



This form explains how to estimate the actuarial value of your sick leave which can be used to reduce health insurance premiums in retirement.

At the time you retire, if you are eligible to use sick leave credit, your agency will report your hourly rate of pay and accumulated sick leave hours to the Employee Benefits Division. The monthly actuarial value of your sick leave is determined and then used to offset all or part of your monthly share of the health insurance cost.

You will receive a letter verifying your actual monthly sick leave credit and the current cost of your health insurance coverage a short time after you receive your last payroll check. *You should keep this letter for future reference.* If you do not receive this information within 8 weeks after your last payroll check, you may call the Employee Benefits Division at (518) 457-5754 (Albany area) or 1-(800)-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands, Alaska and Hawaii.) Or write to us at the above address.

## Before you retire: Estimate the value of your sick leave credit

This worksheet is for **estimating only**. It is for full-time and part-time employees who retire after January 1, 2000.

If you are paid on an hourly basis, use your hourly salary as the Hourly Rate of Pay.

### Work Sheet

Calculate your Hourly Rate of Pay (HRP)

Step 1. Determine "hours worked in a day": Divide the number of hours in a workweek by 5. For example, a 40-hour week divided by 5 equals an 8-hour day, even if you work 4 days of 10 hours each.

$$\begin{array}{l} \text{Hours worked in a week} \div 5 = \\ \text{Hours worked in a day:} \underline{\hspace{2cm}} \end{array}$$

Step 2. Determine HRP: Divide your total annual salary at the time of retirement (basic annual salary plus additional constant salary factors such as location pay, shift or geographic differential, inconvenience pay) by one of the following predetermined numbers: 2088 for jobs that are 8 hours a day, 1957 for jobs that are 7 1/2 hours a day, and 1827 for jobs that are 7 hours a day. (Please contact your Health Benefits Administrator for calculations other than the three stated above.)

$$\begin{array}{l} \text{Annual Salary} \div \text{Predetermined Number} = \\ \text{Hourly Rate of Pay (HRP):} \underline{\hspace{2cm}} \end{array}$$

Calculate your Sick Leave Credit

Step 3. Determine the total dollar value of your sick leave: Multiply your hourly rate of pay by the number of sick leave hours you have accumulated up to a maximum 200 days (or 165 days for PBA or PIA).

$$\begin{array}{l} \text{HRP} \times \text{Hours Unused Sick Leave} = \\ \text{Total Dollar Value of Sick Leave:} \underline{\hspace{2cm}} \end{array}$$

Step 4. Determine your monthly credit: Divide the total dollar value of your sick leave by your life expectancy at retirement from the table on the back of this form.

$$\begin{array}{l} \text{Total dollar value} \div \text{Life Expectancy} = \\ \text{Monthly Credit:} \underline{\hspace{2cm}} \end{array}$$

Using the example above, you would have \$26.61 of sick leave credit each month to help pay the cost of your health insurance as long as you live. If, for example, your share of the monthly cost of health insurance is \$100.00, your total monthly cost would be \$100.00 minus your sick leave credit of \$26.61, or \$73.39. The amount of \$73.39 would be deducted from your pension or billed to you directly each month. **Keep in mind, as the premium increases or decreases, the amount you must pay will also increase or decrease.** Your monthly credit of \$26.61 will not change.

This shows the use of single annuitant sick leave credit. If you choose Dual Annuitant Sick Leave Credit at the time of your retirement, 70 percent of the "monthly credit" amount is available to you and your surviving dependent to apply toward the health insurance premium.

### Example

You want to retire at age 62 (three months from now). Your gross annual salary is \$30,000 and you have 400 hours of unused sick leave.

Step 1. Hours Worked in a day:

$$\begin{array}{r} \underline{8 \text{ (hours worked in a day)}} \\ 5) 40 \text{ (hours worked in a week)} \end{array}$$

Step 2. Hourly Rate of Pay (HRP):

$$\begin{array}{r} \underline{\$ 14.37 \text{ (HRP)}} \\ 2088 ) 30,000 \text{ (Annual Salary)} \end{array}$$

Step 3. Total dollar value of your sick leave:

$$\begin{array}{r} \$14.37 \text{ (HRP)} \times 400 \text{ (hours unused sick leave)} = \\ \underline{\$5,748 \text{ (Total Dollar Value)}} \end{array}$$

Step 4. Your Monthly Credit:

$$\begin{array}{r} \underline{\$26.61 \text{ (Monthly Credit)}} \\ \text{Life expectancy } -216 ) \$5,748 \text{ (Total dollar value)} \\ \text{(Get number from the table on the back of this form)} \end{array}$$

*You may also use the electronic calculator on our Web site, [www.cs.state.ny.us](http://www.cs.state.ny.us).*

ACTUARIAL TABLE\*

| AGE AT RETIREMENT | LIFE EXPECTANCY Table 1** | LIFE EXPECTANCY Table 2** | AGE AT RETIREMENT | LIFE EXPECTANCY Table 1** | LIFE EXPECTANCY Table 2*** |
|-------------------|---------------------------|---------------------------|-------------------|---------------------------|----------------------------|
| 50                | 308 months                | 302 months                | 59                | 240 months                | 217 months                 |
| 51                | 301 months                | 292 months                | 60                | 232 months                | 208 months                 |
| 52                | 293 months                | 282 months                | 61                | 224 months                | 199 months                 |
| 53                | 286 months                | 273 months                | 62                | 216 months                | 190 months                 |
| 54                | 279 months                | 263 months                | 63                | 208 months                | 181 months                 |
| 55                | 271 months                | 254 months                | 64                | 200 months                | 173 months                 |
| 56                | 264 months                | 245 months                | 65                | 192 months                | 164 months                 |
| 57                | 256 months                | 235 months                | 66                | 184 months                | 156 months                 |
| 58                | 248 months                | 226 months                | 67                | 176 months                | 148 months                 |

\* For regular retirement only. A different actuarial table applies to disability retirements.  
 \*\* Table 1 is for all employees in the Employees' Retirement System and Teachers' Retirement System. It also applies if you are enrolled in an optional retirement program such as TIAA/CREF.  
 \*\*\* Table 2 is for employees in the Police and Fire Retirement System.

**Notes:**

1. The Dual Annuitant Sick Leave Credit is an option available at retirement to all Executive, Legislative and Judicial Branch employees who earn sick leave credit (certain M/Cs and judges and justices do not earn sick leave). Participating Employer enrollees should ask their agency Health Benefit Administrator about eligibility. Those who are eligible may elect to apply 70 percent of the value of their sick leave credit toward health insurance premiums during their lifetime and this same amount would continue to help pay their surviving spouse's and/or dependent's share of health insurance premiums after the enrollee's death.

If you are eligible for the Dual Annuitant option and want your sick leave credit to be available to your spouse and/or dependents following your death, you must sign a form at your employing agency before your last day on the payroll. If you do not sign the form, all of your sick leave credit will be automatically applied to your premium during your lifetime only. Once you elect this option, you may not change it.

The amount you must contribute toward the cost of your coverage as a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions is established by legislation and administrative agreements.

For most retirees from New York State service, if you enroll in the Empire Plan, the State pays 90 percent of the premium for Individual Coverage. For Family coverage, the State pays 90 percent of your premium as the enrollee, plus 75 percent of the cost of dependent coverage regardless of the number of dependents.

If you enroll in an HMO, the State pays 90 percent of the hospital, medical and mental health components) of the premium for Individual coverage. For Family coverage, the State pays 90 percent of those components of your premium as the enrollee, plus 75 percent of those components of the premium for dependant coverage, regardless of the number of dependents. However, the State's dollar contribution for those components of your HMO premium will not exceed its dollar contribution for those components of the Empire Plan premium. For the prescription drug component of your Empire Plan or HMO premium, the State pays 90 percent of your premium as the enrollee plus 75 percent of the cost of the dependent coverage regardless of the number of dependents.

**For those who retired prior to January 1, 1983, a different formula applies:** The paragraphs above apply to you except that the percentage the State pays for Individual coverage in the Empire Plan is 100 percent. If you enroll in an HMO, the State's maximum contribution toward the cost of your HMO premium will not exceed its dollar contribution for the non-prescription drug components of the Empire Plan premium.

2. When you retire, you may defer (delay the start of) your retiree health insurance coverage and the use of your sick leave credits indefinitely, if you have health insurance coverage through your spouse's employer or through post-retirement employment.

There may be advantages to deferring coverage. During the period of deferment, you do not have to pay the NYSHIP premium. Also, when you start your retiree coverage, the monthly credit for your sick leave will be higher than it would have been at the time you retired because it will be calculated when you are older. This will reduce the health insurance premium deducted from your pension check. You may start your retiree health insurance coverage at any time without a waiting period.

If you die while you are in deferred coverage status and had Family coverage at the time you retired and deferred your coverage, your eligible dependents may re-enroll in NYSHIP. They must write to the Employee Benefits Division of the New York State Department of Civil Service requesting re-enrollment in NYSHIP **within 90 days** of the date of your death. Eligibility requirements for your dependents to re-enroll in NYSHIP are the same as if you had continued your coverage into retirement.

If you choose Dual Annuitant Sick Leave Credit at the time of retirement and die while in deferred status, your eligible survivors will retain the 70 percent sick leave credit. The amount will be calculated based on your age at the time of death. **If you want this option, you must choose it before your last day on the payroll.** Contact your Health Benefits Administrator if you have questions about deferring your coverage.