November 28, 2017

TO: Deans, Directors and Department Chairs

FROM: Patty Haberberger

As the effective date for changes to retiree health insurance approaches, we recognize you may have employees retiring in 2017 who have an interest in continuing University employment. We want to ensure our departments can meet their staffing needs in the most efficient and effective way and sometimes that means rehiring an employee after their retirement. Understand the options available to your department and employees by reading an overview of the rehire rules below.

Rehiring an employee who is age 62 or greater at the time of consideration for rehire:
At the discretion of the department and the University, employees who are age 62 or greater may be eligible to return to work after retirement if they:

- Complete the necessary paperwork to apply for and initiate retirement AND
- Only return to work on a non-benefit eligible basis, in order to continue receiving their pension and insurance benefits (less than 75% FTE across all appointments they might hold at any given time).

Rehiring an employee who is not yet age 62 at the time of consideration for rehire:
At the discretion of the department and the University, employees who are not yet age 62 may be eligible to return to work after retirement if they execute a “bona fide” termination. Consistent with IRS standards, this means the following criteria must be met:

- The employee and employer may not engage in discussions regarding reemployment before the employee’s effective date of retirement/separation from service (i.e., official retirement date).
- The break in service before reemployment must be at least 90 days from the effective date of retirement/separation, unless the rehire is part of a competitive hiring process, which generally includes posting of the position, receipt of applications, and interviewing candidates. As part of a competitive hire process, the employee cannot apply for a position until after the effective date of retirement/separation to be considered in compliance with these requirements.
- The employee’s signature is required on the Notice of Intent to Retire acknowledging the rehire requirements.
- If the former employee is receiving benefits, exceeding the 74% FTE limitation upon rehire will cause benefits to cease under the Retirement, Disability and Death (RDD) Benefit plan.
- For purposes of measuring the FTE limitation, all active appointments will be considered.

Learn more or find answers to additional questions on the Rehire requirements webpage, or reach out to your campus Human Resources office for assistance.