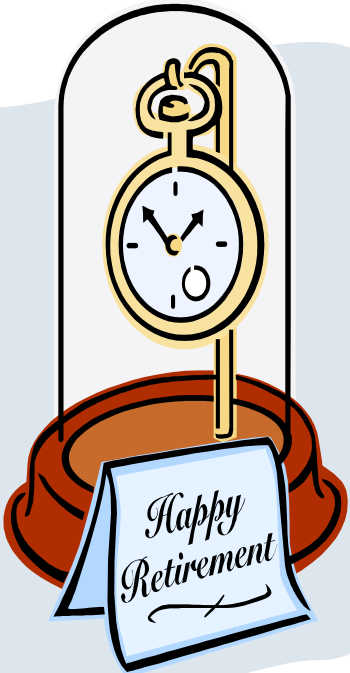

AGING GRACEFULLY & RETIRING WELL

Information to help you make the
“Right Decisions When the Time is Right for You”!

*Compliments of King's College
Human Resources Department*



Contents:

- Introduction
- Steps to Your Retirement Future
- Contacting Your Retirement Provider
- Contacting Social Security
- Selecting the Right Plan For You
- Financial Planning & Facts to Consider
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Introduction, Are You Ready?

As you approach the most magical time of your life, you should be prepared to pursue your continued happiness without worry of the responsibility or demands of your job. You should be viewing this next step as an opportunity of aging and not a problem due to age.

Finally, in “Aging Gracefully and Retiring Well”, you should be entering this new stage of your life understanding the adjustments that may be needed, how they may impact your family and what you need to do about them.



Steps to Your Retirement Future

Your Checklist to Retirement

- ☑ Plan Carefully and Involve Your Family When Selecting a Date
- ☑ Contact Your Retirement Provider (TIAA CREF) to Discuss Your Retirement Date and Distribution Options (this should be done no more than 90 days of the desired date of retirement)
- ☑ Inform Your Immediate Supervisor and Contact the Human Resources Department in writing of Your Impending Retirement (this should be done when you have a desired date of retirement)
- ☑ Contact Social Security Regarding Your Retirement Options and Medicare Eligibility and Age Specific Options (this should be done as early as 6-Mths. out or minimally 90 days prior to desired date of retirement)
- ☑ Selecting the Right Option and Supplemental “Gap” Insurance for Your Needs (contacting local providers or private Medicare Advantage Plans)
- ☑ Make a Financial Plan of Your Future, Contact a Financial Advisor
- ☑ Make a Social Plan of Your Future, Know What You Want to Do



Contacting Your Retirement Provider

TIAA – CREF

- TIAA-CREF has been the predominant provider of retirement services for over 90 years for those in the Academic, Medical, Cultural and Research Fields.

- Their main objective has been to guide individuals “to” and “through” retirement with honest, objective advice and personalized Retirement Planning.

- Along with sound financial advice, Investors approaching retirement are urged to focus on two key areas:

1. Maintaining their standard of living, while planning their retirement, and know their needs, to live comfortably.
2. Their ability to pay for health care after they stop working.

- It is important to know that your Retirement Program through TIAA-CREF is strictly a “Retirement Program” and does **not** allow for early withdrawal of funds or loan provisions while still employed.

- If you leave the employment of the college and fully retire, you can begin collecting distributions without tax implications as early as age 59 ½.

- If you continue to work beyond age 65, you will need to contact our office and TIAA-CREF no more than 90 days out of when you attain age 70 ½, in order to apply for Minimum Distribution.

- To apply for Retirement Benefits and speak to a TIAA-CREF Representative, please contact them **no more than 90 days** of your desired retirement date.

When making that “all important call” be sure to have access to:

- Your TIAA-CREF Account numbers
- Your Social Security number
- Your Date of Birth
- Your desired Retirement Date
- An idea of how you would like your Retirement Distribution

TIAA-CREF (Available 24 hours a day)

1-800-842-2252

E-Mail: www.tiaa-cref.org

For the hearing impaired:

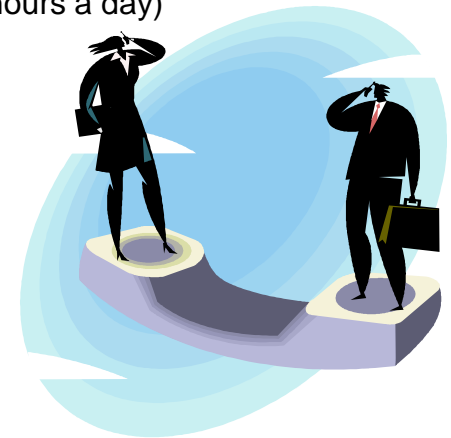
1-800-842-2755

Mailing address:

TIAA-CREF

P.O. BOX 1259

CHARLOTTE, NC 28201



Contacting Social Security

Just “When and What” Are You Eligible For?

- Social Security Retirement Benefits are set aside for workers to assist them in their retirement years.
 - To qualify, age and years of employment factor in the calculation. You must have worked at least 10 years or the equivalent of 40 social security credits to qualify.
 - To receive full retirement benefits, you must be at least 65 years old, however, you may receive reduced benefits at age 62.
 - You can apply for retirement benefits on-line at the Social Security Web-site: www.socialsecurity.gov, or you can apply by making an appointment at the local Social Security Office.
 - Be prepared to answer questions about your past employment. You will also need information on retirement (specifically a date), Medicare, any divorces and dependent information. You will also need to provide bank information for Direct Deposit.
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Medicare & Social Security

Just “When and What” Are You Eligible For?

What is Medicare?

Medicare is a Health Insurance Program for:

- People age 65 or older
- People under age 65 with certain disabilities
- People of all ages with End-Stage Renal Disease (permanent Kidney failure requiring dialysis or a transplant)
- Medicare has two parts:
 - Part A (Hospital Insurance)
 - Part B (Medical/Doctors Services)

Medicare Part A – Hospital Insurance

- Medicare Part A is Hospital Insurance
- Medicare Part A coverage is generally free from premium if you or your spouse paid Medicare taxes while working
- Regardless of your working status, you should apply for Medicare Part A Benefits, however, if you are covered under an “Employer Sponsored Health Plan” you must inform your employer. Your “Employer Sponsored Health Plan” will be primary and Medicare Part A will be secondary as long as you are working

Part A Coverage helps cover the following:

- Inpatient care in hospitals (includes critical access hospitals and inpatient rehabilitation facilities)
- Inpatient stays in a skilled nursing facility (not custodial or long-term care)
- Hospice care services
- Home health care services
- Inpatient care in a Religious Nonmedical Health Care Institution (facility that provides non-medical, non-religious health care items and services to people who need hospital or skilled nursing care but for whom that care wouldn't be in agreement with their religious beliefs)



Medicare Part B – Medical Insurance/Dr's. Services



- Medicare Part B is Medical Insurance/Dr's. Services
 - There is a monthly premium determined by Social Security and deducted from your Social Security Check for Part B Coverage
 - If you or your spouse are covered under “King’s College’s Employer Sponsored Health Plan”, you do NOT have to sign up for Medicare Part B when you become eligible. If the “Employer Sponsored Health Plan” also covers prescriptions, you do NOT have to sign up for Part D Prescription Coverage when you become eligible as well
 - When you know your retirement date, you must inform the HR Dept. in writing of your desired date and you must apply for Medicare Part B Medical Insurance, and Medicare Part D Prescription Coverage with Social Security within 30 days of loss of your Employer Sponsored Health Plan coverage
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Medicare Part B Covered Services

Part B Coverage helps cover the following:

- Medically necessary services – such as doctors' services, outpatient care, and other medical services that are needed for the diagnosis or treatment of your medical condition
- Preventive services – Health care to prevent illness or detect illness at an early stage when treatment is most likely to work best (for example: Pap tests, flu shots, prostate cancer screening)



Additional Medicare Options

- 
- You have already read about your main options or “Original Medicare”, Part A and Part B, however, additional options are available in:

Part C – Medicare Advantage Plans

&

Part D – Prescription Drug Coverage

- You will make your choices when you first become eligible for Medicare, however, each year you will have the opportunity to review your health and prescription elections and current needs.
 - It’s always good to know ahead of time what your needs may be and what those options are .
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Medicare Part C

Medicare Advantage Plan

- Medicare Advantage Plans are health plan options (like an HMO or PPO) approved by Medicare and offered by private companies
- These plans are part of Medicare and are sometimes called “Part C” or “MA Plans”
- Medicare pays a fixed amount for your care every month to the companies offering Medicare Advantage Plans and must abide by the rules set by Medicare

(Medicare Advantage Plans provide your Medicare Health Coverage and usually Drug Coverage. They are NOT supplemental insurance.)





Medicare Part D Prescription Drug Coverage

- Medicare offers prescription drug coverage (Part D) for everyone with Medicare.
- To get Medicare drug coverage, you will need to join a plan run by an insurance company or other private company approved by Medicare.
- Every plan varies in cost and the drugs covered, so you will need to choose the plan that works best for you.

There are 2 ways to get Prescription Drug Coverage:

1. Medicare Prescription Drug Plans
2. Medicare Advantage Plans (like an HMO or PPO) or other Medicare health plans that offer Medicare prescription drug coverage



Recapping Your Medicare Options

#1 ORIGINAL MEDICARE

- Part A (Hospital Insurance)
- Part B (Medical Insurance)
- Medicare provides this coverage
- You have your choice of doctors, hospitals, and other providers
- Generally, you pay deductibles and coinsurance
- There is a monthly premium for Part B
- You will need to purchase a supplemental plan



You need to decide if you want Prescription Drug Coverage (Part D)

#1A-Part D PRESCRIPTION COVERAGE

- If you want Prescription Drug coverage, you must choose and join a Medicare Prescription Drug Plan
- These plans are run by private companies that are approved by Medicare



You may want to purchase private Supplemental Insurance Coverage

#3 SUPPLEMENTAL INSURANCE COVERAGE

- You may want to purchase private insurance coverage that will fill the gap in “Original Medicare” coverage
- Private companies such as BCNEPA, Geisinger sell 65-Special or Gap policies. Costs vary by policy & company.

#2 MEDICARE ADVANTAGE PLAN

- Part C – Includes BOTH Part A and Part B
- Private Insurance companies approved by Medicare provide this coverage
- In most plans you need to use plan doctors, hospitals, and other providers or you pay more
- You usually pay a monthly premium (in addition to our Part B premium) and a co-pay for covered services
- Costs, extra coverage, & rules, vary by plan



#2A-MEDICARE ADVANTAGE & PRESCRIPTIONS

- In most cases Prescription Coverage is included with Medicare Advantage Plans shown above
- There is an additional cost for Prescription Drug Coverage with Medicare Advantage Plans

Financial Planning & Facts to Consider



- Social Security is indexed for inflation, is your pension?
- Unexpected expenses can seriously affect your retirement nest egg
- Have a contingency plan to address the unexpected when it comes to finances
- Address external events prior to retirement such as insurance policies on home, flood, mine subsidence, auto. Make sure they are all in place for future protection
- Take into consideration any large expenses that may be in the horizon such as; Education, Weddings, or new “large purchases” such as homes, auto’s, etc.
- Be sure to have the right Medical/Prescription Insurance to cover the catastrophic
- Divorce/Death of a spouse can be financially challenging to you and your income
- Increase in “Life Expectancy” after retirement could mean 2 or 3 decades living beyond retirement, be sure your retirement income takes this into consideration
- Plan on approximately 13% of your retirement dollars going towards out-of-pocket health care expenses

When you decide on that magic date, it is best to meet or speak with a qualified “Financial Planner” that will help guide you through this important time in your life.

Your “Golden Years” Are Still Ahead

It's just as important to have a social plan for your future as it is to have a financial plan. The key to a successful transition into retirement is to keep active, expand your interests and make plans to do the things you've put off until you retired:



- Take a class and broaden your knowledge. Check with your local Senior Center or area Colleges' Adult Educational Center
- Now's the time to put your experience to work, get out and volunteer



- Don't forget to save some time for travel. You may want to check with local Colleges that sponsor Elderhostel sessions or travel groups that afford Discounts on affordable trips



- Get active in a social group to your liking or get more active in your church
- Get involved with your community, support the projects that are important to you



The Key to a successful retirement



is in your hands!

