Frequently Asked Questions
Early Retirement Window (ERW)

Q: What is the Early Retirement Window (ERW)?
A: The action taken by the Milwaukee Board of School Directors on March 30, 2017 allows certain employees to retire before age 60 with retiree health and life insurance benefits. To be eligible, employees must be age 55 or older between July 1, 2017 and June 30, 2020, and must have 20 or more years of MPS service. The 90% sick leave accumulation requirement for retiree health benefits remains the same.

Q: How is age 55 defined?
A: To qualify for the ERW during the period of July 1, 2017 to June 30, 2020, you must work through the day of your 55th birthday or beyond.

Q: Are there any other requirements to be eligible for ERW?
A: Employees must be employed as of June 30, 2013, with no separation from MPS after July 1, 2013, up to and including the date of prospective retirement, in order to be eligible for retiree health and life insurance benefits.

Q: Under the ERW, when can a school-based employee retire?
A: School-based employees must retire at the end of their regularly scheduled school year, even if they turn age 55 earlier in the school year. This requirement was part of the approved ERW in an attempt to lower the disruption for school communities. For example, if you turn 55 in August 2019, you need to wait to retire until the end of the 2019–2020 school year.

Q: Who is considered a school-based employee?
A: All 10-month employees; 12-month employees who are assigned to a school (except engineers and building service helpers).

Q: Is there a notice requirement under the ERW?
A: District support employees who intend to retire under the ERW must give the district at least a 90-day written notice of retirement. Since the start of the early retirement window is effective July 1, 2017, the earliest an employee could give notice would be July 1, 2017, for a retirement date effective after 90 calendar days have elapsed. School-based employees must give written notice by January 31 of each year in order to retire at the end of the school year, and qualify for retiree benefits under the ERW. For example:

- Notice must be given by January 31, 2018 to retire in June 2018
- Notice must be given by January 31, 2019 to retire in June 2019
- Notice must be given by January 31, 2020 to retire by June 30, 2020

Q: What is the sick leave accumulation requirement for retiree health insurance coverage?
A: To qualify for a Board subsidy toward retiree health insurance coverage, you must have accumulated sick leave:
- 10-month employee – 1,044 hours
- 12-month employee – 1,080 hours
- Half-pay sick leave hours convert to full-pay sick leave hours only for the purpose of meeting retiree health insurance eligibility.

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Q: What if I do not have 90% of sick leave accumulated by the time I retire under the ERW?
A: The sick leave accumulation requirement of 90% of sick leave to qualify for a Board subsidy toward retirement remains unchanged. If you meet the age and service requirements but do not have the 90% accumulation of sick leave, you are eligible for self-pay retiree health benefits. Note that self-pay retiree benefits are separately rated and for that reason, are higher than active health plan rates. For current retiree self-pay rates, see page 45 of the 2017 Retiree Open Enrollment Booklet located on the MPS website.

Retiree life insurance eligibility does not require a sick leave balance to qualify. Under the ERW, age must be at least 55, and at least 20 years of MPS service is required to qualify for retiree life insurance benefits.

Q: How can I acquire more sick leave to reach 90%?
A: As a long-standing practice of the district, employees may not buy, sell or donate sick leave to or from any other employee. You would have to work long enough to accumulate sick leave under your own active work status for the district to meet the 90% accumulation requirement.

Q: Can I change my previous paid sick leave to unpaid leave or other paid leave?
A: Once a leave is approved, it cannot be retroactively changed.

Q: Can I take unpaid Leave of Absence in an effort to preserve my accumulated sick leave?
A: Yes, but only if you are pre-approved for FMLA or other approved leaves.

Q: If I am short of the required 20 years of service, can I purchase service credit?
A: As a long-standing practice of the district, employees may not purchase service credit.

Q: What if I am eligible for the ERW and meet the age and service requirements but do not retire?
A: Effective July 1, 2020, the ERW ends and the age requirement for retiree health and life insurance benefits reverts to age 60. If you do not retire under the ERW, you must wait until age 60 to retire from the district with these retiree benefits.

Q: What if my spouse or dependent is Medicare eligible at the time of retirement under the window? Is there anything special I should know?
A: Yes! If you (due to disability), your spouse, or a dependent are eligible for Medicare at the time of retirement, they must enroll with the Social Security Administration for Medicare Parts A and B effective the first of the month following your retirement date (Medicare rules). This means that if you retire and your last day of work/retirement date is in June, you and/or your Medicare eligible family members must be enrolled in Medicare A and B effective July 1. According to Medicare’s rules, Medicare becomes the primary payer the first of the month following employment termination and the MPS health plan becomes secondary.

Q: Are routine vision and dental coverage retiree benefits covered under the ERW?
A: No, routine vision coverage and dental coverage remain non-retirement benefits and administration remains the same. Routine vision coverage through National Vision Administrators (NVA) ends when your active health coverage ends. Dental coverage is available only under COBRA continuation for up to 18 months or until Medicare eligibility.

Q: Does the ERW apply to what we formerly have known to be severance pay?
A: Yes. The ERW requirement also applies to the severance pay benefit currently known as the 403(b) accumulated leave program, wherein at the time of retirement, an employee may receive pay for up to 10 accumulated full days of sick leave in excess of the 90% of the maximum full days accumulation needed for a Board subsidy toward retiree health insurance coverage.