

Guide to Leaving NYPA - Management

This document contains important information about what happens to your benefit programs when your employment with NYPA ends. For purposes of this document, your separation is your last day of work.

If you are leaving NYPA, you are required to notify both your supervisor and local HR representative as far in advance as possible (at least two weeks) to allow for the required paperwork to be completed ensuring that your employment status is updated in a timely fashion.

It is your responsibility to keep your home address, email address and telephone number up to date on NYPA records, even after your termination date, so that important materials can be delivered to you.

✓ Review your current benefits coverage on your Confirmation Statement by logging on to [MyPageNYPA](#) > Benefits and Payment > Benefits Confirmation Statement.

Medical, Dental, Vision, Flexible Spending Account (FSA) and Employee Assistance Program Plans: Coverage ends on the last day of the month in which you separate. FSA reimbursement claims must be received by the carrier no later than March 31 of the year following your termination.

COBRA: You can elect to extend coverage for your medical, dental, vision, FSA and EAP benefits through COBRA for up to 36 months - 18 months of federal COBRA and 18 months of NYS COBRA. You will receive a COBRA packet from our third-party COBRA administrator, TASC, generally within two weeks following the date your coverage ends. The information in the packet explains your COBRA rights and responsibilities as well as election and payment information. Please see the COBRA rates [here](#).

Life Insurance coverage (employee, spouse, dependent, if applicable): Your Life Insurance coverage will end on the last day of the month in which you separate. You have the option of converting your life insurance amount(s) to an individual policy at your own cost. Application and payment of the first premium must be made within 31 days of your coverage termination. You are responsible for sending the application to the life insurance carrier should you choose to convert the coverage. If you are interested in converting your life insurance please notify the Benefits Department via email at HR.Services@nypa.gov and the form will be sent to you with the Employer section completed.

Long-Term Disability and Business Travel Insurance: Your coverage ends on your last day of work with no conversion options.

Unused Vacation Days: You'll receive payment for carryover vacation days plus the current year's vacation on a pro-rated basis (1/12 of yearly vacation days for each month of service) up to 40 days.

Other Supplemental Benefits: Coverage for Accidental Death & Dismemberment; Accident Expense Plan; Cancer Protection Plan and Group Legal Plan ends at the end of the month in which you separate. If you would like to convert to an individual policy, you must contact the carrier(s) directly for information on conversion or portability. Please see conversion information for AD&D [here](#); Accident Expense/Cancer Protection Plan [here](#); and Group Legal Plan [here](#).

NEW YORK STATE RETIREMENT SYSTEM

Depending on your tier and years of credited service, you will be vested as follows:

- **Tier IV:** Vested after 5 years of credited service.
- **Tier V & Tier VI:** Vested after 10 years of credited service.

Vested Members: You can begin receiving your retirement benefit when you reach age 55. The amount of your benefit is based on your service, age at retirement and the salary you earned when you were an active employee. Once you have vested, meeting the required years of service, you cannot withdraw from the Retirement System. Your contributions are required to remain in your account, and you will qualify for a retirement benefit when you reach 55. If

is up to you to apply for your retirement benefit at that time.

Non-Vested Members: If you leave public employment with less than the amount of vesting years required for your tier, you may withdraw your accumulated contributions (with interest compounded at five percent per year), which ends your membership. To do this, you should file a Withdrawal Application (RS 5014).

If you leave employment with an outstanding loan balance, you must make at least one payment every three months directly to the Retirement System. If you don't make payments, any unpaid balance of your loan will be considered in default with tax consequences.

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- If you leave before reaching the 366-day vesting period, employee contributions are refunded – employer contributions are forfeited.
- Cash distributions are generally subject to ordinary Federal income taxes and may be subject to an additional IRS 10% penalty for withdrawals made before age 59 ½.
- Please consult your tax professional for further information and guidance on how to report distributions on your personal income tax return.

Employees' Savings Plan (401(k))

Contact T. Rowe Price directly to discuss your options regarding your 401(k) account. You may leave your funds with T. Rowe Price indefinitely or rollover to another qualified type account.

- Should you choose to withdraw funds without a rollover the IRS requires a 20% withholding from the withdrawal to cover federal income taxes, plus any additional federal, state and local taxes.
- In addition, there is a 10% federal penalty on withdrawals you take before you reach age 59½, unless you separate from service after age 55.
- If your vested account balance is less than \$1,000 you are required to take a withdrawal or rollover. T. Rowe Price will mail you the Employees' Savings Plan Total Distribution Form and Special Tax Notice.

Plan Loans: If you have an outstanding loan at separation, you have 60 days from your separation date to repay your loan. Loans not repaid within 60 days will be considered in default with tax consequences. Loan checks should be made payable to T. Rowe Price.

Deferred Compensation Plan (457 Plan)

Contact T. Rowe Price directly to discuss your options regarding your 457 account. You may leave your funds with T. Rowe Price indefinitely or rollover to another qualified type account.

- Should you choose to withdraw funds without a rollover the IRS requires a 20% withholding from the withdrawal to cover federal income taxes, plus any additional federal, state and local taxes.
- If your account balance is less than \$5,000 you are required to take a withdrawal or rollover. T. Rowe Price will mail you the Employees' Savings Plan Total Distribution Form and Special Tax Notice.

Plan Loans: If you have an outstanding loan at separation, you have 90 days from your separation date to repay your loan. Loans not repaid within 90 days will be considered in default (tax consequences will occur). Loan checks should be made payable to T. Rowe Price.

Commuter Benefits: If you have a Mastercard, and your separation date is prior to the 11th of a month, your card will be active through the last day of the month in which you separate. If you separate after the 11th of a month, your card will be active through the last day of the month following your separation date. Based on IRS guidelines, unused pre-tax funds are forfeited. If you have other commuter tickets, you will be able to use the pass until it's expiration or access your card account balance until fully depleted. If you have specific questions on your pass or card expiration, contact Edenred Commuter Benefits at 888.235.9223.

Other Benefits

Any other **payroll deductions** such as auto/home insurance (Liberty Mutual: Daniel Ferrara, 718-324-2052, ext. 52819) or 529 College Savings Plan (877-697-2837, NY529@nysaves.org) will stop, so you may want to make arrangements directly with those providers.

If you leave employment and have not completed the continuous employment period for either Relocation or Tuition Reimbursement benefits, notify your local HR representative to arrange reimbursement to NYPA.

While NYPA intends to continue the benefits and programs described in this document, NYPA reserves the right to change or terminate any of these benefits, programs or pieces of programs at any time. If there is a difference between the benefits and descriptions on this checklist, the plan documents and contracts will govern in every instance.

Review Contact Information for all benefit plans [here](#).