

Marriage After Retirement/ Designation of New Spouse for Survivor Benefits

There are two circumstances under which you may reelect a benefit payment option after retirement:

1. If you are single at retirement, elect the Life Income Annuity option, and later marry.
2. If you elect a Joint & Survivor Option at retirement, the spouse named on your retirement form dies, and you later remarry.

You will have **one year from your date of marriage** to submit a *New Spouse Designation* form to (re)elect a Joint & Survivor Option for your new spouse.

Cost-of-Living Adjustment (COLA)

MPERS provides an annual COLA to eligible retirees and benefit recipients. The COLA rate is determined in **late January** and is based on 80% of the increase in the Consumer Price Index (CPI-U) for the previous year (maximum annual rate is 5%).

Eligible **Closed Plan retirees who were hired before August 28, 1997** will receive a minimum 4% annual COLA (maximum 5%) **until** the accumulated COLAs reach 65% of base benefit. After that, the rate is based on 80% of the increase in the CPI-U.

Final Benefit Payment

You will be entitled to your full benefit payment for the month in which you die. The benefit will **not** be prorated based on your date of death. If you receive your monthly benefit payment by direct deposit, the payment will be deposited in your account on the last working day of the month in which you die - **provided your account remains open.**

If your account is closed and you have **not** designated a beneficiary to receive the final payment, it will be paid in the following order to your:

- Surviving spouse (*to whom you are married at the time of death*)
- Surviving children (*divided equally*)
- Surviving parents (*divided equally*)
- Surviving brothers and sisters (*divided equally*)

If no one is eligible to receive the final payment, it will be made as otherwise permitted by law.

\$5,000 Death Benefit

MPERS provides a (free) \$5,000 death benefit for the designated beneficiary(ies) of active members and long-term disability recipients who retire after September 28, 1985. Vested members who left state employment prior to retirement are **not** eligible for this benefit.

MPERS Resources After Retirement

Annual Benefit Statement (**GREAT SOURCE OF INFORMATION**)

- Personalized statement mailed each year in the same month you receive your Cost-of-Living Adjustment (COLA). The statement summarizes your monthly benefit payment and elections made at retirement.

“Staying Connected” Newsletter

- Currently, the primary content of the newsletter is tax related and mailed the end of December - just in time for tax season.

Website - Secure Member Access

- Log in to gain secure access to your personal information 24/7.
- Monthly benefit payment information is available **online only**.
- Also available: 1099-R, beneficiary designations, correspondence from MPERS, online forms, etc.

MPERS Benefit Specialists

- Available Monday - Friday (7:30 a.m. - 4:30 p.m.)
- **Phone:** (573) 298-6080 • **Toll Free:** (800) 270-1271 • **Email:** mpers@mpers.org

Miscellaneous Information

- The retirement benefits administered by MPERS are based on the Revised Statutes of Missouri. Simply stated, the decisions we make are based on the laws governing the System.
- It is your responsibility to read the information provided to you by MPERS. If you have questions or there is something you don't understand, please contact a MPERS benefit specialist at (800) 270-1271.
- The elections you make regarding your retirement benefits are **irrevocable!** Ask questions. Make informed decisions.
- MPERS does **not** mail a payment notice to you each month. Detailed benefit information is available **online** through Secure Member Access.
- Direct deposit and/or tax withholding elections can be submitted electronically through Secure Member Access. All changes must be received at MPERS by the 15th of the month; otherwise, the election becomes effective the following month.
- All prior service that you plan to purchase or transfer **must** be completed **before** submitting your *Notice of Retirement* (Step 1 of the retirement process).
- Benefit estimates are just that - estimates. All service and salary information must be verified at the time of your retirement.
- In general, the retirement laws in effect on the date you leave state employment determine your eligibility for a benefit and the provisions used to calculate your benefit.

www.mpers.org

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PLEASE READ!

Understanding Your Retirement Decisions



A summary of important benefit provisions that are often overlooked.



MoDOT & Patrol Employees' Retirement System

Phone: (573) 298-6080 • Toll Free: (800) 270-1271

Email: mpers@mpers.org • Website: www.mpers.org

Rescinding Your Retirement Application

If you begin the retirement process and then decide to **not** retire, please send MPERS a letter **as soon as possible** to rescind your application. If you plan to rescind your application, contact your employer to determine the status of your job. You can rescind or make changes to your MPERS benefit elections **up until your first benefit payment is sent. Once the first payment is made, all elections are irrevocable.**

Work-Related Felony

Members convicted of the following **work-related** felonies, **on or after August 28, 2014**, will **not** be eligible to receive a retirement benefit from MPERS for that period of service: (1) stealing, (2) receiving stolen property, (3) forgery, (4) counterfeiting, (5) bribery of a public servant, or (6) acceding to corruption. (*May receive benefit for vested service prior to August 28, 2014.*)

Temporary Benefit (Year 2000 Plan and 2011 Tier)

Are you eligible for the temporary benefit? At **age 62**, the temporary benefit **and** any COLAs earned on that amount are no longer payable.

Special Benefit (Closed Plan - Uniformed Patrol)

Are you a Uniformed Patrol member who is eligible for the special benefit? The special benefit **and** any COLAs earned on that amount stop at **age 65**. If you work after retirement, please contact MPERS. The special benefit amount will be reduced monthly by any amount earned while employed.

Correcting Benefit Errors (e.g. service, dates, amount, etc.)

While we strive for accuracy, it is possible that an error might occur on your benefit estimate or benefit payment. If, due to an error, you receive more or less than the benefit to which you are entitled, the error, when discovered, will be corrected and your benefit adjusted accordingly. MPERS is required by law to correct any error found and retrieve overpayments (*if applicable*).

Benefits Cannot Be Assigned or Transferred

Your MPERS benefit payment **cannot be transferred or assigned**. For your protection, pension advancement situations (cash advance schemes) are strictly prohibited. The pension assignee is not allowed to use any device, scheme, transfer, or other artifice to access an account in which MPERS benefits have been deposited. Any contract or agreement made in violation of this provision is considered void and all sums paid or collected by an assignee must be returned.

In addition, your retirement benefit from MPERS is **not** subject to execution, garnishment, attachment, writ of sequestration, or any other process or claim, **except**, any payment from MPERS **is** subject to the collection of child support, spousal maintenance, or an IRS tax levy.

If there is any difference between the information provided in this brochure and the laws or policies that govern MPERS, the laws and policies will prevail.

Reemployment With the State After Retirement

Returning to work in a “benefit eligible” position under MPERS or MOSERS **could** stop your retirement benefit. It depends on which plan you are in. We recommend contacting MPERS **before** accepting a state job.

What type of position is it?

Benefit Eligible Position

A “benefit eligible” position is one that normally requires at least 1,040 hours of work per year. This would be a half-time or greater position. The employer determines if the position is “benefit eligible” or not. Working in a benefit eligible position **could** impact your benefit payment.

Non-Benefit Eligible Position

You may work for the state in a non-benefit eligible position and still receive your monthly retirement benefit from MPERS. Working in a non-benefit eligible position does **not** have any impact on your benefit payment.

Which plan are you retired under?

If you are a Closed Plan retiree:

- A Closed Plan retiree **cannot** return to work in a MoDOT or MSHP “benefit eligible” position. There is no statutory provision to allow this type of employment.
- A Closed Plan retiree **can** return to work in a benefit eligible position covered by MOSERS and continue receiving a MPERS benefit payment.

If you are a Year 2000 Plan or 2011 Tier retiree:

- If a Year 2000 Plan or 2011 Tier retiree returns to work in a “benefit eligible” position covered by MPERS or MOSERS, his/her monthly benefit payment will **stop** for any month while reemployed (*even if employed for just one day*). Annual COLAs will also be suspended while reemployed.

Divorce and Your MPERS Benefit

Your retirement benefit from MPERS is considered “marital property.” If you are vested at the time of divorce and were married at any time while an active member of MPERS, your spouse may be legally entitled to receive up to 50% of your monthly retirement benefit. Ex-spouse payments begin the later of: 1) when you retire or 2) the first of the month following receipt of an acceptable *Division of Benefits Order (DBO)*.

If you elect a Joint & Survivor option at retirement and later divorce, the spouse named on your MPERS retirement form will be eligible for the survivor benefit after your death (*regardless of your marital status*). If that spouse dies and you later remarry, the spouse named on your *New Spouse Designation* form will receive the monthly survivor benefit (*regardless of your marital status*).

Benefit Payment Options

The benefit payment option you elect at retirement determines if anyone will receive a benefit payment after your death. Regardless of which payment option you elect, you will receive a benefit payment each month for your lifetime.

Your benefit payment option **CANNOT** be changed, except under the “Designation of New Spouse for Survivor Benefits” provisions (*see reverse side of this brochure*).

Life Income Annuity

- No survivor benefits will be paid to anyone after your death.
- Since there are no survivor benefits, your monthly retirement benefit will **not** be reduced for this purpose.

Joint & Survivor Options (50% or 100%)

- This is a lifetime monthly survivor benefit for your eligible spouse.
- Depending on your election, your eligible spouse will receive either 50% or 100% of your benefit amount (*excluding the temporary benefit, special benefit, and any COLAs earned on those amounts*).
- Your monthly benefit will be reduced to provide this survivor benefit (*except for Unreduced Joint & 50% Survivor option in the Closed Plan*).
- Notify MPERS if your spouse dies so we can pop your benefit up to the higher Life Income Annuity amount (*delete the survivor reduction*).

Life Income with Guaranteed Payments Options (60, 120, or 180)

- Depending on your election, your eligible beneficiary will receive the remaining number of guaranteed payments, **if any** (*excluding the temporary benefit, special benefit, and any COLAs earned on those amounts*).
 - For example, if you elect the 120 Guaranteed Payments option and live to receive all 120 payments, your beneficiary will **not** receive any payments because the “guaranteed” number of payments were paid to you. However, if you die after receiving 10 payments, your beneficiary will receive the remaining 110 payments.
- Your monthly benefit will be reduced to provide this benefit.
- After you receive the guaranteed number of payments elected, you will continue receiving a benefit each month for your lifetime. The benefit amount will still be reduced, even though survivor benefits are no longer payable.

Retirement benefits are paid on the last working day of each month.