



# WWT US Employee Retirement Guide



# TABLE OF CONTENTS

**4** DETERMINING YOUR  
RETIREMENT DATE

---

**6** HEALTH PLAN BENEFITS

**7** Before age 65

---

**9** After age 65

---

**11** HEALTH INSURANCE  
MARKETPLACE

---

**12** MEDICARE

---

**15** OTHER BENEFITS

---

**18** RETIREMENT  
INCOME

---

**20** PLANNING TOOLS





# WWT US Employee Retirement Guide

This guide is designed to give employees preparing for retirement information regarding World Wide Technology's (WWT) benefit plans and other issues or policies that affect retirees. It contains basic information on retirement income and benefit sources outside of WWT, such as Social Security and Medicare. This guide is for informational purposes only. It is not intended as a specific recommendation or legal, tax or investment advice. It is not intended to replace information available from Social Security or Medicare, as the guide gives only high-level topics of consideration. Employees are advised to contact the Social Security Administration for complete information about monthly benefits, Medicare, and Medigap plans. Individuals should seek their own tax, legal or financial advice or attorney to answer questions about their specific situation or needs before acting upon this information.




# DETERMINING YOUR RETIREMENT DATE


## When should you retire?

Following are a few key policies related to income and benefits that you should consider when selecting an optimal retirement date.

### **Social Security:**

 In general, if you have worked 10 years and contributed to Social Security, you may be eligible for Social Security benefits. The amount of your benefits is based on your social security wages history. You can begin to receive Social Security retirement benefits as early as age 62 but be aware that if you begin taking Social Security benefits at age 62 your benefits will be reduced because age 62 is not considered full retirement age by the Social Security Administration. Full retirement age ranges from 65 to 67 depending on the year of your birth. You should apply for Social Security benefits at least three months before you want your benefits to begin.

### **Medicare:**

 Medicare is the federal health insurance program for workers aged 65 and older. If you plan to retire before age 65, you should consider obtaining interim health insurance coverage for the period until Medicare begins. Please refer to the Health Plan Benefits section of this guide for more information.



### WWT Profit Sharing:



In order to receive a Profit Sharing bonus, you must be employed on the last business day of the year in which the calculation is based. In the event the last business day of the year falls on a WWT holiday, you must be employed the day before the holiday to be eligible to receive Profit Sharing. Profit Sharing bonuses are typically paid out in January of the following year.

### WWT Bonus & Commission:



**Bonus-** All employees, who are paid a bonus, must be employed at the end of the month, quarter, or year in which the bonus was earned in order to be eligible to receive the bonus payment.

**Commission-** In general, employees who are eligible for commission will receive their commission payment based on the gross profit that has been booked up to the date of termination and shipped as of the last day of the month in which the employee was terminated.

For additional details, refer to the U.S. Employee Handbook.

### WWT PTO:



Accrued, but unused PTO will be paid to you when you retire.

**NOTE:** Employees should prepare to give their leader at least 30 days advance notice so there is sufficient time to submit the retirement date, connect with HR and work to hire a replacement. The termination process in Vantage begins the process to notify other key areas of the retirement, such as US Benefits. The US Benefits department will notify the insurance carriers of the coverage end date, and a COBRA notice is automatically generated following termination.



# HEALTH PLAN, LIFE INSURANCE AND OTHER BENEFITS

## Health Plan Benefits (Medical, Prescription, Dental & Vision)

Your WWT Health Plan benefits end date will be the last day of the month in which your retirement date occurs. Please refer to the below sections for more information on continuation of coverage beyond termination.



# EMPLOYEES WHO RETIRE BEFORE AGE 65:

## **WWT Health Plan Benefits (Medical, Prescription, Dental & Vision):**

If you anticipate retiring before age 65, make sure you have health insurance to cover the period after your WWT coverage ends but before Medicare begins. COBRA coverage is one option, but you may also want to consider a spouse's plan, marketplace coverage and/or contact local health insurance companies to explore purchasing individual coverage. Since COBRA lasts a maximum of 18 months, employees who retire before age 63½ may need to bridge coverage after COBRA expires and before Medicare coverage can begin at age 65.

## **COBRA:**

COBRA coverage will be offered to you, your enrolled spouse and/or your enrolled dependent child(ren) for a maximum of 18 months after retirement. COBRA coverage for you, your spouse or dependent child(ren) may end before 18 months if they become enrolled in Medicare after electing COBRA and within the 18-month period. If an individual is enrolled in COBRA and Medicare, Medicare will pay as primary, and COBRA will be secondary.

COBRA coverage is the same coverage offered to active employees; however, the premiums are 102% of the full actual cost of the coverage. A COBRA continuation notice and enrollment form will be mailed to your home mailing address within a few weeks after employment ends.



You have 60 days after receiving the notice (or, if later, after your group coverage end date) to elect COBRA coverage. COBRA provides only the medical, prescription, dental, and vision benefits you had in place at the time of your retirement. You have an additional 45 days from the day you elect COBRA to make a premium payment. Premiums will accumulate during the election period retroactive to your last day of group coverage. If you elect COBRA continuation coverage and pay the premiums within the allotted period, coverage will be reinstated retroactive to the day after group coverage ended, with no lapse in coverage.

COBRA premiums are paid month-to-month, so you can drop coverage at the end of any month. If considering coverage on a spouse's plan after electing COBRA, dropping COBRA coverage may not be considered a qualified life event on their plan. We advise discussing the options for enrollment with the spouse's employer.

For retirees over age 60 with at least 5 years of service: WWT will offer a subsidized COBRA premium equal to one month for each completed year of service, to a maximum of 18 months. Subsidized premiums will be communicated directly to the COBRA administrator, P&A Group, and invoices will reflect the subsidized cost. Subsidy will be offered at the coverage level elected before retirement or lower, if only covering a spouse on COBRA as an example.





# EMPLOYEES WHO RETIRE AFTER AGE 65:

## COBRA:

COBRA coverage will be offered to you, your enrolled spouse and/or your enrolled dependent child(ren) for a maximum of 18 months after retirement. COBRA coverage for you, your spouse or dependent child(ren) may end before 18 months if they become enrolled in Medicare after electing COBRA and within the 18-month period. However, if Medicare is effective on or before the date of COBRA election, COBRA coverage may not be discontinued due to Medicare entitlement. Since Medicare becomes primary coverage once you stop working, it may not be beneficial for you to elect COBRA coverage if you are enrolled in Medicare. However, you may want to consider purchasing COBRA for your spouse and/or enrolled children.

COBRA coverage is the same coverage offered to active employees; however, the premiums are 102% of the full actual cost of the coverage. A COBRA continuation notice and enrollment form will be mailed to your home mailing address within a few weeks after employment ends. You have 60 days after receiving the notice (or, if later, after your group coverage end date) to elect COBRA coverage. COBRA initially provides only the medical, prescription, dental, and vision benefits you had in place at the time of your retirement. You have an additional 45 days from the day you elect COBRA to make a premium payment. Premiums will accumulate during the election period retroactive to your last day of group coverage. If you elect



COBRA continuation coverage and pay the premiums within the allotted period, coverage will be reinstated retroactive to the day after group coverage ended, with no lapse in coverage.

COBRA premiums are paid month-to-month, so you can drop coverage at the end of any month. If considering coverage on a spouse's plan after electing COBRA, dropping COBRA coverage may not be considered a qualified life event on their plan. We advise discussing the options for enrollment with the spouse's employer.

For retirees over age 60 with at least 5 years of service: WWT will offer a subsidized COBRA premium equal to one month for each completed year of service, to a max of 18 months. Subsidized premiums will be communicated directly to the COBRA administrator, P&A Group, and invoices will reflect the subsidized cost. Subsidy will be offered at the coverage level elected before retirement or lower, if only covering a spouse on COBRA as an example.



# HEALTH INSURANCE MARKETPLACE:

The Marketplace offers an online resource to find and compare private health insurance options should you or your family need health care before Medicare eligibility. In the Marketplace, you could be eligible for a tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments), and you can see what your premium, deductible, and out-of-pocket costs will be before you decide to enroll. Through the Marketplace you'll also learn if you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP). You can access the Marketplace for your state at [www.healthcare.gov](http://www.healthcare.gov). Coverage through the Health Insurance Marketplace may cost less than COBRA continuation coverage. Being offered COBRA continuation coverage won't limit your eligibility for coverage or for a tax credit through the Marketplace.



# MEDICARE

Medicare is the federal government's health insurance program for people over age 65, and eligible disabled people under 65. This section of the Guide is intended to provide general information about Medicare. For details, please contact Medicare directly at <http://medicare.gov>





## Original Medicare:

Original Medicare has three parts that apply: Part A (for hospital insurance), Part B (for medical insurance) and Part D (prescription drug). Part A is provided to those who are eligible for Social Security Retirement benefits, and generally no premium is charged. Parts B and D may be purchased for a monthly premium. The standard Part B premium is based on your modified gross income. Part C, Medicare Advantage plans, discussed below, are HMO/PPO managed care plans that may also include prescription drug coverage or provide other enhancements over original Medicare.

## Medicare Advantage:

Medicare Advantage combines Part A and B together. Part D may be purchased separately. Medicare Advantage plans are provided by Health Maintenance Organizations (HMO) and Preferred Provider Organizations (PPO) approved by Medicare. Generally, you must see doctors approved by the Advantage plan.



## Medigap Plans:

Many people buy a supplemental medical plan (commonly referred to as Medigap) to help cover most expenses that Original Medicare doesn't pay. When you first enroll in Medicare Part B at age 65 or older, you have a 6-month Medigap open enrollment period.



## Medicare Considerations if you work past age 65:

You may continue coverage under the WWT Health Plan if you work past age 65. There is a “special enrollment” period for Part B if you postponed enrolling when you turned 65 because you had other coverage while working, such as the WWT Health Plan. You can sign up for Part B anytime while you are covered under the other coverage, or within the 8-month period following the date your other coverage ends. If you apply for Part B during this special enrollment period, you may not have to pay a higher Part B premium. If you don’t enroll in Part B during the special enrollment period, you’ll have to wait until the next General Enrollment period, which is January 1 through March 31 of each year, with coverage effective on the following July 1. You may then have to pay a higher Part B premium because you could have had Part B and did not take it. Typically, the penalty is 10% for each year past your initial Medicare eligibility date and continues through your lifetime. Similar rules apply to Part D coverage. Be sure to review this with the Social Security Administration to fully understand the impacts and options.



### Coordination of Benefits:

You should be aware of how Coordination of Benefits operates if you work past age 65 and are covered by both Medicare and the WWT Health Plan. If you elect Medicare coverage in addition to your WWT Health Plan, Medicare will always be secondary coverage as long as you are actively at work. Once you retire, then Medicare becomes primary. The WWT COBRA plan, should you enroll, would be secondary. Because COBRA would be secondary to Medicare, it may not be cost effective to enroll in COBRA for very long, if at all. If you plan to retire at age 65, you generally should apply for Medicare three months before you turn 65. You would need to call the Social Security Administration to enroll. The toll-free number is 800-772-1213. You may also enroll online at [www.ssa.gov/medicare](http://www.ssa.gov/medicare)



# OTHER BENEFITS TO CONSIDER WHEN RETIRING





### **Flexible Spending Account:**

Employees can contribute to a Flexible Spending Account as long as they are employed. Accounts will be terminated on the last day of your employment. You have until April 30th of the following plan year to submit claims manually to P&A Group for any expenses incurred prior to your last day worked. If you have any claim or eligibility questions, please contact P&A Group at 800-688-2611.

### **Long-term Disability:**

Long-term disability eligibility and benefits will end upon termination unless you were deemed disabled by the disability vendor and satisfied the long-term disability waiting period. Terms and conditions of the insurance coverage will apply for any pending disability case at termination. If approved for LTD benefits, they will end on the earliest of the following dates:

- you reach the maximum LTD benefit period
- you no longer meet the definition of disability
- you are no longer in a certified period of disability, you fail to comply with any requirements of the LTD Plan, or you pass away.



If you have any questions about Long-term disability, please contact New York Life at 888-842-4462.







### **Basic & Voluntary Life Insurance:**

Your Basic & Voluntary Employee, Spouse, and/or Child Life Insurance ends on the last day of your employment. When group coverage ends, you may convert to an individual life insurance policy prior to age 70, but employees must apply within 62 days after coverage ends. The amount you elect cannot exceed the amount for which you were enrolled when your coverage was reduced or terminated. Your premiums will be based on the insurer's rates for the policy, your age, your risk class, and the amount of coverage.

If you have any questions about Life Insurance, please contact New York Life at 800-732-1603.



### **Employee Assistance Program:**

The Employee Assistance Program will remain available to you and your immediate family members for up to 36 months after you retire. There is no cost to you for this continuation of coverage. For support, contact PAS at 800-356-0845.



### **Retirement Gift:**

WWT celebrates retirees who have completed at least 5 years of service with a certificate to use on a gift of their choice. Retirement plaques are mailed to the recipient's home address following retirement and you will receive an email on your last day with WWT.



# RETIREMENT INCOME

Retirement income can come from a variety of sources, including qualified retirement accounts, Social Security, and individual savings. From a financial standpoint, these sources of income will determine your retirement lifestyle, so it's important to consider all possible consequences before you take any distributions (e.g., tax liability, early withdrawal penalties, payment frequency, etc.).





### **WWT 401(k) Plan:**

One of the major concerns of retiring employees is what to do with the money that has accumulated in their retirement plan. Assets in this plan, along with other qualified retirement accounts may be used to supplement your Social Security payments during retirement. If you are under age 59-1/2 and you elect to have the money paid to you, a 10% early withdrawal penalty may be imposed. After-tax contributions and Roth contributions may not be subject to the penalty tax. The combination of taxes and penalties can greatly reduce the value of your retirement assets. Consult a tax/financial advisor to understand the impacts to early withdrawals. Merrill, our 401(k) vendor, can provide options for your account beyond termination. Questions about your account should be directed to Merrill at 800-228-4015.



### **Social Security:**

Anyone who is eligible for Social Security can begin receiving benefits at age 62, but full retirement benefits are not available until you reach what the Social Security Administration considers full retirement age, which ranges from 65 to 67, depending on your birth year. You can visit the Social Security Administration Website ([www.ssa.gov](http://www.ssa.gov)) to request statements or use online benefit calculations to help estimate your earnings in retirement. These calculators allow you to run through a variety of scenarios to help estimate the amount of your benefits and to determine when you should apply. You can also contact Social Security directly at 800-772-1213 to arrange for a phone interview or an interview in your local Social Security office.



# PLANNING TOOLS

Planning for retirement can feel very overwhelming and we hope this guide helps provide some basic information to support this exciting next step and journey in life. Here are a few additional resources:

The “Medicare & You” Handbook is a helpful resource that includes information about Medicare benefits and answers to common questions.

<https://www.medicare.gov/medicare-and-you>

As part of the Merrill offering, employees can contact the Wealth Management Financial Advisors to discuss planning for retirement. Additional planning tools they may provide include:


• [Retirement Income Planning Worksheet](#) →

• [Merrill Education Center: Retirement & Investing](#) →

• [Merrill Financial Advisor Contacts](#) →

For additional questions about your 401(k), contact Merrill at 800-228-4015 or go to [benefits.ml.com](https://benefits.ml.com)





As you approach your exciting decision to retire, please coordinate with your manager and HR Business Partner so appropriate steps are taken. You can also view tactical steps to take in the [World Wide Technology Exit Guide and Information](#). There you can find instructions to update your personal information in ADP Vantage, view W2s and earning statements after termination, transfer company cellular devices, returning company equipment, etc.

For additional information on benefits, please visit the [HR Portal](#).