DREXEL UNIVERSITY
Department of
Human Resources

Tenured Faculty Transition Policy - Tenure Faculty Buyout
Frequently Asked Questions

** These FAQS may be updated from time to time. Please visit*
https://drexel.edu/hr/benefits/retiree-benefits/tftp/
for the most current version.

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Tenure Faculty Buyout

1. What is the Tenure Faculty Buyout?

The Tenure Faculty Buyout (TFB) is an opportunity for eligible tenured faculty to reliquish their tenure and receive a lump-sum payment of 65%, 100% or 110% of their current annual base salary, depending on years of service. Participation in the Tenure Faculty Buyout is strictly voluntary, and offers the faculty member the ability to retire on the date of tenure relinquishment.

Eligibility

2. Am I eligible to participate?

You are eligible to participate if you are …

- A full-time tenured faculty member
- Not participating in the Phased Retirement program
- Minimum age 66
- Minimum of 10 years of consecutive service
- Meet the “Rule of 80” which means that the combination of your age and years of service must equal at least eighty. For example:
    - A tenured faculty member who is age 66 and has 10 Years of Service, would not yet meet "the Rule of 80" (66 + 10 = 76 < 80)
    - A tenured faculty member who is age 66 and has 15 Years of Service, would meet the "Rule of 80" (66 + 15 = 81 > 80).

***Eligibility for the program should be confirmed with the Office of Faculty Advancement and Inclusion.**

Tenure Buyout Benefit

3. How much is the Tenure Buyout Benefit?

The Tenure Buyouy Benefit is a single-sum, cash payment in the following percentage amount of your regular, annual salary (not including supplemental pay):

Percentage Benefit	Years of Service as of August 31, 2025
65% of annual salary	At least 10 but less than 20 years of service
100% of annual salary	At least 20 but less than 30 years of service
110% of annual salary	30 or more years of service

4. When and how will my Tenure Buyout Benefit be paid?

Payment will be made on September 15, 2025 or January 15, 2026, based on your selection made at the time your General Release of Claims is submitted.

Payment will be delivered in the same way as your Drexel paycheck, either by direct deposit or check mailed to your home address on file.

5. Will the Tenure Buyout Benefit be taxed?

Yes. Federal withholdings will be deducted at a supplemental rate of 22%. Social Security as well as state and local taxes will be deducted at the normal rate.

6. Will benefit deductions be taken?

Benefit deductions will not be taken from the Tenure Buyout Benefit. These normal benefit deductions include health insurance premiums, 403(b) retirement contributions, and other voluntary benefits such as commuter and flexible spending contributions.

7. Are there any tax implications for receiving a retirement incentive payment?

Drexel cannot give legal or tax advice. Please consult your legal counsel or tax advisor.

Retiree Health Benefits

8. What retiree health benefits am I eligible for if I participate in the Tenure Faculty Buyout?

If you participate in the Tenure Faculty Buyout, your active health benefits for you and any covered dependent will end August 31st. You and your spouse or domestic partner are eligible for retiree medical, prescription, dental and vision benefits through the University, if you choose, with coverage effective September 1st.

9. Does Drexel contribute anything towards the cost of my health benefits?

No. There is no subsidy made by Drexel towards the cost of the benefits. See FAQs #14 and #16 for the current premium costs and billing.

10. Are dependents covered under the retiree benefits?

Your spouse or domestic partner of record at the time of retirement may be covered under your retiree medical, prescription, dental and vision coverage. Spouse or domestic partners established after your retirement date are not eligible. In order to cover a spouse or domestic partner, the retiree must be enrolled in the benefits. So, if the retiree has waived medical, the spouse or domestic partner cannot enroll in medical, even if they are in a split coverage scenario.

Dependent children are not eligible for coverage under the retiree benefit plan. COBRA coverage will be offered to a dependent child when their benefits terminate under the active employee plan. (see FAQ #19 for more information on COBRA coverage).

11. What are the retiree medical and prescription coverage options through Drexel?

Your medical and prescription options will depend on your age at the time of your retirement. In addition to the information below, plan summaries are available at https://drexel.edu/hr/benefits/retiree-benefits/tftp/.

Under Age 65:

- Retirees and spouses/domestic partners who are under age 65 are eligible for the same medical/Rx plans that are available to active Drexel employees, but at the applicable retiree rate
- When you retire, you can continue the coverage that you currently have. Certain changes are permitted mid-year if you experience a qualified life event (i.e., if you gain or lose coverage elsewhere).
- If you do not have medical insurance through Drexel, or if you discontinue coverage when you retire, enrollment at a later date will be available only if you and/or your spouse/domestic partner supplies documentation showing continuous coverage in another health plan (other than Medicare) in the interim.
- When you or your spouse/domestic partner turn age 65, your eligibility for the pre-65 medical coverage will terminate, and you will be eligible to enroll in the 65+ retiree health insurance option available through Drexel at that time. The Drexel Benefits Service Center will reach out to you approximately two to three months prior to you or your spouse/partner's 65th birthday to discuss this transition. If you are not contacted at that time, please contact the Drexel Benefits Service Center, powered by WEX at 844.690.3992. *Medicare Part B must be in place in order to be enrolled in the Drexel Sponsored 65+ retiree health insurance option.*
- Should you or your spouse/domestic partner become Medicare eligible before reaching age 65, you will need to transition to the 65+ retiree health insurance option available through Drexel at that time. Please contact the Drexel Benefits Service Center, powered by WEX at 844.690.3992, as soon as you become Medicare eligible so that we can facilitate the transition in a timely manner.

Age 65 and Over

- Retirees and spouses/domestic partners age 65 and over are eligible for the Blue Medicare Advantage Secure Preferred PPO plan ("Secure Preferred PPO"), a Medicare Advantage plan. To participate in this plan, you must be enrolled in Medicare Parts A & B.
- The Secure Preferred PPO plan combines your Medicare Part A (hospital) and Part B (medical) with prescription drug benefits and additional covered services.

You will only need to present your Secure Preferred PPO card when utilizing your medical and prescription benefits.

- You are responsible for payment of the ongoing Medicare Part B premium, as well as your Secure Preferred PPO premium (see FAQs #22 and #24 for information on direct billing and premiums).
- You have the right to change elections during Drexel's annual open enrollment period or if you experience a qualified life event. If you do not enroll in the Secure Preferred PPO plan when you retire or when you attain age 65, or if you discontinue coverage at a later time, enrollment/reenrollment will be available only if you a have been continuously covered in another health plan (other than Medicare) in the interim.

12. I am over age 65 and have enrolled in Medicare Part A, but waived Part B since I was participating in Drexel's health plan. Do I need to enroll in Part B now?

Yes, you will need to start the Medicare Part B enrollment process approximately 60-90 days before you need the benefit to be effective. If you are age 65 or over, you must work with Social Security to sign up for Medicare Part B, regardless if you are planning to enroll in the Drexel sponsored Secure Preferred PPO plan, or any other Medicare supplemental plan not offered by Drexel.

To enroll in Medicare Part B, you will need to submit a Medicare Part B application (CMS-40B) along with the Request for Employment Information (CMS-L564) form when applying for Medicare Part B. The purpose of the form is to confirm that you had group health plan coverage within the previous 8 months, or since you became Medicare eligible and had waived Part B.

Note that Section B of this form must be filled in by Drexel Human Resources. A copy of this form will be provided with your Retiree Benefit Package in the Spring leading up to your retirement date. If you wish to receive it sooner, you can request this at HR@drexel.edu.

13. What dental and vision coverage am I eligible for as a retiree?

Retiree and spouses/domestic partners are eligible for the same dental and vision plans available to active Drexel employees, regardless of age. When you retire, you can continue the coverage you currently have, with the opportunity to change plans during Drexel's annual open enrollment period or if you experience a qualified life event.

Drexel offers three dental options, a Base PPO, Preferred PPO, or DHMO plan, all through CIGNA, and one vision plan offered through Davis Vision administered through Independence Blue Cross. This is reviewed annually and subject to change.

14. How much do retiree benefits cost?

The monthly retiree benefit premiums for 2025 are listed below. Premium amounts are subject to change on annual basis. You will be notified of any changes during Drexel's annual open enrollment period.

	Plan	Retiree Only	Retiree & Spouse/DP
Under 65 Medical/Rx	CDHP	$569.74	$1,287.98
	Point of Service	$731.02	$1,652.52
	PPO Basic	$1,080.17	$2,438.12
	PPO High	$1,217.82	$2,747.86
Over 65 Medical	Secure Preferred PPO	$300.00	$600.00
Dental	Base	$21.16	$62.44
	Preferred	$32.36	$105.79
	DHMO	$10.86	$27.39
Vision	Davis Vision	$4.33	$9.98

15. How do I enroll in retiree health benefits?

Human Resources will email you a Retiree Benefit Package, which includes a Drexel Retiree Enrollment Form, and a Medicare Request for Employment Information (CMS-L564), if applicable. If your Medicare eligible spouse/partner is also enrolled in the Drexel Medical plan they will have their own CMS-L564 provided. The Drexel Retiree Benefit Enrollment Form must be completed and returned to hr@drexel.edu no later than July 31, 2025, to avoid any negative impact to your continous coverage. Forms will be accepted after that date, but we cannot guarantee a seamless transtion of coverage effective September 1st in these cases.

16. How do I pay for my benefits?

Drexel's health and welfare administrator, WEX, manages the billing for retiree benefits. They will mail you a letter confirming your benefit enrollment and providing instructions for submitting premiums via check or automated payments from your bank account. Payment is due on the first of each month. Please contact WEX at 1.844.690.3992 with any questions about billing.

Due to the timing of the transition from active employee to retired employee, you may not receive your first invoice in time for you to make your first payment by the due date, but this will not cause delay with your benefit eligibility. You should set up payment arrangements as soon as you receive your billing information.

If you do not pay WEX your premiums on time, your Drexel retiree health insurance will be cancelled, and you will not be permitted to re-enroll. Please pay close attention to any mail or notices that you receive from WEX to avoid cancellation.

17. Will I receive new insurance ID cards?

Under 65 Medical/Rx plans – No, if you and your spouse/domestic partner are both under 65, you will continue to use your existing ID cards.

Spouses/Domestic Partners Under 65 Medical/Rx plans – Yes. If you are over 65 and your spouse or domestic partner is under 65, they will receive a new member ID card in the mail.

Medicare Advantage Plan - Yes, when you enroll in the Medicare Advantage Plan you will be assigned a new member ID/group number, and you will receive a new ID card in the mail. If your spouse is enrolled in the plan they will be set up under their own individual record, as the Medicare Advantage plan is attached to their Medicare ID.

Dental and Vision – No, as long as you remain enrolled the plans you will continue to use the same group dental number (3333911) and your existing vision ID card.

18. I am enrolled in the Secure Preferred PPO Plan through Drexel. Why did I receive a Declaration of Prior Prescription Coverage request from Blue Medicare Advantage?

As a Medicare Eligible retiree, your medical insurance carrier is required to confirm that you were enrolled in a creditable prescription plan while you delayed enrollment in Medicare Part B. This process is separate from the Medicare Part B confirmation process and does require action on your end. If you receive this request, please be sure to return the form by the deadline provided, or you can call them at the number provided on the form. If you need assistance with this please contact HR Service Center at hr@drexel.edu.

19. I enrolled in Drexel retiree benefits, why am I getting a COBRA notice?

WEX will send you a COBRA package after your active benefits terminate on your date of retirement. Drexel is required, by law, to send you a COBRA notice when your active employee benefits end, even if you are under 65 and continue with the same coverage into retirement.

Take action with this form if you have a child who needs to continue their coverage or if you wish to extend your health care flexible spending account claims period. Otherwise, you and/or your spouse/domestic partner can disregard the notice if you are enrolling in the retiree health plan.

20. What happens to my spouse/domestic partner's health benefits if I die?

If your spouse/domestic partner is enrolled in your benefits at the time of death, they can continue on the retiree benefit plan for their lifetime.

21. I have questions about Medicare and/or my post-retirement health care options. Who can I talk to?

To help employees navigate the healthcare industry, Drexel partners with Health Advocate, a company trained to understand the nuances within the healthcare system. Heath Advocate's experts can guide you through your transition to Medicare by explaining your options and costs, alerting you to enrollment deadlines, identify participating providers, and more. They can also help you evaluate whether Drexel's Medicare Advantage plan is right for you, as well as research alternative plans.

You can schedule an individual consultation by calling 1.866.695.8622. Keep in mind that Health Advocate is available, free of charge and available to you and your spouse, and family through your retirement date.

22. Who should I notify if my address changes?

It is your responsibility as a retiree to keep Drexel informed of any address changes that occur. This is particularly important so that tax forms, where applicable, are issued to the proper address, as well as any annual notices and mailings that would be sent out from or on the University's behalf. Examples include the W-2 tax forms from your last year of employment, TIAA information, bills from WEX for your retiree healthcare premiums, or the annual Benefits Open Enrollment material.

Be sure to notify Drexel immediately of your new address by submitting an Employee Information Change form to hris@drexel.edu. An email from your Drexel email account with the change will also suffice.

All vendors will accept the update from Drexel once your information is processed. It can take two to three weeks for all applicable vendors to reflect this update.

Retirement Accounts

23. What happens to my 403(b) retirement account?

Upon retiring from Drexel, final contributions will be made on your behalf to the Drexel University Defined Contribution Retirement Plan (the "403(b) Plan") and deposited into your account with TIAA. These contributions will not include any VRIP salary payout or any vacation, sick or personal leave payouts that may be paid in that final payment or any other compensation amount excluded under the terms of the 403(b) Plan. You should allow up to 30 days after your retirement date for your status to change to terminated in order to have access to all your 403(b) Plan funds.

When you retire and are no longer receiving salary from Drexel, including part-time work as an adjunct, per diem, casual, or temporary employee, you have several options for your account under the 403(b) Plan. You can keep your funds in the 403(b) Plan, roll them over to an IRA or another employer's qualified plan or take a distribution in any of the payment forms permitted under the terms of the 403(b) Plan. (There may be additional tax implications if you take a distribution from the 403(b) Plan prior to age 59½). You should consult with TIAA for your 403(b) Plan benefit payment options following your retirement.

Please note that if you decide to leave your funds in the 403(b) Plan after you retire, you are generally required to start taking required minimum distributions ("RMDs") from your account when you reach the "applicable age," as defined by the IRS and outlined below.

1) age 70½ if you attained age 70½ prior to January 1, 2020;
2) age 72 if you attained age 70½ after December 31, 2019 and age 72 prior to January 1,2023;

3) age 73 if you attain age 72 after December 31, 2022 and age 74 prior to January 1, 2033; and

4) age 75 if you attain age 74 after December 31, 2032.

The rules around when and how much you must withdraw from your workplace retirement plans can get tricky. TIAA will walk you through it. Watch the video for the basics on RMDs. Review the five steps to see how RMDs apply to you and what to do next. Click on the link below or call 800.842.2252 for more information.

5 Step Guide to Understanding What is RMD | TIAA

24. What happens to my 457(b) retirement account?

Upon retiring from Drexel, final contributions will be made on your behalf to the Drexel University 457(b) Deferred Compensation Plan ("457(b) Plan") and deposited into your account at TIAA. You should allow up to 30 days after your retirement date for your status to change to terminated in order to access all of your 457(b) Plan funds. Within 60 days of your termination, you must elect to either (1) take a distribution from your 457(b) Plan account or (2) or postpone distribution to a later date (but in no case later than the date you are required to start taking RMDs from your 457(b) Pan account). TIAA will send an election packet either via USPS or email (based on your delivery preference). If you do not make an election within 60 days, your account will be automatically paid to you from the 457(b) Plan as a single lump-sum payment.

To schedule an individual consultation with a TIAA financial consultant visit TIAA.org/schedulenow-drexel or call 800.732.8353.

25. If I come back to work at Drexel how does that impact my withdrawal from the 403(b) Plan?

There are times when faculty or professional staff members return to employment or have an agreement to work and receive salary in an adjunct, per diem, casual, or temporary role, for example, after they have retired from Drexel. For purposes of taking distributions from the 403(b) Plan, retirees receiving income from Drexel are considered active employees, meaning you are not eligible (according to the terms of the 403(b) Plan) to take RMDs even if you are of RMD eligibility age. However, if you are over age 59½, you can take in-service distributions from your account until you have terminated from all service with Drexel.

For general questions, contact TIAA participant services at 800.842.2252. To schedule an individual consultation with a TIAA financial consultant visit TIAA.org/schedulenow-drexel or call 800.732.8353.

Flexible Spending Accounts

26. What happens to my Health Care Flexible Spending Account and Dependent Care Flexible Spending Accounts?

If you have funds remaining in your health care or dependent care flexible spending accounts (FSA) as of your date of retirement, you can request reimbursement for claims *incurred before* your retirement date of *August 31st* in the plan year in which you retire. Note that the deadline for submitting these claims will be March 31, 2026.

Note that your WEX debit card will be deactivated upon your date of retirement, and your access to the FSA portal will cease. All “manual” claims for reimbursement must be submitted directly to WEX through the FSA portal via DrexelOne before retirement, or by completing their Flexible Spending Account Reimbursement Request Form. If you have questions about the reimbursement process, contact WEX at 1.844.690.3992.

You may choose to continue your healthcare FSA under COBRA to extend the time you have to incur claims under the plan to use up any remaining funds available to you. If you do so, you will have access to the funds remaining in your account and can be reimbursed for claims incurred after your retirement date while your continuation coverage is in effect.

If you elect COBRA, you will be required to make additional premium contributions into your account on a post-tax basis. If you wish to pursue this option, be sure to complete the COBRA enrollment within the timeframe allotted on the form once received. COBRA is a retroactive benefit by nature and cannot be set up before your retirement date has passed. *COBRA continuation is not available for dependent care FSA.*

Health Savings Account

27. What happens to my Health Savings Account?

Your Health Savings Account (HSA) with Optum Bank is your personal account that you can continue to use for qualifying medical expenses. When you retire, the account will be disassociated from Drexel, however, your account number will stay the same and your debit card will remain active. Optum Bank will send you a letter that includes a schedule of fees associated with your account. Drexel currently pays the monthly maintenance fee for all active employees and you will be responsible for this fee when you leave the University. Contact Optum Bank with questions at 1.866.234.8913.

Keep in mind that if you are over age 65 you may be able to use HSA funds to pay for Medicare premiums.

Commuter Account

28. What happens to my commuter account?

Due to Internal Revenue Service (IRS) regulations, you will lose access to your commuter account as of August 31. Any remaining balance will be forfeited.

If you currently have an active commuter payroll deduction, you may wish to cancel your deductions by following the directions below. Changes must be made by the first of the month prior to the month in which the change applies.

- Log in to **DrexelOne** and select the **Employee Tab**.
- Under the **My Benefits** section, click the **My Drexel Benefits** link. This will take you to the enrollment portal.
- Once in the enrollment portal, on the right-hand side of the screen under **Commuter Benefits**, select **Change.**
- Update the monthly amount for either Transit and/or Parking by entering $0 to eliminate that month's contribution. *Note that stopping your deduction will not impact being able to use the available funds through your date of retirement.*

Life and AD&D Insurance

29. What happens to my group life, accidental death and dismemberment (AD&D) and long term disability insurance?

Your basic life and AD&D insurance, supplementary life and AD&D insurance, and long term disability insurance coverage will terminate on August 31.

You may be eligible to continue your coverage by working directly with our insurance provider, Lincoln Financial, who will mail you a packet explaining your options. You must take action within 31 days from the date of your retirement, or the date on your form. If you have questions, contact Lincoln Financial directly at 1.888.786.2688.

30. What happens to my short term disability insurance?

Short term disability coverage will end effective August 31. This benefit cannot be converted to an individual policy.

Tuition Remission/Exchange

31. What tuition benefits are available after I retire?

Tuition remission: You, your spouse/domestic partner and dependent children are eligible for tuition remission benefits for your lifetime in accordance with the tuition remission policy in place at the time you retire.

Tuition exchange: If your dependent child is awarded a tuition exchange scholarship prior to your retirement, the scholarship will continue after you retire in accordance to the tuition exchange policy.

Visit the Drexel Tuition Benefits webpage for the latest information.

Voluntary Benefits

32. I am enrolled in the Dragon Perks voluntary benefits through Corestream, what will happen to those benefits?

Payroll deductions will end effective August 31.

Please contact Corestream directly at 1.888.935.9595 within 30 days of your retirement for information on your options and how to transition to direct bill should you want to continue these benefits after retirement.

Employee Asstance Program through SupportLinc

33. Will I have access to the Employee Assistance Program through Supportlinc after I retire?

No, employees will not have access to the Employee Assistance Program (EAP) benefits after they retire. However, employees are encouraged to take advantage of EAP services that offer support while transitioning into retirement including retirement coaching and financial resources to help with the emotional and practical aspects of retirement. For more information on these services offered by Supportlinc, please visit our EAP webpage, or call them directly at 1.888.881.5462.

Health Advocate

34. Will I have access to Health Advocate services after I retire?

No, once you retire your access to Health Advocate will end.

Emeritus Status

35. I am a faculty member who has applied for the VRIP. Can I be considered for Emeritus status?

Yes, faculty electing to retire as a part of the TFTP may be considered for Emeritus status.

Faculty interested in seeking emeritus status should review the Emeritus Faculty Policy to determine eligibility. As described in the policy, an application must be initiated by the faculty member by December 1. Candidates are presented for consideration at the May meeting of the Board of Trustees, with notification made shortly thereafter. Questions regarding the policy can be directed to Office of Faculty Advancement and Inclusion at facultyaffairs@drexel.edu.

Returning to Work at Drexel

36. Can I return to work at Drexel if I participate in the Tenure Faculty Buyout?

Please contact the Office of Faculty Advancement and Inclusion at FacultyAffairs@drexel.edu to discuss details for tenured faculty returning to work at Drexel.

Drexel ID, Email, Library, Parking & Rec Center

37. Will my DragonCard still work?

You will need to obtain a new DragonCard when you retire, should you intend to access the Library or maintain an office on campus. Visit the DragonCard Office in Creese Student Center and bring a picture ID, such as a driver's license. Consult the DragonCard website for more information.

38. Can I keep my Drexel email account?

While your employee email account through Drexel will end, retirees are able to request a Drexel-provided email account with access to online Microsoft Office applications. This email account will have your name@dragons.drexel.edu.

More information and tips on creating a personal email account and handling the transfer of personal emails/files in your Microsoft O365 account can be found here Guidance for personal data | Information Technology | Drexel University.

Once your retirement is processed in Banner, IT will reach out to you concerning this change.

39. Can I keep my library access?

Yes, retirees may visit the Drexel University Libraries with a valid photo ID. For more information about the Libraries' current hours, services and resources, please visit Drexel Libraries Website.

40. What happens to my Drexel parking spot?

Your current parking enrollment will terminate on August 31. Visit the Drexel Parking Website for parking options for campus visitors, including retirees.

41. Can I use the gym at the Drexel Recreation Center?

Yes, retirees can purchase gym memberships at the Drexel Recreation Center. More information is available at Drexel Recreation Center's Website.