

# **ANNUAL LEAVE AND SICK LEAVE PAYOUT (VEBA)**

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UNIVERSITY *of* WASHINGTON



# **AGENDA**

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- > **Introduction**
- > **PEBB Retiree Health Insurance**
- > **Medicare & Enrollment**
- > **Retiree Life Insurance**
- > **Annual Leave and Sick Leave Pay-out (VEBA)**
- > **Retirement Checklist**
- > **Working after retirement**



## **ACRONYMS**

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**VEBA-** Voluntary Employees Benefits Association

**VRI-** voluntary retirement incentive *(available for select faculty during select times)*

**ISC-** Integrated Service Center



## PLEASE PREPARE HANDOUTS

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- > VEBA MEP Plan Benefits Brochure
- > VEBA Investment Fund Overview
  
- > **If you are a VRI eligible faculty member**, you will be contacted by UW Total Benefits individually with your VEBA brochure and enrollment form.



# ANNUAL LEAVE

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- > Leave payout rules vary by employee type
- > See HR website for leave rules:
  - <http://hr.uw.edu/ops/leaves/>
- > Payment process is through Workday

# ANNUAL LEAVE PAY-OUT

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## PROCESS FOR SEPARATED EMPLOYEES

- > **Final payout for accumulated annual leave is paid on the regular payroll pay dates.**
- > **Campus employees should contact the ISC for questions: 206-543-8000**
- > **Medical Center employees should call or email UW Medical Centers Payroll at 206-744-9280 or [uwmpay@uw.edu](mailto:uwmpay@uw.edu)**

*UW Total Benefits is unable to answer questions about when annual leave will be paid out*

# **SICK LEAVE**

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- > **25% pay out of unused sick leave balance may be paid into a VEBA (Voluntary Employees Benefits Association) account**
  - Complete a VEBA enrollment form as you cannot be paid the amount directly
  - Amount based upon your unused sick leave hours
  - Funds (VEBA) Tax-free health reimbursement account
    - > No “use-it-or-lose-it” provision
    - > Can be transferred to a beneficiary, if you pass away with no surviving spouse or dependents

# **VOLUNTARY RETIREMENT INCENTIVE (VRI)**

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## WHAT IS VRI?

- > Forego vested right of 5 years state funded reemployment (40%) in exchange for a tax-free medical expense account VEBA
- > Tenured UW faculty age 62 or greater
- > Eligible faculty members will received an announcement
- > Questions?: Contact [vri@uw.edu](mailto:vri@uw.edu) or visit website:
  - <http://ap.washington.edu/ahr/working/retirement/vri/vri-faq/>



# VEBA

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## WHAT IS VEBA?

- > **Reimburse yourself for out-of-pocket medical, dental and vision expenses not paid by insurance**
  - Spouse and qualified dependents are covered-even if you pass away
  - Co-pays, deductibles, co-insurance
  - Prescription drugs
  - Health care premiums (retiree medical, Medicare Part B)
  - See list of eligible expenses in packet
    - > Other expenses outlined in IRS Publication 502
- > **[www.VEBA.org](http://www.VEBA.org)**

# VEBA

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## ENROLLMENT: INVESTMENT OPTIONS

### Can choose Option A or B

- (or Default: 100% to Stable Value Fund)

#### > Option A: Choose a Pre-mix

- Four Vanguard Life Strategy Funds (choose 1)

#### > Option B: Do-it-Yourself

- Six asset classes/Fund choices (elect a percentage)

- Quarterly or Annual rebalancing option

# VEBA

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## ENROLLMENT

- > **Employee - completes VEBA Membership Enrollment Form and returns it to UW Total Benefits Office. Please put your last day of work on the VEBA enrollment form.**
  - **UW ISC/Payroll unused sick leave hours used to calculate your VEBA benefit amount and reports this value to UW Total Benefits.**

# VEBA

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## ENROLLMENT

- > **Faculty – Completes and returns signed VRI agreement**
  - Provost Office notifies UW Total Benefits Office who then sends VEBA Membership Enrollment Form to faculty member to complete and return to UW Total Benefits Office
- > **UW Total Benefits- Sends a copy of your VEBA enrollment form and the calculated VEBA benefit amount to VEBA Plan Administrator.**
- > **Failure to turn-in the enrollment form will delay your access to your VEBA benefit**

## **VEBA**

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- > **VEBA Plan Administrator – *After receipt* of enrollment form and funds from UW, VEBA will establish your account. They will send you a welcome packet by US mail. Information sent includes:**
  - How to submit a claim
  - Systematic claim form – use for reimbursing monthly premium expenses
  - Online account access and how to file a claim online
- > **Claims processed daily**
  - Set-up direct reimbursement deposit to your checking or savings account



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# THANK YOU FOR ATTENDING!

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## Total Benefits office contact information:

**Web:** <http://hr.uw.edu/benefits/>  
**Email:** [totalben@uw.edu](mailto:totalben@uw.edu)  
**Phone:** 206-543-4444

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