

Henderson State University
Campus Operating Procedure

Health Benefits, Basic Life Insurance, and Miscellaneous Benefits Upon Retirement

Scope and Applicability

This Operating Procedure applies to all full-time employees of Henderson State University, regardless of when their employment with Henderson commenced. By resolution of the Arkansas State University System Board of Trustees on June 2, 2022 (Board Resolution No. 22-___), only this Operating Procedure, and not the ASU System Policy: Early Retirement Benefits, applies to Henderson employees. Nothing in this Operating Procedure affects the provisions or requirements of the various retirement plans available to Henderson employees (such as the ASU System TIAA-CREF Plan).

This Operating Procedure overrides and replaces the “Early Retirement” provisions of the Henderson Faculty Handbook as of the effective date provided below.

Effective Date

This Operating Procedure is effective as of July 1, 2022.

Purpose

This Operating Procedure provides certain benefits for eligible Henderson employees upon their retirement from the university in recognition of their dedicated and lengthy service. These benefits will be available only to the extent allowed by the existing financial conditions of the university.

Eligibility

Full-time, benefits-eligible Henderson employees are eligible to receive benefits upon retirement from the university if they meet one of the follow requirements:

- **Employees between the ages of fifty-five (55) and sixty (60) shall become eligible for benefits provided under this Operating Procedure in the calendar year in which the sum of their age and the number of years of continuous full-time service to the university totals seventy (70).**
- **Employees sixty (60) years of age and older are eligible for benefits provided under this Operating Procedure in the calendar year in which they have at least ten (10) years of continuous full-time service to the university.**

Other Provisions

Early Retirement Incentive. Periodically the institution may offer a special incentive in the interest of providing salary savings and other advantages for the university. Details will be provided at the time of offering.

Health Benefits. At the time of their retirement, eligible retirees may continue to purchase health benefits coverage for themselves and their eligible dependents, at full cost, under the provisions of the ASU System health benefits program. No university subsidy will be provided or applied toward premiums.

Basic Life and Accidental Death and Dismemberment Insurance. Basic life and accidental death and dismemberment insurance will be provided at no cost to the retiree in an equal amount to that scheduled at the time of and in effect immediately prior to the retiree's retirement.

Dental and/or Vision Insurance. At the time of their retirement, eligible retirees may continue to purchase dental and/or vision insurance coverage for themselves and their eligible dependents, at full cost, under the provisions of the ASU System benefits program. No university subsidy will be provided or applied toward premiums.

Other Miscellaneous Benefits. Persons retiring under this plan will continue to receive tuition waivers as provided to full-time employees, library access, and may attend Henderson functions the same as full-time Henderson employees.

University administration reserves the right to amend or modify these retiree benefits.

Termination of Benefits

The health benefits and basic life and accidental death and dismemberment insurance provided or made available to retirees under this Operating Procedure will terminate at the earlier of: (a) the age at which the retiree becomes eligible for Medicare coverage or (b) the date the retiree becomes eligible for similar benefits under any other arrangement for members in a group plan, whether group insured or self-insured.

The health benefits and basic life and accidental death and dismemberment insurance provided or made available to a covered spouse of the retiree under this Operating Procedure shall terminate the earlier: (a) when such benefits terminate for the retiree or (b) the spouse becomes eligible for Medicare. Should the spouse of a retiree not have reached the age of Medicare eligibility at the time benefits to the retiree are terminated, the retiree may pay the cost of continuing such health benefits coverage until such time as the spouse becomes eligible for Medicare. However, the covered spouse's basic life and accidental death and dismemberment insurance will terminate at the time the eligible retiree's benefits terminate.

The health benefits for unmarried dependents, if covered at the time the retiree retires, will terminate at the earlier of (a) the date on which the eligible retiree's benefits terminate, (b) the date on which they become eligible for similar benefits under any other arrangement for members in a group, whether insured or self-insured, or (c) the date on which they no longer meet the dependency requirements of the plan.

University administration reserves the right to amend or modify termination of benefits.

Retirees Unused Sick Leave Compensation

After 10 years of continuous service and upon retirement from Henderson, if an eligible retiree has unused sick leave (none of which has been donated from the catastrophic leave bank) at the time of retirement, then sick leave will be paid in accordance with the rates, computations, and limitations for the payment of unused sick leave under Ark. Code Ann. § 21-4-501, provided that the financial condition of the university allows.

Responsibility

It is the responsibility of the Human Resources Department to provide retirement information to employees upon request. Determination of eligibility will be made by Human Resources and approved by the Chancellor.