

After You Retire

What Every Pension
Recipient Should Know



Public School Employees Retirement System
March 2016

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 a half million Michigan state and public school employees, judges, state police, and Michigan National Guard.

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.

After You Retire

**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 situations where you would need to contact us.

You can manage changes to your account quickly



and easily by logging in to miAccount at www.michigan.gov/orsmiaccount. After you log in, you have secure access to change your insurance dependents, tax withholding, address, and much more!

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

Stay connected to your retirement plan

Like us on Facebook to get regular updates from the Office of Retirement Services (ORS). We share helpful information about retirement planning, links to free resources, and news updates—all to help you prepare for retirement.

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II. Your Pension Payments

You filed your retirement application, submitted the necessary paperwork, and you said farewell to your public school employment. Here's what to expect.

Finalizing Your Application

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



Once we have your final wage information, we'll verify your pension eligibility and put you on the retirement payroll. 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 as soon as possible.

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

Payment Options

First pension payment.

Your first pension payment will be paid in the month of your retirement effective date as long as your retirement application is submitted to ORS as described on our website under Ready to Retire, How to Apply.

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.

Your pension statements are available at any time in miAccount. You can also view and print your 1099-R form in miAccount any time after January 1. 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. ORS will also send you a copy of your federal 1099-R every January.

Increases for MIP members.

If you're in 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, 2016, your first increase will be in October 2018.

The increase is based on your final 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're in the Basic Plan, you should not plan on a scheduled increase. However, in years when the plan's investments exceed actuarial

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

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

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.

It doesn't matter when you actually begin

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

If you disagree with a decision.

If you disagree with any determination made by ORS about 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, anyone 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, you'll be reimbursed.

State of Michigan 401(k) and 457 Plans.

If you were a participant in the Defined Contribution (DC) plan or Personal Healthcare Fund and you'd like to learn more about your options for your 401(k) and 457 accounts, contact Voya Financial® at **800-748-6128** or visit **<http://stateofmi.voyaplans.com>**.

III. Your Insurance

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

Your Health Coverage

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

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

Each insurance carrier will mail insurance identification cards and materials directly to you. If you apply 3 months before your retirement, your cards will usually arrive by your retirement effective

date. If you need health services before your cards arrive, contact the insurance carrier directly to get your policy number or to verify coverage.

You can find the list of current insurance carriers and contact information on the ORS website. The insurance carrier answers any questions about insurance claims or if you want to know if a particular service is covered. If you have enrollment questions or problems, contact ORS.

We will notify you of any rate changes, which occur in January. The *Monthly Insurance Rates (R0072C)* are also posted on the ORS website under Forms & Publications.

Personal Healthcare Fund.

If you have the Personal Healthcare Fund, you are not eligible for subsidized health, prescription drug, dental, or vision insurance through the retirement system.

You, your spouse, and your dependents may enroll if you enroll immediately when you retire, but you will be responsible for the entire premium. If you disenroll from the plan at any time, you, your spouse, and your dependents cannot re-enroll. Also, if your spouse or enrolled dependents disenroll at any time, they cannot re-enroll.

For information about insurance eligibility and enrollment, contact ORS. For other information about your Personal Healthcare Fund, contact Voya® at **800-748-6128**. You can also visit **<http://stateofmi.voyaplans.com>**.

Premium Subsidy benefit.

If you're eligible, the plan pays a percentage of your monthly insurance premium (the amount you pay to have insurance coverage), and you are responsible for paying the balance of the premium amount. If you took a deferred retirement (stopped working before you were

If you're not sure which retiree healthcare plan you have, log in to miaccount to find out.

eligible to draw your pension), the amount of your premium subsidy depends on your years of credited service and when you terminated your public school employment.

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.

Sign up for Medicare.

As soon as you or anyone else covered by your health insurance becomes eligible for Medicare,

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

that person must enroll in both Part A (hospital) and Part B (medical). You must have Medicare Parts A and B to enroll in retiree insurance and prescription drug programs. If you, your spouse, or your dependents don't enroll in Medicare Part B when first eligible, the

insurance for that person will be canceled and there is a six month wait to re-enroll.

For most people, Medicare begins at age 65 or after 24 months of social security disability. If that happens before age 65, send ORS the *Insurance Enrollment/Change Request (R0452C)*, and make sure ORS has your Medicare number.

Once you sign up for Medicare, we will enroll you in a Medicare Advantage plan. A Medicare Advantage plan is a private health plan that

contracts with Medicare to provide you with all your Part A and Part B benefits.

Medicare Part D (prescription drug) is a federal program that is administered by your group insurance plan. When you enroll in a retiree prescription drug plan, we will automatically enroll you in Medicare Part D if appropriate.



Don't sign up for a Medicare Part D prescription plan or any other supplemental prescription plan. Doing so will result in a loss of medical and prescription coverage through the retirement system's plan.

When Medicare Advantage coverage begins, you'll start paying Medicare premiums through the Social Security Administration. Your ORS premiums will be adjusted. Be sure to let ORS know if your premiums aren't reduced when Medicare starts. We cannot refund premiums that were withheld before or in the month you report the change.

Enrolling after retirement.

If you have the Premium Subsidy and are enrolling yourself, your spouse, or dependents in insurance after retirement, your coverage will begin on the first day of the sixth month after ORS receives all required forms and proofs (unless you have a qualifying event).

You, your spouse, and your dependents can enroll in retiree insurance within 30 days of a qualifying event. Qualifying events include birth or adoption, death, marriage, divorce, or involuntary loss of coverage of another group plan.

For retirees who do not have Medicare, coverage can begin the first day of the month after we receive your completed application and proofs. For retirees with Medicare, if we get your request and proofs by the 15th of the month, we will enroll you the following month. If we get the request and proofs after the 15th, but within 30 days of the qualifying event you will not be enrolled until a month later.

ORS must receive the completed request and required proofs within 30 days of the qualifying event or your enrollment period will not begin until the first day of the sixth month after we receive your application and proofs. For example, if we receive your *Insurance Enrollment/Change Request* and/or HMO enrollment form with proofs on February 10, your coverage will begin August 1.

If you have the Personal Healthcare Fund, you cannot enroll in retiree insurance plans after your retirement effective date.

If you are currently enrolled in an HMO, you must stay in the HMO for at least six months, unless coverage is no longer available because of a move. To change from an HMO to Blue Cross Blue Shield of Michigan (with or without

prescription drug coverage), submit the request and all required proofs to ORS.

To switch from one HMO to another HMO, or to change from the Blue Cross Blue Shield of Michigan

(with or without prescription drug coverage) to an HMO, request an application from

the HMO and return it to ORS along with your enrollment request and all necessary proofs. Do not return your application to the HMO.



Coverage will begin the first day of the month after ORS receives your materials if you are enrolling in Blue Cross Blue Shield of Michigan (with or without prescription drug coverage) or moving out of an HMO coverage area.

Coverage will begin the first day of the second month if you are voluntarily changing HMOs.

ORS will adjust your premiums, if needed, the month any insurance changes take effect. We cannot refund premiums withheld before or in the month you report the change. If you enrolled in an insurance plan before your subsidy effective date and are paying the entire premium, ORS will automatically reduce your premium on your subsidy effective date.

Coverage For Your Dependents

Recent federal law changes extended coverage to adult children up through the age of 26; however, the federal government has determined that this provision of the law does not apply to non-federal governmental retiree only plans, like the Michigan Public School Employees' Retirement System. Because of this, your dependents are not automatically eligible for the health plan until age 26 as they

Recent national health care changes do not affect the dependent eligibility requirements for retirees.

were under your active employer insurance plan. Any dependent who becomes ineligible for insurance will be offered insurance under COBRA.

Eligible dependents for health, prescription drug, dental, and vision insurance plans include:

- 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.

Required proofs.

You will be asked to provide a copy of your marriage certificate if you're adding a spouse and birth certificates as proof of age and relationship, tax returns as proof of dependency for any child age 19 or older, 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 totally and permanently disabled and incapable of self-sustaining employment, and the IRS form 1040 that identifies the child as your dependent. You may also be asked to furnish proof of incapacitation and dependency every year.

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, if you, your spouse, or dependents, become eligible for Medicare before age 65. We will adjust your premium deductions, if necessary, beginning the month after we receive your notice.

To report such changes, use the miAccount Message Board. Don't forget to send any required proofs, as listed in this section.

If you're adding a spouse or dependent due to marriage, birth, or adoption, be sure to submit the request and proofs within 30 days of the event or they will be subject to a 6-month waiting period before they can enroll. For a list of acceptable proofs, go to our website and click on Your Insurance Benefits, then on Dependent Coverage.

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 (COBRA) allows your spouse, child, or other dependent 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.

IV. Working After You Retire

This summary highlights the rules regarding returning to work as a retiree to any employer. It outlines the effect, if any, on your public school pension.

Work That Won't Affect Your Pension

There is no limit on your earnings (see exception under "Working After Receiving an Approved Disability Pension" in this section) if you return to work in:

- A private sector job outside of a Michigan public school reporting unit.
- A private or parochial school.
- A public school in another state.
- A public college or university in Michigan that's not a part of the Michigan Public School Employees' Retirement System.

You can earn as much as you can in these situations and still collect your full pension.



Working After Receiving an Approved Disability Pension

Because of the nature of a disability pension, you must gain approval from ORS before you return to work for any employer. Write a letter to ORS before you resume working. The letter should include:

- A job description;
- Complete information regarding the type of work you'll be doing; and
- The name of your potential employer.

Failure to gain advanced approval may result in termination of your disability pension.

Public School or State Employment Bona fide termination.

You cannot work in a Michigan public school reporting unit or for the State of Michigan during the month of your retirement effective date, even as a volunteer.

You can't have a promise of reemployment or a contract for future employment in place to work in a Michigan public school reporting unit before you terminate employment and begin collecting your pension. A bona fide termination means there is a complete severing of the employee/employer relationship. If you are collecting your pension and it's subsequently discovered that a bona fide termination did not exist, you will be required to repay any pension you erroneously received.

In addition, you will be disenrolled from insurance retroactive to your retirement effective date. Any medical costs you incurred during this time will be your responsibility.

Public school employment.

You may be subject to earnings limits or temporary forfeiture of your pension if you return to work either *for* or *in* a Michigan public school reporting unit. Working *for* a Michigan public school reporting unit means you have been hired directly by the school. You can also be working *in* a Michigan public school reporting unit, but hired through a third party or as an independent contractor.

For full details, go to our website and click on After Retirement, then on Working After You Retire.

V. What Your Survivors Should Know

When you applied for your pension, you elected either a straight life option, which provides no ongoing benefit to your survivors 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.

Whether ongoing benefits are due or not, your survivor should contact us upon your death. We will ask for your social security number and a copy of the death certificate.

If you were also in the Defined Contribution (DC) plan or the Personal Healthcare Fund as an active employee, your survivor should also report your death to Voya. For more information, go to <http://stateofmi.voyaplans.com> or call Voya at **800-748-6128**.

Continued insurance for your survivors.

If you chose the straight life option, coverage for your enrolled spouse and dependents stops 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.

If you elected a survivor option for your pension, your designated pension beneficiary

can enroll in or continue group insurance coverage after your death.

Premium Subsidy benefit. If you have the Premium Subsidy benefit and you chose your spouse as your survivor pension beneficiary, your eligible dependents who were covered at the time of your death will also continue to receive insurance benefits, as long as they remain eligible.

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 entire premium. 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.

Personal Healthcare Fund. If you have the Personal Healthcare Fund and chose your spouse as your survivor pension beneficiary, your eligible dependents who were covered at the time of your death have the option to continue insurance benefits. However, they will continue to be responsible for the entire premium, and if they disenroll from the plan at any time, they will not be able to enroll.

VI. When to Contact ORS

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

You can use the secure Message Board in miAccount, www.michigan.gov/orsmiaccount, to contact an ORS representative. In addition, we have a vast amount of information on our website, www.michigan.gov/orsschools, and our online publications and forms.



Don't forget—In many of these situations, you may also need to contact Voya if you were in the Defined Contribution

(DC) retirement plan or the Personal Healthcare Fund. You may log in to your accounts at <http://stateofmi.voyaplans.com> or call (800) 748-6128.

■■ ADDRESS CHANGE ■■

Be sure we know your current mailing address, physical address, and email address at all times so you receive your statements and other important notices. Your physical address is where you actually live while your mailing address is where you wish to receive your mail.

You can now enter a PO box for your mailing address. Address changes can be made online through miAccount.

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, check to make sure that you can still be enrolled in your HMO at your new address (HMO availability is determined by county). Contact the HMO for more information or go to the *Insurance Options Summary (R0379C)* form for the list of counties. If your address change means you need to enroll in another plan, make sure to enroll at least a month before you move to avoid a gap in coverage.

If you are enrolled in a Medicare Advantage plan, make sure to change your address with Social Security.

See Direct Deposit Change (in this section) if you are changing your direct deposit account.

■■ BIRTH OR ADOPTION ■■

If you wish to enroll your child in your insurance plans, you can do so using miAccount or by submitting the *Insurance Enrollment/Change Request (R0452C)* form within 30 days of the event, as explained in Section III—Your Insurance.

■■ DEATH ■■

To report a death, use the miAccount Message Board. Be sure to select the Reporting a Death message category.

Death of the retiree.

Upon your death, your personal representative (family member, executor) should contact ORS as quickly as possible. We'll need your social security number and a photocopy of the death certificate. See Section V—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 dies before you do, 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.

Update and view your personal account information in miAccount, our secure online tool.

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, prescription drug, 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.

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

■■■ **DISABILITY RETIREMENT** ■■■

You must gain approval from ORS before you return to work for any employer. Write a letter to ORS before you resume working. The letter should include a job description and information regarding the type of work you'll be doing, the hours you're expected to work, and the name of your potential employer. If you don't get approval in advance, we may suspend your disability pension.

If your condition improves so that you become capable of resuming employment, notify ORS.

■■■ **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. To assist you and your attorney, the preferred documents to file with ORS are on our website under Forms and Publications.

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

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 in miAccount. See Address Change at the beginning of this section for more information.

■■ DIRECT DEPOSIT CHANGE ■■

You can change your bank account in miAccount. 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 ■■

Returning to work after you retire could affect your public school pension. Go to Section IV–Working After You Retire for full details.

■■ MARRIAGE ■■

Marriage of retiree.

If you marry after your pension begins and you want to add your new spouse to your insurance plans, change your address, or add your new spouse as a survivor pension beneficiary, report the marriage to ORS. Otherwise, your marriage will not affect your pension payments.

Adding your new spouse to insurance. If you wish to enroll your new spouse in your insurance plan, you can do so using miAccount or by completing the *Insurance Enrollment/Change Request (R0452C)* form. Submit the information and a copy of your marriage certificate to ORS within 30 days. For retirees who do not have Medicare, coverage can begin the first of the month after we receive your completed application and proofs. For retirees with Medicare, if we get your request and proofs by the 15th of the month, we will enroll you the first of the following month. If we get the request and proofs later, but within 30 days of the marriage, you may not be enrolled until a month later.

Changing your address. To change your address, log in to miAccount. See Address Change at the beginning of this section for more information.

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 late 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 in to miAccount and run a pension estimate.

You may name your spouse as a survivor pension beneficiary after you have been married at least 179 days, but before you've been married a year (12 months).

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, if you named a new spouse as pension beneficiary after you retired and you have the Premium Subsidy benefit, subsidized insurance coverage for your spouse will end upon your death. If your spouse was enrolled in insurance at the time of your death, your spouse will continue to be enrolled in those insurance plans but will have to pay the entire premium. 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 you.

Marriage of insurance dependent.

If a dependent child enrolled on your insurance marries, you must notify ORS immediately to remove them from the contract. Use miAccount or the *Insurance Enrollment/Change Request (R0452C)* form.

■■ MEDICARE ■■

If you or anyone covered under your health insurance are eligible for Medicare at age 65, we will automatically enroll you in a Medicare Advantage plan. If anyone becomes eligible for Medicare before age 65, give us your Medicare number and your effective date for Parts A and B using miAccount's Message Board. We do not need a copy of your Medicare card.

Be sure to let ORS know if your premiums aren't reduced when Medicare starts. We cannot refund premiums that were withheld before or in the month you report the change.

For more information about Medicare enrollment, go to Section III-Your Insurance.

■■ MISSING PAYMENT ■■

Notify ORS after three days if your regular direct deposit payment is not deposited to your account.

■■ POWER OF ATTORNEY ■■

If you designate a power of attorney, conservatorship, or guardianship, have your personal representative contact ORS right away. We will need a notarized copy of the legal documentation before your representative can act on your behalf. Send a health care power of attorney to ORS and your insurance carriers.

■■ 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 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.

Apply for your social security about three months ahead of time. Go to www.ssa.gov, or phone 800-772-1213.

■■ TAXES ■■

You can change your Michigan and federal tax withholding rates at any time in miAccount.

Log in to miAccount any time after January 1 to view and print your *1099-R* 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. ORS will also send you a copy of your *1099-R* every January.

VII. 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 provide all the resources you need to make sound retirement decisions, so don't hesitate to contact us if you have any questions.

What You Should Do

- Read this booklet, and keep it in a safe, handy place for reference.
- Read *Connections*, our retiree newsletter that we send twice a year.
- Use miAccount to view your pension statements and keep your personal information current.
- Make sure to update your email address in miAccount if it changes after you retire.
- 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!



Notes

Notes

AT YOUR SERVICE



www.michigan.gov/orsschools



www.michigan.gov/orsmiaccount

miAccount is your personalized online account access. Use our Message Board to contact an ORS representative.



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



Our Office

Office Hours: 8:30 - 5:00

800-381-5111 or 517-322-5103



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