



Retirement Times Employer Newsletter

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Tips, Tricks, and News for Our Public School Employers

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How to Contact ORS

Email:

[ORS_Web_Reporting@
michigan.gov](mailto:ORS_Web_Reporting@michigan.gov)

Telephone:

Employer Reporting
(517) 636-0166

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Getting Questions about the Proposed Retirement Incentive?

As you know, the Governor has recently proposed a series of reforms related to retirement. ORS is diligently working and preparing for any legislation that may pass into law. Until a law is passed, we are not able to give any specifics about the proposals. However, as more information becomes available, the very best source of information will be our website at www.michigan.gov/orsschools. The website will be the official place for the latest news regarding the governor's proposal. We will also be sure to keep you, our partners, in the loop as more information is available.

We are encouraging everyone to use miAccount and the website as the main source of information.

In the meantime here are some suggestions for your employees who may be asking you questions now, or are looking for what they can do to be prepared in the event incentive legislation passes:

- [Log into miAccount](#) to review your service credit, estimate the costs and benefits of purchasing additional service, estimate your pension, and/or apply for retirement.
- [Log into miAccount](#) to request a billing statement if you plan to purchase service credit. We recommend that requests for billings be made right away. See the [Service Credit – Earning & Purchasing](#) section of

our website for more information.

- The [Ready to Retire](#) section of our website is geared for members who are eligible to retire and provides specifics on how pensions are calculated, the pension payment options, and the application process.
- Attend a [Preretirement Seminar](#). These two-hour meetings provide an overview of the retirement benefits so members can make informed decisions about retirement and their future. Meetings are scheduled at various locations and are also online. [Register for an upcoming meeting.](#)
- [Watch an online tutorial.](#) This is great for members who do not have time to attend a preretirement seminar. Topics include qualifying for your pension, calculating your pension, pension payment options, and the equated plan.
- [View the Retirement Incentives for State Government and Public School Employees.](#)

PLEASE HELP US HELP THEM HELP THEMSELVES!

We ask you to forward this information to your human resource staff, and to your employees who are interested in the incentive proposal. Help them avoid a trip or lengthy phone call to ORS. We'll be able to serve them much better if (1) they have taken initial steps to learn the basics about their pension plan; and (2) they use miAccount to calculate a pension estimate *before* contacting us. Thank you for your help.



Letter Sent to Members with MIP Owed on WWC wages

In January 2010, members with outstanding MIP contributions on third party Weekly Workers' Compensation (WWC) wages received letters from ORS informing them that 8 percent interest will be applied to the unpaid MIP balance of WWC wages reported beginning July 1, 2010, and each July 1 thereafter. The letter also states that a retirement effective date cannot be established until all WWC MIP contributions are paid in full.

State statute requires employers to report Weekly Workers' Compensation (WWC) wages to the Office of Retirement Services (ORS). MIP contributions are also required to be paid on all WWC wages reported to ORS.

In addition to the letter, members with eight or more years of service were provided a billing statement along with payment information. If members with less than eight years of service are interested in knowing the amount owed, the letter instructs them to contact ORS for a bill.

Members with questions regarding the payment of their

WWC MIP were instructed to call ORS's 800 number or contact us through the miAccount Message Board. If members have questions regarding the reporting of WWC wages, they will be referred to the reporting unit that reported the wages.

Reporting units with questions on the reporting of WWC wages should contact the Employer Reporting at ORS_Web_Reporting@michigan.gov or (517) 636-0166.



Changes to Required Insurance Proofs

Effective January 1, 2010, employees who are retiring or employees who have retired from your district and wish to enroll in the health, dental, and vision insurances offered through the Michigan Public School Employees Retirement System must provide birth certificates for children verifying the parental relationship. This requirement is in addition to other required proofs for students, parents or parents-in-law, and disabled dependents.

Marriage licenses are required for spouse enrollment.

[View the list of required documentation.](#)



Changes to Submitting Retroactive DTL2 Wage Records

Effective February 1, 2010, reporting retroactive wage records should be a bit easier. In the past, the begin date of the retroactive wage record could not predate the begin date of the first posted records of the fiscal year. That is now changed thanks to the collaborative efforts of the Payroll Advisory Team. Here's how: The begin and end dates of a retroactive Detail 2 wage record (wage code 04 or 45) can match the contract negotiation dates (i.e. 7/1 to 6/30), as long as wages with the same class code were reported any time during that period.

We hope you find this change helpful in submitting retroactive wage records. The [Reporting Instruction Manual](#) was updated to reflect this change.



ORS Continues Online Payment Project

ORS is working to expand online services that allow online payment of retirement contributions. The format will be similar to how you currently submit federal payroll withholding payments to the IRS, both in online processing and in payment frequency.

Benefits of online payments:

- ▶ The payment method will be electronic and is done without the travel time required to go through the postal service.

- The payment will also be more closely tied to a given pay period, which should make reconciliation easier between what is owed and what has been paid.

Payments will be debited from the bank account(s) you designate, and you'll be able to pay employer contributions, MIP, TDP, late fees, and interest charges with this new service.

First, reporting units should make online payments based on your *current payment schedules*. This change in process and online capability is scheduled to be available late summer or early fall of 2010. All reporting units are expected to be using the online payment function by the end of October 2010.

Second, reporting units should make online payments on a *pay cycle basis*, due the day after you pay your employees. All reporting units are anticipated to be submitting payments on a pay cycle basis by November 2010.

After online payments are implemented, we will work to provide an online employer statement, which will enable you to see your current statement at any time.

Look for more updates in the May 2010 issue of the *Retirement Times* newsletter.



Reporting Instruction Manual Updates

The online *Reporting Instruction Manual* was updated. Go to the [RIM Changes page](#) for a listing of all RIM changes since the December 2009 issue of *Retirement Times*.

Changes were made to the following sections:

- 3.7.4 - Common Error Messages
- 5.2.4 - Other Wages - Multiple Wage Codes



Retirement Tool Box

Don't forget to check out the [Retirement Tool Box](#).

The Retirement Tool Box is a series of new web pages for the school employer information website offering tools you can use to assist your staff with retirement planning. The Tool Box includes instructions on requesting a seminar; publications, flyers, and posters; articles you may publish in newsletters and other communications; links to current online tutorials, and links to other helpful websites.



The Retirement Tool Box is a convenient site loaded with retirement information you can use for your employees

from the day they are hired to the day they retire.



miAccount – A Look at 2009 Achievements

During 2009, miAccount use soared from 34,000 to 80,000 registered users. Not only does miAccount provide more convenient service for those users, it also allowed ORS to increase the number of customers served by 7.5 percent, even after adjusting to provide miAccount support.



miAccount saves staff time.

Over 43,000 transactions were performed online by ORS members without ORS staff assistance.

Pension Estimates	27,001
Tax Changes	4,053
Address Changes	3,353
Beneficiary Updates	4,122
EFT Changes	3,124
Refunds	1,377

Marketing efforts led to an increase of online beneficiary nominations, 1099-R viewing and reprints, and pension estimates – not to mention a decrease in the amount of paper used for applications and letters.

By far, the most popular feature in miAccount is the Message Board, which supported 55,858 questions between September 1, 2008, and August 31, 2009. The ORS response goal for these messages is within 12 business hours, but the average response time during the measured period was 7.5 business hours. In addition, ORS toll-free expenses were reduced by 11 percent and inbound paper correspondence was reduced by 6 percent.



ORS Rolling Out *Be My Beneficiary* Campaign



ORS has launched the *Be My Beneficiary* campaign, encouraging our active members to use miAccount to name their pension beneficiaries. Check the [Retirement Tool Box](#) for posters and language you can use to promote this campaign with your employees. What better

About the Retirement Times

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Thanks for reading!

way to show your Valentine you care than naming your pension beneficiary? And it's easy; just log into miAccount.

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