

Return-to-Work

CHECKLIST FOR EMPLOYERS

Refer to this checklist to counsel employees getting ready to retire, before hiring a VRS retiree or to counsel an employee who previously retired and is preparing to retire again. See also the [Service Retirement Checklist](#) and [WTA Retirement Checklist](#).

✓ Counsel a pre-retiree

An employer considering bringing an employee back to non-covered employment after retirement should be aware that before an employee retires, the employer cannot arrange, verbally or in writing, to hire the employee in a non-covered position, as certified on the [Application for Service Retirement \(VRS-5\)](#) or the [Application for Disability Retirement \(VRS-6\)](#).

Counsel the employee about the possible consequences that returning to work may have on the subsequent retirement benefit, including the loss of accumulated COLA increases and the impacts that different types of employment may have. In addition, an employee's retirement benefit may be less after a second retirement. See [Retirees Returning to Work](#) on the VRS website.

Inform the employee of notable return-to-work exceptions, such as those for school security officers and critical shortage school positions. See the [Hazardous Duty FAQ](#), [Hiring and Reporting School Resource Officers or School Security Officers](#) job aid and the [Service Retirement](#) chapter of the Employer Manual for details.

If an employee is applying for disability retirement, disability retirement benefits will end if the employee returns to a position that requires the same or similar duties as those the employee performed before disability retirement. This includes positions with non-VRS participating employers as well as non-covered positions with VRS-participating employers.

✓ Before hiring a retiree

Remind the retiree that retirement benefits must stop if hired unless an exception applies.

If the retiree is returning to a non-covered position with the employer from which they retired, the retiree must have a bona fide break in service. Note that the Commonwealth of Virginia, including all state agencies and public colleges and universities, is considered the same employer. School divisions and political subdivisions are separate employers.

If hiring a retiree in a non-covered position on a part-time basis, ensure the following conditions are met:

Retirees cannot return to work in covered (classified) part-time state positions.

Part-time employment typically requires less than 80% of the hours of a comparable full-time position.

If the retiree will be working in more than one non-covered part-time position, the total number of hours must be 80% or less of a full-time equivalent position.

To temporarily appoint a retiree to an interim position while recruiting for a full-time employee, discuss the hire with your [employer relationship manager](#). Interim appointments are evaluated on a case-by-case basis and generally cannot exceed six months.

If a disability retiree will be returning to a position requiring the same or similar duties as those performed before disability retirement, disability retirement benefits will end, even if the retiree is returning to a non-covered position.

Employers may be liable for benefit overpayments if they do not comply with return-to-work provisions. Under Section 51.1-124.9(B) of the *Code of Virginia*, VRS is authorized to collect benefit overpayments from the employer, not the retiree, if the employer:

- Hires a retiree in a position that would be considered covered but the employer does not report the retiree to VRS;
- Hires a retiree in a non-covered position with the employer from which they retired and they have not had a bona fide break in service;
- Makes a pre-arrangement with an employee before their retirement date to return to work after retirement.

✓ Enroll the retiree as a new employee in myVRS Navigator

When enrolling a new employee in myVRS Navigator, a warning message is displayed if the employee is an existing member with an active retirement account. VRS will notify the member that returning to work will stop their retirement benefits during employment.

myVRS Navigator will place the member in a "pending" status for 21 days. After 21 days, the member will automatically become an active employee and all retirement benefits will stop while they are employed. To expedite the enrollment process, email employersupport@varetire.org to ask that the 21-day waiting period end early.

✓ Counsel an employee preparing to retire again

Instruct the employee to call VRS to find out the estimated subsequent benefit amount. Subsequent retirement benefits cannot be calculated through myVRS or myVRS Navigator.

Instruct the employee to use myVRS to apply for retirement. They must elect the same benefit payout option under which they previously retired.

Inform the employee that if any cost-of-living adjustments (COLAs) were received before returning to covered employment, the COLAs will not resume upon subsequent retirement. The employee will become eligible for a COLA effective July 1 of the second calendar year after subsequent retirement. The COLA will be calculated as if the employee is retiring for the first time.