



Early Retirement Incentive Program

The Early Retirement Incentive Program (“ERIP”) allows faculty and staff members to fully retire from the University with incentive pay. ERIP participants may still maintain health coverage through the University. Participation in the ERIP continues until the retiree reaches full Social Security retirement age, or for a maximum of 60 months, whichever is earlier. Because this option requires payment by your current department, this option is not a right and is subject to departmental approval. Full Retirement options become available at the end of the Early Retirement.

Minimum Requirements:

1. Participants must be age 60 or older.
2. The participant’s age combined with years of full-time (75% FTE or greater) service at the University of Utah must total 75 or more.
3. Participants must have completed five years of continuous benefit-eligible service for the University of Utah immediately prior to retirement (years of service bridged from prior service do not count toward this requirement).
4. A contract must be completed with the necessary signatures approving the Early Retirement Incentive Program. (The contract is available from Human Resources.)

Benefits:

1. Participants receive an annual incentive (paid semi-monthly) from the department from which they retire. The incentive is the lesser of: (a) 20% of the participant’s annual University salary at the time of early retirement; or (2) the participant’s estimated single Social Security Benefit available at normal retirement age.
2. Participants may remain enrolled in medical and dental coverage at the same rates paid by active full-time employees. (Deductions for health coverage will be taken from the semi-monthly incentive payment.)
3. Because the participant is fully retired from the University, the participant and any family members must enroll in Medicare Parts A and B when they become eligible. Participants do not need to obtain a Medicare Part D plan until the end of ERIP participation because the prescription drug coverage offered through the University’s plan is creditable to Medicare Part D plans. Enrolling in Medicare Parts A and B can take one to two months and should be started prior to the individual’s eligibility date.
4. Participants cannot make elective 403(b) or 457(b) contributions on their ERIP incentive pay, because it is not compensation. All elective deferrals must stop at the beginning of ERIP.
5. At least three months before the end of ERIP participation, participants should begin considering health coverage options. Group retiree plans are available through the University and many individual plans are available through various companies. Participants should schedule a time to meet with a retirement counselor in Human Resources at least three months prior to the end of ERIP to discuss options.

University Human Resource Management

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UBenefits: <https://hr.apps.utah.edu/ubenefits>

6. Participants and their eligible family members continue to be eligible for tuition reduction benefits through the University. Participants are also eligible for other retiree benefits available through the University. Retirement counselors in Human Resources can provide additional information about retiree benefits available.
7. Participants may withdraw funds from their 401(a) and/or 457(b) Plan after they have been retired for 32 or more days. (Withdrawal of funds from 403(b) Plan accounts can be made by any employee age 59½ or older.)

To Apply for Early Retiree Incentive Program:

1. Speak with your supervisor or department chair about the possibility of participation in the ERIP. If your supervisor or department chair believes it may be a possible option for you, contact Human Resources to schedule an appointment with a retirement counselor.
2. Meet with a retirement counselor in Human Resources. The retirement counselor will be able to discuss the details of your situation with you, provide a calculation of the retirement incentive you would receive as a participant, and prepare an agreement you can submit to your department for signatures.

If you have any questions about the Early Retirement Incentive Program, see [University Policy 5-306](#) or contact Human Resources at (801) 581-7447.