



**DEPARTMENT OF HEALTH SERVICES
HUMAN RESOURCES POLICY & PROCEDURE**

TITLE: 102 – RETIREMENT

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102.01 INTRODUCTION

The Department of Health Services (DHS) Retirement policy applies to all employees covered under the Wisconsin Retirement System. It is intended to establish uniform procedures and standards for the administration of employee retirements.

The state administers the Wisconsin Retirement System (WRS), which requires mandatory participation of most permanent employees. Former Milwaukee County employees whose functions have been converted to the state classified positions should contact their payroll representative regarding their status with the WRS. Retirement benefits for career employees who retire at the normal retirement age can be as much as 65% of the employee's earnings. Employees are also covered by the Federal Social Security Program.

The cost of the State Retirement Program is shared by employees and the state, although not in equal amounts. The employee's share of the retirement cost is withheld from the employee's earnings on a pre-tax basis through regular payroll deductions. Employees initially employed on or after July 1, 2011 must have at least five full years of WRS creditable service before they are eligible for a retirement benefit based on the full value of their WRS account.

Employees who terminate state service prior to retirement and before age 55 (age 50 if in a protective occupation) may withdraw a portion of the contributions to the retirement fund as a separation benefit.

Employees who retire may use the DHS Employment Assistance Program (EAP) for up to a year after retirement.

102.02 ROLES AND RESPONSIBILITIES

The State Department of Employee Trust Funds (ETF) is responsible for administering the provisions of the WRS and gives a variety of presentations providing information about the WRS and related benefits. More information regarding the types of presentations available can be found on the [ETF web site](#).

102.03 DEFINITIONS

Normal retirement age: The age at which the employee is eligible for a full annuity without any penalty is as follows:

- General Employees and Teachers - Age 65

- State Executive Retirement Plan Employees - Age 62
- Protective Occupation Employees with less than 25 years of creditable service - Age 54
- Protective Occupation Employees with 25 or more years of creditable service - Age 53

Note: There is no mandatory retirement based on age for classified employees. Continuation of employment beyond the normal retirement age is dependent upon demonstrated ability to adequately perform the assigned job duties.

Early Retirement Without Penalty: The ability of General Employees, Teachers, and State Executive Retirement Plan Employees to retire with a full annuity without any penalty if they have at least 30 years of creditable Wisconsin Retirement System (WRS) service at age 57.

Health Insurance Coverage: Coverage under the State Group Health Insurance plans for employees leaving state service ends on the last day of the month they terminate their employment.

102.04 PROCEDURES

(1) Employee Contacts ETF

The employee should contact ETF approximately 6 – 12 months before s/he plans on retiring. ETF will provide the employee with the information and application forms needed to start the retirement process.

(2) Submission of Written Notice to Supervisor

After determining a retirement date, the employee must submit a letter of retirement to his/her supervisor a minimum of 14 days before the effective date (see DHS Policy 101 – Resignation and Job Abandonment). The letter should indicate the resignation date and how the employee would like to use any remaining accrued leave.

Note: Employees leaving state service should contact their payroll representative prior to submitting their letter of resignation on issues regarding health insurance coverage, and unused leave credits and their effect on the actual termination date.

(3) Acknowledgement of the Retirement Letter

The appointing authority acknowledges receipt of the employee’s resignation/retirement in writing. The retirement will be effective on the date specified in the retirement letter.

Note: If the employee has unused leave credits, sick leave excluded, the termination date will be extended by the amount of time to which the employee would be entitled if employment were to continue until the leave credits are exhausted, unless:

- **The employee requests a lump sum payment in the resignation letter; or**
- **The appointing authority and employee mutually agree in writing to payment of part of the balance in a lump sum. The remaining balance of leave will extend the termination date as indicated above.**

(4) Secretary's Office Congratulatory Letter and Governor's Service Award

- (a) Upon request of the appointing authority, an employee with 19 or fewer years of service may receive a congratulatory letter from the Secretary's Office. Retiring employees with 20 or more years of service are also eligible for a Governor's Award.
- (b) Requests for the Secretary's Letter and the Governor's Award should be e-mailed to DHSBHRJobs@dhs.wisconsin.gov at least 3 weeks before the retirement. Each request should include the employee's name, home address, seniority date, years of service and the retirement date.
- (c) The letter and award will be sent to the appointing authority for presentation to the employee.

102.05 DISABILITY BENEFITS

An employee who claims to be disabled to the extent that he/she cannot perform the duties of any position should be encouraged to apply for a disability benefit. The employee should be allowed a reasonable period of time on an approved leave of absence to do so before any action is taken to dismiss the employee. A disability application must be made prior to the normal retirement age as defined at the beginning of this policy. Applications can be obtained from ETF.

Certain statutory provisions limit the time within which employees can apply for disability benefits after they become disabled and cease to receive pay from state employment. ETF should be contacted as soon as possible for specific information so potential benefits are not jeopardized.

Employees may be eligible to either apply for [WRS disability benefits](#) or to elect coverage under the [Long Term Disability Insurance program](#) (LDTI) based on dates of covered WRS employment. The eligibility criteria for these two programs are not identical, though each requires a certain amount of "creditable service" during the last seven years of employment before the date the disability benefits application is received.

Note: Due to the complex nature of the provisions governing these programs, it is extremely important for employees who believe they may qualify for benefits to contact ETF for specific information.

102.06 REFERENCES

[Chapter 40, Wis. Stats.](#)

102.07 ADMINISTRATIVE INFORMATION

This policy was created on December 2, 2012 to establish a consistent and uniform Retirement policy across DHS. This policy supersedes all previous DHS Retirement policies. Where it is in conflict with other departmental policies or procedures, this policy shall govern.