FREQUENTLY ASKED QUESTIONS

Retirement Benefits Plans
Leaves Benefits and Leaves of Absence
Health, Welfare and Voluntary Benefits

GENERAL

Why have retirement and benefit plan eligibility dates changed?
Arizona Gov. Jan Brewer recently signed Senate Bills 1614 and 1609 and House Bill 2024 into law, significantly revising current legislative guidelines.

As a hiring manager, what can you do to explain these changes to new and prospective faculty and staff?
1. Include the Quick Guide to ASU Benefits flyer in your recruitment packets and as an attachment with your offer letters.
2. See and quote New Enrollment Information & Instructions on Benefits website (cfo.asu.edu/hr-benefits); updates will be posted in July.
3. Refer prospective employees to the Employee Service Center at 855.278.5081 or HR Faculty Services at 480.727.9900 for additional details.

How do I verify/ensure that new faculty and staff enroll before the deadline?
Ask your HR Liaison, Business Operations Manager or designated department representative to notify you if a new faculty or staff member has not enrolled by the third week of employment. NOTE: Check the status yourself if you have access to the Benefits Enrollment dashboard.

RETIREMENT BENEFITS PLANS

What are the eligibility criteria for the mandatory retirement plans?
- Faculty, academic professionals, administrators and university staff categories 02, 03 or 04 scheduled to work 20 or more hours a week for 20 or more weeks in a fiscal year are required to elect either the Optional Retirement Plan (ORP) or the Arizona State Retirement System (ASRS).
- Classified and university staff category 01 scheduled to work 20 or more hours a week for 20 or more weeks in a fiscal year must participate in the ASRS.
- Full-time Police Officers and Police Recruits who are regularly assigned hazardous duty and regularly scheduled to work 40 hours a week must participate in the Public Safety Personnel Retirement System (PSPRS).
- Post-doctoral scholars and F1/J1 Visa holders are not eligible to participate in any mandatory retirement plan. Other exceptions may include full-time students and graduate student workers, plus ASRS/PSPRS retirees.

When must a faculty/staff enroll in a mandatory retirement plan?
ORP: Election must be completed within 30 days of eligibility. If ORP enrollment is not made within 30 days, eligible participants will forfeit their right to choose and automatically be enrolled in the ASRS. Enrollment includes the submission of a completed Election of Retirement form to HR AND the establishment of an account with the investment provider.

ASRS: Enrollment is automatic, but participants must establish an account with ASRS online.

PSPRS: Enrollment is automatic, but participants must complete a PSPRS membership form.

What are the effective dates of coverage for the mandatory retirement plans?

ORP: Participation in the ORP begins the first day of the pay period following completion of the enrollment process.

ASRS: NEW! For those hired or who become eligible on or after July 20, 2011, participation in the ASRS begins the first day of the pay period following 182 days of eligible employment. If the individual has an ASRS account through previous employment, their participation starts immediately.

PSPRS: Participation in the PSPRS begins on the first day of eligible employment.

What is an alternate contribution rate?

An alternate contribution rate is an employer-paid, retirement contribution that must be paid for any return-to-work retiree collecting a pension benefit from the State of Arizona. This contribution must be paid in addition to any other required employer contribution for the retiree’s current plan.

- PSPRS – NEW! Effective for the pay period July 11, 2011, the university must pay an alternate contribution (FY12 = 10.51%) to the PSPRS trust for all return-to-work retirees collecting PSPRS pension benefits.
- ASRS – NEW! Effective July 2012 (FY13), the university must pay an alternate contribution rate for return-to-work ASRS retirees collecting pension benefits.
- ORP – Not applicable.

When can a faculty/staff enroll in a voluntary retirement plan (403b or 457b)?

Enrollment can be done any time after the hire date.

What are the effective dates of coverage for the voluntary retirement plans?

Voluntary 403(b) Plan participation begins the first day of the pay period following enrollment.

Deferred Compensation 457(b) Plan participation begins the month following enrollment.

LEAVES BENEFITS and LEAVES OF ABSENCE

Have any changes been made regarding leaves benefits plans (e.g., vacation and sick) or leaves of absence policies?

No, eligibility and coverage are regulated by ASU ACD and SPP policies.
What are the eligibility criteria for the health and welfare benefits?
A regular or long-term temporary faculty/staff regularly scheduled to work 20 or more hours a week for at least six months is eligible for benefits.

When must a faculty/staff enroll in ASU’s health and welfare plans (includes medical, dental, vision, supplemental or dependent life, short-term disability, flexible spending accounts or a HSA Savings Account)?
Enrollment must be made within 30 days of eligibility. Additionally, enrollment in a HSA Savings Account can be made at any time in the future.

What are the effective dates of coverage for ASU’s health and welfare plans?
NEW! Coverage is effective the first day of the pay period provided enrollment is completed as noted above.
Rehires and transfers: See cfo.asu.edu/hr-effectivedates for more details.
MORE INFO: Quick-reference chart

Must faculty/staff take action to enroll in the basic life plans provided by the university?
No, enrollment in the Hartford and Aetna basic life plans is automatic.

When does basic life coverage begin?
NEW! Coverage begins on the date of hire or eligibility.

Must a faculty/staff member take action to enroll in a long-term disability plan?
No, LTD coverage is an automatic feature of each mandatory retirement plan.

What are the effective dates of coverage for long-term disability coverage?
NEW! LTD coverage through participation in the ORP or the PSPRS is effective the same day as ORP or PSPRS participation.
NEW! LTD coverage through the ASRS is effective the first day of the pay period following 182 days of eligible employment (pending ASRS clarification).
NEW! For post-doctoral scholars, LTD is effective on the date of hire or eligibility.
NOTE: Post-docs are not eligible to enroll in a mandatory retirement plan.

When can a faculty/staff member enroll in a voluntary benefit plan (e.g., long-term care, or home and auto insurance)?
Enrollment can be done at any time after the hire date. The plan documents should be referenced for specific eligibility or policy regulations.

What are the effective dates of coverage for voluntary benefit plans?
The effective dates differ and are established by each vendor.

Has the effective date of eligibility changed for the Reduced In-State Tuition benefit?
No, faculty and staff are eligible on the first day of employment and must be in a benefits-eligible status on the first day of class. SPP 505