

## 2020 COVID19 Enhanced Retirement Program (CERP) Tenured Faculty Plan Description

### Introduction/Overview

Plymouth State University is offering a COVID Enhanced Retirement Program (CERP) to active tenured faculty. There is no guarantee a program like this or a similar program will be offered again. The application window for this program will commence immediately and run through October 15, 2020 and provide the option to propose an effective departure date no later than June 30, 2021. The application is subject to Senior Leadership approval (President, Provost or Respective Vice President with operational responsibility for employee's department), and Senior Leadership may, for any business reason, approve a retirement date other than the proposed retirement date submitted. Plymouth State University does not require eligible employees to elect this plan.

### Eligible Employees must:

- Be a status (benefits eligible) tenured member<sup>1</sup>
- Be 59 ½ years of age or older on or before approved retirement date
- Have 10 years or more of status (benefits-eligible) full-time service within USNH on or before the retirement date
- Agree to separate from their employment at the date confirmed by Senior Leadership

### Employees are Ineligible to apply if:

- Their position funding is shared between PSU and a grant(s)/outside entity and the grant(s)/outside entity pays more than 50% of the position budget.
- They are currently the subject of a disciplinary process with a Final Warning and/or Performance Improvement Plan
- They have a previously agreed upon termination or retirement date or are participating in the transition to retirement program
- They are classified as an Executive Officer or Academic Administrator of USNH

### Employees will be deemed ineligible for CERP if at time of separation:

- They are not in active service
  - Including on a leave of absence due to a USNH disability program (STD, LTD) or Workers' Compensation

### Enhanced Retirement Program Components

- Incentive Payment
  - A sum equivalent to 1½ years of annual base pay<sup>2</sup> distributed over 39 pay periods beginning immediately after retirement date
- Service Payment
  - Employees age 62 but less than age 65 will receive \$500 for every full year of USNH status service as of approved retirement date, as a lump sum at retirement
  - Employees 65 or older will receive \$1,000 per full year of USNH status service as of approved retirement date, as a lump sum at retirement
- Medical Coverage
  - Up to 5 ½ years of continuing medical coverage provided election is in place at time of application and immediately prior to retirement date. Refer to below section 'Continuing Medical Coverage Details' for important information.
  - Waive Coverage Payment option: \$15,000
    - Employees under age 65 and enrolled as the subscriber in a USNH medical plan on the date they submit application and immediately prior to retirement date are eligible for an additional \$15,000 one-time payment upon retirement if they elect to waive medical coverage effective on their retirement date. In waiving coverage, the employee will not be eligible to be covered as a dependent or spouse on another employee's USNH medical plan. In addition, if the employee elected the Medicare Complementary Plan (MCP) retiree medical plan in 1994 instead of the Additional Retirement Contribution (ARC), they will no longer be eligible for the MCP.

### Continuing Medical Coverage Details

- USNH medical coverage for up to 5½ years, or to age 65, whichever comes first. Coverage will continue through the last day of the month before the employee's 65th birthday or the last day of the prior month if the birthday falls on the first of the month,

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<sup>1</sup> Employees are ineligible if their position funding is shared between PSU and a grant(s)/outside entity and the grant(s)/outside entity pays more than 50% of the position budget

<sup>2</sup> Base pay, for purposes of the CERP, does not include stipends, overload, or any type of additional pay or bonus; CERP payments will not be recalculated to reflect changes in base salary or rate of pay that are implemented after application submission

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whichever comes first. This medical coverage runs concurrent with COBRA. All insurance benefit plans and premiums are subject to change.

- Employees eligible for the Additional Retirement Contribution (ARC) or those hired with a date of hire after July 1, 1994
  - Coverage for your spouse/eligible dependents will end on the last day of the month before the employee reaches age 65 (or the month prior if the employee's birthday falls on the first of the month).
- Employees with USNH Medicare Complementary Plan (MCP)
  - Retiree premium contributions to cover a spouse/eligible dependent(s) will be the same as active employees for a maximum of three (3) years after the employee's retirement date. After this time, the faculty member will be responsible for 50% of the total cost (employee and employer) of the coverage.
  - Employees who waive medical coverage at the time of retirement will not be eligible for the MCP

**Additional Benefit Information**

- 1994 ARC Participants (with no break in service) who do not meet the age requirement for the ARC guarantee eligibility may receive the difference, if any, of the minimum guarantee of \$10,000, plus \$,1,000 for each full year of service in excess of 20 years, reduced by employer contributions under the ARC program as a taxable cash payment.

**Additional Program Details**

- Interested employees should visit the Human Resources website at <https://campus.plymouth.edu/human-resources/employee-info/covid-19-enhanced-retirement-program-cerp-for-tenured-faculty/> for application materials.
- If employee retires under CERP, they are not eligible to reapply or be rehired into a benefited status, term, temporary or adjunct position within USNH, either full-time or part-time.
- Employee will have seven (7) days following the date of approval during which they can revoke the agreement. Once that period has passed, their signature is irrevocable.