



Frequently Asked Questions Refunds of Retiree Health Fund Contributions April 2016

Refunds of Retiree Health Fund Contributions

1. Q—Am I entitled to a refund of my contributions to the Retiree Health Fund if I separate from state service before I qualify for retiree health benefits?

If you don't accrue enough service to qualify for retiree health coverage you can request a refund of your Retiree Health Fund contributions upon separation from service.

2. Q—I am leaving my full time job with the state but will continue to work as an adjunct faculty member, can I get a refund?

No, you can only apply for a refund of Retiree Health Fund Contributions if you terminate from all positions with the state.

3. Q—How do I request a refund of my Retiree Health Fund Contributions?

Use the CO-1301 to request a refund. The fastest way to get a refund is to submit the application to your agency in time to have it included in your final paycheck. The form can be found at

<http://www.osc.state.ct.us/empret/3pctcontrib/index.html>.

4. Q—How can an agency expedite a separating employee's refund request so that the refund is paid promptly?

If a separating employee requests a refund the following procedures will assure the prompt processing:

- (a) Agency verifies eligibility for refund;
- (b) Agency determines the amount of the refund by consulting the OPEB Tracking Page in CORE-CT, (see OPEB Tracking Totals page);
- (c) Fill in the Grand Totals Refund Amount on the CO-1301 (Refund Application) and have the employee sign the form prior to the termination date;
- (d) **Terminate the OPEB deduction immediately** to prevent additional Retiree Health Fund contributions from being collected in remaining paychecks while the refund is being processed;
- (e) E-mail an override spreadsheet to osc.paycorrections@ct.gov and e-mail a copy of the CO-1301 to OSC.OPEB@ct.gov.

5. Q—Is there any deadline for requesting a refund of OPEB contributions?

A refund can be requested at any time after separation from service. However, you will receive the refund faster if the application is submitted while your Payroll record is still active. If you wait until after

termination to request a refund there could be a delay of several months because your position will need to be reactivated in order to issue a check.

6. Q—If I get an OPEB refund, will it be pre-or post-tax?

Your OPEB refund will have deductions taken for federal and state income tax, Social Security and Medicare taxes.

7. Q—What will happen if I get a refund of OPEB contributions and subsequently return to state service?

An employee has 60 days after returning to state service to elect to repay the refunded OPEB amounts. If the employee does not repay the entire refunded OPEB contributions, he or she will forever forfeit their right to obtain credit for prior service [during which refunded OPEB contributions were made] for purposes of qualifying for retiree healthcare coverage. If an employee wants to pay refunded OPEB contributions back over time, the maximum period for repayment will be period during which refunded deductions were made. If there is no repayment agreement a rehired employee who is eligible for health benefits will be subject to 10 years of OPEB contributions from the date of rehire.