

CHAPTER 352F

UNIVERSITY HOSPITAL EMPLOYEE RETIREMENT

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352F.01 PURPOSE.

The purpose of this chapter is to assure, to the extent possible, that persons employed at the University of Minnesota hospital and clinics will be entitled to receive future retirement benefits under the general state employees retirement plan of the Minnesota State Retirement System commensurate with the prior contributions made by them or on their behalf upon the integration of the University of Minnesota hospital and clinics and Fairview hospital and health-care services.

History: 1996 c 460 art 1 s 1

352F.02 DEFINITIONS.

Subdivision 1. **Definitions.** As used in this chapter, unless the context or subject matter indicates otherwise, the following terms have the meanings given in this section.

Subd. 2. **Allowable service.** "Allowable service" has the meaning provided in Minnesota Statutes 1994, section 352.01, subdivision 11.

Subd. 3. **Effective date.** "Effective date" is the date terminated hospital employees transfer employment to Fairview under a definitive integration agreement between the University of Minnesota and Fairview or the date terminated Academic Health Center employees are transferred to the University of Minnesota Physicians or University Affiliated Family Physicians, whichever is applicable.

Subd. 4. **Fairview.** "Fairview" means Fairview Hospital and Healthcare Services, a Minnesota nonprofit corporation, and its successors.

Subd. 5. **Section.** "Section" means the designated section of Minnesota Statutes.

Subd. 6. **Terminated hospital employee.** "Terminated hospital employee" means a person who:

(1) was employed on the day before the effective date by the University of Minnesota at the University of Minnesota Hospital and clinics or the Academic Health Center and was paid on a biweekly payroll;

(2) terminated employment with the University of Minnesota on the day before the effective date or in the case of employees of the Academic Health Center, terminated employment with the University of Minnesota after the effective date but immediately transferred employment to the University of Minnesota Physicians or University Affiliated Family Physicians; and

(3) was a participant in the general state employees retirement plan of the Minnesota State Retirement System at the time of termination of employment with the University of Minnesota.

Subd. 7. **University of Minnesota.** "University of Minnesota" means University of Minnesota Hospital and clinics, the hospitals and clinics operated by the regents of the University of Minnesota.

Subd. 8. **Years of allowable service.** "Years of allowable service" has the meaning provided in Minnesota Statutes 1994, section 352.01, subdivision 16.

Subd. 9. **Academic Health Center.** "Academic Health Center" means the seven professional schools in health care related disciplines at the University of Minnesota.

Subd. 10. **University of Minnesota Physicians.** "University of Minnesota Physicians" means the multispecialty single group medical practice group in which medical school faculty will practice medicine beginning in 1997.

Subd. 11. **University Affiliated Family Physicians.** "University Affiliated Family Physicians" means the private practice group of the Department of Family Practice in the university's medical school.

History: 1996 c 460 art 1 s 2; 1997 c 241 art 7 s 1-5

352F.03 VESTING RULE FOR CERTAIN EMPLOYEES.

Notwithstanding any provision of chapter 352 to the contrary, a terminated hospital employee or Academic Health Center employee is eligible to receive a retirement annuity under Minnesota Statutes 1994, section 352.115, without regard to the requirement for three years of allowable service.

History: 1996 c 460 art 1 s 3; 1997 c 241 art 7 s 6

352F.04 AUGMENTATION RATES FOR TERMINATED PRIVATIZED EMPLOYEES; RETURN TO COVERAGE.

Subdivision 1. **Enhanced augmentation rates.** The deferred annuity of a terminated hospital employee is subject to augmentation under Minnesota Statutes 1994, section 352.72, subdivision 2, except that the rate of augmentation to be applied each January 1 is set by this subdivision. For augmentation through December 31, 2018, the rate of augmentation is set under Minnesota Statutes 2016, section 352.04, subdivision 1. For augmentation beginning January 1, 2019, the rate of augmentation is the following:

January 1, 2019	4.5 percent
January 1, 2020	3.75 percent
January 1, 2021	3.0 percent
January 1, 2022	2.25 percent
January 1, 2023	1.5 percent
January 1, 2024	0.75 percent

After December 31, 2024, the deferred annuity must not be augmented.

Augmentation for each year is effective as of January 1 of that year.

Subd. 2. **Exceptions.** The enhanced augmentation rates specified in subdivision 1 do not apply if the terminated hospital employee:

(1) became covered again by a retirement plan enumerated in section 356.30, subdivision 3, on or before June 30, 2015; or

(2) begins receipt of a retirement annuity under chapter 352 before age 62 while employed by the employer which assumed operations of the medical facility or other public employing unit or purchased the medical facility or other public employing unit.

Subd. 3. Return to covered employment. (a) If a terminated hospital employee becomes covered by a retirement plan enumerated in section 356.30, subdivision 3, the employee shall be entitled to whichever of the following annuities produces the highest monthly payment:

(1) the deferred annuity and augmentation to which the employee would have been entitled under subdivision 1 reduced by the dollar amount of any annuity earned under any enumerated retirement plan after the effective date defined in section 352F.02, subdivision 3;

(2) a combined service annuity calculated under section 356.30; or

(3) an annuity calculated under section 352.72 for coverage by more than one retirement system using the augmentation rates in section 352.72, subdivision 2, paragraph (a).

(b) This subdivision applies to any terminated hospital employee who begins to receive a retirement annuity under chapter 352 on or after July 1, 2015.

History: 1996 c 460 art 1 s 4; 1997 c 241 art 7 s 7; 2006 c 271 art 5 s 1; 2018 c 211 art 15 s 5-7; 1Sp2019 c 8 art 1 s 12; 2022 c 55 art 1 s 153

352F.05 AUTHORIZATION FOR ADDITIONAL ALLOWABLE SERVICE FOR CERTAIN EARLY RETIREMENT PURPOSES.

For purpose of determining eligibility for early retirement benefits provided under Minnesota Statutes 1994, section 352.116, subdivision 1, paragraphs (a) and (b), and notwithstanding any provision of chapter 352 to the contrary, the years of allowable service for a terminated hospital employee who transfers to employment at Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians on the effective date and does not apply for a refund of contributions under Minnesota Statutes 1994, section 352.22, subdivision 2, or any similar provision in future Minnesota Statutes, includes service with Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians following the effective date. Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians shall provide any reports that the executive director of the Minnesota State Retirement System may reasonably request to permit calculation of benefits.

To be eligible for early retirement benefits under this section, the individual must separate from service with Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians. The terminated eligible individual, or an individual authorized to act on behalf of that individual, may apply for an annuity following application procedures under section 352.115, subdivision 7.

History: 1996 c 460 art 1 s 5; 1997 c 241 art 7 s 8

352F.051 CONTINUATION OF DISABILITY COVERAGE.

Subdivision 1. Eligibility. A terminated hospital employee who is totally and permanently disabled under section 352.01, subdivision 17, and who had a medically documented preexisting condition of the disability before January 1, 1997, may apply under Minnesota Statutes 1996, section 352.113, subdivision 1, for a disability benefit.

Subd. 2. **Calculation of benefits.** A person qualifying under subdivision 1 is entitled to receive a disability benefit calculated under Minnesota Statutes 1996, section 352.113, subdivision 3. The disability benefit must be augmented under section 352.72, subdivision 2, from January 1, 1997, to the date on which the disability benefit begins to accrue.

Subd. 3. **Applicability of general law.** Except as otherwise provided, section 352.113 applies to a person who qualifies for disability under subdivision 1.

History: *1Sp2001 c 10 art 9 s 1*

352F.052 APPLICATION OF SURVIVING SPOUSE, DEPENDENT CHILD PROVISION.

Notwithstanding any provisions of law to the contrary, subdivisions within section 352.12 of the edition of Minnesota Statutes published in the year before the year in which a privatization occurred, applicable to the surviving spouse or dependent children of a former member, apply to the survivors of a terminated hospital employee of Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians.

History: *2004 c 267 art 9 s 15*

352F.06 MS 2018 [Repealed, 1Sp2019 c 8 art 1 s 14]

352F.07 EFFECT ON REFUND.

Notwithstanding any provision of chapter 352 to the contrary, terminated hospital employees may receive a refund of employee accumulated contributions plus interest in accordance with section 352.22, subdivision 2, at any time after the transfer of employment to Fairview, University of Minnesota Physicians, or University Affiliated Family Physicians. If a terminated hospital employee has received a refund from a pension plan enumerated in section 356.30, subdivision 3, the person may not repay that refund unless the person again becomes a member of one of those enumerated plans and complies with section 356.30, subdivision 2.

History: *1996 c 460 art 1 s 7; 1997 c 241 art 7 s 10; 2010 c 359 art 1 s 22*

352F.08 COUNSELING SERVICES.

The University of Minnesota hospital and clinics or the Academic Health Center, whichever is applicable and the Minnesota State Retirement System shall provide terminated hospital employees with counseling on their benefits available under the general state employees retirement plan of the Minnesota State Retirement System.

History: *1996 c 460 art 1 s 8; 1997 c 241 art 7 s 11*