

TERMINATION GUIDELINES

OPTIONAL RETIREMENT PLAN FOR HIGHER EDUCATION

This form is not a distribution request form. To request a distribution, use the distribution forms of the provider(s) with whom you have an account balance. If you are eligible to receive a distribution from the VRS-administered ORP for Higher Education, VRS must sign the provider distribution form once this certification form is completed. For additional information, please read the important guidelines below.

The benefits provided under the ORP for Higher Education are intended to provide income in retirement. If you are leaving employment where you participated in the ORP you may in most cases begin a distribution from the plan. Unless you continue to be employed by an employer that provides retirement benefits through a plan authorized by Code of Virginia Title 51.1 Chapters 1, 2, 2.1 or 3, you must begin a required minimum distribution from the plan no later than April 1 of the year following the year you reach age 72.

VRS processes requests for distribution from the Commonwealth's ORP for Higher Education only if the Termination Certification form on file with VRS was completed within 12 months of the distribution request. Otherwise, a revised Termination Certification must accompany the distribution request. If you are employed by an institution that administers its own ORP, provide this completed form to the institution's human resources office when you request a distribution.

Important Note: If you take a distribution of your total plan account balance and return to covered employment, you will be rehired under the plan provisions in place at that time, which may have different retirement and other benefits.

Employment Status

You may not receive a distribution from the ORP if you are reemployed in a position which provides retirement benefits in any of the following plans: the Virginia Retirement System (VRS), the Judicial Retirement System (JRS), the State Police Officers Retirement System (SPORS), the Virginia Law Officers Retirement System (VALORS), any Optional Retirement Plan or Alternative Retirement Plan authorized in the *Code of Virginia*.

If you return to part-time employment (non-salaried; non-classified) with any agency or institution of the Commonwealth, you must meet the following criteria to receive a payment from your ORP:

1. Have a break-in-service of no less than one full calendar month during which you receive no compensation or active member benefits from the Commonwealth (summer breaks, annual leave, sick leave, FMLA leave of less than 12 weeks or more based on employer's policy, educational leave, and sabbaticals do not count toward the full calendar month required for a break-in-service);
2. You and your employer had no pre-determined date that you return to employment; and
3. The work you do does not have the same duties or hours that you worked prior to leaving your ORP-covered position and you work in a part-time position which is less than 80% of the normal, full-time equivalent hours for a similar position.

Eligibility for Benefits After Termination of Employment

You may be eligible for benefits as follows:

1. Group Life Insurance

In some cases, you may continue group life insurance coverage after you terminate employment with the Commonwealth. If you are a Plan 1 participant, you must be age 55 with at least five years of service or age 50 with at least 10 years of service to continue to be covered by the Group Life Insurance Program whether or not you begin a distribution from the ORP. If you are a Plan 2 participant, you must be age 60 with at least five years of service or your age and service at the time of your termination must be at least 90.

A 25 percent reduction in the amount of your coverage begins on January 1 following one calendar year after you terminate employment and continues each January 1 until the amount of your coverage is 25 percent of the value of the natural death coverage at termination of employment.

If at the time you terminate employment with the Commonwealth you are covered by Optional Group Life Insurance, you may continue the optional group life coverage until you reach age 80 if you continue to pay the premiums or you may convert the coverage to an individual policy.

If you do not qualify to continue basic group life insurance benefit when you terminate employment, you may, within 31 days of termination or loss of coverage, convert your group life insurance benefit to an individual policy at non-group rates without providing evidence of insurability.

For more information visit VRS at www.varetire.org or call Minnesota Life toll-free at 1-800-441-2258.

2. Retiree Health Insurance Credit

You qualify for the retiree health insurance credit if you meet the following criteria:

- a. You have at least 15 years of service in VRS and/or the ORP.
- b. You terminate employment with the institution and are not reemployed in a position that causes you to be covered by one of the retirement plans created by Title 51.1, Chapter 1, 2, 2.1 or 3 of the *Code of Virginia*.
- c. You are enrolled and paying a premium for yourself in an individual or employer-sponsored health insurance plan, Medicare Part B and D, vision, dental or as a dependent under your spouse's coverage.
- d. Your employer certifies your eligibility for the health insurance credit by completing the Optional/ Alternative Retirement Plan Health Insurance Credit Employer Certification of Service (VRS-75).
- e. You submit to VRS a Request for Health Insurance Credit (VRS-45) each time your health insurance plan and/or premium changes.

Currently the credit is \$4 per month per year of service. The credit you receive may not exceed the amount you pay out-of-pocket for your individual health insurance coverage. This is a tax-free benefit.

3. Health Insurance Credit for Disability

If you are receiving a long-term disability payment from your institution-sponsored plan, you are eligible for the greater of \$120 or \$4 per year of service. If you leave employment because of disability and are not receiving a payment from your institution's long-term disability plan you are eligible for the health insurance credit if you have 15 years of service. The amount of the credit is based on your years of service.

You must notify VRS if your long-term disability payments cease. You are responsible to reimburse VRS for any overpayment of the health insurance credit.

4. Health Benefits

Speak with your Human Resources office for information on any health insurance benefits that are available to you once you retire or terminate employment.

For more information read the "Optional Retirement Plan For Higher Education Handbook for Participants" found at www.orphe.varetire.org/handbook.

Employer Certification of Group Life Insurance Status

This section is only completed if the employee leaves full time employment with the employer. It is not completed if you transfer or change classification and you remain in an active status as a salaried employee.

Taking a Distribution from your Plan

If you intend to start a distribution from the ORP for Higher Education, contact your investment provider(s) for information on the choices available and for the necessary forms. If you participate in the VRS-administered ORP for Higher Education, VRS must sign your distribution form certifying that you are eligible for the distribution from this plan.

Contact information for the current providers:

DCP Virginia Retirement System	1-877-327-5261	www.orphe.varetire.org/dcp
TIAA	1-800-842-2252	www.tiaa.org/vrs

Some participants may have balances with providers who are no longer participating in the ORP. Contact information for those providers:

MetLife	1-800-856-7772	www.metlife.com
AIG-VALIC	1-800-448-2542	www.valic.com
T. Rowe Price	1-800-922-9945	www.troweprice.com
Fidelity	1-800-343-0860	www.netbenefits.com/orphe
Great-West (EMPOWER)	1-800-701-8255	www.participant.empower-retirement.com/participant/#/login