



Executive Office for Administration & Finance

**COMMONWEALTH OF MASSACHUSETTS**

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## **ELIGIBILITY**

### **Q1. What retirement benefits are included in the 2015 Employee Retirement Incentive Program (ERIP)?**

The incentive provides up to an additional five (5) years of creditable service, or of age, or some combination of the two, in full year increments, not to exceed five for any eligible member.

### **Q2. How do I determine if I am eligible to retire under the 2015 Employee Retirement Incentive Program (ERIP)?**

- Employee must be employed as of the effective date of the act (Chapter 19 of the Acts of 2015), May 04, 2015 and through the date of retirement, June 30, 2015, by an Executive Department agency, bureau, department, office or division of the commonwealth within or under the control of the governor or a secretary of an executive office, or must be employed by the Office of the Governor.
- As of the effective date of the Act, such an employee must be a member in service of the state retirement system, classified in Group 1 (general employees including clerical, administrative and technical workers, laborers, mechanics, and all others not otherwise classified).
- As of the effective date of the Act, such an employee must be vested for a retirement benefit, without the use of incentive years provided by the 2015 ERIP program. In other words, you must have:
  - A minimum of 20 years of creditable service, at any age, or
  - A minimum 10 years of creditable service, and be at least 55 years of age or older

#### **NOTES:**

- Pro-rating of creditable service from prior service in other group classifications (Group 2, Group 3, or Group 4) is not authorized
- Creditable service may include existing qualifying employment service with the commonwealth, a municipality, county, and certain other public service. Non-state service may only be qualifying out-of state teaching service. A determination of eligibility would be made by the State Retirement Board

**Q3. Who is not eligible to apply for the 2015 ERIP program?**

- The following categories of employees are not eligible:
  1. Employees whose compensation is funded in any part from a capital, trust, or federal account as of the date of the employee's application to the State Retirement Board.
  2. Elected officials
  3. Employees currently being reinstated to active employment status from retirement under G.L. c.32, §105
  4. Employees who are 70 years of age or older and who have ceased contributing to the retirement system

**Q4. The law includes language about “critical positions”, how can I confirm the status of my position?**

You should contact your agency Human Resource (HR) Office to confirm the status of your position.

**Q5. How can I determine the funding source from which I am paid?**

You should contact your agency Human Resource (HR) Office to confirm the funding source from which you are paid.

**Q6. Am I still eligible to retire if I am paid from capital, trust or federal funds?**

Yes, you may retire at any time you are eligible, however you are not eligible for the incentive provided in the 2015 ERIP program (up to an additional five years of creditable service or age). Please visit the State Retirement Board's website at <http://www.mass.gov/treasury/2015ERIP> for requirements and related information.

**Q7. I worked as a contracted employee for the state immediately preceding my state position. Where would I find information regarding the buyback of that service?**

To access the State Retirement Board's Buyback or Purchase Service information and forms, visit <http://www.mass.gov/treasury/retirement/departments/buyback-purch-svc/>. If you have prior public service that you wish to purchase, please fill out an applicable Buyback Request Form and submit it with your 2015 ERIP Retirement Application.

**Note:** Payments for any outstanding authorized service purchases or any other funds owed to the State Retirement Board must be completed **before** any retirement benefits will be issued.

**Q8. If I am currently receiving workers' compensation benefits as of the effective date of the 2015 ERIP legislation, am I still eligible to retire under the program?**

If you are on workers' compensation leave, whether receiving total or partial disability compensation, and you satisfy the other 2015 ERIP eligibility requirements, you

would meet the standard of being employed by the Commonwealth and could take advantage of the 2015 ERIP program. If already retired while collecting worker's compensation, you are **not eligible** for the incentive provided in the 2015 ERIP program.

**Q9. If I am on a paid or unpaid leave as of the effective date of the ERIP legislation (May 04, 2015), am I still eligible to retire under the 2015 ERIP program?**

If you are on any approved leave, including approved unpaid leave such as FMLA and military leave, you would meet the standard of being employed by the Commonwealth, and if otherwise eligible, could take advantage of the 2015 ERIP program.

**Q10. What if I am already at the maximum percentage (80%) for retirement?**

If you are already at the maximum percentage (80%) you would follow the normal application process outlined on the State Retirement Board's "**Planning for Retirement**" web page at: <http://www.mass.gov/treasury/retirement/for-current-emps/plan-for-retire/>.

**Q11. The 2015 ERIP legislation references one-time incentive payments to encourage employees to resign or retire. Who is eligible and when will this be offered?**

The Executive Office for Administration and Finance has authorized Executive Departments to offer a cash incentive to managerial and bargaining unit employees who have reached maximum retirement allowance (80%). The offering of the program is at the discretion of the Agency, and, if the program is offered, approval for participation in the program will be determined by Agency leadership.

**Q12. What is the deadline for filing a 2015 ERIP Retirement Application under this program?**

The State Retirement Board must receive a 2015 ERIP Retirement Application starting on or after Monday, May 11, 2015 and no later than Friday, June 12, 2015. The retirement date requested will be **June 30, 2015**.

## **APPLICATION PROCESS**

**Q13. If I decide to participate in the ERIP, what should I do to initiate the process?**

- 1) **ALL eligible employees must fully complete and submit a 2015 ERIP Retirement Application to the State Retirement Board no later than Friday, June 12, 2015.** Note: Incomplete application forms will not be accepted, considered filed, or processed by the State Retirement Board. Access the 2015 ERIP application on the State Retirement Board's website at: <http://www.mass.gov/treasury/2015ERIP>.

- 2) As part of the application process, you must contact your Payroll Officer or Human Resources Director to confirm\* the funding source from which you are compensated. (Complete page “v” section 1, of the 2015 ERIP Application.)
- 3) You must submit your completed 2015 ERIP Application to the State Retirement Board no later than Friday, June 12, 2015 to one of the following:
  - One Winter Street, 8<sup>th</sup> Floor, Boston, MA 02108, or
  - 436 Dwight Street, Room #109A, Springfield, MA 01103, or
  - Electronically\* via e-mail to [2015ERIP@tre.state.ma.us](mailto:2015ERIP@tre.state.ma.us)

***\*Electronic submission disclaimer:***

*The State Retirement Board and the Department of Treasury disclaims any liability for the improper or misuse of information submitted through the electronic address referenced herein, and do not provide any warranty or guarantee, express or implied, including but not limited to implied warranties of non-infringement or fitness for particular purpose, nor any warranties as to the accuracy, timeliness, quality, security, reliability, performance, completeness or suitability related to the manner by which any information and materials may be submitted to the electronic address referenced herein. You agree that the State Retirement Board and the Department of Treasury shall not be responsible for any direct, indirect, special, or consequential damages or loss of data arising from or relating to your submission of information to the electronic address utilized herein.*

**Q14. Is the ERIP application review process based on a first come-first served basis or years of creditable service?**

In the event that the number of applicants nears the cap, the State Retirement Board will prioritize its selection of participants in the retirement incentive program based on total creditable service as of June 30, 2015 with participants who have the greater total length of service receiving priority.

**Q15. Can I apply for ERIP if my position is not specifically classified in Group 2, 3 or 4 in the retirement statute, but I am petitioning to have my position classified in Group 1?**

Yes, you may apply for the 2015 ERIP, however, the State Retirement Board will make all final group classification decisions pursuant to its Group Classification Policy. Note: you may be required to complete a 2015 ERIP Group Classification Questionnaire for Board review.

**Q16. If I change my mind, can I withdraw my ERIP application?**

Yes. A request to withdraw a retirement application must be made in writing and received by the State Retirement Board **BEFORE JUNE 30, 2015.**

## COMPENSATION AND BENEFITS

### **Q17. How can I determine what my retirement income will be under the 2015 ERIP?**

You are strongly encouraged to take advantage of counseling provided at either of the State Retirement Board's offices, or by calling (617) 367-7770, (413) 730-6135, or 1-800-392-6014 (in-state only).

- One Winter Street (Downtown Crossing), 8<sup>th</sup> Floor, Boston, MA
- 436 Dwight Street, Room #109A Springfield, MA

Upon request, the State Retirement Board will provide counseling to prospective retirees on the options available to them. The counseling session can be attended in person or by telephone. As part of the application process, prospective retirees must sign a form acknowledging receipt or waiver of counseling. (Page "v" section 2, of the 2015 ERIP Application.)

The Group Insurance Commission (GIC), located on the fourth floor at 19 Staniford Street in Boston, is open for health and other GIC benefit counseling from 8:45 am to 5:00 pm Monday through Friday. During the application period, the GIC will also have counselors out-stationed at the State Retirement Board's office on Tuesday, Wednesday and Thursday from 11:00 AM to 1:00 PM. Click on the following link for a full schedule of counseling offered by the State Retirement Board:

<http://www.mass.gov/treasury/2015ERIP>.

### **Q18. When can I expect to receive my first retirement check?**

The first payment will be retroactive to the retirement date of June 30, 2015. Contingent on the volume of retirement applications received, the first benefit payment may be direct deposited 90 to 120 days after the retirement date. Direct deposit is credited the last business day of the month.

### **Q19. If I participate in ERIP, what happens to my deferred compensation (SMART Plan) account?**

To discuss your options, call (877) 457-1900 to make account inquiries or changes. Call or visit your local SMART Plan representative. To find your local representative, click on the following link,

[https://www.dcpvider.com/mass\\_trans/local\\_rep\\_dev.html](https://www.dcpvider.com/mass_trans/local_rep_dev.html)

## GIC BENEFITS

### **Q20. If I decide to take advantage of the ERIP Program, is there anything I need to do to continue my health insurance and other Group Insurance Commission (GIC) benefits?**

Contact your agency's GIC Benefits Coordinator to complete the GIC Employment Status Change Form (Form 1A) to continue or make any changes to your GIC Life and Health insurance benefits or enroll in the GIC Retiree Dental Plan at retirement. If you don't know your agency GIC Benefits Coordinator, a list can be found on GIC's

website, <http://www.mass.gov/anf/employee-insurance-and-retirement-benefits/coordinator-information/>.

**Q21. Where do I get information about my GIC life, health and dental insurance benefits at retirement?**

We suggest that you go to GIC's website at <http://www.mass.gov/anf/employee-insurance-and-retirement-benefits/status-changes/> for answers to frequently asked questions about retirement and Medicare or to review the GIC Benefit Decision Guide for retirees. You may also contact the GIC's Public Information Unit or Retirement Unit at 617-727-2310, ext. 1 or 6. If you wish to meet with a GIC staff member in person, the GIC (located at 19 Staniford St, 4<sup>th</sup> Floor, Boston, MA) is open from 8:45AM to 5:00PM Monday through Friday.

**Q22. What if I Leave State Service during the 2015 FSA Plan Year?**

If you leave state service during the Plan Year, your participation in the Health Care Spending Account (HCSA) and Dependent Care Assistance Program (DCAP) will terminate as of midnight last date of your active employment. Your Health Care Flexible Spending Account (FSA) debit cards will be inactivated. You will only be able to submit claims for eligible health care expenses that were incurred on or before your last day of active employment. You have until April 15, 2016 to submit all claims. In order to use your HCSA account after you terminate state service you may elect to continue to contribute to the HCSA account under COBRA by making direct payments on an after-tax basis. Your eligibility for HCSA COBRA will be determined by ASIFlex. The HCSA Continuation Coverage under COBRA General Notice and Election Form are available from your payroll coordinator upon termination or the GIC's website at [www.mass.gov/gic/fsa](http://www.mass.gov/gic/fsa). The amount billed to you by ASIFlex would include a 2% administrative fee.

DCAP: You may file claims for eligible dependent care expenses against your account balance for expenses you incur until your DCAP account is exhausted. Claims can be filed with dates of service through the end of the Plan Year. Claims must be filed by April 15.

Please note employees leaving state service cannot pre-pay or have a pre-tax deduction lump sum taken from their **last check for the balance of their 2015 plan contributions**.

**Q23. I've heard that GIC contribution rates for new retirees might increase soon from 20% to 25% of total premiums. If I take the early retirement incentive, what share of premiums will I pay as a retiree, and what will the state pay?**

The fiscal year 2016 budget now before the Legislature includes a proposal to increase contribution ratios to 25% of premiums for all employees and new retirees, but at this point that percentage is just a proposal and not yet law. Until the budget is final, the contribution ratio for new retirees is not known with certainty. Please note that unlike pension benefits, the specifics of retiree health benefits are subject to change over time.

## **CASH OUT OF LEAVE TIME**

### **Q24. Will I receive a cash out of my leave balances?**

Yes. If you elect to retire under the provision of the 2015 ERIP program you will be paid an amount equal to the vacation leave time which has been credited, but you have not used prior to the effective date of retirement. In addition, you will receive payment for unused sick leave credits in an amount equal to 20% of the value of such credits.

Payments in lieu of any accrued vacation time and any unused sick leave shall be made in three installments on September 1, 2015, July 1, 2016, and July 1, 2017. **Note:** members who are participants in the SMART Plan may be able to defer the first installment into their Massachusetts Deferred Compensation SMART Plan account. Click on the following link to access the SMART Plan Resources and Links webpage for more information: <https://mass-smart.gwrs.com/preLoginContentLink.do?accu=MassachusettsWR&contentUrl=prelogin.educate.resourcesLinks&specificBundle=preLogin>.

### **Q25. Will I receive a cash out of compensatory time?**

If you retire under ERIP, the Commonwealth will cash out your full balances of compensatory time, as of the effective date of your retirement.

**NOTE:** Personal leave balances are not eligible for early retirement cash out, so should be used before the effective date of retirement or will be forfeited.

### **Q26. What if I have only a small amount, for example, one day, of unused sick and/or vacation leave, will my cash out still be paid in multiple installments?**

Yes, the legislation does not provide any exceptions to the requirement to cash out sick and vacation leave balances must be paid to you in three yearly installments.

### **Q27. How will I receive my annual cash out payments?**

Cash out payments will be deposited directly into the bank account(s) you have designated for your regular payroll deposits. You are responsible for notifying your agency if your bank account(s) changes.

## **REHIRE/RETURN TO WORK FOLLOWING ERIP**

### **Q28. If I retire under the 2015 ERIP, will I be able to come back to work part-time in the public sector within the Commonwealth?**

You may, subject to the constraints imposed on all retirees in section 91 of chapter 32 of the General Laws. Additionally, an employee retired under this act may not be re-employed in the service of the commonwealth, including as a consultant or independent contractor, or in any other capacity for 30 days after the retirement date June 30, 2015.