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Retiring on Short Notice? What Members Should Know and Do

The Department of Employee Trust Funds (ETF) is experiencing an extremely high volume of calls, e-mails, and in-person contacts from Wisconsin Retirement System (WRS) members who are considering retiring on a relatively short timeline. As a result, ETF is struggling to keep up with the demand for **in-person** services. Please consider using the following alternative ETF resources – they can help provide the information you need to make a well-informed retirement decision.

Start with a retirement benefit estimate

1. Calculate your projected WRS retirement benefits by using our online calculator. Although the calculator is not an official estimate, it is very accurate and will give you an idea of what your benefit may look like.
2. View our online video, Calculating Your Retirement Benefits Online. Many members find it helpful to watch the video prior to using the calculator.
3. Locate your most recent annual *Statement of Benefits*; page 2 contains a rough estimate of your benefits.

Note: If you already have an official retirement estimate and application from ETF but it is more than one year old, you can still use it to apply for benefits. If an application is more than a year old when it is processed, ETF will normally send you a *Retirement Benefit Updated Estimates (ET-4418)* form that shows updated payment amounts.

How to request a retirement benefit estimate

1. To request an estimate/ application, contact ETF by e-mail or by phone. Again, be aware that the high demand for services will make it difficult to speak with a benefits specialist.
- OR
2. Complete and send to ETF a Benefit Information Request form (ET-7301). To complete the form, provide your identifying information, including estimated termination date, an estimate of your most recent high year of earnings and your spouse's name and date of birth (if applicable). You should also indicate active duty military service (provide a copy of your discharge papers). ETF will then send you a retirement packet, which includes a customized estimate/application form.

How long will it take to get my retirement packet?

The average turnaround time for retirement packets is currently more than 8 weeks – but that could grow longer, due to high demands. Requests are up by more than 22% over the same period last year. View the Wait Times page on our website for up-to-date information. We are making every effort to ensure that retirement packets are sent to members in time to prevent any loss of eligibility for benefits.

Will I get my retirement packet before I terminate employment?

Due to workload issues at ETF, your packet might not arrive until **after** you terminate employment. However, we will ensure that your materials are sent in time to preserve your rights to life and health insurance benefits. That is because by law, ETF can “backdate” an annuity begin date up to 90 days from the date an application is received. Example: a person could terminate employment today, ask for a retirement application from ETF, receive it some weeks later, and have their annuity begin immediately after termination. This would work as long as the application is received by ETF within 90 days of termination. In these cases, the first annuity payment will include retroactive payments when needed. Some benefits will be forfeited if an application is received more than 90 days late.

After I receive my retirement packet, what should I do?

Many members seek an in-person explanation of the materials in their retirement packets. Again, demand for this ETF service has exceeded our capacity. However, you can receive the same information presented in an in-person appointment by watching Road to Retirement: Online Video Appointment, our online video.

In addition, for a thorough explanation of the various WRS annuity payment options available at retirement, we recommend watching WRS Payment Options.

What happens to my health insurance?

Coverage under the state group health insurance program continues automatically for state employees without any additional steps. Local employees who are eligible for state group coverage will receive an *Employer Verification of Health Insurance* form (ET-4814) in their retirement packets. This must be completed by your employer and turned in with the retirement application in order for your health insurance coverage to continue. Your annuity must begin within 30 days of your termination date to remain eligible for insurance continuation. For more information, see our brochure, Group Health Insurance (ET-4112).

What about the state employees' use of sick leave credits for health insurance premium payments?

State employees may have their unused sick leave converted to credits for the payment of health insurance premiums. The certification of that sick leave value is automatically done by your employer following your termination. If you are continuing your health insurance coverage, premiums are automatically deducted from your sick leave credits. If you wish to enroll in other coverage and escrow your sick leave for use at a later date, file a Sick Leave Escrow Application (ET-4305) with your retirement application. For more information, including eligibility requirements, see ETF's brochure, Sick Leave Conversion Credit Program (ET-4132).

What about life insurance? Whether you work for a State or local employer, coverage under the state group life insurance program continues automatically when you retire. Premiums must continue to be paid until age 65 and are automatically deducted from your annuity payment. After you apply for retirement benefits, you will receive a *Group Life Insurance Certification of Coverage* (ET-4802) form. This form indicates the value of your coverage and how it changes as you age. Please note: Your

annuity must begin within 30 days of your termination date to remain eligible for insurance continuation. For more information, see our brochure, Group Life Insurance After You Terminate Employment (ET-4104)

What happens once I apply for benefits?

1. ETF will send you a *Notice to Retirement Applicant* (ET-4414), confirming receipt of your application. This form also shows the selections you made on the application. When you get the *Notice*, it is very important to verify that it shows what you intended. If it does not, contact ETF.
2. About a week prior to the date of your first annuity payment, ETF will send you an Annuity Payment Statement indicating the amount of your first payment and deductions. This will include any back pay, if applicable.

What if I change my mind?

Important points to note:

- An annuity option can be changed within 60 days of the date of your first payment
- A retirement application can be cancelled shortly* after your first payment
- Tax withholding elections can be changed at any time
- You can return to other employment at any time and you can return to work with a WRS employer after the required minimum break in service. For more information about returning to work after retirement, see page five of our brochure, Information for Retirees (ET-4116) or view our online video, Returning to Work After Retirement.

*Cancellation requests must be received by the last working day before the 21st day following the date of your first payment.

I have applied for benefits but want to retire sooner. What should I do?

Contact ETF in writing to let us know what termination date you want. We can take your request by fax, e-mail, or mail. If time allows, the adjustment of your annuity begin date will appear on the *Notice to Retirement Applicant* and annuity information mailer that is sent just prior to the start of your monthly payments. Otherwise, the adjustment will be made when your annuity is finalized. For more information, see the paragraph marked "Final Calculation of Your Annuity" found on page five of our brochure, Applying for Your Retirement Benefits (ET-4106).