



UNIVERSITY GUIDELINES FOR HIRING RE-EMPLOYED RETIREES

Revised 02/2023

Purpose

To establish procedures for reemployment of state employees who have retired and/or currently receiving monthly retirement benefits from one of the state retirement systems - Louisiana State Employees' Retirement System (LASERS), Teachers' Retirement System of Louisiana (TRSL), or Optional Retirement Plan (ORP) administered by TRSL.

Re-employment Procedures

The university will adhere to the retirement system rules for LASERS, TRSL, and the ORP program with regards to the reemployment of retirees who have made the decision to return-to-work in a position that would make them eligible for membership in the retirement system or program in which they retired. It is the responsibility of the employing agency to ensure the applicable retirement system rules are followed when employing a state retiree.

Please note that state law requires retirement systems to charge employers for any overpayment of benefits resulting in a failure to notify of re-employment and retirees could be negatively impacted by reduction of retirement and/or suspension of benefit.

Out of State Employment/Remote Work: Retirees who qualify and/or receive a benefit from TRSL or LASERS are not eligible for rehire if work is performed outside of the state of Louisiana.

Benefits Impact upon Return to Work (All Louisiana State Retirement Systems)

Retirees who are re-employed full-time in a benefits-eligible position and who have Medicare coverage will not be eligible for the reduced Medicare rate during their re-employment. LSU has 30 days to report the full-time employment of a Rehired Retiree to the Office of Group Benefits and LSU First Health plans.

Please note returning to fulltime employment after retirement will not increase a retiree's pre-retirement vesting level for health insurance under RS: 42:851.

Retirees hired in a fulltime capacity must be offered benefits under Affordable Care Act guidelines. The premium charged will be retiree coverage based on the retiree's vesting participation at time of retirement. Supplemental benefits may also be offered to a fulltime

rehired retiree only during the duration of re-employment. Benefits will terminate at the end of the re-employment term. *Supplemental benefits continued into retirement will not be impacted, you will continue coverage based on payment arrangements made at retirement.

Retirees returning to work in a fulltime capacity in a position that is not covered by the retirement system from which they retired will have the default retirement plan associated with that position assigned to their record in Workday. Rehired Retirees will have the option to choose an alternative retirement plan, if applicable, within their first 60 days of re-employment.

Teachers' Retirement System Retiree Re-employed in a TRSL eligible position

Teachers' Retirement System of Louisiana requires a one weekday (Monday through Friday) break in service to be considered retired. For example, last day of work is Friday, retirement date would be Saturday. Earliest return-to-work day would be Tuesday. Monday would be the one weekday break in service.

Once an employee cashes or deposits (includes direct deposit) their first TRSL retirement check, they are officially retired and subject to the state's Return to Work (RTW) laws. Return to Work (RTW) laws affect TRSL retirees who are re-employed through direct employment or by contract/corporate contract in positions considered eligible for TRSL membership.

TRSL retirees who return to work in positions eligible for TRSL membership are subject to a mandatory waiting period during which their TRSL benefit will be suspended. The waiting period begins on the date of retirement, and the duration of the waiting period is determined by the Return to Work (RTW) law based on the retiree's retirement date. TRSL Return to Work (RTW) laws specify the impact to a retiree's benefit and contribution requirements upon re-employment into a TRSL-eligible position.

As a result of legislation passed during the 2022 Regular Legislative Session, effective August 1, 2022, a TRSL retiree may be subject to the following Return to Work laws:

- 2010 Return to Work Law [La. R.S. 11:710](#) (2010 RTW Group)

Retirees retired before July 1, 2020 and have not made an irrevocable election to join the 2020 RTW Group.

- 2020 Return to Work Law [La. R.S. 11:710.1](#) (2020 RTW Group)

Retirees who retired on or after July 1, 2020
Retirees who meet criteria for the 2010 RTW Group, but who make an irrevocable election to transfer to the 2020 RTW Group

- 2022 Return to Work La. R.S.11:710.2 (2022 RTW Group)



Retirees who retired on or before June 30, 2020, has at least 30 years of service, at least age 62 and are employed as adjunct nursing instructor where a critical shortage exists.

Note: there are additional return to work provisions for K-12 Critical Shortage positions. Contact the Benefits team if you are trying to employ a retiree in an area of critical shortage.

Return To Work laws apply to any work arrangement where a TRSL retiree is re-employed with a TRSL agency, performing duties which are considered reportable to TRSL. (TRSL-eligible positions also apply to part-time and/or temporary employment arrangements). ***Rule of thumb: If the position were inflated to 100% FTE and eligible for TRSL membership, then the retiree holding the position in a part-time/temporary capacity would be reportable to TRSL.***

In addition to direct employment, the Return-to-Work laws also apply to employment by contract or corporate contract. Method of payment does not exempt a retiree from Return To Work laws (ex: Accounts Payable/1099, grant money, contract/one-time, vendor, etc.) since all employees are reported to the retirement system regardless of employment type or method in which they are being paid. A TRSL retiree's monthly retirement benefit may be negatively impacted by their decision to return to work.

Employment which falls under "for-service" category may not be reportable to TRSL, please contact the Office of Human Resource Management/Compensation section for guidance. Individuals interested in employment through a contract or corporate contract, must be reviewed by Benefits to determine eligibility for hire through contract or corporate contract.

For detailed information regarding TRSL's Return to Work (RTW) Laws please visit www.trsl.org or the [Returning to Work](#) guide.

It is strongly suggested any retiree considering returning to work confirm with HRM if open position is considered reportable to TRSL and speak with a TRSL representative prior to accepting an offer of employment by calling (225)925-6446 or by emailing [Ask TRSL](#).

State law requires Teachers' Retirement System of Louisiana to charge employers for any overpayment of benefits resulting from a failure to notify TRSL of a retiree's reemployment in a timely manner. Additionally, a retiree's monthly retirement benefit could be reduced to recoup overpayment amounts, or their monthly retirement benefit may be totally suspended.

Louisiana State Employees' Retirement System Retirees Re-employed in a LASERS-eligible position

A LASERS member who returns to active state service in a Classified Civil Service position after retirement is considered a re-employed retiree. A member who retires regularly and returns to

state service in a LASERS-eligible position must select one of the re-employment options within their first 30 days of hire.

- Option 1A: Fiscal year earnings limited to 50% of annual retirement benefit (retiree responsible for monitoring earnings limit)
- Option 1B: Exempt from any suspension or reduction in benefits; able to receive full retirement benefit and a salary without any limits (must have retired with 30 years of LASERS service credit and are at least age 70; unused leave converted to additional service credit at the time of retirement cannot be used to meet the 30-year service requirement)
- Option 2: May regain LASERS membership; able to increase LASERS service credit through remittance of employee and employer contributions (must repay all benefits which have been paid since retirement, plus interest; DROP and IBO participants are ineligible for this option)
- Option 3: Suspension of retirement benefits effective date of reemployment; become contributing members of LASERS based on current re-employment; earnings limit will not apply (upon subsequent retirement original retirement benefit will resume. If re-employed less than 3 years, employee contributions will be refunded to the member, if re-employed 3 years or more a supplemental benefit will be calculated)
- State law determines how overpayment of benefits are managed for LASERS retirees who elect:
 - Option 1A – If retiree’s actual salary exceeds his or her earnings limit for the FY the retiree will be invoiced for the overpayment of benefits. The retiree will have 30 days to pay the invoice, if not, a percentage of the retiree’s overpayment will be deducted from their monthly retirement benefit until the overpayment has been recouped.

It is strongly suggested any retiree considering returning to work speak with a LASERS representative prior to accepting an offer of employment by calling (225)922-0600.

For detailed information regarding LASERS Return to Work (RTW) Laws please visit www.lasersonline.org, or refer to the [Reemployed Retirees](#) guide.

Optional Retirement Plan (ORP) Retirees

An ORP participant who meets retirement eligibility under the ORP program and wishes to continue benefits offered through the state of Louisiana will have a required 60-day break between retirement and re-employment in a paid status to satisfy the Office of Group Benefits one-time disbursement requirement directly following their retirement.



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Disclaimer

This guide should be used as a tool to assist retirees and departments in understanding the complex laws governing reemployment of retirees from LASERS, TRSL, and ORP and the possible impact their decision to return to state government might have on their monthly retirement benefit. This document is not inclusive of all hiring situations. The Office of Human Resource Management will continue to review each situation on its own merits. It is strongly suggested retirees considering re-employment in a paid status to consult with the retirement system from which they retired prior to accepting an offer of employment.