



# *After You Retire*

What Every Pension  
Recipient Should Know

**About the Office of Retirement Services**

The Office of Retirement Services (ORS) is a division of the State of Michigan Department of Technology, Management and Budget. ORS administers retirement programs for more than half million Michigan state and public school employees, judges, and state police.

**About This Publication**

The intent of this publication is to summarize basic plan provisions under Michigan’s Public Act 300 of 1980, as amended. Current laws, rates, and factors are subject to change. Should there be discrepancies between this publication and the actual law, the provisions of the law govern.

This publication can be made available in alternative formats to meet the needs of our customers with visual or physical limitations. Please contact ORS if you require this service.

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**What Every Pension Recipient  
Should Know**



Office of Retirement Services  
State of Michigan

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## I. Welcome to Retirement!

Congratulations! At long last, it's time to reap the rewards of your many years of hard work as a dedicated Michigan public school employee.

In this book, we answer the pension and insurance questions most new retirees have. We also list some of the situations that would warrant contact with us.

In most instances, you can manage these situations yourself by logging into miAccount at [www.michigan.gov/orsmiaccount](http://www.michigan.gov/orsmiaccount). After you log in, you have secure access to change your insurance dependents, tax withholdings, address, and much more!



While miAccount is the fastest way to access and make changes to your account, the At Your

Service section of this publication also provides complete details on how to contact ORS. Keep this book in a handy place as a reference.



## II. Your Pension Payments

You filed your retirement application, submitted the necessary paperwork, and you said farewell to your public school employment. What next? In this section, we tell you a few pension-related things to expect.

### **Your award letter.**

After you terminate employment and submit all the required documentation, your employer submits details of your wages along with any pay received in addition to your base contract such as retroactive contract settlements, longevity, overtime pay, and so forth.

Once we have your final wage information, we will verify your pension eligibility and put you on the retirement payroll. We then send an award letter that tells you how much your pension payment is and when you can expect it. The letter details how your pension was calculated (final average compensation and service credit totals) as well as any deductions (insurance premiums, taxes) reflected in the payment amount.

If you choose a retirement effective date that falls during a time when a large volume of applications are being submitted, we may process your application “on the fast track” so we can provide you with your first pension payment on a timely basis.

This simply means that we would not wait for your final payroll details from your employer

to calculate your pension — we would use the payroll information already reported. If this situation applies to you, we will send you an initial benefit award letter detailing your initial pension calculation and insurance information.

After your employer submits all of your final employment information, we will review your account and correct your monthly pension amount. If you were underpaid, we will issue a retroactive payment, and if you were overpaid, we will work with you to recover any overpayment. In either case, we will provide an updated status of your pension calculation.

### **First pension payment.**

Your first pension payment should arrive one to three months after you terminate all public school employment

and receive your last paycheck, provided you meet all the eligibility requirements and all required forms are on file with ORS. If your

first payment is delayed while we gather final salary information, you will be paid retroactive to your retirement effective date.

Allow up to **three months** for your first payment to arrive.

### **Ongoing pension payments.**

Pensions are paid on the 25th of each month for the month they are due. If the 25th falls on a weekend or holiday, watch for your payment on the preceding business day. (December payments are issued about one week early.)

### **Your pension statements.**

If you use electronic funds transfer (EFT) payments, you will be mailed a statement periodically. Your statements are also available online at any time once you've logged into miAccount.

Each January, ORS will send you a federal 1099-R form. This pension income statement reports the payments made to you during the previous year and any taxes withheld. You will need it when you file your income tax return.

### **Pension increases happen in October for MIP members.**

If you retired under the Member Investment Plan (MIP), you can look forward to a 3 percent increase beginning the second October after your retirement effective date. For example, if your retirement effective date is December 1, 2010, your first increase will be in October 2012.

The increase is based on your initial pension amount after applying any early reduced or survivor option reduction. If you chose one of the equated options, the advance portion of your pension is not included when the 3 percent is calculated.

Your postretirement increase doesn't compound, but it does accumulate. So, if your first postretirement increase is \$36 per month, every October you can expect to get \$36 more per month than you did the previous year.

**Note:** If you chose the 100 percent survivor option, your beneficiary will receive the same

annual increase you received. If you chose the 75 percent or 50 percent survivor option, your beneficiary will receive either 75 percent or 50 percent of the annual increase you received.

### **Increases for Basic Plan members.**

If you were a Basic Plan member, you should not plan on a scheduled increase. However, in years when the plan's investments exceed predictions you may receive a distribution of the excess earnings. You'll be notified if and when a supplemental payment, sometimes called a 13th check, will be issued.

### **If you chose the equated plan.**

Your pension payment reduction under the equated plan takes effect the month after your 62nd birthday. If your birthday falls on the 1st or 2nd of the month, your pension is reduced the month in which you turn age 62.

If you chose the equated plan, your pension will be reduced when you turn 62.

It doesn't matter when you actually begin receiving your social security checks—the

pension reduction occurs at age 62 regardless. It also doesn't matter how much your social security checks are—the pension reduction is based on the social security estimate you provided. As such, you won't need to notify us when your social security begins because your pension will automatically be reduced.

### **If you disagree with the decision.**

If you disagree with a determination made by ORS concerning your retirement benefits, you may request a review by writing to ORS stating the basis for your disagreement and providing all information you believe supports your position. Your request will be thoroughly reviewed, and you'll be notified in writing of the outcome.

### **IRS pension limits**

Section 415(b) of the IRS code, which limits the amount of a pension that is payable from a Defined Benefit plan, affects a small group of retirees who earned a very high pension. If you are in this group, ORS will let you know how the pension amount that exceeds the IRS limit will be paid to you.

### **If you are overpaid or underpaid.**

The retirement law requires ORS to correct any payment errors. As a result, any person who receives a pension payment in error will be required to repay it. This also applies if you are underpaid—if your payroll office reports a wage correction that results in an underpayment to you, you will be reimbursed.



### III. Your Insurance

As a public school retiree, you and your eligible dependents have the option of enrolling in health, dental, and vision group insurances.

#### ***Your Health Coverage***

When your retirement application is processed, we forward your insurance enrollment forms to the health, dental, and vision insurance carriers.

Blue Cross Blue Shield of Michigan (BCBSM) is the primary carrier for health insurance, Delta Dental administers the dental plan, and Eye Med administers vision coverage. Depending on where you live, you may be able to enroll in select health maintenance organizations (HMOs). A list of HMO options can be found under Forms & Publications on our website or by calling ORS.



You should receive insurance identification cards and materials a few weeks after your pension begins. If you need health services before

your cards arrive, save your itemized receipts for later reimbursement. Or, if necessary, have the provider verify your coverage with ORS.

The health insurance plans include hearing aid coverage. If you choose not to enroll in one of

the health plans, a hearing aid benefit may be available (unless you took a deferred retirement and have less than 21 years of service).

The insurance carrier is your best bet for answers about an insurance claim or if you want to know if a particular service is covered. Contact ORS if you have questions or a problem with insurance *enrollment*.

### **Insurance premiums.**

If you go directly from active member status to retiree status, you may be eligible for an insurance premium subsidy. If you are eligible, the plan pays a percentage of your insurance premium, and you are responsible for paying the balance of the premium amount. If you took a deferred retirement, the amount of your premium subsidy depends on when you terminated your public school employment and your years of credited service.

A delayed subsidy will apply if you initiated a service credit purchase on or after July 1, 2008, that allowed you to qualify for a pension earlier than if you did not make the purchase.

**Note:** If you retired under the P.A. 75 of 2010 incentive, the delayed subsidy does not apply.

Questions about covered services or an insurance claim? Contact the insurance carrier.

Questions about enrollment? Contact ORS.

When Medicare coverage begins, you'll begin paying Medicare premiums and your plan health insurance premiums will be adjusted. Be sure to let ORS know if your premiums aren't reduced when Medicare starts.

You will be notified in advance of any rate changes, which typically occur in January. Premium rates are also posted on the ORS website (navigate to Forms & Publications > Insurance Rates).

### **Sign up for Medicare.**

As soon as you, your spouse, or anyone covered by your health plan insurance become eligible for Medicare, that person must enroll in both Part A and Part B. If that happens before age 65, send ORS a completed *Insurance Enrollment/Change Request (R0452C)* form. (For most people, Medicare begins at age 65 or after 24 months of social security disability eligibility.)

Your health coverage coordinates with Medicare. If you don't enroll in Medicare Part B, you will be personally responsible for any medical expenses that would be covered by Medicare. Your retirement system health plan will continue to pay for any of the plan's covered benefits that are not covered by Medicare.

Be sure to enroll in Medicare Parts A and B when you're first eligible, and notify ORS if that happens before you are 65.

When your Medicare coverage begins, you will likely see a decrease in the amount of your health insurance premiums.

Medicare D is a prescription drug program introduced by the federal government in 2006. Your insurance carrier will automatically enroll you in Medicare Part D if appropriate. Be sure your carrier knows your Medicare number.

**If you have other health insurance.**

The health, dental, and vision plans contain a coordination of benefits (COB) provision, which says you can't be reimbursed for more than the allowed cost of your care or service. If you or your dependents are covered under another group plan, the plans coordinate their reimbursement so their combined payments don't exceed the allowed costs.

It is your responsibility to keep ORS informed of any changes that may affect your own and your family's eligibility and/or coverage, so be sure to notify ORS when anyone on your insurance has coverage under another insurance plan.

If you and your spouse are Michigan public school retirees, you will be covered together under one contract.

**Enrolling or changing your enrollment after retirement.**

You can enroll for insurance coverage at any time during the year. However, your coverage won't take effect until the first day of the sixth month after ORS receives all required forms and proofs. The waiting period doesn't apply if there

has been an involuntary loss of other group coverage or a change in your family status.

If you decide not to enroll in the health, dental, or vision insurance within 30 days of your retirement effective date, but then want to enroll later, use the *Insurance Enrollment/Change Request (R0452C)* form. Use the same form if you want to change from one health plan to another or update your dependent coverage. To enroll in an HMO, request the enrollment form directly from the HMO. Send your completed form with all required proofs to ORS.

After making sure your enrollment application is complete, we will take action to adjust your premiums if necessary, and then we will enroll you with the insurance carrier you have selected. If you do not receive your insurance card(s) by your effective date, please contact the insurance carrier directly.

**If you have an involuntary loss of other group coverage.**

We can waive the waiting period if you or a dependent has an involuntary loss of other group coverage or a qualifying event such as a change in your family status. If we receive your *Insurance Enrollment/Change Request (R0452C)* form or HMO enrollment form, along with proof of your loss of coverage, within 30 days of the event, there will be no gap in your coverage.

## ***Coverage For Your Dependents***

Eligible dependents for health, dental, and vision insurance plans include the following:

- Your spouse. If he or she is an eligible public school retiree, you will be covered together on one contract.
- Your unmarried child by birth or legal adoption until December 31 of the year in which he or she turns age 19.
- Your unmarried child by legal guardianship until age 18.
- Your unmarried child by birth or legal adoption until December 31 of the year in which he or she reaches age 25 if a full-time student and dependent on you for support.
- Your unmarried child by birth or legal adoption who is totally and permanently disabled, dependent on you for support, and unable to self-sustain employment.
- Either your parent(s) or parent(s)-in-law residing in your household—one set of parents or the other, but not both.



Coverage for your eligible dependents is the same as yours.

In the case of legal adoption, a child is eligible for coverage as of the date of placement. Placement occurs when you become legally obligated for the total or partial support of the child in anticipation of adoption. A sworn statement with the date of placement or a court order verifying placement is required.

### **Required proof.**

You will be asked to provide photocopies of the following: marriage certificate if you're



adding a spouse, birth certificates as proof of age and relationship, tax returns as proof of dependency, school records as proof of full-time attendance, court orders to prove legal guardianship, and driver's license

or tax returns as proof of residence for your parent(s) or parent(s)-in-law.

To ensure coverage for your incapacitated child, you will need to provide a current letter from the attending physician stating the child is disabled and incapable of self-sustaining employment, along with a copy of any medical records or reports that substantiate the disability, and the IRS form *1040* that identifies the child as your dependent. In addition, every year you may be asked to furnish proof of incapacitation and dependency.

## **Reporting changes for your dependents.**

It is your responsibility to notify ORS in writing of any change in your status or that of your family that would result in ineligibility. You must also tell us of coverage under any other group insurance, including Medicare. We will adjust your premium deductions, if necessary, beginning the month after we receive your notice. We cannot refund premiums that were withheld before or in the month you report the change.

To report such changes, use the *Insurance Enrollment/Change Request (R0452C)*, available from ORS and on the website. Don't forget to include any required proofs.

The same form is used to add or change the name of someone on your health, dental, or vision insurance contract. If you're adding a spouse or dependent due to marriage, birth, or adoption, be sure to submit the form within 30 days of the event so that the 6-month waiting period can be waived. Remember to include a copy of the marriage, birth, or adoption certificate.

## **COBRA protects your dependents after eligibility stops.**

If one of your dependents loses eligibility for your group insurance coverage, he or she may be able to pay for continued coverage for a limited time. A federal law known as the Consolidated Omnibus Budget Reconciliation Act, or COBRA, allows your dependent spouse or child the option of paying for continued

health insurance coverage for up to 36 months after a qualifying event.

The insurance carrier may also offer a conversion policy. Your dependents will be notified of these options.

### ***About Long-Term Care Insurance***

Long-term care insurance helps offset the cost of custodial (not medical) care provided in a nursing facility or in the home. ORS has established a group plan with MetLife for long-term care insurance for public school



retirees, as well as their spouses, parents, parents-in-law, grandparents, and grandparents-in-law.

While ORS negotiated this offering for retirees, we neither encourage nor discourage you to enroll. Eligibility, enrollment, coverage, and cost

questions about the long-term care insurance should be directed to MetLife at

**<http://stateofmichigan.metlife.com> or  
(800) 438-6388 (800-GET-MET8).**

## IV. What Your Survivors Should Know

When you applied for your pension, you elected either a straight life option, which provides no ongoing benefit after your death, or one of the survivor options, which continues payments for the lifetime of the person you named as your survivor pension beneficiary.

If you elected your spouse as a survivor pension beneficiary *after* your pension began, upon your death he or she will be eligible for ongoing pension payments for his or her lifetime providing your death occurs 12 months after the election. If your death occurs within 12 months of the election, pension payments will cease 12 months after your death.

Whether ongoing benefits are due or not, your survivor should contact us upon your death. We will ask for your social security number so we can stop your payments and review your record to see if anything more is payable.

### **Continued insurance for your survivors.**

If you elected a survivor option for your pension, group insurances will continue uninterrupted for your designated pension beneficiary after your death. Your eligible dependents who were covered at the time of your death will continue to receive insurance benefits if you have chosen the survivor option.

If you elected your spouse as a survivor pension beneficiary *after* your pension began, upon your death he or she will remain eligible for insurance coverage, but must pay the full, unsubsidized monthly premiums. The premiums will be deducted from the pension. If the pension



does not cover the entire cost of the monthly premium, a bill will be sent for the remainder.

If you did *not* choose a survivor option, coverage for your enrolled spouse and dependents ceases on the last day of the month of your death. However, they may be eligible to continue insurance coverage for up to 36 months through COBRA or for an unsubsidized group conversion policy as described in Section III–Your Insurance.

## V. When to Contact ORS

In this section, we list the most common situations that would require a contact with ORS. Please use it as a general guide only. Because we can't list every possible event that should be reported, it's best to contact us if you're not sure.

You can use the secure Message Board in miAccount, [www.michigan.gov/orsmiaccount](http://www.michigan.gov/orsmiaccount), to contact a knowledgeable ORS representative. In addition, we have a vast amount of information on our website, [www.michigan.gov/ORSschools](http://www.michigan.gov/ORSschools), and our online publications and forms.

### ■■ ADDRESS CHANGE ■■

Be sure we know your current mailing address and email address at all times so you receive your statements and other important notices.

Update and view your personal account information via miAccount, your online account tool!

Address changes can be made online through miAccount, or you can send us a *Name and Address Change (R0357X)* form.

We will notify your insurance carriers of your address change; however, it may take up

to 30 days before the carrier can take action. If you're insured by an HMO, ask to speak with an ORS insurance representative because an address change could affect your coverage.

See EFT Change (in this section) if you are changing your EFT account.

## ■■■ BIRTH ■■■

Ordinarily, the birth or adoption of a child after you retire will not affect your pension. However, if you wish to enroll your child in your insurance plans, you can do so using miAccount (see Section III for more details) or by submitting the *Insurance Enrollment/Change Request (R0452C)* form within 30 days of the event, as explained in Section III–Your Insurance.

## ■■■ DEATH ■■■

**Death of the retiree.** Upon your death, your personal representative (family member, executor) should contact ORS as quickly as possible. We will need your social security number and a photocopy of the death certificate. See Section IV–What Your Survivors Should Know for information to give to your survivors.

**Death of survivor pension beneficiary.** If you elected a survivor option and your pension beneficiary predeceases you, notify ORS and provide a photocopy of the death certificate. Your pension will “pop up” to the full (unreduced) straight life pension. If you elected the equated plan and your beneficiary dies before you, your benefit will revert to the straight life equated amount.

If any person receiving a survivor benefit dies, ORS should be contacted immediately. We

will need the social security number of the beneficiary who was receiving benefits, along with a photocopy of the death certificate.

**Death of insurance dependent.** If anyone enrolled as a dependent in your health, dental, or vision insurance plan dies, report the death immediately using the Beneficiaries and Dependents section in miAccount or the *Insurance Enrollment/Change Request (R0452C)* as explained in Section III–Your Insurance. Send a photocopy of the death certificate along with the completed form.

Additional information about reporting a death can be found in Section IV–What Your Survivors Should Know.

## ■ ■ **DISABILITY RETIREMENT** ■ ■

If you are receiving a disability retirement, you should notify ORS if your condition improves.

If you are thinking about working and are under age 60, you must first gain approval from the Michigan Public School Employees Retirement Board. If the board approves your return to work, you will be subject to an earnings limitation. This means that if your earnings exceed the limit set each year by statute, you will have to pay back any excess amount.

Be sure to contact ORS in advance if you're a disability retiree under age 60 considering employment. We will give you more information about preapproval rules and the earnings limitation at that time.

## ■■■ DIVORCE ■■■

If you divorce after retirement, your pension will not be affected unless you elected a survivor option. To change your survivor option to a straight life pension, you must submit a court order — contact ORS prior to finalizing your divorce to obtain the required language for this situation.

If your former spouse is enrolled as a dependent in your health, dental, or vision insurance plan, his or her eligibility will cease. Report the divorce immediately using miAccount or the *Insurance Enrollment/Change Request (R0452C)* as explained in Section III. Include a copy of your divorce decree.

Since we cannot adjust your insurance premiums until we receive your *Insurance Enrollment/Change Request (R0452C)* and because we cannot refund excess insurance premiums, be sure to send this form in as soon as possible.

A divorce could mean that you need to change your address or name. Use miAccount or the *Name and Address Change (R0357X)* form.

## ■■■ EFT CHANGE ■■■

The quickest way to sign up or change your EFT bank account is in miAccount. You can also complete the *Electronic Funds Transfer Application (R0277X)*. Ordinarily, if we receive your request by the first day of the month, your next payment should be deposited to your new account. Do not close your old account until your pension payment has been successfully deposited in your new account.

## ■■ EMPLOYMENT ■■

If you retired under the regular age and service provision (not under a disability), you do not need to report any wages or earnings unless you are working for a participating Michigan public school (a school, college, university, or library that is a member of this retirement system), including any charter school. Be sure to read the Earnings limitations section carefully. Returning to work could affect your pension and retiree health care subsidy.

**Note:** The rules for returning to work are different for retirees whose retirement effective dates are before July 1, 2010. For more information, visit our website and navigate to After Retirement > Working After You Retire.

### **Employment restrictions.**

You may not work within the month of your retirement effective date (even as a volunteer) for a participating public school. *Note:* If you anticipate working for the state of Michigan in the month of your effective date, additional restrictions could apply if you transferred state of Michigan service that was used in your pension calculation. Contact ORS for details.

If your pension is based on a disability, contact ORS before you accept any employment because special restrictions apply.

### **Earnings limitations.**

If you return to work directly for a participating Michigan Public School (including any charter school), you may earn up to one-third of your final average compensation in a calendar year.

If you exceed this earnings limitation, you will forfeit your pension and retiree health care subsidy until the employment ceases.

**Note:** In the first year of retirement, the earnings limitation is prorated.

If you perform any core services for a Michigan public school (including any charter school), and are employed by an entity other than the Michigan public school, or as an independent contractor, you will immediately forfeit your pension and retiree health care subsidy until the employment ceases. (For a definition of *core services*, visit the Working After You Retire section of our website.)

If your retiree health care subsidy is forfeited, you can request a continuation of insurance; however you will be responsible for 100 percent of the monthly premium.

If you return to work for a Michigan public school or charter school directly or as an employee of an entity other than a Michigan public school, or as an independent contractor,



it is your responsibility to inform the school of your retiree status.

Reemployment does not change your retiree status, so neither you nor your employer will make contributions to the retirement system.

## ■■ MARRIAGE ■■

### **Marriage of retiree.**

If you marry after your retirement pension begins, there is no need to report the marriage because your payments will not be affected. You need to report the marriage if you want to add your new spouse to your insurances, change your address, or add your new spouse as a survivor pension beneficiary.

**Adding your new spouse to insurances.** If you wish to enroll your new spouse in your insurances, you can do so using miAccount or by completing the *Insurance Change Request (R0452C)* form. If you submit the information and a copy of your marriage certificate to ORS within 30 days, coverage will begin the first day of the month after we receive the completed enrollment forms (the ordinary 6-month waiting period is waived).

**Changing your address.** To change your address, log into miAccount or use the *Name and Address Change (R0357X)* form.

**Naming a new spouse as a beneficiary.** You may name a new spouse as a survivor pension beneficiary under the following conditions:

- If you were married at the time of retirement and have since been widowed and remarried, you can name a new spouse as pension beneficiary as long as you elected a survivor option (100, 75, or 50 percent—not straight life) for your spouse at the time of retirement. Your new spouse will

receive the same survivor option you elected for your spouse at the time of retirement.

- If you were single at the time of retirement and subsequently married, you can name a new spouse if you elected the straight life option at retirement.

**Note:** If you name your spouse as a pension beneficiary, your pension will be reduced because we will recalculate it using the standard actuarial formula. To learn the reduced value of your pension, log into miAccount and run a pension estimate.

You may name your spouse as a survivor pension beneficiary after 179 days of marriage, but no later than 12 months after marriage.

If you meet all of the conditions listed above and wish to see how much your pension will be reduced by naming your new spouse as a beneficiary, log in to miAccount or contact our office to receive an estimate.

Upon your death, the pension payment will be paid for your spouse's lifetime, provided your death does not occur within 12 months of naming your new spouse as a survivor pension beneficiary. If your death does occur within 12 months of the election, pension payments to your surviving spouse will end 12 months after your death.

Regardless of when your death occurs, your new spouse will remain eligible for insurance coverage but must pay the full, unsubsidized monthly premiums. This person will be

automatically enrolled in the unsubsidized insurance provided by the retirement system to provide continuity of coverage. The full monthly premiums will be deducted from the pension. If the pension does not cover the entire cost of the monthly premium a bill will be sent to your spouse for the remaining balance.

### **Marriage of survivor pension beneficiary.**

If you are receiving a survivor pension on the account of a deceased public school retiree, you don't need to report your marriage because your pension will continue as usual. Your new spouse can receive insurance coverage.

However, the retirement system will not subsidize the insurance premium for the new spouse as it does for the survivor.

### **Marriage of insurance dependent.**

Only unmarried dependents are eligible for insurance coverage. If anyone enrolled on your contract as an insurance dependent marries, you must notify ORS immediately. Use miAccount or the *Insurance Change Request (R0452C)* form.

## ■■■ MEDICARE ■■■

A few months before you're eligible for Medicare, the Social Security Administration will send you a Medicare card and automatically enroll you in Part A-Hospital Insurance and Part B-Medical Insurance. However, because Part B has a premium, you'll be given the option of turning it down. Do *not* turn it down.

As soon as you, your spouse, or anyone covered by your health plan insurance become eligible

for Medicare, that person must enroll in both Part A and Part B. If eligibility occurs before age 65, send ORS a completed *Insurance Change Request (R0452C)* form.

Once your Medicare begins, you will likely see a decrease in the amount of your health insurance premiums. Because you cannot be reimbursed retroactively for any premiums deducted, be sure to notify ORS immediately if you believe your premium amount was not adjusted properly.

### ■■ MISSING PAYMENT ■■

Notify ORS after three days if your regular EFT payment is not deposited to your account. If your pension check is sent by mail and doesn't arrive in the mail by the seventh day of the month after its due date (ordinarily the 25th of each month), contact ORS.



If you receive your check and then it is lost, stolen, or destroyed, contact ORS immediately. We will issue a

stop payment on the check and send you an affidavit for your signature. When you return the affidavit, the Department of Treasury will cancel the original check and issue a replacement.

## ■■ SOCIAL SECURITY ■■

You don't need to notify ORS when your social security payments begin because it will not affect your pension. If you chose the equated plan, remember that your pension will be reduced when you turn age 62

Apply for your social security about three months ahead of time.

Go to [WWW.SSA.GOV](http://WWW.SSA.GOV), or phone (800) 772-1213.

regardless of how much your social security benefit is, or when it begins. The reduction in your pension is based on the social security estimate you provided when you applied for your pension.

## ■■ TAXES ■■

You can change your federal tax withholding rate at any time in miAccount or by sending ORS an updated *Pension Recipient's Federal Income Tax Withholding Authorization (R0012X)*.

Your pension is exempt from Michigan and local income taxes. If you live outside of Michigan, check the state and local tax regulations in your area.

Each January, ORS will send you a federal 1099-R form so you can file your income tax returns. This statement shows how much was paid to you during the year in pension benefits, as well as how much was withheld in taxes. Log into miAccount any time after January 1 to view and print your 1099-R.

## VI. Enjoy Your Retirement!

We hope that after reading this booklet you have a better understanding of how your pension and insurance benefits are handled, and how to report changes that could affect those benefits. Our goal is to alleviate any worries you may have so you can relax and enjoy your retirement.

Please stay in touch. Let us know how we can better serve you, or if we can clarify the information in this or any ORS publication or on the ORS website.

As always, please don't hesitate to contact us if you have any questions.

### ***Your Responsibilities***

- Read this booklet, and keep it in a safe, handy place for reference.
- Read the semiannual *Connections* newsletter that we send to all of our retirees.
- Use miAccount to view your pension statements and keep your personal information current.
- If you're not sure whether you need to report something, check our website or contact us. This booklet is only a guide, and doesn't list every event that could affect your pension or insurance.
- Enjoy your retirement!

# AT YOUR SERVICE



[www.michigan.gov/ORSschools](http://www.michigan.gov/ORSschools)



[www.michigan.gov/orsmiaccount](http://www.michigan.gov/orsmiaccount)

Use **miAccount** for personalized online account access. Use our **Message Board** to contact a representative with your questions.



P.O. Box 30171  
Lansing, MI 48909-7671



**Our Office - General Office Building**

Office Hours: 8:30 - 5:00

(800) 381-5111 or (517) 322-5103

7150 Harris Dr., Dimondale MI 48821

## Directions to Our Office

*From I-96, take Exit 98A-South Lansing Road. Turn north on Canal Road. ORS is in the 3-story brick building bordered by Canal Road, Ricks Road, Harris Drive, and Billwood Highway.*





**State of Michigan**  
**Office of Retirement Services**  
**P.O. Box 30171**  
**Lansing, MI 48909-7671**