



Connections

Staying connected with Michigan's retirees

March 2024

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Retiree spotlight

Pensioner leads nonprofit in support of fellow state retirees

Bob Kopasz never planned on a regular post-retirement stint. It just happened.

The 78-year-old Mount Morris resident stayed engaged after retiring from the State of Michigan (SOM). For over 20 years, he's led the 8,000-plus-member **Michigan State Employee Retirees' Association** (MI-SERA) as coordinating council chairperson.

He retired in 1995 after 21 years in mental health, recreational, occupational, and physical therapy at Oakdale Regional Development Center in Lapeer; and four years with **Michigan Unemployment Insurance Agency (UIA)** as a claims representative.

When Kopasz became SERA chair 22 years ago, his primary interest was retiree healthcare. That focus has broadened.

"You gain a different perspective when you're a retiree," he said.

Married 29 years to Peggy Kopasz—who retired after 33 years with UIA—Bob and Peggy have three adult children and five grandchildren. Avid readers, they enjoy road trips to visit family, national monuments, and quilting destinations.

"Peggy's a quilter," Bob said. "I say Peggy works with fabric and I enjoying working with retirees."

Bob left Oakdale just before its closure in 1991, transferring to the UIA before retiring over heart-related health issues. During his SOM career, the former Marine and Flint GM worker was also president and union steward for American Federation of State, County, and Municipal Employees, AFL-CIO, Local 567.



Peggy and Bob Kopasz mug with their dog, Zsu Bailey, a long-haired Dachshund.

Interested in an Oakdale reunion, he found SERA, and joined its Lapeer and Flint chapters. He became the Lapeer chapter president in 1997, took SERA chair in 2002, and Flint president in 2016. He's been continually re-elected to the one-year posts.

With SERA's leadership, he works with the **Michigan Office of Retirement Services**, **Michigan Civil Service Commission**, and **Michigan Legislature**. They lobby for SERA members, SOM retirees, and other **State Employees' Retirement System** beneficiaries on matters including cost-of-living pension adjustments, healthcare insurance, retirement tax relief, and accessibility.

Bob and Peggy are defined benefit recipients of the State Employees' Retirement System.

"It's been a good pension," he said. "While I didn't work 30 years to get to the top of where I was, I gained a pension worth something, plus my military. It's been a boon to me."



From the director

Welcome to your March 2024 issue of the *Connections* newsletter.

The Michigan Office of Retirement Services (ORS) is here to help you whenever we can. Know we're here for you.

For instance, we continue to make enhancements to our **ORS websites**. We are conducting a usability study and are listening to your ideas about improving the content and access to it.

We want you to have easier access to what you need. That's why we just added something about the 2024 state tax withholding in our **Ask Our Experts** videos on our **YouTube channel**.

We want to help you advance your financial and personal well-being. That is why we're raising awareness in April during America Saves Week via our social media channels on Facebook, X (formerly Twitter), and our just-launched Instagram account.

We are doing all these things for a distinct reason. We are dedicated to ensuring that you have control over the content and pace of your life in retirement.

We hope you enjoy this issue of *Connections*. Be safe and be well.

A handwritten signature in black ink, appearing to read 'Anthony Estell'.

Anthony Estell, director

Michigan Office of Retirement Services

*“We want to help
you advance
your financial and
personal well-being.”*



Public Act 158 extends healthcare insurance eligibility for children

Under Public Act 158 of 2023, a child may remain on their parent's insurance until the end of the month the child turns 26, regardless of school enrollment.

To enroll an eligible child, you may do so by using miAccount. Simply choose Healthcare Coverage on the left-navigation bar and click on "add a spouse/dependent" at the bottom of the screen.

Until Aug. 31, 2024, ORS will consider enrolling children eligible under the new law a qualifying event. If ORS receives your enrollment request and required proofs by that date, coverage will be effective the first of the following month.

If ORS receives your enrollment request and required proofs Sept. 1, 2024, *or later*, coverage will start on the first of the sixth month after receipt. For example, if ORS receives your request and proofs Oct. 26, 2024, coverage will start March 1, 2025.

Your child may remain on your insurance until the end of the month they turn 26. In addition, ORS will no longer require annual student certification (proof that your child is attending school).



Impact of divorce on your pension



In the event of a divorce, you must provide ORS with either a fully executed *Eligible Domestic Relations Order (EDRO)* or *Domestic Relations Orders (DRO)* to address any pension distributions that are court ordered to be paid to a former spouse. The required document would depend on whether you are receiving a monthly pension payment or not.

An EDRO would be required if you are an active or deferred ORS member. A DRO would be required if you are a retired ORS member. Detailed information for both, including background, instructions and court order templates can be found on our **Forms and Publications** page.

Individuals considering filing an EDRO or DRO should consult an experienced attorney for advice.

A summary of Public Act 4 of 2023

State tax withholding changes for 2023 and 2024:

Public Act (PA) 4 of 2023, also known as the Lowering MI Costs Plan, took effect Feb. 13, 2024. It phases in an income tax reduction over the course of four years for retirees who receive a pension, beginning with the 2023 tax year (filed in 2024). Although subject to a temporary 4-year phase-in period beginning in tax year 2023, this new law will restore the pre-2012 status for most taxpayers by 2026.

What it means for retirees filing 2023 returns:

Michigan's 2023 tax return, forms, and instructions (e-file and paper format) incorporate all retirement and pension benefit subtraction options – including those created in the new law. Retirees who filed their taxes prior to the law's effective date do not need to file an amended return. The Michigan Department of Treasury will work impacted returns as they are received and prepare them for release after the law's effective date. For more details, see the [Michigan Department of Treasury](#) website.

Recent changes ORS has implemented for the 2024 tax year:

On Jan. 1, 2024, the Michigan Office of Retirement Services (ORS) automatically updated state income tax withholding to “No Withholding” for retirees born in 1945 or before receiving a pension resulting from work in the State Employees' Retirement system.

Starting March 1, 2024, ORS began automatically updating state income tax calculations based on the age, filing status, and 2024 maximum deduction amounts for those born between 1946-1962. For most affected retirees, this will result in a decrease in the amount of state tax being deducted from your pension, starting with the March 2024 pension payment.

For more information about deduction amounts, scroll to the [Retirement state tax changes chart](#) on the ORS website, or view the [frequently asked questions](#) page.

ORS social media grows to share targeted retirement information

A little more than 10 years ago, the Michigan Office of Retirement Services opened its first two social media accounts. Since that time, ORS has shared over 3,500 items on [Facebook](#) and [X](#), formerly known as Twitter.

Along the way, we have attracted 30,651 followers on Facebook – putting us among the top public pension organizations in the country – and more than 3,000 on X.

We did this by sharing news about new legislation, information about retiring from one of our five systems, and educational articles from a variety of financial sources that we think would interest to you.

Last fall, we invested in video equipment which allowed us to begin producing content for [YouTube](#). Over the past four months, our following on that platform has swelled to more than 1,000. The main draw so far has been our successful “Ask Our Experts” series, which answers your most common

questions about our retirement systems in 2.5 minutes or less.

Last week, [Instagram](#) became our newest addition. The focus there will be on sharing information with early career professionals, especially as it relates to defined contribution retirement plans like 401ks.

Follow us on your favorite platform and stay informed with the latest from ORS.



Protect your investments as you age

Even though it's thought that learning new things is more difficult as you age, your brain still retains the **ability to learn new things** long into retirement.

Released last year by the U. S. Securities and Exchange Commission, **A Guide for Older Investors**, offers what they see as the primary way to protect your investments: never stop learning.

As Warren Buffet once said, "Risk comes from not knowing what you're doing." If that's true, then it might be as true to say, "Security comes from knowing things."

We, at the Michigan Office of Retirement Services (ORS), along with our partners at Voya Financial, offer a highlight of two of the 10 tips listed in *A Guide for Older Investors*.

Monitor your accounts:

Log in to **miAccount** to see your monthly pension statement. Changes to your pension amount can be explained through changes in

the cost of insurance or through changes to the annual tax tables.

If you have an account with **Voya**, log in to your account to gain access to your balance. Voya also offers an education schedule to help you at any stage of your career or retirement.

Plan for illness or diminished capacity:

It can be emotionally difficult to think about a health issue that might keep you from being able to conduct your necessary business. It's even more difficult to think about giving control to a patient advocate should you be hospitalized and unable to make decisions yourself. That's why we recommend planning as early as possible, before it becomes necessary to do so.

ORS provides a **Power of Attorney and Advance Directive** page to help you think through the implications of the inevitable.

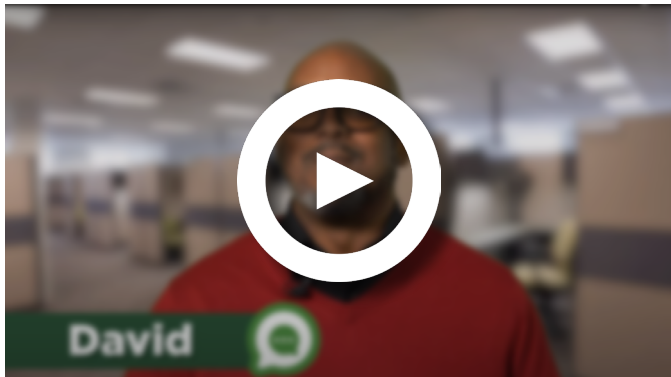
These are two ways to help you learn more about protect your pension and investment accounts.



Ask Our Experts

Hear answers to commonly asked questions in about two minutes when you view the new ORS video feature, "Ask Our Experts." David provides an overview of state pension tax changes, and in case you missed December's edition, Adonya explains how to access your 1099-R form.

If you have a general question for our experts, send it to ORS-Outreach@Michigan.gov and we may feature it in a future video.



Pension pay dates

Pension payments are issued on the 25th of the month. If the 25th falls on a weekend or holiday, your pension will be paid the previous business day. In December, pension payday is a week earlier.

If your payment is not credited within three days after the scheduled payment date, check with your bank and then contact ORS.

Office closures

May 27..... Memorial Day
June 19..... Juneteenth
July 4Independence Day
Sept. 2..... Labor Day
Nov. 5 Election Day
Nov. 11 Veterans Day
Nov. 28 & 29.....Thanksgiving

Update ORS

It is critical that you report any of the following changes in personal information to ORS: address, email, tax withholding, direct deposit, death, divorce, marriage, and Medicare information.

The fastest, easiest way to report these and other life events is through **miAccount**.



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Youtube.com/@MichiganORS
Instagram.com/MichiganORS



PO Box 30171
Lansing, MI 48909-7671



Phone: **800-381-5111**
Fax: **517-284-4416**