

## **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.*

### **Table of Contents**

<b>Tenure Faculty Buyout</b> .....	2
<b>Eligibility</b> .....	2
<b>Tenure Buyout Benefit</b> .....	2
<b>Retiree Health Benefits</b> .....	3
<b>Retirement Accounts</b> .....	7
<b>Flexible Spending Accounts</b> .....	8
<b>Health Savings Account</b> .....	8
<b>Commuter Account</b> .....	9
<b>Life and AD&amp;D Insurance</b> .....	9
<b>Tuition Remission/Exchange</b> .....	9
<b>Voluntary Benefits</b> .....	10
<b>Employee Assistance Program through SupportLinc</b> .....	10
<b>Health Advocate</b> .....	10
<b>Returning to Work at Drexel</b> .....	10
<b>Drexel ID, Email, Library, Parking &amp; Rec Center</b> .....	10

## Tenure Faculty Buyout

---

### 1. What is the Tenure Faculty Buyout?

The Tenure Faculty Buyout (TFB) is an opportunity for eligible tenured faculty to relinquish 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.

## 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" ( $66 + 15 = 81 > 80$ ).

## Tenure Buyout Benefit

---

### 3. How much is the Tenure Buyout Benefit?

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

<u>Percentage Benefit</u>	<u>Years of Service as of August 31, 2024</u>
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, 2024 or January 15, 2025, 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, you are eligible for retiree medical, prescription, dental and vision benefits through the University.

**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.

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 on August 31, 2024 (see FAQ #19 for more information on COBRA coverage).

**11. What are my and my spouse/domestic partners medical and prescription coverage options?**

Your medical and prescription option as a Medicare Eligible Retiree is the Blue Medicare Advantage Secure Preferred PPO plan. Your spouse/domestic partners medical and prescription options will depend on their 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/>.

#### If your spouse/domestic partner is under Age 65:

- 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, they can continue the coverage that you currently have, with the opportunity to change plans during Drexel's annual open enrollment period. 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 coverage will terminate and you will be eligible to enroll in the 65+ retiree health insurance option available through Drexel at that time. You will be contacted by the Drexel Benefits Service Center to facilitate the transition. If you are not contacted at that time, please call 844-690-3992.
- 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 Drexel Benefits Service Center 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"). 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 ID 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 #15 for information on 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 if you discontinue coverage at a later time, enrollment/reenrollment will be available only if you 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. If you are age 65 or over, you must work with Social Security to sign up for Medicare Part B if you are planning to enroll in the Drexel Secure Preferred PPO Plan, or any other Medicare supplemental plan not offered by Drexel.

You will need to submit a Medicare Part B application 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. For those covered under the Drexel Employee benefits, note that section B of this form must be filled in by Drexel Human Resources.

*A copy of this form with section B completed will be provided to you with your Retiree Benefit Package.*

**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.

**14. How much do retiree benefits cost?**

The monthly retiree benefit premiums for 2024 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.

	<b>Plan</b>	<b>Retiree Only</b>	<b>Retiree &amp; Spouse/DP</b>
<b>Under 65 Medical/Rx</b>	CDHP	\$542.61	\$1,226.65
	Point of Service	\$696.21	\$1,573.83
	PPO Basic	\$1,028.73	\$2,322.02
	PPO High	\$1,159.83	\$2,617.01
<b>Over 65 Medical</b>	Secure Preferred PPO	\$278.52	\$557.04
<b>Dental</b>	Base	\$21.16	\$62.44
	Preferred	\$32.36	\$105.79
	DHMO	\$10.86	\$27.39
<b>Vision</b>	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](mailto:hr@drexel.edu) no later than July 31, 2024.

## **16. How do I pay for my benefits?**

Drexel's health and welfare administrator, WEX, manages the billing for retiree benefits and 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 1st of each month. You can contact them at 1.844.690.3992 with any questions about billing.

Due to timing of the transition from active employee to retired employee, you may not receive your first invoice in time for you to make the payment by the due date. This delay will not cause delay with your benefit eligibility.

## **17. Will I receive new insurance ID cards?**

Spouses/Domestic Partners Under 65 Medical/Rx – Yes. They will receive a new member ID card in the mail.

Secure Preferred PPO - Yes, when you enroll in the Secure Preferred PPO 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 Secure Preferred PPO plan is attached to their Medicare.

Dental and Vision – If applicable, you will continue to use the same group number (3333911) for the Base or Preferred dental plan and your existing ID card for the DHMO dental plan. You will continue to use your existing Davis 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 Independence Blue Cross?**

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](mailto: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 August 31, 2024. Drexel is required, by law, to send you a COBRA notice when your active employee benefits end, even if you are under 65 and continuing with the same coverage into retirement.

Complete this form if you have a child who needs to continue their coverage. 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. Health 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 through the Healthcare Marketplace.

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 as needed.

## **22. Who should I notify if my address changes?**

Please notify Drexel immediately of your new address by submitting an Employee Information Change form to [hris@drexel.edu](mailto:hris@drexel.edu). The form is available at <https://drexel.edu/hr/resources/forms/duforms/>.

The insurance carriers that you participate with will accept the update from Drexel once your information is processed in our system.

## **Retirement Accounts**

---

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

So that your final 403(b) deductions can be deposited into your account, there will be a delay between when you retire and when Drexel notifies TIAA of your separation. You can consult with TIAA at any time, however, you cannot take action with your account until they receive your retirement date.

When you leave the University, you have several options for your 403(b) account. You can keep your funds in the Drexel plan, rollover your account to an eligible retirement plan or IRA, or take a distribution. You are required to start taking certain withdrawals from your account when you reach age 73. Please contact TIAA to discuss what's right for you.

Note that there are times when Faculty return to employment or have an agreement to work and receive salary in a per diem, temporary, adjunct, or casual role, for example, after they have retired from Drexel. For purposes of the retirement savings plan (The "Plan") and taking

distributions from the “Plan,” retirees receiving income from Drexel are considered active employees.

This means you are not eligible (according to the “Plan” provisions) to take Required Minimum Distributions (RMD) even if you are of RMD eligibility age. However, if you are over age 59 ½, you can take in-service distributions from your account until you have terminated from all service with the University.

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](https://www.tiaa.org/schedulenow-drexel) or call 800.732.8353.

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

Within 60 days of your separation from employment, you must elect to take a distribution from your 457(b) account or postpone distribution to a later date. TIAA will send you an election packet in the mail. If you do not make an election within 60 days, your account will be automatically paid to you as a single lump-sum payment.

Schedule a consultation with TIAA Financial Consultant for the 457(b) plan, Sabrina Evenosky, by calling 267-675-8161 or sign up for an appointment online at [TIAA.org/schedulenow-drexel](https://www.tiaa.org/schedulenow-drexel)

### **Flexible Spending Accounts**

---

#### **25. What happens to my Health Care Flexible Spending Account and Dependent Care Flexible Spending Accounts?**

If you were paying claims out of pocket and need to submit for reimbursement, you can be reimbursed for claims incurred through the end of the month in which your employment ends.

You will have until March 31, 2025, to submit claims for expenses incurred between January 1 and August 31, 2024. After March 31, 2025, unused funds will be forfeited.

However, on August 31, 2024, your debit card will be deactivated upon your retirement. All claims for reimbursement must be submitted directly to WEX by completing their Flexible Spending Account Reimbursement Request Form found in the My Drexel Benefits portal. If you have questions about the reimbursement process, contact WEX at 1.844.690.3992.

### **Health Savings Account**

---

#### **26. 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**

---

### **27. What happens to my commuter account?**

Due to Internal Revenue Service (IRS) regulations, you will lose access to your commuter account effective August 31, 2024 and 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 heading, click the My Drexel Benefits link.
- On the homepage, on the right-hand side of the screen under Commuter Benefits, select Change.
- Update the monthly amount for either Transit and/or Parking. Enter \$0 to eliminate that month's contribution.

## **Life and AD&D Insurance**

---

### **28. 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, 2024. 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. If you have questions, contact Lincoln Financial directly at 1.888.786.2688.

### **29. What happens to my short term disability insurance?**

Short term disability coverage will end effective August 31, 2024 and cannot be converted to an individual policy.

## **Tuition Remission/Exchange**

---

### **30. 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 was 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: <https://drexel.edu/hr/benefits/tuition/> for the latest information.

## **Voluntary Benefits**

---

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

Payroll deductions will end effective August 31, 2024. Please contact Corestream directly at 1.888.935.9595 within 30 days of your retirement for information on your options.

## **Employee Assistance Program through SupportLinc**

---

### **32. Will I have access to the Employee Assistance Program through Supportlinc after I retire?**

Yes, as a retiree your access to SupportLinc will continue. The services include consultation and guidance from a licensed clinician experienced in transitioning to retirement, as well as referrals to resources for adjusting to retirement. Connect with a live SupportLinc representative by calling their 24/7 helpline at 1.888.881.5462 or visit <https://www.supportlinc.com/>

## **Health Advocate**

---

### **33. Will I have access to Health Advocate services after I retire?**

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

## **Returning to Work at Drexel**

---

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

Please contact the Office of Faculty Advancement at [FacultyAffairs@drexel.edu](mailto:FacultyAffairs@drexel.edu) to discuss details for tenured faculty returning to work at Drexel.

## **Drexel ID, Email, Library, Parking & Rec Center**

---

### **35. Will my DragonCard still work?**

You will need to obtain a new DragonCard when you retire. This will be necessary if you intend to use 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. Please call in advance at 215.895.6095 to ensure that your retiree record is visible to them.

**36. Can I keep my Drexel email account?**

Yes, you can access your email account after you retire.

**37. 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 <https://www.library.drexel.edu/services/services-for/faculty/>.

**38. What happens to my Drexel parking spot?**

Your current parking enrollment will terminate on August 31, 2024. Parking options for campus visitors, including retirees, are available at <https://drexel.edu/business-services/parking/daily-parking/>.

**39. 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 <https://drexel.edu/recathletics/reccenter/membership/>.