

Understanding Your Retirement Decisions

A Summary of Important Benefit Provisions

Congratulations on Your Future Retirement!

We are excited to share in this important milestone with you! Through the excitement, it is imperative to remember important benefit provisions that may be overlooked. This brochure is designed to bring some of those items to the forefront so you can retire with confidence.

Retirement Checklist

MPERS has a two-step retirement process as detailed below.

Step 1

- ☐ **Notice of Retirement**—This can be completed via your *myMPERS* account or by submitting the form printed from www.mpers.org.
- ☐ **Proof of age**—For you and your spouse (if married). This may include a photocopy of your valid Missouri drivers license, US birth certificate, passport (current or expired), certificate of citizenship, certificate of naturalization, or certificate of birth abroad.
- ☐ **Marriage certificate**—Provide a legible photocopy of your marriage certificate (if applicable).

Step 2

- ☐ **Retirement Election Form**
- ☐ **Direct Deposit Authorization**
- ☐ **\$5,000 Beneficiary Designation (if applicable)**
- ☐ **Federal W-4P**
- ☐ **Missouri State W-4P**
- ☐ **Designation of Agent**
- ☐ **BackDROP Distribution Form (if applicable)**



Remember the deadlines for submitting Step 1 and Step 2 information. Missing these deadlines could delay your retirement!

Intended Retirement Date	Step 1: Notice of Retirement Due at MPERS	Step 2: Retirement Election Form Due at MPERS
January 1	September 1–November 30	December 31
February 1	October 1–December 31	January 31
March 1	November 1–January 31	February 28
April 1	December 1–February 28	March 31
May 1	January 1–March 31	April 30
June 1	February 1–April 30	May 31
July 1	March 1–May 31	June 30
August 1	April 1–June 30	July 31
September 1	May 1–July 31	August 31
October 1	June 1–August 31	September 30
November 1	July 1–September 30	October 31
December 1	August 1–October 31	November 30



Eligible Deductions

By law, MPERS cannot deduct premiums for non-state sponsored benefits. Therefore, only the premiums below are eligible to be deducted from your monthly MPERS benefit.

- MoDOT/MSHP medical insurance premiums
- MoDOT/MSHP optional life insurance premiums
- Dental and vision insurance premiums through Missouri Consolidated Health Care Plan (MCHCP)

Please remember to contact your HR/insurance representative to continue coverage at retirement.

For medical and life insurance questions

MoDOT/MSHP Employee Benefits

MoDOT 877-863-9406

MHSP 573-526-6136 or 573-526-6356

<https://www.modot.org/modot-mshp-employee-benefits-0>

Other Administrators to Contact Prior to Retirement (if applicable)

MO Deferred Compensation

800-392-0925

www.modeferrredcomp.org

Cafeteria Plan

800-659-3035

www.mocafe.com

Social Security and Medicare Enrollment

800-772-1213

www.ssa.gov

Universal Life Insurance

800-918-8877

Benefit Payment Options

The benefit payment option elected on your *Retirement Election Form* determines whether anyone will receive a benefit payment after your death. Regardless of which payment option you elect, you will receive a benefit payment every month for your lifetime.

Once your first retirement benefit payment has been issued, your benefit payment option cannot be changed; however, there are a few exceptions related to marriage, death, and divorce.

Life Income Annuity

No survivor benefits will be paid to anyone after your death.

Joint & Survivor Options (50% or 100%)

Depending on your election at retirement, your eligible spouse will receive either 50% or 100% of the benefit amount you are receiving at the time of your death (excluding the temporary benefit, special benefit, and any COLAs earned on those amounts). This benefit is payable for the lifetime of your eligible spouse.

- Your monthly benefit will be reduced to provide this survivor benefit. The exception is the unreduced joint & 50% survivor payment option available in the Closed Plan.
- Notify MPERS if your eligible spouse passes away so we can revert your benefit to the unreduced life income annuity amount going forward.

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

This option allows you to name a beneficiary of your choice to receive benefit payments for a limited period of time in the event of your death. There is a reduction in your monthly benefit for this payment option.

The guaranteed payment windows are 60 and 120 months for Closed Plan members and 120 or 180 months for Year 2000 Plan and 2011 Tier members.



The payment window begins with the first retirement benefit payment you receive and concludes based on the option you chose—60, 120, or 180 months. Should you outlive the guaranteed payment window, you will continue to receive your reduced, monthly retirement benefit payments; however, no payment will be made to named beneficiaries upon your death.

Example: If you elect 120 Guaranteed Payments and live to receive 130 payments, your beneficiary will not receive any payments because the “guaranteed” number of payments were paid to you. However, if you pass away after receiving 10 payments, your beneficiary will receive the remaining 110 payments.

Temporary Benefit (Year 2000 Plan and 2011 Tier)

The temporary benefit was designed to provide supplemental income to eligible Year 2000 Plan and 2011 Tier retirees until reaching eligibility for social security at age 62. If you are eligible for the temporary benefit at retirement, the month following your 62nd birthday your total benefit will be reduced by the amount attributable to the temporary benefit and any COLAs earned.



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

Special Benefit (Closed Plan – Uniformed Patrol Hired with MSHP Prior to 1/1/1995)

Uniformed members of the Patrol are eligible for the \$90 special benefit each month they are not gainfully employed after retirement. The special benefit and any COLAs earned on that amount cease after reaching age 65. If you become gainfully employed after retirement, please contact MPERS. The special benefit amount will be reduced monthly by any amount earned while employed. You will be required annually to verify your employment or earning status. See *Special Benefit* brochure for additional information.

Cost-of-Living Adjustment (COLA)

MPERS provides an annual COLA to eligible retirees and benefit recipients. The COLA rate can range from zero to five percent, is determined in late January, and is based on 80% of the increase in the Consumer Price Index (CPI-U) for the previous year.

Eligible Closed Plan retirees who were hired before August 28, 1997, will receive a minimum four percent annual COLA until the accumulated COLAs reach 65% of the base benefit. After that, the rate is based on 80% of the increase in the CPI-U and can range from zero to five percent.

Members of the Closed Plan will receive their COLA every October. Members of the Year 2000 Plan and 2011 Tier will receive their COLA on the anniversary of their retirement date or BackDROP date.

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, when the error is discovered, it will be corrected and your benefit adjusted accordingly. MPERS is required by law to correct any error found and collect overpayments, if necessary.

Rescinding Your Retirement Application

If you begin the retirement process and then decide not to retire, please send MPERS a letter or email 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 issued. Once the first payment is made, all elections are irrevocable.



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 the benefit accrued during the marriage. 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).

Effective January 1, 2021, if a joint and survivor payment option was chosen at retirement and you divorce after retirement, your benefit can revert to the higher life income annuity amount upon submitting a completed *Divorce-Survivor Option Reversion* form and a copy of the revised divorce decree to MPERS. The divorce decree must be approved by MPERS’ counsel and must provide sole ownership by the member to all rights in the annuity and must further provide that the former spouse shall not be entitled to any survivor benefits.

Marriage After Retirement/Designation of New Spouse for Survivor Benefits

There are three 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 Election Form* passes away, and you later remarry.
3. If you elect a joint & survivor option at retirement, later divorce, and submit a *Divorce-Survivor Option Reversion* form and a copy of the revised divorce decree to MPERS, and 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.

Final Benefit Payment

You will be entitled to your full benefit payment for the month in which you pass away. The benefit will not be prorated based on your date of death. Your final monthly benefit payment will be deposited in your account on the last banking day of the month in which you pass away, provided your account remains open.

You have the option to list a beneficiary to receive your final benefit payment, which would be issued in the event your account is closed and the final deposit cannot be made. If you do not designate a beneficiary to receive the final payment and your account has been closed, it will be paid per statute in the following order to you:

- 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)

\$5,000 Death Benefit

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



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.

Reemployment After Retirement

Each MPERS' plan has differing rules about reemployment, especially if it is with the State of Missouri. Regardless of the plan you are in or the benefit-eligible status of the position, it is important to remember the following IRS requirements:

1. There must be a 30-day separation between retirement and reemployment to be considered retired and
2. Prior to retirement, there cannot be a predetermined arrangement to return to work.

Private Sector

- No impact on your MPERS retirement benefit.

Non-State Public Sector (City, County, Public School, Federal, University of Missouri)

- No impact on your MPERS retirement benefit.

State Employment in a Non-Benefit Eligible Position

- No impact on your MPERS retirement benefit.

Closed Plan Retiree - State Employment in a Benefit-Eligible Position

- MPERS benefit is suspended when reemployed at MoDOT or MSHP.
- MPERS benefit is not suspended when employed in a MOSERS-covered, benefit-eligible position.

Year 2000 Plan/2011 Tier Retiree - State Employment in a Benefit-Eligible Position

- MPERS benefit is suspended for any month in which you work for the state in a benefit-eligible position.
- Additional service credit will accrue during period of reemployment (after you have worked at least one year).
- Monthly benefit will be equal to the amount you were receiving when originally retired plus additional benefit for service and salary earned while reemployed.

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.

Exception: a benefit may be received for vested service prior to August 28, 2014.

MPERS Resources After Retirement

Annual Benefit Statement

Personalized statement mailed each year in the same month you receive your COLA. The statement summarizes your monthly benefit payment and elections made at retirement.

The Pensioner: In the Moment

The Pensioner: In the Moment is the monthly, electronic newsletter for benefit recipients including retirees and survivors. It is distributed to the email address we have on file at the beginning of every month and includes upcoming events, important news, and updates that we want to share with you.



myMPERS Secure Member Access

myMPERS gives you access to your information 24 hours a day, seven days a week. Some of the features of myMPERS include, but are not limited to:

- access monthly benefit payment information
- state and federal tax withholding changes
- direct deposit changes
- view and print 1099-R documentation
- correspondence from MPERS

If you are creating a new myMPERS account, you must request an enrollment PIN that will be mailed to the address on file.

The MPERS Website—www.mpers.org

A visit to our website affords access to

- your myMPERS login
- educational materials such as handbooks, brochures, webinar links and recordings
- newsletters, handbooks, brochures, tools, and calculators
- secure document upload
- board meeting summaries, dates, agendas, and minutes
- System information including annual financial reports, and audit reports
- investment reports and fund performance

MPERS Benefit Specialists

- Available Monday – Friday
- 8:00 a.m. —12:00 p.m and 1:00 p.m. — 4:00p.m.
- Phone: (573) 298-6080, Toll Free: (800) 270-1271
- Email: benefits@mpers.org

Miscellaneous Information

- The retirement benefits administered by MPERS are based on the provisions of the Missouri Revised Statutes. Simply stated, the decisions we make are based on the state 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 do not understand, please contact an MPERS benefit specialist at (800) 270-1271.
- Ask questions and make informed decisions. The elections you make regarding your retirement benefits are **irrevocable**.
- MPERS does **not** mail a payment notice to you each month. Detailed benefit information is available online through myMPERS Secure Member Access.
- Direct deposit and/or tax withholding changes can be submitted electronically through myMPERS Secure Member Access. All changes must be received at MPERS by the 15th of the month, otherwise, the change 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 estimates. All service and salary information must be verified at the time of your retirement.
- 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.

