

NJCU Benefits Information for Employees Separating from Service

Division of Pensions and Benefits

Your benefits are administered by the New Jersey Division of Pensions and Benefits. Further details may be located on their website: <https://www.nj.gov/treasury/pensions/> Additionally, following is contact information for the Division:

Division of Pensions and Benefits
PO Box 295
Trenton, NJ, 08625-0295
609-292-7524

TERMINATION OF STATE HEALTH BENEFITS PROGRAM (SHBP) COVERAGE

Your State Health Benefits Program (SHBP) coverage will terminate if you separate from service, for reasons such as reduction in force, or voluntary resignation. If employment terminates, coverage continues until the end of the month of termination. For example:

- If an employee terminates June 2, his/her last day of coverage would be June 30.
- If an employee terminates June 30, his/her last day of coverage would be June 30.

For a 10-month employee whose appointment ends on June 30, coverage will continue through July and August.

For further information, please refer to [Fact Sheet #31](#), Termination of Employment Through Resignation, Dismissal, or Layoff.

Generally, for employees that separate due to retirement, active coverage will extend through the end of the month of retirement.

- If an employee retires on July 1, his/her last day of active coverage would be July 31.

Omnia / Liberty Incentive - Important Information for members who do not stay in the plan for 1 year:

The incentive shall be forfeited and returned to the SHBP if you fail to remain enrolled in the Tiered Plan for one plan year, except if you become ineligible for healthcare due to involuntary separation.

CONTINUATION OF HEALTH BENEFITS COVERAGE UNDER COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) provides for continuation of health benefits coverage under the State Health Benefits Program for employees and eligible dependents at separation. Employees and eligible dependents that are enrolled in the State Health Benefits Program when they terminate employment may continue health benefits coverage (including medical, prescription drug and/or dental) under COBRA.

For loss of coverage due to termination of employment, the employee and/or dependents will be entitled to 18 months of COBRA coverage.

If eligible for COBRA, a COBRA package will be emailed by Benefitsolver and mailed to your home address within 14 days of your termination. This information will also be available in Benefitsolver. If you elect to enroll in COBRA coverage, please complete the COBRA application, as instructed by Benefitsolver. You will be billed for the cost of COBRA premiums, as appropriate.

Please refer to [Fact Sheet #30](#) for further information on COBRA.

TERMINATION OF GROUP LIFE INSURANCE

Generally, the employee Group Life Insurance coverage will expire 31 days after separation from employment. You may convert all or a portion of your group life insurance to an individual policy with the Prudential Insurance Company by contacting Prudential at 1-877-889-2070. You will need to provide the following group insurance policy numbers:

- G-14800 Policy number for the basic (noncontributory) group life insurance for PERS members. |
- G-13900 Policy number for the contributory group life insurance for PERS members. |
- G-14800 Policy number for group life insurance for ABP members (Enrolled in Brighthouse (formerly MetLife), Corebridge (formerly AIG/VALIC), Empower – Prudential, Empower – MassMutual, Equitable (formerly AXA), TIAA, VOYA)

For further information, including details regarding coverage for retirees, please refer to [Fact Sheet #13](#), Conversion of Group Life Insurance. |

RETIREMENT PLANS

For Alternate Benefit Program (ABP) Members Only

(Enrolled in Brighthouse (formerly MetLife), Corebridge (formerly AIG/VALIC), Empower – Prudential, Empower – MassMutual, Equitable (formerly AXA), TIAA, VOYA)

A vested member of the ABP becomes eligible to commence distributions at any age upon severance from employment or retirement.

There is no minimum retirement age under the ABP; however, lump-sum cash distributions to members under the age of 55 are limited to the members' contributions and earnings. **The remaining employer contributions and earnings are only available after age 55.**

Members may receive benefits through a cash distribution in the form of a direct payout, a rollover, an annuity, or a combination of these distributions. Annuity benefits will be calculated by the Designated Service Provider (DSP) based upon the account accumulation, life expectancy, and the distribution option selected. All returns of contributions and earnings are considered taxable in the year they are received.

Participation in the ABP shall terminate, and the individual shall be considered retired once he or she has elected to receive a distribution. Once retired, the member is not eligible to enroll in any New Jersey State-administered retirement system, nor are they eligible to reenroll in or receive any other benefits afforded under the ABP. This includes long-term disability coverage.

After you leave employment, you may decide to delay receiving benefits until some future time, thereby providing the opportunity for your account to accumulate a greater value, and to preserve your right to resume participation in a State administered retirement plan upon subsequent employment. If you delay the receipt of benefits after you retire or otherwise terminate employment, you must begin receiving benefits no later than April 1st of the year following the year in which you attain the age of 70.

For further information regarding the ABP, please refer to [Fact Sheet #38](#).

For Public Employees' Retirement System Members Only

When your employment ends, you have several options for your pension account. You may, if eligible:

- Retire or file for a Deferred Retirement,
- Leave your contributions in the retirement system, or
- Withdraw your pension contributions.

Your eligibility to retire is based upon your [membership tier](#) at the time you enrolled in the pension system. To retire, you must have reached normal retirement age and/or have a qualifying amount of service credit.

If you are vested with 10 years of service in a New Jersey State-administered retirement system, you may apply for a Deferred Retirement, which will begin the first of the month after reaching the retirement age based on your tier.

You may also leave your contributions in the pension system. Most accounts may remain inactive for a two-year period after your last pension contribution.

However, if you provide written proof to the New Jersey Division of Pensions & Benefits (NJDPB) that you lost your job through a layoff, abolishment, or reduction in force, you may request to extend the period of inactivity for up to 10 years in the Public Employees' Retirement System (PERS).

Send your written notification, along with supporting documentation, to: New Jersey Division of Pensions & Benefits, Withdrawal Section Supervisor, P.O. Box 295, Trenton, NJ 08625-0295.

Note: This extension means that if the member returns to employment during that period, pension contributions and service credit can resume in the same account.

For further information, please refer to:

[Fact Sheet #31](#), Termination of Employment Through Resignation, Dismissal, or Layoff.

[Fact Sheet #24](#), Withdrawal from the Retirement System

[PERS Member Guidebook](#)

TAX SAVINGS PLANS – Flexible Spending Accounts (FSA)

Under either the Unreimbursed Medical FSA or the Dependent Care FSA, any unused contributions remaining in an account at the end of the plan year are forfeited. You have until April 30 of the following year to file for eligible reimbursement.

Unreimbursed Medical FSA

For the Unreimbursed Medical Flexible Spending Account, services need to be rendered by the date of separation. You may use your FSA card until this date.

Overspent Accounts

If you have already used all your annually elected funds for unreimbursed medical by your date of separation, you are not required to pay this back.

Underspent Accounts

If you have not used all your contributions to date for unreimbursed medical by your date of separation, you may continue to submit claims for reimbursement against your balance for 4 months after your date of separation.

Example:

Annual Election: \$1000

Contributions to Date (at separation): \$500 Reimbursement: \$200 (as of date of separation) Balance: \$300 (Account is underspent.)

Last day to incur services & use FSA Card	Last Day to submit claim for reimbursement
Last day of employment	For 4 months after date of separation
term date: June 30, 2026***	Estimated: October 31, 2026*

**Employees are encouraged to confirm their final day to submit claims with Horizon MyWay/WEX (if after July 1, 2026).*

If you have no qualified expenses to submit against an underspent balance, your balance will be forfeited, unless you enroll in COBRA for FSA.

COBRA for FSA is only available for Unreimbursed Medical FSAs. You may be able to continue your Unreimbursed Medical FSA election upon completion of appropriate forms and requirements for COBRA for FSA. It is only offered for the remainder of the plan year.

Please note that all COBRA payments are made with after-tax dollars, which negates the tax saving advantage aspect of the FSA plan. COBRA is not a tax savings plan and is only intended to prevent participants from forfeiting contributions made prior to termination.

COBRA participants are eligible to submit claims for services that were incurred after the break in employment.

For details, you may refer to the [Horizon MyWay reference guide](#) and [Fact Sheet #44 – Tax\\$ave](#). Additionally, the Horizon MyWay customer service phone number is 1-888-215-0025.

***Effective July 1, 2026, the current administrator and technology provider for your Horizon MyWay Flexible Spending Account (FSA) will be replaced by WEX. Impacted employees include those who are enrolled in the Unreimbursed Medical or Dependent Care Flexible Spending Account for 2026. All existing member accounts,

enrollments, claims history and balances will be securely transitioned to the WEX platform.

- In the process of moving to the new FSA platform, all **FSA accounts will be suspended from 12:01 a.m. June 8, 2026, through 11:59 p.m. June 30, 2026**, and the current Horizon FSA features on the Horizon Blue app will be unavailable.
- From June 8 to June 30, 2026, Horizon will only process claims received **prior to June 8**.
- During this time, new debit cards (if applicable) will be mailed out.
- Members will be able to send paper claims to:

Horizon MyWay
PO Box: 2340
Fargo, ND 58108-2340

Note: Claims will be held and processed starting July 1, 2026

Disclaimer

This content is provided to you as a reference tool.

It is for informational purposes only, and it is subject to review, modification, and change. In the event of a conflict between the statements contained herein and specific provisions of a benefit plan or program, Collective Bargaining Agreement, State or Federal law, the actual plan documents, Collective Bargaining Agreement or law shall govern. This is to be used for guidance only and is not intended to create any contractual rights or obligations. This version supersedes all other versions which are now void.