

# Pathway to Retirement

THE WEBINAR WILL BEGIN SHORTLY



# Envisioning your Retirement & Income Planning



# “Fulfillment”

What does it mean and how do you find it?

# “Retirement”

What is it today and how do you define it?

# How many years might you need to fulfill?

**63**  
YEARS

**Average retirement  
age in America**

**18**  
YEARS

**Average length of  
retirement**

**30**  
YEARS

**Average Retirement  
planning horizon**

# 4 tips for finding fulfillment in retirement



**Ask key questions...  
and answer truthfully**



**Create your purpose**



**Consider care  
of you and  
your family**



**Acknowledge this  
is not “business  
as usual”**



# Ask key questions... and answer truthfully

- Are you ready to leave what you have been doing?
- Are you prepared for the challenges of creating a new life?
- Do you have the resources to create your new life?
- Have you coped well with other transitions?
- Are you patient?



# Create your purpose

- Identify and nurture your passion if you have one
- Start "living your dream"
- Expand on what you already know and love
- Talk to everyone you know
- Give each new idea 6 months or more to see if it "sticks"



# Consider care of you and your family

- Plan to care for an aging parent
- Consider you might become a caregiver
- Consider you might become the one needing care





# Acknowledge this is not “business as usual”

- Expect a transition period – 2 to 5 years
- Create a new identity
- Embrace a new chapter of freedom
- Build and expand your social network
- Take the time to do what you’ve always promised yourself you would do

# Where to start



- Blogs and Books
- AARP



- UC Retirement Centers
- Emeriti and Retirees' Associations
- Other happy retirees

# Retirement Income Planning

A **detailed path** that helps you determine  
how to use your **financial resources** to  
generate **income to last** the rest of your life.

# Benefits of a Retirement Income Plan

**1.**

**Decide when you  
can retire**

**2.**

**Align your income  
and expenses**

**3.**

**Incorporate  
income security**

**4.**

**Re-evaluate your  
investments**

**5.**

**Streamline and  
keep things simple**

# Decide when you can retire

PART 1:

# What you want



## WHEN?

- By choice?
- By need?



## WHERE?

- Downsizing?
- Upsizing?



## WHAT?

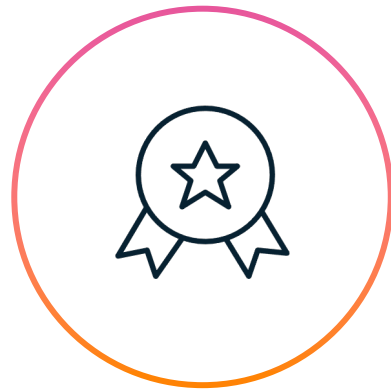
- Filling your days?
- Days of fulfillment

PART 2:

# What you can afford



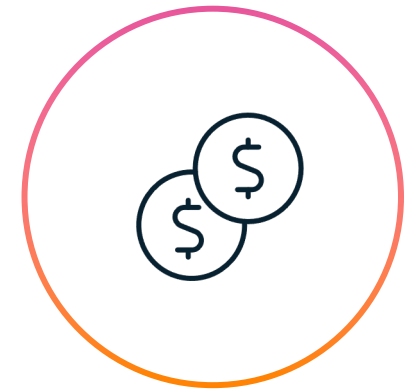
Ensure your savings  
last through  
retirement



Achieve the retirement  
goals and lifestyle  
you want



Maintain flexibility  
for opportunities  
and emergencies



Preserve your  
money for a legacy  
or inheritance

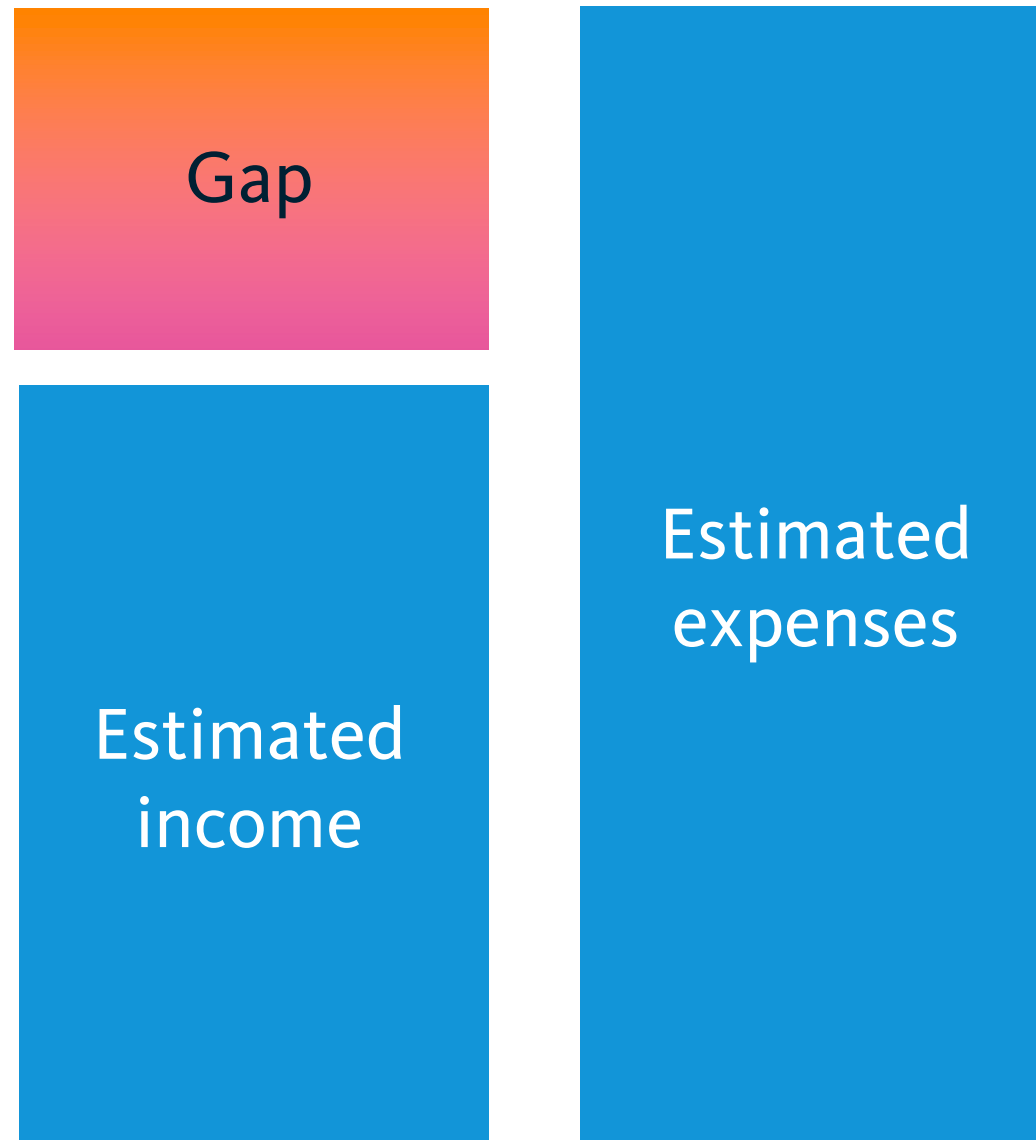


# Align your income and expenses

# 3

## Categories of expenses

- ✓ Essential Expenses
- ✓ Discretionary Expenses
- ✓ Emergency Expenses



**\$5,000**

Estimated income per month

**-\$7,000**

Estimated expenses per month

---

**-\$2,000**  
Potential gap per month

# Incorporate income security

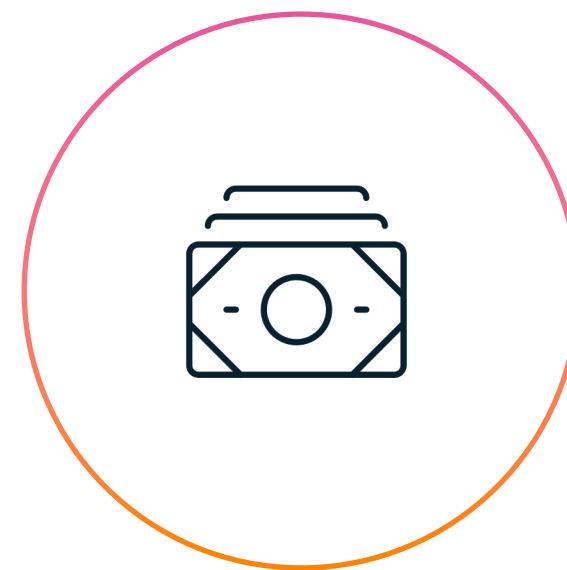
# Traditional retirement income sources



UCRP (pension)



Social Security

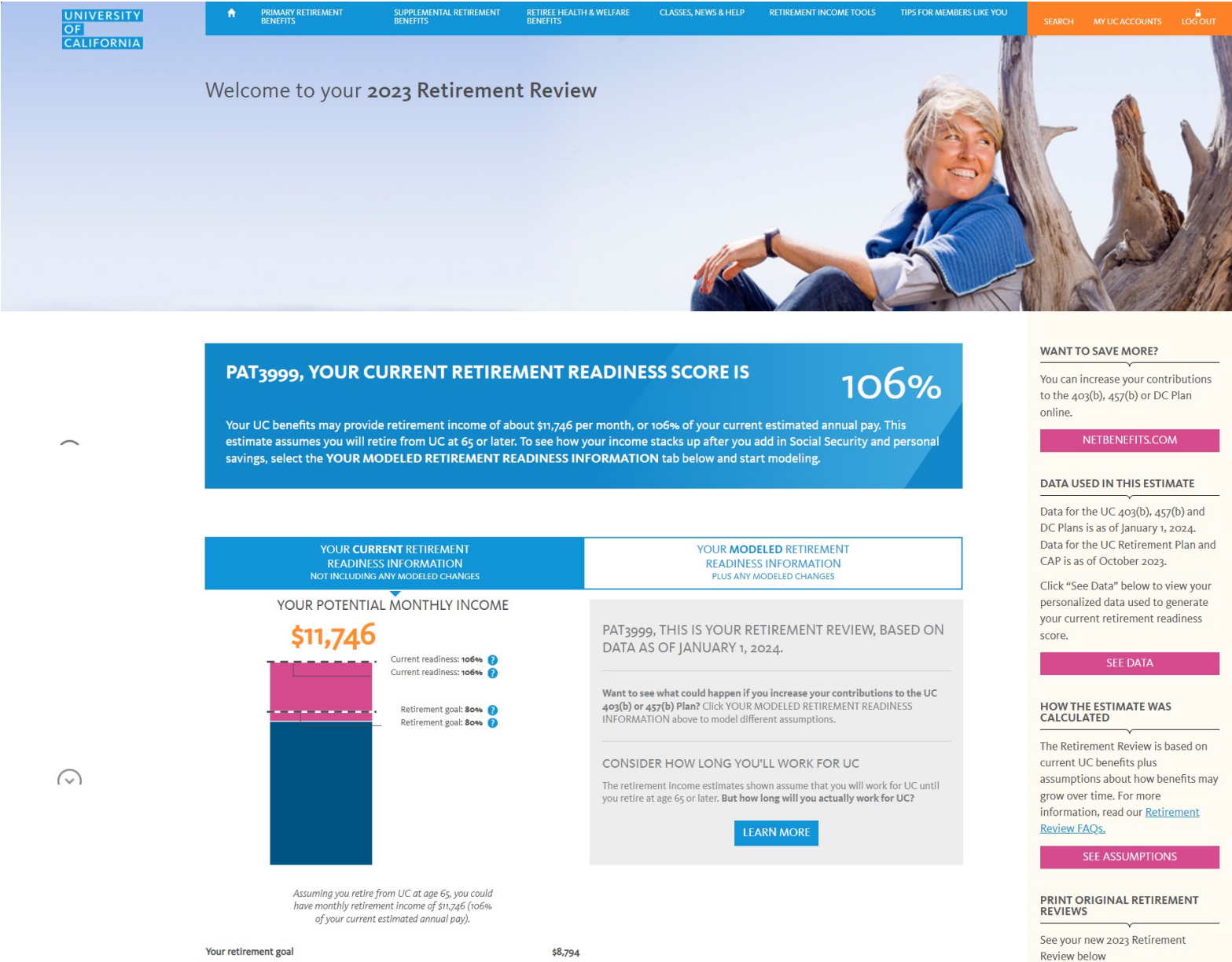


UC Retirement  
Savings Program



Other Savings

# UC Retirement Review





# Set up automatic withdrawals

- Regular payments
- Straight to your bank account
- May help offset your IRS Required Minimum Distributions (RMDs), requirements

# Re-evaluate your investments



Professionally managed investments



TIER I – TARGET DATE FUNDS UC PATHWAY FUNDS		
UC Pathway Income Fund UC Pathway Fund 2020 UC Pathway Fund 2025 UC Pathway Fund 2030	UC Pathway Fund 2035 UC Pathway Fund 2040 UC Pathway Fund 2045 UC Pathway Fund 2050	UC Pathway Fund 2055 UC Pathway Fund 2060 UC Pathway Fund 2065
TIER II – MAIN FUND MENU BOND AND STOCK INVESTMENTS²		
<b>Bond</b> <i>Short-Term</i> UC Savings Fund <i>Intermediate-Term</i> UC Bond Fund <i>Inflation-Protected</i> UC Short Term TIPS Fund UC TIPS Fund	<b>Domestic Stock</b> <i>Broad Cap</i> UC Domestic Equity Index Fund <i>Large Cap</i> UC Growth Company Fund <i>Small Cap</i> UC Domestic Small Cap Equity Fund	<b>Foreign Stock</b> <i>Developed Markets</i> UC International Equity Index Fund UC Diversified International Fund <i>Emerging Markets</i> UC Emerging Markets Equity Fund <b>Specialty Stock</b> UC Global Equity Index Fund UC Real Estate Fund UC Social Equity Fund
TIER III – FIDELITY BROKERAGELINK®		



Do it yourself  
(Build your own)

# Deferred Lifetime Income Option

(available through the UC Pathway Funds)

- Annual purchase opportunity
- Get all the details about this new feature at [myUCretirement.com](https://myUCretirement.com) > **Retirement Income** > **Strategies**

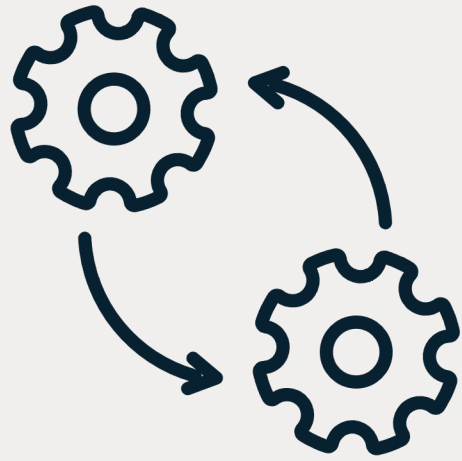


**Purchase Deferred Lifetime Income** using a portion of your Retirement Savings Program account balance.



**Start receiving Deferred Lifetime Income payments** from the insurer every month until your death (or spouse's death if you select the Joint & Survivor option)

# Streamline and keep things simple



# Streamline your accounts

- Consolidate to one UC plan
- Rollover other accounts into a single plan

Be sure to consider all your available options and the applicable fees and features of each before moving your retirement assets.



# Annual check-ins address current topics

- Reduce the impact of taxes
- Help determine your investments
- Adjust your investment mix

A distribution from a Roth IRA is tax-free and penalty-free, provided the 5-year aging requirement has been satisfied and one of the following conditions is met: age 59 1/2, disability, qualified first-time home purchase, or death..

# Specific Actions Needed at Specific Ages

**50s**

**QUICK PLAN**

- Write down best estimates
- “Super save”
- Set up an initial planning session with Fidelity

**60s**

**DETAILED PLAN**

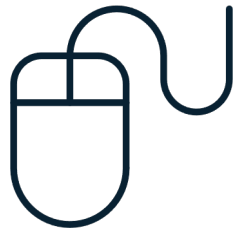
- Determine Social Security strategies
- Reassess risk and asset allocation
- Build a detailed financial assessment

**65+**

**MASTER PLAN**

- Sign up for Medicare
- Discuss retiree health insurance options with employer
- Prepare portfolio for required minimum distributions

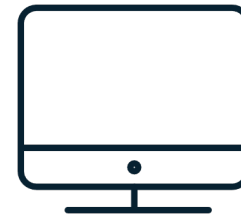
# Next steps



Attend classes available at  
[myUCretirement.com/classes](https://myUCretirement.com/classes)



Gather your UCRP  
estimate, UCRSP account  
balances and Social  
Security Estimate



Read articles on income  
planning at  
[myUCretirement.com](https://myUCretirement.com)



Schedule a planning  
session in person or  
over the phone  
800-558-9182

The retirement planning information contained herein is general in nature and should not be considered legal or tax advice. Fidelity does not provide legal or tax advice. This information is provided for general educational purposes only and you should bear in mind that laws of a particular state, changes in Social Security rules, and your particular situation may affect this information. You should consult your attorney or tax advisor regarding your specific legal or tax situation.

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# Retirement Income Sources - Social Security

5 Important Questions to Ask Before You Claim

# 5 Important Questions

**1.**

**When should I claim  
(vs. when can I claim)?**

**2.**

**How can I claim  
retirement  
benefits?**

**3.**

**Where do I get  
information?**

**4.**

**What do I need to  
get my benefits?**

**5.**

**Where does  
Social Security  
fit in my plan?**

# Q1

**When should I claim  
(vs. when can I claim)?**



# Everyone knows the earliest age to claim, but is that the right time for you?



How much income  
do you need?



What other  
income sources  
are available?

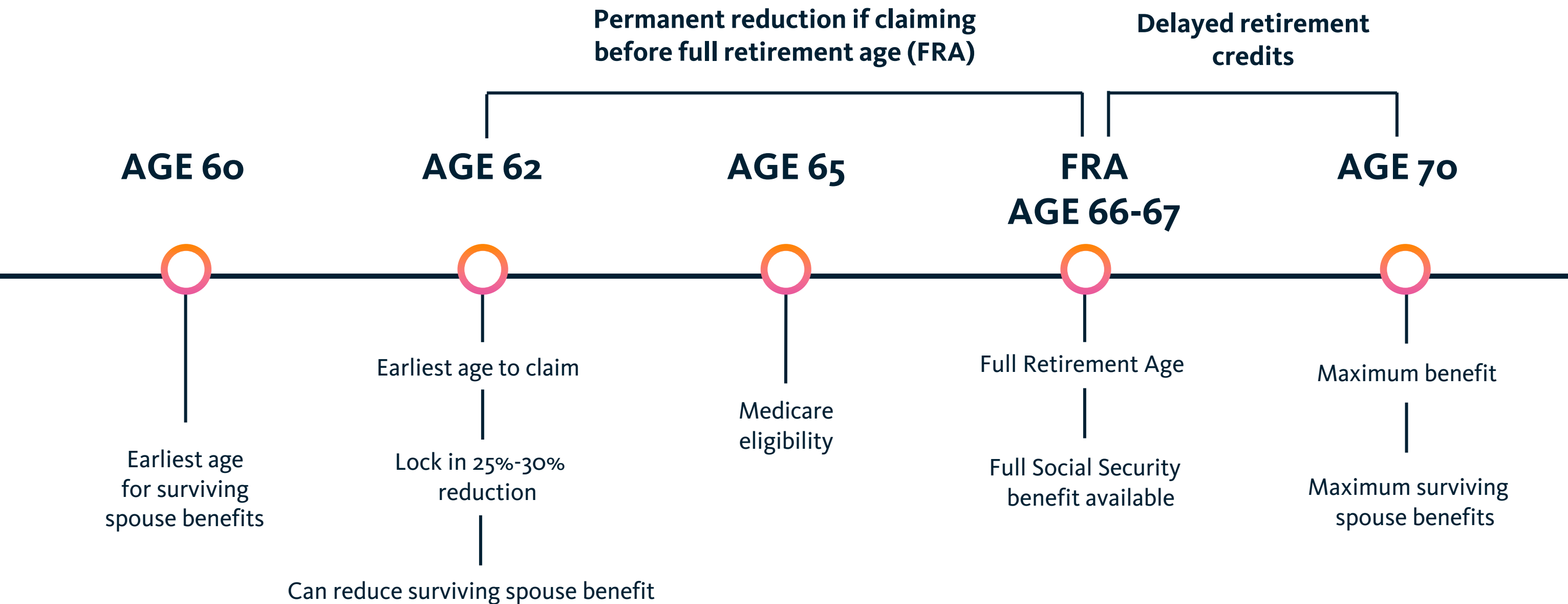


The longer your  
wait, the higher  
the benefit



Consider life  
expectancy and  
longevity

# Claiming early locks in permanent reductions





# Q2

How can I claim  
retirement benefits?



# 4 ways to claim

**1.**

**Individual Worker**

**2.**

**Spouse**

**3.**

**Ex-Spouse**

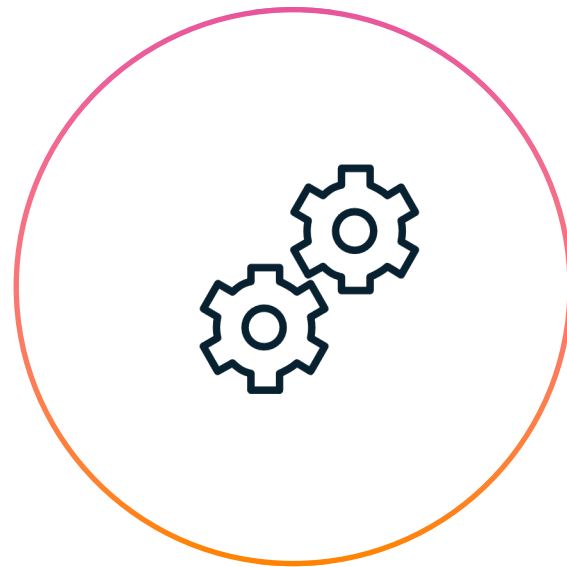
**4.**

**Surviving Spouse**

# Individual worker



Maximize benefits  
At 70?



Other resources  
available?



Continue working?



# Spouse



You are married



Spouse enrolled in  
Social Security

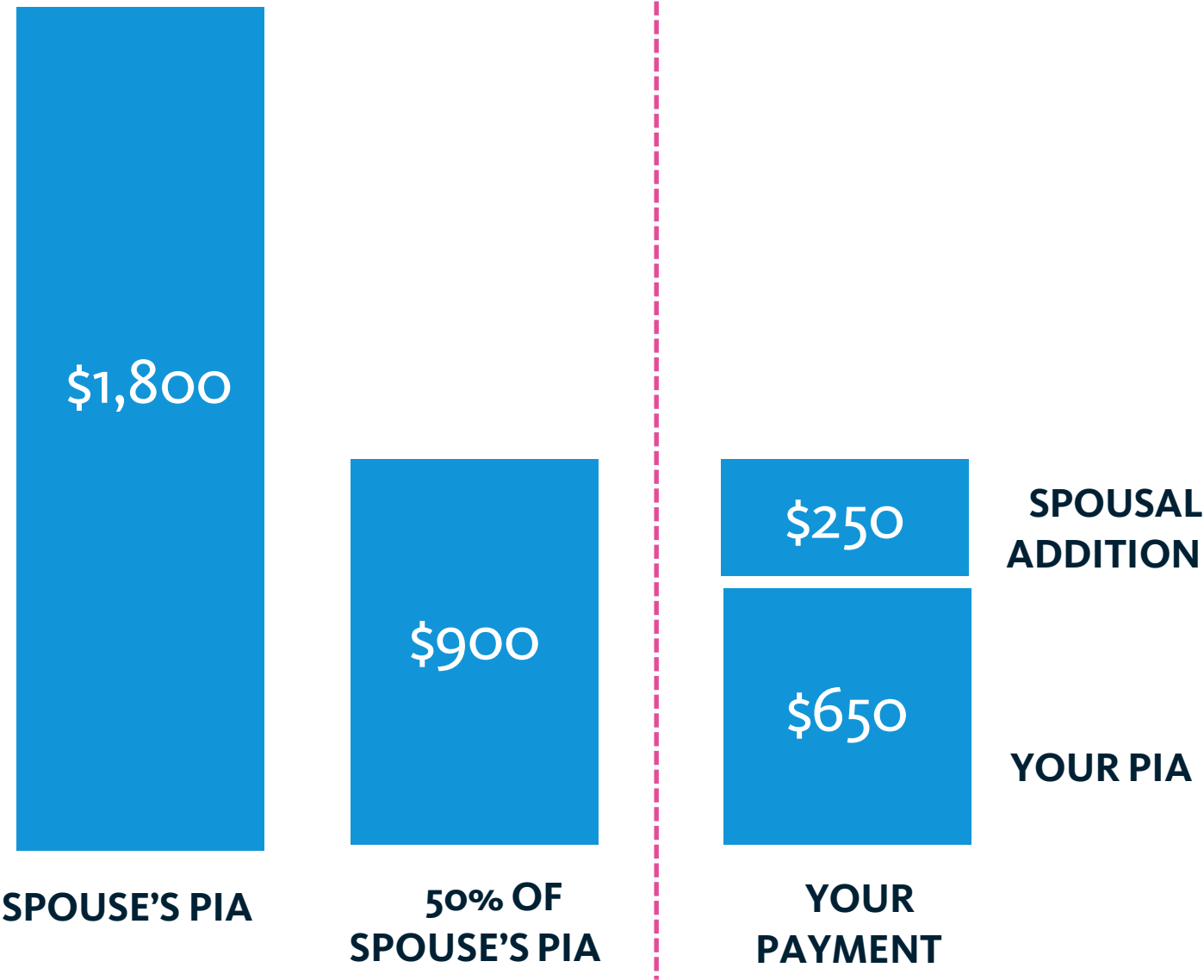
50%

Maximum benefit: half  
of spouse's full benefit



Reduced amount if you  
claim before FRA

# You have a work record and a current spouse



Total benefit  
cannot exceed

50%

of your spouse's Primary  
Insurance Amount (PIA)

For illustrative purposes only and based on Social Security rules in effect at the time of publication, and subject to change at any time. All figures assumed to be pretax.

# Ex-spouse



Marriage for 10 years



You have not  
remarried

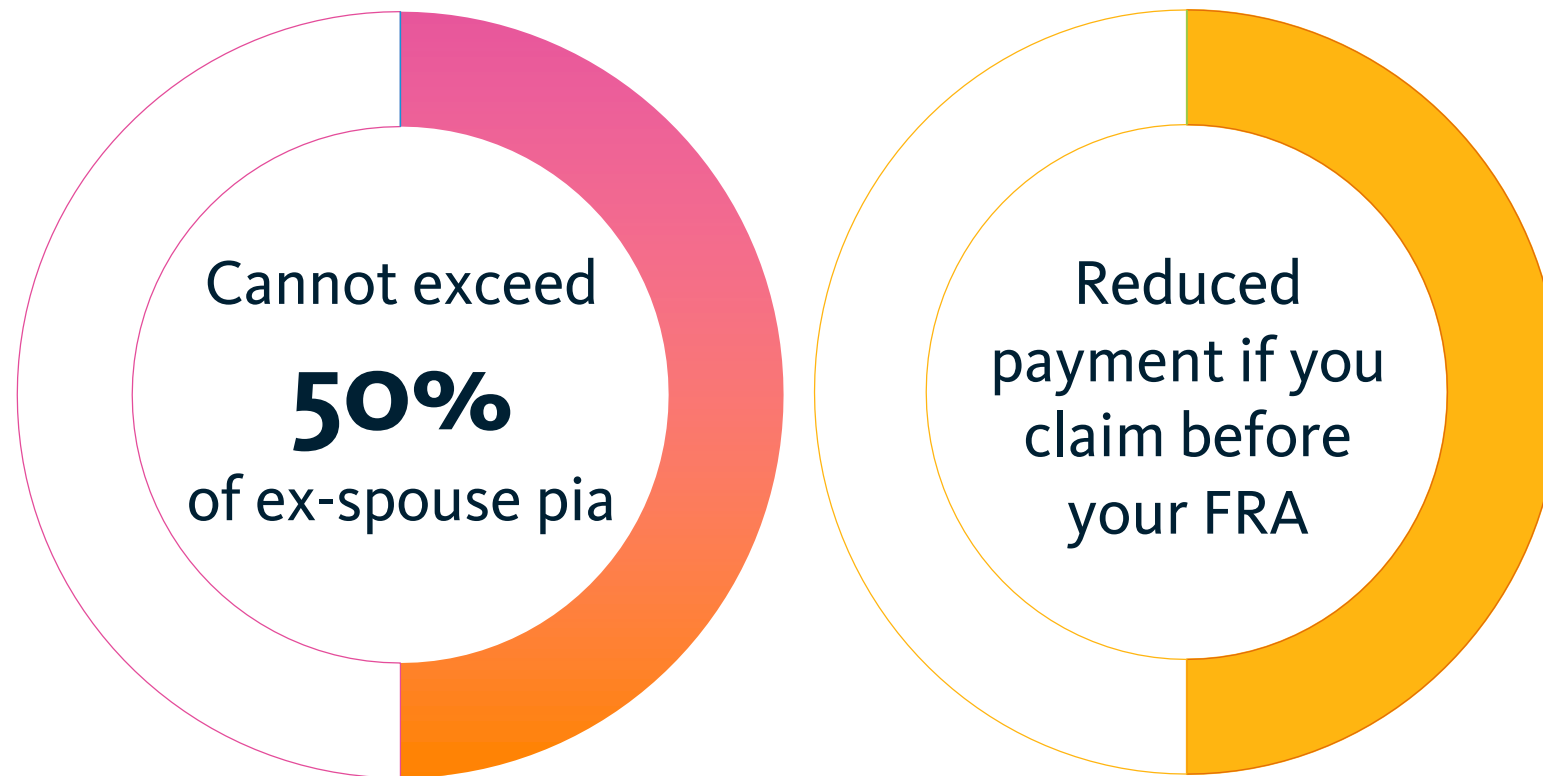


Both at least  
age 62



Divorced 2+ years  
or ex is claiming

# Ex's can claim on each other's records



## Confidentiality:

- Between you and the SSA
- Marriage certificate
- Divorce decree
- Ex's SSN
- Other required proof and documentation

# Surviving Spouse or Surviving Ex-Spouse

**Your spouse dies**



**Your ex-spouse dies**  
if you were married 10+  
years and did not  
remarry before age 60

**You “step into his/her shoes”**

When the higher-earning  
spouse / ex dies first

# Survivor benefit considerations:

- Survivor benefits available as early as age 60
- Early claims will be reduced
- Can switch between survivor and individual benefits
- You are responsible for notifying the SSA

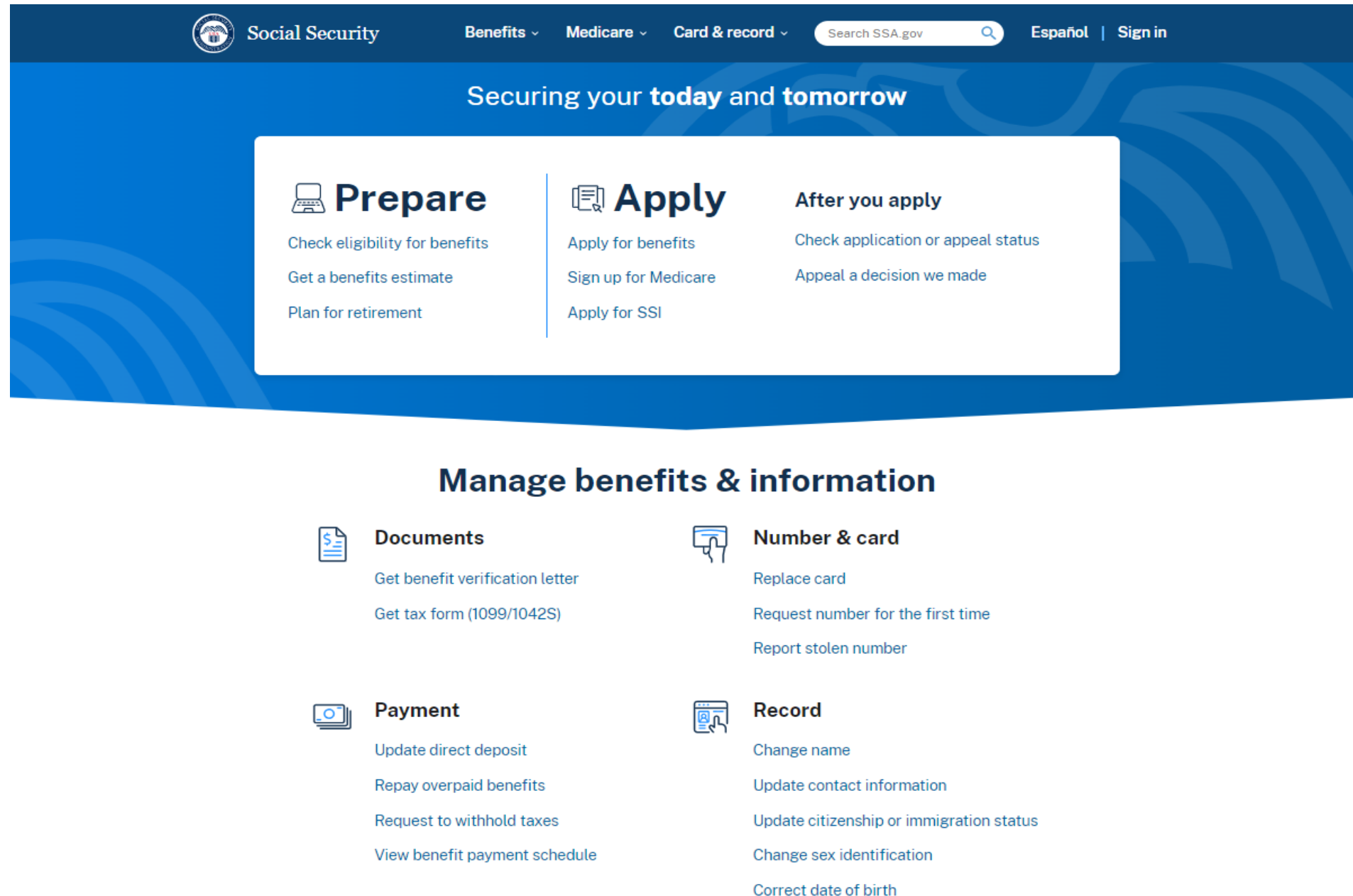
# Q3

Where do I get  
information?





# Social Security website: **SSA.gov**





# UC and Fidelity Resources



## CLAIMING SOCIAL SECURITY: HELPFUL TIPS

Choosing when to start claiming Social Security benefits is an important decision, with pluses and minuses for every option. This guide will help you make a more informed decision.



Provided by  
**Fidelity**  
INVESTMENTS

### When should you claim SOCIAL SECURITY?

If you are 50 or over, it's a good time to start thinking about how Social Security fits into your overall plan. The right strategy could mean a significant difference in your retirement benefits, so let us show you an example of how you can get the most for your future.

I WAS BORN 





# Q4

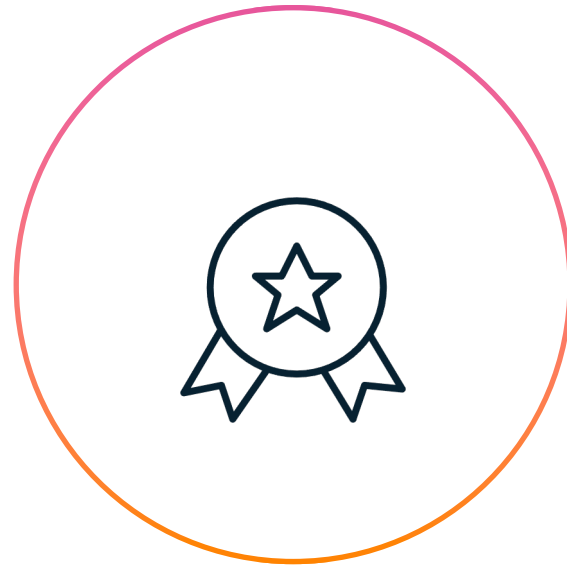
What do I need to get  
my benefits?



# You must first qualify for Social Security



You paid into Social  
Security



You earned at  
least 40 “credits”



Reach age 62

# You need to know your Full Retirement Age

If you were born in...	Your full retirement age is...
1943–1954	66 years
1955	66 years, 2 months
1956	66 years, 4 months
1957	66 years, 6 months
1958	66 years, 8 months
1959	66 years, 10 months
1960 or later	67 years

# You need to understand the implications



Average of your 35  
highest- earning years



Actuaries  
determine PIA



Claiming Age

**Not waiting:**  
Permanent reduction  
As much as **30%** less

**Waiting:**  
Increases until age 70 Up  
to **32%** more



# Q5

**Where does Social  
Security fit in my plan?**



# When you claim Social Security can have a significant impact on your savings

	Social Security	Your Portfolio
FRA (Full Retirement Age)	\$1,800	\$2,200
Age 70	\$2,232	\$1,768
Age 62	\$1,260	\$2,740

77%

\$972

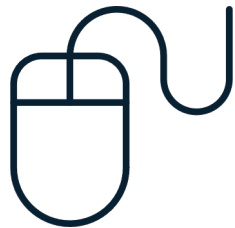
Hypothetical example to illustrate how different Social Security claiming dates deliver different income amounts. Assumes FRA is 67. Essential expense need is \$4,000 per month.

# Deciding when to claim is a key piece of your retirement income plan





# Next steps



Attend social security classes available at [myUCretirement.com/classes](https://myUCretirement.com/classes)



Get your Social Security Statement at [SSA.gov](https://ssa.gov)



Read articles on social security at [myUCretirement.com](https://myUCretirement.com)



Schedule a planning session in person or over the phone  
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# Intermission Break

## We will continue shortly

# Retirement Income Sources

## UC Retirement System

# What we will cover today

- UC Retirement Plan (aka UCRP, Pension)
- Retirement payment vs Employee paycheck
- Capital Accumulation Payment (CAP)
- UC Retirement Savings Program
- Retiree Health Benefits
- Retirement Process and Important Resources

# UCRP Benefits

# UCRP benefits depend on your membership classification

**1976 Tier:**     *Coordinated with Social Security*  
                      *NOT coordinated with Social Security*

**Safety**

**2013 Tier**

**2013 Modified Tier\***

**2016 Tier\***

**Multi-tier – service in more than one tier**

# Your Basic Retirement Income is based on:

1.

Age on the date of retirement

2.

Years of UCRP service credit

3.

Highest average plan compensation (HAPC)

Age Factor x Service Credit x HAPC =  
Basic Retirement Income



# 1.

## Age Factor

### **1976/2013 Modified Tier – ranges from:**

- 1.1% for age 50 (minimum retirement age)
- Up to 2.5% for age 60 (maximum age factor)

### **2013/2016 Tier – ranges from:**

- 1.1% for age 55 (minimum retirement age)
- Up to 2.5% for age 65 (maximum age factor)

Higher age factor = higher monthly benefit

# 2.

## Service Credit

### Based on actual time worked in a UCRP position

- No service credit earned during unpaid leaves
- Unused sick leave converts to service credit if you elect monthly retirement income
  - $\text{unused sick leave hours} / 2000 = \text{UCRP service credit}$
- Unused vacation is paid on your last paycheck

# 3.

## Highest average plan compensation (HAPC)

### Highest average salary over 36 consecutive months

- Calculated based on Covered Compensation
  - Full time equivalent pay received for your regular and normal appointment
  - Administrative stipends
  - Shift differentials
- 1976 Coordinated Tier – HAPC is reduced by \$133
  - Monthly supplement restores reduction until 65

# 3.

## Highest average plan compensation (HAPC) continued

### Excludes

- Overtime
- Summer Salary
- Negotiated Annual Additions/Incentive Comp (Health Sciences)
- Salary exceeding the Covered Compensation Limit

	Plan Year	
	July 1, 2023 – June 30, 2024	July 1, 2024 – June 30, 2025
IRC 401(a)(17)	\$330,000	\$345,000
UCRP entry date prior to July 1, 1994	\$490,000	\$505,000
PEPRA limit for 2016 tier member	\$146,042	\$151,446

If your HAPC is from a prior period, the salary limits imposed for that calendar year apply

# Additional limits on your pension benefit

- Cannot exceed 100% of your HAPC. Generally:
  - 1976 & Modified 2013 Tiers: Age 60 and 40 years service credit
  - 2013 & 2016 Tiers: Age 65 and 40 years
  - Safety Members: Age 50 and 33.34 years
- Maximum total benefit payable from a pension
  - 415(m) Restoration Plan restores the difference

# Monthly Retirement Income

# Retirement Estimator on UC Retirement At Your Service (UCRAYS)

## UCRP Benefit Estimate

If eligible, upon separation from UC employment, you may choose either monthly retirement income or, if eligible, the one-time lump sum cashout. If you are currently working at UC, the estimates below assume that you will continue working for UC until the ages listed. These estimates are not a guarantee of eligibility or benefit amounts.

Basic Retirement Income Option	Age 53	Age 58	Age 63
Lifetime Monthly Amount*	\$2,298.83	\$4,149.83	\$5,261.08
Temporary Social Security Supplement**	\$52.87	\$91.32	\$115.77

Lump Sum Cashout (LSC) Option	Age 53	Age 58	Age 63
One Time Payment	\$422,279.71	\$713,354.57	\$829,821.49

\*If you are a multi-tier member and retire prior to age 55, any monthly retirement income attributable to a 2013 and/or 2016 tier service credit will not be payable until you reach age 55. A lump sum cashout is not payable for any service credit in the 2013 and/or 2016 tier.



# Retirement Estimator on UCRAYS

UCRAYS

Profile

Messages

My Account

>

Manage Contacts

Upcoming Seminars

Contact Us

Quick Links

>

Create a Retirement Estimate

The retirement estimate allows you to model different retirement scenarios utilizing current employment data and information you provide.

To create a customized retirement estimate, complete the following steps:

Step 1: Review your membership account(s)

Step 2: Enter retirement details

Step 3: Review and customize estimate details

Step 4: Enter eligible survivor details

Step 5: Enter contingent annuitant details

Step 6: Review and create estimate

Create a Retirement Estimate



# Cost of Living Adjustments

- Retirement COLA: effective July 1 after one full year of retirement
  - Paid annually on August 1 pension check
  - Ranges from 0% to 6%; generally 1-2%
- Inactive COLA: One-time adjustment to your HAPC, resulting in a higher benefit
  - 1976 Tier and Safety Members only
  - Maximum of 2%
- **Based on changes in Consumer Price Index (CPI)**

# Potential payments upon retiree death

- Basic death payment
- Postretirement survivor continuance
  - Only available to 1976 Tiers and Safety members
- Alternate monthly payment option
  - Lifetime monthly income to designated contingent annuitant
    - Your basic retirement income is reduced to provide for potential payments to second person
- None available under lump sum cashout

# Alternate payment option – with eligible survivor

Example for 1976 Tier coordinated with SS, retiree age 60, C.A. age 57

MONTHLY RETIREMENT INCOME OPTIONS				
Monthly Retirement Option	Lifetime monthly payment to you	UPON DEATH - Monthly payment to:		
		Eligible Survivor 25% of BRI	Contingent Annuitant	Combined to Eligible Survivor and Contingent Annuitant
Basic Retirement Income (BRI)	\$2,433	\$608	not applicable	not applicable
Payment Option A full continuance	\$2,219	\$608	\$1,611	\$2,219
Payment Option B two thirds continuance	\$2,285	\$608	\$1,118	\$1,726
Payment Option C one half continuance	\$2,319	\$608	\$855	\$1,463
Payment Option D one half continuance to eligible spouse or domestic partner	\$2,357	not applicable	\$1,178	\$1,178

# Alternate payment option – no eligible survivor

Example for 2013 Tier retiree age 60, C.A. age 57

MONTHLY RETIREMENT INCOME OPTIONS				
Monthly Retirement Option	Lifetime monthly payment to you	UPON DEATH - Monthly payment to:		
		Eligible Survivor 25% of BRI	Contingent Annuitant	Combined to Eligible Survivor and Contingent Annuitant
Basic Retirement Income (BRI)	\$2,433	\$608	not applicable	not applicable
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Payment Option C one half continuance	\$2,319	\$608	\$855	\$1,463
Payment Option D one half continuance to eligible spouse or domestic partner	\$2,357	not applicable	\$1,178	\$1,178

# Lump Sum Cashout

# Lump sum cashout (LSC)

- One time, lump sum payment
- May elect instead of lifetime monthly income
- Based on the present value of the retirement income you would receive over your life expectancy
  - $\text{Basic Retirement Income} \times \text{Single Payment Factor}$
- Available under 1976 Tier, Safety, & 2013 Modified Tier
  - Not available to 2013 or 2016 Tier members

# LSC – important considerations

- Forfeit other benefits:
  - Health benefits
  - UCRP basic death benefit
  - UCRP survivor and contingent annuitant benefits
- Sick leave is not converted to service credit in calculating the lump sum cashout
- More restrictive return-to-work rules

# LSC – Payout

- Subject to taxes the year in which it is paid
- May roll over into another eligible retirement account and defer taxes
  - UC Retirement Savings Plans—403(b), 457(b), DC Plan
  - Other qualified employer retirement plans
  - IRA
- Decision to take cashout is irrevocable



# Retirement Payment vs. Current Paycheck

# Active vs Retired “Paycheck”

	ACTIVE	RETIRED
Monthly gross income	SALARY	UCRP
Deductions, withholdings		
Federal, state, local tax	✓	✓
Social Security (OASDI)	✓	--
Medicare	✓	--
Health Benefits UCRP	✓	✓
Contribution	✓	--
Parking, commuter costs Other	✓	--
work-related deductions	✓	--
<b>Monthly net income</b>	Difference may be less than you think	

# Other Sources of Retirement Income

# Other sources of retirement income

- **Capital Accumulation Payment (CAP)**
- **Retirement Savings Program**
- Social Security
- Other Retirement Systems

# Capital Accumulation Payment (CAP)

- Special allocations to UCRP members based on a percentage of compensation
  - CAP I – issued 1992-1994 (earns 8% annual interest)
  - CAP II – issued 2002-2003 (currently 6.75% annual interest)
- Must be distributed upon retirement
  - Rollover or a taxable distribution paid to you

Check your CAP balance at: <https://retirementatyourservice.ucop.edu/>

# Retirement Savings Program – While Active

- Defined Contribution Plan (DC Plan)
  - Voluntary contributions on an after-tax basis
  - Mandatory pretax contributions:
    - UCRP eligible employees working between 1990 and 2010
    - DC Supplement, DC Safe Harbor, Savings Choice
- 403(b) & 457(b) Plans
  - Voluntary pre-tax contributions
  - Deferral limit = \$23,000 + \$23,000 if over age 50 to each plan
- Invest in funds managed by the UC Office of the Chief Investment Officer

# RSP – options after you retire

- Can maintain RSP accounts as long as balance is greater than \$2,000
- Access your money through full or partial distributions
  - Can set up systematic withdrawals
- Consolidate retirement savings in one place
  - CAP, LSC (rollover not subject to taxes)
  - Other employer plans and IRAs
- Continue to manage investments
- If you return to work at UC after retirement, you may be limited in taking distributions from some or all plans if under age 59 ½

# RSP – withdrawals

- Taxed as income in year received, unless after-tax money or rolled over to another qualified plan
- Subject to early distribution penalty if taken before age 59 ½, unless:
  - 457(b) funds
  - Leaving UC during or after year in which you turn 55
- Required Minimum Distributions
  - Generally after you turn 73



# UC Retiree Health & Welfare coverage

# Health & welfare benefits that may continue into retirement



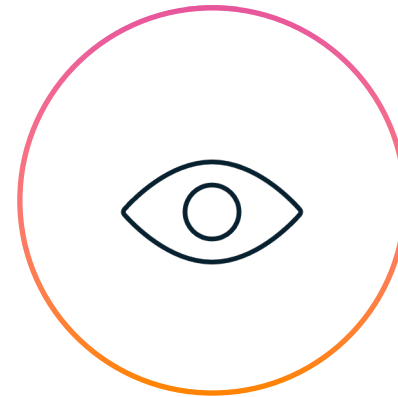
Medical



Dental



Legal



Vision



Accidental Death  
& Dismemberment

# UC retiree health & welfare eligibility requirements

- Enrolled in or eligible for UC employee health coverage
- 10 or more years of UCRP service credit
- Elect monthly retirement income. Not available with LSC
- Retirement date within 120 days of UC separation date
- Continue employee coverage until date retirement income begins
- Rehires must work at least 12 months in an eligible position

# How much you pay for UC retiree medical and dental depends on

- Total premium cost of selected medical/dental plan
- UC's contribution amount
- Percentage of UC's contribution for which you are eligible
- Who is covered
- Medicare coordination with your UC medical plan
- May be subject to collective bargaining

# UC Retiree Health Eligibility Groups

Group 1	Group 2	Group 3
Original UCRP entry date without break in service: Before January 1, 1990	UCRP entry date without break in service: January 1, 1990 - June 30, 2013*	UCRP entry date, or rehired after a break in service: On/after July 1, 2013*
% of UC Contribution received: 100%	% of UC contribution received: 50-100% based on service	% of UC contribution received: 0-100% based on age and service

# Retiree Health Group 1

- UCRP entry before January 1, 1990
- % of UC contribution amount

# Retiree Health Group 2 – Graduated Eligibility\*

- UCRP entry or rehired January 1, 1990 – June 30, 2013

Years of UCRP service credit	% of UC contribution
5 - 9	<ul style="list-style-type: none"><li>• 50%, if age + service <math>\geq</math> 75</li><li>• Otherwise, not eligible</li></ul>
10	<ul style="list-style-type: none"><li>• 50%</li></ul>
11 - 20	<ul style="list-style-type: none"><li>• 50% + 5% per year over 10</li><li>• 100% at 20 years</li></ul>
Over 20	<ul style="list-style-type: none"><li>• 100%</li></ul>

\*Subject to collective bargaining

# Retiree Health Group 3 – Graduated Eligibility\*

- UCRP entry or rehired on/after July 1, 2013

Age, years of UCRP service credit	% of UC contribution
age 50 – 55 or less than 10 yrs service	<ul style="list-style-type: none"><li>• 0% under age 56 with 10+ yrs service credit</li><li>• Otherwise, not eligible</li></ul>
age 56-65 and 10-20+ yrs service	<ul style="list-style-type: none"><li>• 5% + increases with each full year in age and full year service credit</li><li>• 100% at age 65 and 20 years</li></ul>
age 65+ and 20+ yrs service	<ul style="list-style-type: none"><li>• 100%</li></ul>

\*Subject to collective bargaining



# Example of cost calculations – non-Medicare

	Example A Eligible for 100% of UC contribution	Example B Eligible for 75% of UC contribution	Example C Eligible for 50% of UC contributions
Total monthly premium (Health Net B&G, couple)	\$1,552	\$1,552	\$1,552
UC contribution	\$1,002	\$752	\$501
Your monthly cost	\$550	\$800	\$1,051



# Medical plan options

- Non-Medicare (pre 65) Retirees
  - Same plan options as actives
  - Also applies to over 65 not coordinated with SS
- Medicare (post 65) Retirees
  - Medicare Advantage Plans (comprehensive coverage)
  - Medicare supplemental plans (pay after Medicare)
  - Medicare exchange plan outside of California

# Medicare – Made up of three parts\*

## 1.

### **Part A:**

#### **Hospital insurance**

- Financed by payroll taxes
- If you are eligible to receive it based on your own or your spouse's contributions during employment, you do not pay a premium.

## 2.

### **Part B:**

#### **Medical insurance**

- Monthly premium, usually deducted from SS check

## 3.

### **Part D:**

#### **Prescription drug insurance**

- Most UC retirees do not pay extra premium, but may pay premium if income above certain threshold

\*Part C is not a component, but a type of Medicare Advantage plan

# What happens when you\* turn age 65?

- Are age 65+ during retirement process
  - The RASC will provide a Medicare Packet which includes the Request for Employment form to submit to Social Security Administration for Medicare application
- Turn age 65 after retirement
  - UC will notify you prior to turning age 65 with information about Medicare and instructions for applying

# Medicare and UC

- **Employees:** may delay enrollment until retirement
  - Domestic partners contact Social Security
- **Retirees:** if eligible for premium-free Medicare Part A (hospital), you must enroll in Part B (medical)
  - Eligible under your own record or that of a current, former, or deceased spouse
  - Part B premium paid directly to Medicare
  - Failure to enroll in Part B will permanently cancel UC medical coverage

# Medicare and UC retiree medical

- Medicare becomes your primary insurance
  - You will switch to a version of your UC medical plan that coordinates with Medicare or a Medicare partner plan
  - Some UC medical plans do not have Medicare coordination and you will have to change to another medical plan
- Once enrolled in UC-sponsored Medicare plan
  - UC may reimburse a portion of your Part B premium if the monthly UC contribution exceeds the cost of your plan
- Most UC medical plans coordinate with Part D
  - Do not need to enroll in separate plan
  - If do enroll in separate plan, you may lose your UC medical coverage

# More about UC retiree health coverage

- Can cover same eligible family members as active health
- Certain qualifying events allow changes mid year
- Make changes during Open Enrollment
- You may suspend medical and dental
- Your eligible survivors may continue health benefits depending on your tier and retirement election

# Medicare Exchange

- For retirees living outside California
- All family members in Medicare
- More choices
- Individual plans for each family member
- Maximum \$3,000 health reimbursement arrangement (HRA) for each covered member



# Other Health & Welfare Benefits

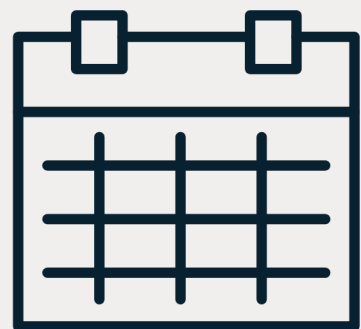
- Benefits that can continue into retirement
  - **Legal:** premiums deducted from retirement check
  - **Vision Service Plan & AD&D:** premiums paid directly to VSP & Prudential
  - **Homeowners/renters/auto insurance:** premiums paid directly to California Casualty
- Benefits that end at retirement
  - **Life Insurance:** conversion or portability options possible
  - **Health FSA:** ends on last day of last month you contributed
  - **Disability:** ends on last day of work

# UC Retiree Process



## First steps

- Attend UC retirement planning presentations, workshops, or webinars (schedule and registration on UCnet)
- Review your UCRP estimate and retirement savings balances
- See your projected Social Security benefit
- Find out if you qualify for benefits from previous employers
- Consult with your tax or financial advisor
- Talk to a Fidelity Workplace Financial Consultant to create a retirement income plan



# Decide your retirement date

- Select a retirement date and begin the retirement process up to three months in advance
- Staff employees: inform your department
- Academic appointees: notify your Academic Personnel Director



# Initiate your retirement

Within 90 days of your retirement date

- Log on to UCRAYS and create your Personal Retirement Profile (PRP):

<https://retirementatyourservice.ucop.edu/>

- Retirement > Initiate & Elect Retirement > Create PRP

OR

- Fill out the Request for Retirement Initiation Packet form:

<http://ucal.us/retirementform>



# Review your Personal Retirement Profile

- Review the retirement options in your PRP
- Read the Retirement Handbook
- Contact the Retirement Administration Service Center (RASC) for questions
- Complete your retirement election on UCRAYS or via your Election Planning Worksheet



# The election process

- Log on to [UCRAYS](#) and follow the prompts to prepare your retirement election
- Sign and submit your election
  - Your spouse or domestic partner must also sign
- Upload any required documents
  - Marriage certificate/Domestic partner documentation
  - Birth evidence for contingent annuitant, eligible children

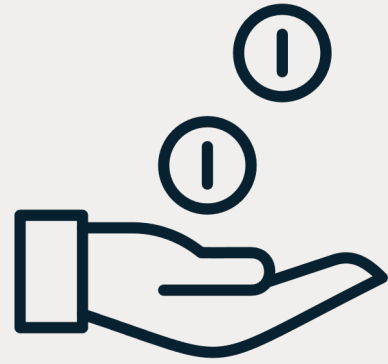


## Final Review

- RASC reviews your retirement election documents
- Receive confirmation letter in about 45 days
- Change or cancel election up to retirement date or 15 days after confirmation letter sent, whichever is later



# Now That I'm Retiring



# What to expect with your retirement payment

- Paid around the first of each month
- Electronically deposited to your bank
- Benefit Income Statements on UCRAYS
- Income reported on 1099R tax form



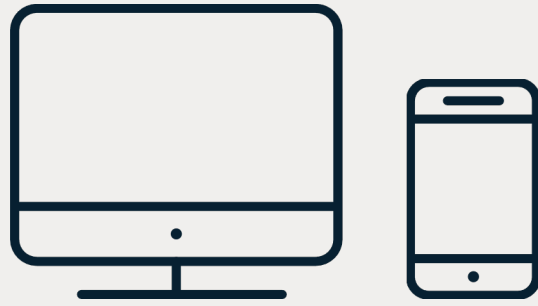
# Keep your personal information up-to-date

Use [UCRAYS](#) to update:

- Address, phone and email
- Tax withholding
- Direct deposit information
- UCRP beneficiary designation and contact information
- Health benefits changes

Use Fidelity to update:

- Retirement Savings Program beneficiaries: [www.netbenefits.com](http://www.netbenefits.com)

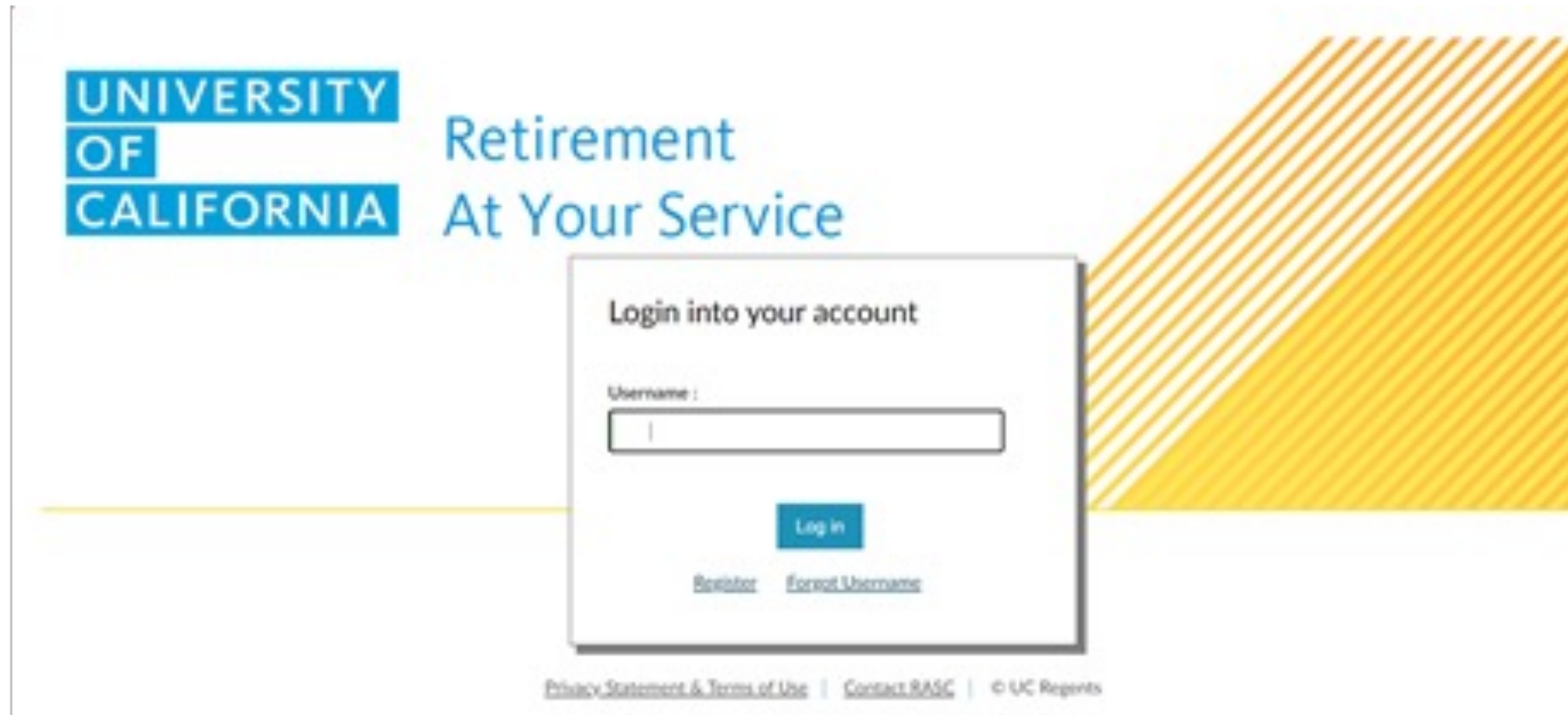


# Stay connected

- New Dimensions newsletter
- [myUCretirement.com](https://myUCretirement.com)
- [UCnet](#)
- Local resources
  - Emeriti and Retiree Associations
  - Retirement Centers
    - Location and contact information available on UCnet:  
[ucnet.universityofcalifornia.edu/retirees](https://ucnet.universityofcalifornia.edu/retirees)
  - Health Care Facilitator

# Important Resources

# UCRAYs



The image shows a web page for the University of California Retirement System (UCRAYs). The header features the University of California logo and the text "Retirement At Your Service". A central login box contains a "Login into your account" heading, a "Username:" label, a text input field, a "Log in" button, and links for "Register" and "Forgot Username". A footer at the bottom of the login box contains links for "Privacy Statement & Terms of Use", "Contact RASC", and "© UC Regents". The background includes a yellow diagonal striped pattern on the right side.

UNIVERSITY  
OF  
CALIFORNIA

Retirement  
At Your Service

Login into your account

Username :


Log in


[Register](#) [Forgot Username](#)


[Privacy Statement & Terms of Use](#) | [Contact RASC](#) | © UC Regents





# myUCretirement.com





 PRIMARY RETIREMENT BENEFITS

 SUPPLEMENTAL RETIREMENT BENEFITS

 RETIREE HEALTH & WELFARE BENEFITS

 RETIREMENT INCOME ESTIMATES

 CLASSES, NEWS & HELP

 TIPS & TOOLS FOR MEMBERS LIKE YOU


SEARCH


MY UC ACCOUNTS

MYUCRETIREMENT.COM





Your source for  
"All Things Retirement"


SEE HOW IT WORKS



 See strategies for coping with market volatility

Choose a track to see information and next steps for UC members like you.



Recently Joined UC Working and Saving  Ready to Retire In Retirement

COMPENSATION & BENEFITS
UC Fair Wage/Fair Work Plan
Health Plans
Retirement Benefits
Primary Retirement Benefits
Voluntary Retirement Savings Program
Retiree Health & Welfare Benefits
Retirement Planning Resources
<b>When You're Ready to Retire</b>
UCRS Advisory Board
Disability, Life & Accident Insurance
Other Benefits
Using Your Benefits
Eligibility

## When You're Ready to Retire

Are you thinking about retiring in the next few years — or in the next few months? Congratulations! It's a good idea to start preparing as soon as possible, and UC offers plenty of resources to help.

### Preparing for Retirement webinars

For UCRP members who are planning to retire within the next five years and for vested inactive members of UCRP. Live and recorded webinars cover topics such as understanding UCRP pension benefits, retirement savings and retiree health coverage.

### The UC Retirement Process — Step by Step webinar

For UCRP members who are planning to retire within the next 4-12 months. Live and recorded webinars explain everything you need to know about the retirement process, including required forms, important deadlines and helpful resources.

#### Webinar registration

##### Preparing for Retirement (schedule)

##### The UC Retirement Process – Step by Step (schedule)

When you register, you will receive a confirmation with relevant webinar information including the instructions for logging in.

If you are not already a Zoom user, you may need to download the Zoom app or a plugin for your browser.

#### WEBSITE RESOURCES

Retirement Benefits  
Preparing for retirement  
UCRAYS  
myUCretirement

#### RETIREMENT PUBLICATIONS AND FORMS

Request for Retirement Initiation Packet [PDF](#)  
Retirement Handbook [PDF](#)  
Complete Retirement Benefits Guide for Employees [PDF](#)  
UCRP Summary Plan Description for 2013 Tier Members [PDF](#)  
UCRP 1976 Tier Summary Plan Description [PDF](#)  
403b Summary Plan Description [PDF](#)  
457(b) Deferred Compensation Plan [PDF](#)  
Defined Contribution Plan Summary Plan Description [PDF](#)  
Medicare Fact Sheet [PDF](#)  
New Dimensions

#### CONTACT



# Questions?



## UCRP/CAP

- RASC – **(800) 888-8267** or via secure messaging on your UCRAYS account <https://retirementatyourservice.ucop.edu/>
- Additional UCRS Retirement Webinars – registration on [UCnet](#)



## Social Security/Medicare

- For Medicare enrollment and eligibility information, call Social Security at **800-772-1213**. You can also find Medicare information online at [www.medicare.gov](http://www.medicare.gov).



## Retirement Savings Program

- Fidelity's UC-Dedicated Workplace Financial Consultants **(800) 558-9182**
- [myUCretirement.com/classes](https://myUCretirement.com/classes)

# THANK YOU!

The information contained herein has been provided by the University of California and is solely the responsibility of the University of California.

