

Life Changes

A Guide for Retirees



Office of the New York State Comptroller
Thomas P. DiNapoli



NYSLRS

New York State and Local Retirement System

A Message from Comptroller Thomas P. DiNapoli

You already know you will be receiving a retirement benefit for the rest of your life. Now, I want to make sure you know about other benefits you may be entitled to receive and the services we provide to you as a retiree.



That's where this guide can assist you. It has been developed to help you understand these benefits and services. The guide also discusses certain responsibilities you have as a retiree and answers many questions you may have. Please keep it handy as a reference. Remember, our experienced staff is always available to assist you with any concerns or questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Tom DiNapoli". The signature is written in a cursive, flowing style.

Thomas P. DiNapoli
State Comptroller

Table of Contents

Your Benefits	3
Retirement Benefits	3
How Your Benefits Can Change	4
Post-Retirement Death Benefit	8
Survivor's Benefit	9
Services We Offer	10
Call Our Automated Information Line	10
Email Us from Our Website	11
<i>Retirement Online</i>	11
Payments by Direct Deposit	12
Pension Verification Letters	12
Pensioner Tax Information	13
Individual Consultations	13
Information We Provide	14
Your Obligations	15
Notify Us of Address Changes	15
Report a Lost, Late or Stolen Check	15
Review Your Withholding Regularly	16
Contact Us Before You Return to Employment	16
Keep Your Beneficiary Current	17
If You Become Incapacitated	20
Upon Your Death	21
How to Stay Informed	22
How to Contact Us	24

Your Benefits

Retirement Benefits

Retirement benefits are paid monthly. Generally, you will receive your first retirement payment six to eight weeks after you retire. Since it takes time for your former employer to provide all the information we need to determine your final retirement benefit, you will receive advance payments until we complete your benefit calculations. Advance payments are partial payments, based on the information we have and the option you chose, and provide up to 95 percent of your retirement benefit.

You will continue to receive advance payments until we finalize your benefit. Once we determine your final retirement benefit, you will receive a retroactive payment and a letter explaining how we calculated your final retirement benefit.

If you believe your benefit has been incorrectly calculated, please write to the Recalculation Unit in our Benefit Calculations and Disbursement Services Bureau using the address at the end of this publication. Be sure to include photocopies of any supporting documentation, along with your reasons for requesting a recalculation. If there is an error, your benefit will be adjusted retroactively to your retirement date.

If we determine the original calculation is correct, and you disagree, you may request a hearing and redetermination before an independent hearing officer. A hearing request must be in writing and filed with us within four months of the letter explaining how we calculated your benefit. Alternatively, you can email your request for a hearing and redetermination to our Hearing Administration Bureau at Hearings@osc.state.ny.us. At the hearing, you must prove that the Retirement System's calculation is incorrect. You have a choice of representing yourself or using an attorney to represent you at the hearing.

How Your Benefits Can Change

Recalculation

A recalculation usually occurs when you request a recalculation or receive a retroactive contract settlement. If it is the latter, please send a letter, along with a copy of your check stub and/or any correspondence you received from your employer, to the Recalculation Unit in our Benefit Calculations and Disbursement Services Bureau. We will recalculate your benefit and, if it increases, you will receive a retroactive adjustment in your next monthly benefit payment.

Cost-of-Living Adjustment (COLA)

This annual adjustment, based on the cost-of-living index, will permanently increase your retirement benefit. To be eligible to receive annual COLAs, you must be age 62 or older and retired five or more years, at least age 55 and retired ten or more years, or a disability pensioner retired five or more years. For more information, please refer to our brochure, *Permanent COLA* (VO1863), available on our website at www.osc.state.ny.us/retire/publications/vo1863.php. COLA information is also available on our automated information line (see page 24 for our phone number).

Health Insurance

We do not administer health insurance programs. However, we will deduct premiums from your monthly retirement benefit to pay for your health insurance coverage if we are instructed by your former employer to do so. Any questions you may have concerning your health insurance coverage or premium deductions should be directed to your former employer. If you retired from a New York State agency, you can contact the New York State Department of Civil Service at 1-800-833-4344 or 518-457-5754 between 9:00 am and 3:00 pm or write to the Department at:

New York State Department of Civil Service
Employee Benefits Division
Albany, NY 12239.

Medicare

If you retired from a New York State agency and are enrolled in a health insurance plan under the New York State Health Insurance Program (NYSHIP), you are reimbursed for the usual cost of the Medicare Part B (medical insurance) premium through your retirement benefit, unless you receive reimbursement from another source. Any questions you may have concerning your premium should be directed to the New York State Department of Civil Service at one of the phone numbers listed above.

Divorce and Domestic Relations Orders

If you are divorced or become divorced during your retirement, your retirement benefit may be considered a marital asset and subject to equitable distribution. Equitable distribution is the division of marital assets between spouses after the marriage has ended. This division must be stated in the form of a Domestic Relations Order (DRO).

It is especially important to review your beneficiary designations to ensure your benefits will be distributed according to your wishes in the event of divorce. Effective July 7, 2008, beneficiary designations for certain benefits are revoked when a divorce, annulment or judicial separation becomes final. An exception applies if the terms of a DRO specify otherwise.

Beneficiary designations may be revoked for the Ordinary Death Benefit, the Cash Refund Initial Value option (Tier 1), the Cash Refund Contributions option (available to ERS and PFRS members

in Tiers 1 and 2, and PFRS members in Tier 3 who are covered by Article 11) and the Five and Ten Year Certain options. The designation of beneficiaries for a Survivor's Benefit by retirees who chose the Single Life Allowance option or certain alternative options may also be revoked.

For more information on how your benefits may be affected by divorce, consult your attorney, contact our Matrimonial Bureau, or read our guide to domestic relations orders and review the Divorce and Your Benefits page on our website at www.osc.state.ny.us/retire/members/divorce/index.php.

Federal Tax Liens

If you owe back taxes, the Internal Revenue Service can place a tax lien on your retirement benefit, taking all or a portion of it until the lien is fully satisfied.

Child Support or Alimony

If we receive a child support or alimony order from your county's social services department, we must withhold these payments from your retirement benefit in accordance with the order. However, such payments cannot exceed 65 percent of your disposable income.

Federal Income Tax Withholding

Your monthly benefit payment will reflect any change in the income tax withholding tables published by the Internal Revenue Service or in how you file your tax withholding form (such as a change in marital status or number of dependents).

Post-Retirement Death Benefit

Your beneficiaries may be eligible for a Post-Retirement Death Benefit upon your death if you are a Tier 2, 3, 4, 5 or 6 retiree and you retired directly from service or within one year of leaving covered employment. If you are eligible, this benefit will be paid in addition to any retirement benefit that may be paid, depending on your option choice at retirement.

There is no post-retirement death benefit available to the beneficiaries of:

- Tier 1 retirees;
- Tier 2, 3, 4, 5 or 6 retirees who did not retire within one year of leaving covered employment;
- New York State correction officers;
- Tier 3, 4, 5 and 6 county correction officers; or
- Tier 2, 3, 5, or 6 Police and Fire Retirement System members who retired under a special 20- or 25-year plan without regard to age.

For more information about the Post-Retirement Death Benefit, including eligibility and benefit calculation, please refer to your plan booklet on our publications page at www.osc.state.ny.us/retire/publications/index.php.

Survivor's Benefit

If you were a New York State agency employee, your beneficiaries may be entitled to a survivor's benefit upon your death. A \$2,000 benefit is payable if you retired between October 1, 1966 and March 31, 1970, and a \$3,000 benefit is payable if you retired on or after April 1, 1970, provided you meet certain conditions. For more information, read our brochure, *Survivor's Benefit Program for Retired State Employees* (VO1860), available on our website at www.osc.state.ny.us/retire/publications/vo1860.php.

Services We Offer

Call Our Automated Information Line

Our automated information line is available at 1-866-805-0990 or 518-474-7736 in the Albany, New York area 24 hours a day, seven days a week. This line enables you to get information on COLA eligibility, our Direct Deposit program, and taxes. You can also request to have forms mailed or faxed directly to you through this line. In addition, you can talk to a Customer Service Representative in our Call Center during regular business hours to:

- Report a change of address (if your new address is a post office box, you must notify us in writing);
- Notify us about a late or lost check;
- Report a pensioner's death; or
- Get answers to any other questions you may have.

Email Us from Our Website

Visit our Contact Us web page at www.osc.state.ny.us/retire/contact_us/index.php, where you can find answers to most of your basic retirement questions in the Commonly Asked Questions section. You can also access the forms you need for important retirement business like address changes and direct deposit enrollment. If you cannot find what you need here, you can email us from this page as well. You should receive a response within three to five business days.

Retirement Online

Retirement Online is a secure site that allows you to check important retirement information, like the deductions to your latest monthly pension payment and year-to-date payment totals, right from your computer. To access *Retirement Online*, visit our website at www.osc.state.ny.us/retire/portal.php.

Coming soon, we plan to roll out enhanced online services that will give you greater access to your retirement benefit information and simplify the way you manage your benefits. Stay tuned for announcements about these new improvements. Information will be available on our website and in *Retiree Notes*, our print newsletter.

Payments by Direct Deposit

If you choose to enroll in our Direct Deposit program, your retirement payments will be deposited directly into your checking or savings account on the last business day of each month. Over 90 percent of our retired members take advantage of this safe and convenient way to receive retirement benefits.

If you would like to enroll in this program, or if you are already enrolled and want to change the bank where your retirement benefit is deposited, you can find the Direct Deposit Enrollment Application (RS6370) on our website at www.osc.state.ny.us/retire/forms/rs6370.pdf. You can also phone our automated information line and request that an enrollment application be mailed to you.

Pension Verification Letters

At your request, we will send letters to lending institutions, housing authorities, nursing homes, etc., to verify your pension income. Since this information is confidential, we require your written permission and signed authorization before we release it to a third party.

Pensioner Tax Information

To request a W-4P form for changing your federal income tax withholding, get a reprint of your 1099-R tax statement for the current or previous years, or verify your current withholding tax filing status, you can phone our automated information line.

Individual Consultations

Most of your questions about your retirement benefits can be answered by visiting our website or speaking to a Call Center Agent. However, we do offer personalized customer service at consultation sites throughout the State. To make an appointment to speak to an Information Representative by phone or in person, please call our automated information line at 1-866-805-0990 or 518-474-7736 in the Albany, New York area. A list of our consultation sites is available on our automated information line and on our website at www.osc.state.ny.us/retire/consultation_site_offices/index.php.

Information We Provide

One of our goals is to keep you informed about what is happening in the Retirement System, especially about any changes that might affect you. To help us reach this goal, we send the following material to you throughout the year:

- ***Retiree Notes*** — A semiannual newsletter mailed to your home with information about your benefits.
- ***Retiree Annual Statement*** — A summary of your total retirement benefit paid for the previous calendar year and other important information that is mailed to you each winter.
- ***1099-R Tax Form*** — A statement showing the total retirement benefit paid to you in a calendar year, the taxable amount of the benefit, and the amount of taxes that have been withheld. Your 1099-R form is mailed to you by January 31 each year for use in your tax reporting. **(If your benefit is not taxable, we will not send you a 1099-R Form.)**

In addition, many publications designed specifically for retirees are available on our website at www.osc.state.ny.us/retire/publications/index.php#retirees.

Your Obligations

Notify Us of Address Changes

Whether you receive your monthly benefit payment by mail or direct deposit, it is important to notify us of any change in your address. This ensures that you will receive your tax information, annual statement and newsletters in a timely fashion. Notifying us of an address change is essential to avoid delays if you receive your monthly benefit payment by mail, since the United States Postal Service usually will not forward pension checks. In most cases, you can update your address by calling our automated information line. If your new address is a post office box or a foreign address, however, you must notify us in writing.

Report a Lost, Late or Stolen Check

If you receive your monthly benefit payment by check and you have not received it by the eighth of the month, please contact us so we can start the process to issue you a replacement check. You can call us during normal business hours toll-free at 1-866-805-0990 (or 518-474-7736 in the Albany, New York area). Once you are connected, press “2” for a menu of Retiree/Beneficiary services, then “3” to report that your check is late. You will be connected to one of our staff members who can assist you.

Review Your Withholding Regularly

Your retirement benefit is subject to federal taxes but not to New York State or local taxes within New York State. You may change your tax withholding status at any time by filing a W-4P form, available from our automated information line or our website at www.osc.state.ny.us/retire/forms/form_w-4p.pdf.

If you are planning to move to another state after you retire, check with that state's tax department to see if your pension is taxable there.

Contact Us Before You Return to Employment

If you are receiving a service retirement benefit and return to work for a public employer in New York State, your post-retirement earnings may be limited. For more information, read our booklet, *What If I Work After Retirement?* (VO1648), available on our website at www.osc.state.ny.us/retire/publications/vo1648.php or from our Call Center. If you are a disability retiree, your earnings are restricted in both public and private employment. Contact us to find out what restrictions may apply if you return to the workforce.

Keep Your Beneficiary Current

Post-Retirement Death Benefit Beneficiary (Eligible Tier 2, 3, 4, 5, and 6 Retirees Only)

By keeping the designation of your beneficiaries up to date, you will ensure that any post-retirement death benefit will be paid according to your wishes. Every year you will receive a Retiree Annual Statement listing your current beneficiaries — review this information carefully. Marriage, divorce, or the death of a loved one are possible reasons why you may need to revise your beneficiary designation.

Your death benefit beneficiaries can be changed at any time, and you can order the form to change your designation directly from our automated information line. Please be aware, however, we cannot disclose account-specific beneficiary information by phone.

Pension Benefit Beneficiary Information

If you chose one of the following retirement options, you may change your pension beneficiary designation at any time:

- Cash Refund — Contributions (available to ERS and PFRS Tier 1 and 2 members and PFRS Tier 3 (Article 11) members with contributions on deposit);
- Cash Refund — Initial Value (available to Tier 1 members);
- Five or Ten Year Certain; or
- Alternative Option (depending on the terms of payment).

To do this, complete a Pensioner's Designation of Beneficiaries form (RS4411), available from our automated information line or website at www.osc.state.ny.us/retire/forms/rs4411.pdf.

If you chose an option that assures a continuing benefit to a survivor (a Joint Allowance), you cannot change your beneficiary. If you chose a Pop-Up Joint Allowance and your beneficiary predeceases you, please send us a photocopy of your beneficiary's death certificate so that we may increase your benefit to the amount of the Single Life Allowance. The option you elected at retirement will be listed on your Retiree Annual Statement, which is mailed to you before the end of each fiscal year.

Please note: Members who have designated a former spouse as their option beneficiary pursuant to a Domestic Relations Order are not permitted to retire under an option that conflicts with the court's order.

Survivor's Benefit Program Beneficiary Information

If you are a retired New York State agency employee who met certain conditions to be eligible for the Survivor's Benefit Program, your Survivor's Benefit beneficiary is the same as your retirement option beneficiary.

- If the retirement option you chose allows you to change your beneficiary, changing the Option Beneficiary will *automatically* change your beneficiary for the Survivor's Benefit Program. You should complete the Designation of Beneficiaries form (RS4411) to make this change.

- If you elected the Single Life Allowance at retirement, you **must** name a beneficiary for this Program. A Survivor's Benefit Program Designation of Beneficiaries form (RS6361-B) will be sent to you shortly after retirement. For this option, you may change your Survivor's Benefit beneficiary at any time.
- If the option you chose does not allow you to change your beneficiary after retirement (Joint Allowances and Pop-Up Joint Allowances) and your beneficiary predeceases you, you may name a new beneficiary for the Survivor's Benefit Program by completing the Survivor's Benefit Program Designation of Beneficiaries form (RS6361-B) and providing us with a photocopy of your beneficiary's death certificate. Please contact our Call Center for this form, as it is not available on our website.

The Survivor's Benefit Program Designation of Beneficiaries form (RS6361-B) and any related attachments should be sent to:

New York State and Local Retirement System
Survivor's Benefit Unit
110 State Street
Albany, NY 12244-0001.

If You Become Incapacitated

A properly executed Power of Attorney will allow a person you designate to act on your behalf, even if you become disabled. If, after reviewing your Power of Attorney document,* we find it acceptable, your designee will be able to:

- Cash your retirement checks;
- Change your address on our records;
- Change the account or bank in which your benefit is deposited;
- Change your death benefit beneficiary;
- Change your retirement benefit beneficiary if you chose:
 - The Five or Ten Year Certain Option;
 - The Cash Refund Option — Initial Value (Tier 1 members); or
 - The Cash Refund Option — Contributions for ERS and PFRS Tier 1 & 2 members and PFRS Tier 3 (Article 11) members with contributions on deposit.

* See our new Public Retirement System Special Power of Attorney form at www.osc.state.ny.us/retire/forms/poa.pdf (this form is limited to retirement benefit transactions and does not apply to any other matters).

Note: Effective July 7, 2008, a former spouse's rights to serve as a retiree's personal representative, executor, guardian, attorney-in-fact or in any other fiduciary role is revoked when a divorce, annulment or judicial separation becomes final.

You may revoke your Power of Attorney at any time by sending a notarized statement to us at:

New York State and
Local Retirement System
Pension Payroll Unit
110 State Street
Albany, NY 12244-0001.

Upon Your Death

In the event of your death, a family member or friend should notify us as soon as possible so potential benefits can be paid to your designated beneficiaries. They may phone our Call Center or notify us by mail, but either way, they will need to supply us with a certified copy of your death certificate.

Your survivors should also be mindful of the fact that any uncashed pension checks in your name need to be returned to us. Similarly, if your benefit is paid by direct deposit, your loved ones should be aware that we are obligated to automatically reclaim any overpayment.

How to Stay Informed

Your retirement benefits are an important part of a solid financial plan. They can help you and your beneficiaries achieve financial security in retirement or in the event of disability or death. Use these resources to help you understand your benefits and stay informed.

- Connect with us on social media.
 - Subscribe to our blog, *New York Retirement News* (www.nyretirementnews.com), where you'll find tools to help you understand your benefits, as well as important Retirement System news.
 - You can also like us on Facebook (www.facebook.com/nyslrs) and follow us on Twitter (www.twitter.com/nyslrs) for quick tips and updates on a variety of retirement topics.
- Sign up for *E-News*, our free email newsletter, for the latest retirement news and information dedicated to pre-retirement planning.
- Read your retiree newsletter for current retirement information and updates on your benefits.
- Review your Retiree Annual Statement carefully, and contact us to correct any errors promptly.

- Visit our website frequently to learn about your benefits, download forms, and read informative booklets and brochures, written specifically for retirees.
- Make an appointment to visit any of our consultation sites, where you can meet with an Information Representative to discuss special concerns or request specific information.

How to Contact Us

If you have any questions or you need more information, you can:

- Email us from our Contact Us page at www.osc.state.ny.us/retire/contact_us/index.php;
- Phone our Call Center toll-free at 1-866-805-0990, or 518-474-7736 in the Albany, New York area; or
- Write to us at:
New York State and Local Retirement System
110 State Street
Albany, NY 12244-0001

This publication provides a general summary of retiree benefits, rights and responsibilities, and is not a substitute for any New York State or federal law. For specific information about your benefits, please contact us.

VO1705

Printed: 9/16

Content Last Revised: 9/15

© 2015, New York State and Local Retirement System

Printed on recycled paper

