Voluntary Retirement Incentive Plan (VRIP)
Frequently Asked Questions

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

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Voluntary Retirement Incentive Plan

1. What is the Voluntary Retirement Incentive Plan?

The Voluntary Retirement Incentive Plan (VRIP) is an optional, one-time opportunity for eligible faculty and professional staff to retire on August 31, 2020 and receive a lump-sum retirement incentive payment of 50% of their current annual base salary.

Eligibility

2. Am I eligible to participate?

You are eligible to participate if you are …

A full-time, benefits-eligible professional staff member, non-tenured faculty member, or tenured faculty member (who is otherwise ineligible for the tenure faculty buyout program), and have met the following age and service requirements as of August 31, 2020:

- Minimum age 60, and
- Completed ten years of full-time consecutive service with Drexel University and Drexel University College of Medicine.

You are not eligible to participate if you are …

- A part-time, casual, temporary, per-diem employee or adjunct faculty member
- Affiliated with a collective bargaining unit

3. I am a faculty member who was just on sabbatical. Can I apply for the VRIP?

Yes. According to the Sabbatical Leave Policy, faculty returning from sabbatical leave are required to return to the University for at least one full academic year following completion of the leave. This requirement will be waived for faculty on sabbatical leaves in the 2019-20 academic year should you elect to retire as a part of the Voluntary Retirement Incentive Plan.

4. Am I eligible for the VRIP if I am on a leave of absence (FMLA, personal, administrative leave of absence)?

Yes, if you have met the age and years of service requirements for the VRIP and are on a leave of absence, you are eligible.

Enrollment

5. What is the deadline to sign up for the VRIP?

The deadline to sign up for the VRIP is July 31, 2020 at 5:00 pm.
6. How do I sign up?

Contact the HR Service Center via email at hr@drexel.edu or telephone at 215.895.2850 to request a VRIP packet, which includes an Election and General Release of Claims form (the “Election Form”). Return a signed Election Form to the Human Resources Service Center via email at hr@drexel.edu by July 31, 2020 at 5:00 pm.

7. If I submit the Election Form, do I have the option to change my mind?

You will have 7 days after the date you return the signed Election Form to revoke it. To do so, you must submit a Revocation Notice to the HR Service Center at hr@drexel.edu. After the expiration of the 7-day revocation period passes, your Election Form will become irrevocable and you must retire from your position on August 31, 2020.

Retirement Incentive Payment

8. How much is the retirement incentive payment?

The retirement incentive payment is 50% of your current base annual salary (not including supplemental payments).

9. When and how will my retirement incentive be paid?

You can choose to receive your lump-sum retirement incentive payment on September 15, 2020 or January 15, 2021. Please select your date of payment on the Election Form. If no date is selected, payment will automatically be made on September 15, 2020.

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.

10. Will the retirement incentive payment 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.

11. Will benefit deductions be taken?

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

12. 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

13. What retiree health benefits am I eligible for if I participate in the VRIP?

If you participate in the VRIP, you are eligible for retiree medical, prescription, dental and vision benefits through the University.

14. 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 #20 and #22 for current premium costs and billing.

15. 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, 2020 (see FAQ #24 for more information on COBRA coverage).

16. What are my retiree medical and prescription coverage options?

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

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, 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. A Drexel representative will reach out to you approximately 2 to 3 months prior to your 65th birthday to discuss this transition. If you are not contacted at that time, please call Drexel’s HR Service Center.
- 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's HR 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 Personal Choice 65 Plan ("PC 65 Plan"), a Medicare Advantage plan. To participate in this plan you must be enrolled in Medicare Parts A & B.

- The PC 65 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 PC 65 card when utilizing your medical and prescription benefits.

- You are responsible for payment of the ongoing Medicare Part B premium, as well as your PC 65 premium (see FAQs #20 and #22 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 PC 65 Plan when you retire, 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.

**17. I am over 65 but my spouse/domestic partner is under 65 (or vice versa); what medical/prescription plans are we eligible for?**

You and your spouse are eligible for the plan that corresponds with your respective ages.

For example: You are age 67 and your spouse/domestic partner is age 59. You are eligible for the PC 65 plan and your spouse/domestic partner can remain on the active employee plan in which you are currently enrolled until they reach medicare eligibility. Your spouse/domestic partner will become the primary account holder for their medical and prescription plans and receive new ID cards.

**18. 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 PC 65 Plan.

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. Section B must be filled in by Drexel Human Resources. A copy of this form with Section B completed will be
provided to you by Drexel’s HR Service Center after you submit your VRIP Election Form (see FAQ# 21).

19. 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 two dental options, a Base or Preferred plan, both through CIGNA, and one vision plan offered through Davis Vision administered through Independence Blue Cross. More information about the plans is available at https://drexel.edu/hr/benefits/retirement/vrip/.

20. How much do retiree benefits cost?

The monthly retiree benefit premiums for 2020 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.

<table>
<thead>
<tr>
<th>Plan</th>
<th>Retiree Only</th>
<th>Retiree &amp; Spouse/DP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Under 65 Medical/Rx</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CDHP</td>
<td>$501.62</td>
<td>$1,133.99</td>
</tr>
<tr>
<td>Keystone POS</td>
<td>$643.62</td>
<td>$1,454.94</td>
</tr>
<tr>
<td>PPO Basic</td>
<td>$951.03</td>
<td>$2,146.62</td>
</tr>
<tr>
<td>PPO High</td>
<td>$1,072.22</td>
<td>$2,419.32</td>
</tr>
<tr>
<td><strong>Over 65 Medical/Rx</strong></td>
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<td></td>
</tr>
<tr>
<td>PC 65 Plan</td>
<td>$439</td>
<td>$878</td>
</tr>
<tr>
<td><strong>Dental</strong></td>
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<td></td>
</tr>
<tr>
<td>Cigna Dental Base</td>
<td>$19.64</td>
<td>$58.10</td>
</tr>
<tr>
<td>Cigna Dental Preferred</td>
<td>$29.16</td>
<td>$95.36</td>
</tr>
<tr>
<td><strong>Vision</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Davis Vision</td>
<td>$4.33</td>
<td>$9.98</td>
</tr>
</tbody>
</table>

21. How do I enroll in retiree health benefits?

Once you submit your VRIP Election Form, the HR Service Center will email you a Retiree Benefit Enrollment Form along with a Medicare Request for Employment Information (CMS-L564), if applicable. The Retiree Benefit Enrollment Form must be completed and returned to the hr@drexel.edu no later than August 7, 2020.

Retirees and spouses/domestic partners who are under age 65 can continue the medical and prescription coverage they currently have, with the opportunity to change plans during Drexel’s annual open enrollment period. Retirees and spouses/domestic partners age 65 and over are eligible for the PC 65 Plan. All retirees can continue their dental and vision coverage, regardless of age.
22. How do I pay for my benefits?

Drexel’s health and welfare administrator, benefitexpress, manages the billing for retiree benefits. Benefitexpress 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. Please contact benefitexpress 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.

23. Will I receive new insurance ID cards?

Under 65 Medical/Rx plans – No, you will continue to use your existing ID cards.

PC 65 Plan - Yes, when you enroll in the PC 65 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 PC 65 plan is attached to their Medicare.

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

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

Benefitexpress will send you a COBRA package after your active benefits terminate on August 31, 2020. 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 (see FAQ #15) or if you wish to extend your health care flexible spending account claims period (see FAQ #35). Otherwise, you and/or your spouse/domestic partner can disregard the notice if you are enrolling in the retiree health plan.

25. 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.

26. 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 Personal Choice 65 Medicare Advantage plan is right for you, as well as research alternative plans.
On the following dates, Health Advocate will be conducting live educational webinars about how to navigate Medicare and the healthcare exchange. These webinars are for Drexel employees considering the VRIP. Register in Career Pathway.

June 18, 2020, 2:00 – 3:30 pm  
June 25, 2020, 12:00 – 1:30 pm  

You can also schedule an individual consultation by calling 1.866.695.8622. Keep in mind that Health Advocate is available, free of charge, while you are employed by Drexel. Access to these services will end when you retire on August 31, 2020.

27. 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. The form is available at https://drexel.edu/hr/resources/forms/duforms/.

If you are enrolled in the Personal Choice 65 plan, you must notify Personal Choice 65 Member Services by calling 1.888.718.3333. The Personal Choice 65 Plan, in coordination with Medicare, will not accept a change of address from Drexel on your behalf.

All other vendors will accept the update from Drexel once your information is processed.

28. If I do not participate in the VRIP, will I still be eligible for retiree health benefits if I retire at a later date?

Yes, you will be eligible for the retiree health benefit package that is available at the time you choose to retire.

Retirement Accounts

29. 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 your retirement vendors of your separation. You can consult with your vendor at any time, however, you cannot take action with your account until they receive your retirement date.

To discuss your 403(b) options, please schedule a consultation directly with your retirement vendor via the participant website or the telephone numbers listed below.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Website</th>
<th>Schedule a Consultation</th>
<th>General Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fidelity</td>
<td>fidelity.com/atwork</td>
<td>1.800.642.7131</td>
<td>1.800.343.0860</td>
</tr>
<tr>
<td>TIAA</td>
<td>TIAA.org/schedulenow</td>
<td>1.800.732.8353</td>
<td>1.800.842.2252</td>
</tr>
<tr>
<td>Vanguard</td>
<td>retirementplans.vanguard.com</td>
<td>1.800.523.1188</td>
<td></td>
</tr>
</tbody>
</table>
30. What happens to my 457(b) retirement account?

So that your final 457(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.

To discuss your 457(b) options, please contact TIAA directly at:
- General questions: 1.800.842.2252
- Schedule a consultation: 1.800.732.8353 or TIAA.org/schedulenow

Paid Time Off

31. When and how will I receive my paid time off payout?

Payment for unused paid time off will be included in your final paycheck provided all leave reports and timesheets are complete. Please ensure that all leave reports or timesheets are submitted and approved by your supervisor prior to your retirement date. Payment will not be issued until all outstanding leave reports are approved.

32. Will I receive a payout for unused vacation time?

Professional Staff Members retiring from Drexel will be paid for accrued, unused vacation time up to a maximum of 100 hours.

33. Will I receive a payout for unused sick time?

Professional staff members under age 65 will not be paid for unused sick time.

Professional Staff Members age 65 and older will be paid for accrued, unused sick time up to a maximum of 35 days.

34. Will I receive a payout for unused personal time?

No, personal time is not paid out when a professional staff member retires.

Flexible Spending Accounts

35. 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), you can request reimbursement for claims incurred before your retirement date of August 31, 2020. The deadline for submitting these claims is March 31, 2021. Your benefitexpress debit card will be deactivated upon your retirement. All claims for reimbursement must be submitted directly to benefitexpress by completing their Flexible Spending Account Reimbursement Request Form. If you have questions about the reimbursement process, contact benefitexpress at 1.844.690.3992.
You may choose to continue your healthcare FSA under COBRA. 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. You can also continue to make contributions to your account on a post-tax basis. COBRA continuation is not available for your dependent care FSA.

**Health Savings Account**

36. **What happens to my health savings account?**

Your health savings account 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**

37. **What happens to my commuter account?**

Due to Internal Revenue Service (IRS) regulations, you will lose access to your commuter account effective August 31, 2020 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 benefitexpress 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**

38. **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, 2020. 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.
39. What happens to my short term disability insurance?

Short term disability coverage will end effective August 31, 2020 and cannot be converted to an individual policy.

40. What happens to my whole life insurance?

If you are enrolled in whole life insurance through Mass Mutual, your coverage will continue as long you pay the required premium directly to Mass Mutual. After your retirement has been processed, Mass Mutual will send you a letter explaining your payment options. If you have questions, contact Mass Mutual directly at 1.844.975.7522 (select "option 1" for customer service) or massmutualservice@concentrix.com.

Tuition Remission/Exchange

41. 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.

Voluntary Benefits

42. I am enrolled in voluntary benefits through Corestream, what will happen to those benefits?

Payroll deductions will end effective August 31, 2020. Please contact Corestream directly at 1.888.935.9595 within 30 days of your retirement for information on your options.

Employee Assistance Program and Health Advocate

43. Will I have access to the Employee Assistance Program and Health Advocate services after I retire?

No, access to these services will end on August 31, 2020.

Emeritus Status

44. 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 Tenure Faculty Buyout may be considered for Emeritus status. Faculty Affairs will be implementing a special “off-cycle” review process for this
Returning to Work at Drexel

45. Can I return to work at Drexel if I participate in the VRIP?

Yes, retirees can return to work at Drexel in an adjunct, temporary, casual or per diem role, if available.

Drexel ID, Email, Library, Parking & Rec Center

46. 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. As it gets closer to your retirement date of August 31, 2020, check the VRIP website at https://drexel.edu/hr/benefits/retirement/vrip/ for more information.

47. Can I keep my Drexel email account?

Yes, you can access your email account after you retire. As it gets closer to your retirement date of August 31, 2020, check the VRIP website at https://drexel.edu/hr/benefits/retirement/vrip/ for more information.

48. 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/.

49. What happens to my Drexel parking spot?

Your current parking enrollment will terminate on August 31, 2020. Parking options for campus visitors, including retirees, are available at https://drexel.edu/business-services/parking/daily-parking/.

50. 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/.