of adjusted continuous state service, you will receive supplemental sick leave credits. The supplemental credits match your accumulated sick leave hours up to a maximum based on years of service and employment category.

INCOME CONTINUATION INSURANCE (ICI)

Income Continuation Insurance coverage ends on the date employment terminates.

EPIC DENTAL AND EXCESS MAJOR MEDICAL

Coverage ends at the end of the month following the month employment terminates. You are entitled to continue your coverage for up to 36 months under COBRA provisions by paying the premium. You may continue indefinitely if you take an immediate WRS retirement benefit or have 20 years of WRS creditable service and do not take a separation benefit.

DENTABLUE DENTAL INSURANCE

Coverage ends at the end of the month following the month employment terminates. You are entitled to continue your coverage for up to 18 months under COBRA provisions by paying the premium.

SPECTERA VISION INSURANCE

Coverage ends at the end of the month for which premium has been paid. You may maintain coverage until the end of the year in which employment terminated by prepaying premium prior to termination. You may continue the coverage under this plan.

STATE GROUP LIFE INSURANCE

Coverage ends at the end of the month following the month employment terminates. Most employees and their insured spouse and dependent children are eligible to convert the coverage to an individual policy. Continuation in the group plan may be available to employees who take an immediate WRS retirement benefit or have 20 years of service.

**INDIVIDUAL AND FAMILY
GROUP LIFE INSURANCE
and
UW EMPLOYEES, INC.
GROUP LIFE INSURANCE**

Coverage ends at the end of the month following the month employment terminates. You may convert the coverage to an individual policy.

**UNIVERSITY INSURANCE
ASSOCIATION (UIA)
GROUP LIFE INSURANCE**

(Unclassified employees only) Coverage for currently-insured employees ends on October 1 each year. You may be eligible to continue your group term insurance under this plan upon retirement or termination of employment with the University. For information regarding plan continuation contact your Benefits Office and complete a continuation form.

**EMPLOYEE
REIMBURSEMENT
ACCOUNT (ERA)**

Medical account: You may continue coverage for some or all of the current plan year up to the next March 15 by pre-paying contributions. Otherwise, costs incurred after the end of the last month in which you made a contribution will not be reimbursed.

Dependent Care account: Your contributions end when you terminate employment. However, you may continue to request reimbursement for eligible expenses during the plan year up to the next March 15 until the account is exhausted.

**ACCIDENTAL DEATH AND
DISMEMBERMENT
INSURANCE**

Coverage ends at the end of the month following the month employment terminates. You may convert to an individual (or family) policy. If you take a WRS retirement benefit, you may continue in the group plan indefinitely. Coverage decreases on a sliding scale beginning at age 70.

**TAX-SHELTERED ANNUITY
403(b) ACCOUNT (TSA)
and
DEFERRED
COMPENSATION
ACCOUNT**


You may discontinue contributions at any time by filing timely notice. Contributions end automatically with your last paycheck. After termination you may withdraw some or all of your account. A 10% early withdrawal tax penalty may apply to your TSA account until age 59 ½ if you were under age 55 when employment terminated. There is no early withdrawal penalty from a TSA account if employment terminates at age 55 or later. There is no early withdrawal penalty at any age in your Deferred Compensation account.

**ACCRUED LEAVE TIME
(VACATION, SABBATICAL,
ALRA, HOLIDAYS,
COMPENSATORY TIME)**

Your last pay check will include payment for accrued vacation and other leave time owed to you. This payment is not part of your final average salary for benefit purposes under the Wisconsin Retirement System.

Every effort has been made to ensure that this information is correct and current. However, the terms and conditions of UW benefits programs are established by state and federal laws and regulations, the relevant contracts, and the policies of the Board of Regents. These sources of authority control over the information in this fact sheet to the extent there are any differences or conflicts.

If you need this material interpreted or in a different form, or if you need assistance using this service, please contact us.

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