Retired Public Employees Council's Guide to Retirement

Jakob Canup, Membership Coordinator

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Retirement Timeline

- 1-5 years prior to retirement
- 3-12 months prior to retirement
- 1-3 months prior to retirement
- At retirement

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1-5 Years Prior to Retirement: Part 1

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1. Sign up for your DRS account
2. Use the Benefit Estimator to determine your retirement income
3. Review service credit details
4. Verify account & personal information

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1-5 Years Prior to Retirement: Part 2

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- Plan 3 is a hybrid plan
- Deferred Compensation Program (pre-tax)
  - Min. monthly
  - Annual plan maximum
  - DCP Roth (post-tax)
- Start exploring health care options
- Consider when you want to apply for Social Security benefits

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3-12 Months Prior to Retirement: Part 1

1. Early Retirement or Separate and Delay
   - Plans 1 & 2 vs. Plan 3
   - VEBA (25% limit)
   - How to bridge the gap if delaying retirement
   - Plan 3 investment account
2. Benefit Indexing (Inflation Protection)
   - Plan 3 only
   - Minimum 20 years service credit

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3-12 Months Prior to Retirement: Part 2

3. The 4 Benefit Options
   - Option 1: Single Life
   - Option 2: pass on 100% of reduced benefit
   - Option 3: pass on 50% of reduced benefit
   - Option 4: pass on 66.67% of reduced benefit
   - Pop-Up Provision

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3-12 Months Prior to Retirement: Part 3

4. Annuity Options

- Income plan purchased with pretax money

-Plan Annuity, Service Credit, TAP Annuity (Plan 3)

5. Optional Membership Service Credit

- May help you qualify for an early or normal retirement and increase your pension benefit

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3-12 Months Prior to Retirement: Part 4

6. COLA & Your Effective Retirement Date
   - Must be retired for 12 months
   - Maximum of 3% based on inflation
   - Takes place July 1st every year
   - Effective retirement date is 1st of the month after separation
   - Payments are received last day of each month
   - Banking Provision

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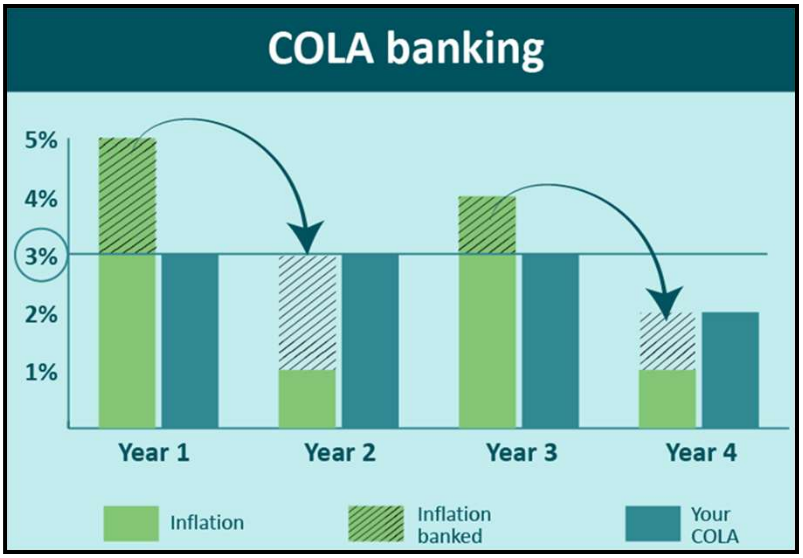
COLA Banking Provision



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3-12 Months Prior to Retirement: Part 5

7. Request Formal Bid Estimate from DRS

- Do 6 months prior to retirement, can take a few weeks
- If you have more than one DRS retirement plan

8. Review Health Care Coverage Options

- Employer
- PEBB

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1-3 Month Prior to Retirement: Part 1

1. Make any other changes to your previously requested bid estimates.

2. Once DRS processes your estimate, you are ready to apply for your pension.
   - W-4P form (Federal tax withholding)
   - Review Acknowledgement Letter

3. Review withdrawal options and balances.
   - Separating early
   - Plan 3 investment account
   - DCP

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1-3 Month Prior to Retirement: Part 2

4. If enrolling in PEBB, complete elections form.

- Election form & 90-day window
- Deferring coverage

5. Defer leave cash-out.

- Sick leave & VEBA requirements
- Notifying DRS 30-45 days in advance

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At Retirement

1. Verify the accuracy of your Benefit Awards Letter.
   - First payment
2. DRS will mail you a Form 1099-R.
3. If you enrolled in PEBB and elect to have your premiums deducted from your pension:
   - The Health Care Authority of Washington is your point of contact for premium payments via deduction

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Checklist for Online Medicare, Retirement, & Spouses Applications

Create a *my* Social Security Account

You are required to login to your existing *my* Social Security account, or attempt to create one. To create an account, we will ask you a series of identity questions for verification. You may want to have certain items on hand to be prepared for additional security questions, such as, but not limited to: **mobile phone (for the purpose of receiving texts and emails), credit card, W-2, and tax forms.**

File for Benefits Online – The Information You Need	Medicare Only	Retirement & Spouses
Date and Place of Birth If you were born outside the United States or its territories: • Name of your birth country at the time of your birth (it may have a different name now) • Permanent Resident Card number (if you are not a U.S citizen)	X	X
MEDICAID Number (State Health Insurance) - Start and End Dates	X	
Current Heath Insurance • Employment start and end dates for the current employer (of you or your spouse) who provides your health insurance coverage through a Group Health Plan • Start and end dates for the Group Health Insurance provided by you (or your spouse's) current employer	X	
Marriage and Divorce • Name of current spouse • Name of prior spouse (if the marriage lasted more than 10 years or ended in death) • Spouse(s) date of birth and SSN (optional) • Beginning and ending dates of marriage(s) • Place of marriage(s) (city, state or country, if married outside the U.S.)		X
Names and Dates of Birth of Children Who: • Became disabled prior to age 22, or • Are under age 18 and are unmarried, or • Are aged 18 to 19 and still attending secondary school full time		X
U.S. Military Service • Type of duty and branch • Service period dates		X
Employer Details for Current Year and Prior 2 Years (not self-employment) • View your Social Security Statement online at ***www.socialsecurity.gov/myaccount*** • Employer name • Employment start and end dates		X
Self-Employment Details for Current Year and Prior 2 Years • View your Social Security Statement online at ***www.socialsecurity.gov/myaccount*** • Business type • Total net income		X
Direct Deposit - Domestic bank (USA) • Account type and number • Bank routing number **Direct Deposit** - International bank (non-USA) • International Direct Deposit (IDD) bank country • Bank name, bank code, and currency • Account type and number, branch/transit number		X

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Medicare

- Eligible at 65 with few exceptions
- PEBB Medicare premiums
- The Parts of Medicare:
  - **Part A (Hospital Insurance)**
    - inpatient, skilled nursing, hospice
  - **Part B (Medical Insurance)**
    - Provider visits, outpatient, preventive, durable medical equipment
  - Part C (Medicare Advantage)
    - Generally includes Parts A, B, and D; some plans include additional benefits
  - Part D (Prescription Drug Coverage)
    - Available to individuals in enrolled in Medicare Part A and/or Part B
  - Medigap (Medicare Supplement Insurance)
    - Can help pay for health care costs that aren't covered by Part A and Part B (copayments, coinsurance, and deductibles).

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Medicare Initial Enrollment Period (IEP)

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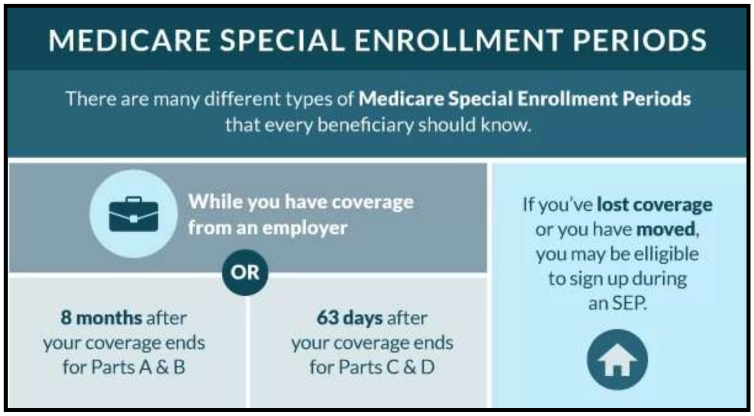
Medicare Special Enrollment Period



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PEBB Proof of Enrollment: Part 1

- Must receive no later than 30 days before you or your dependent turn 65
- If delayed, no later than 60 days after turning 65
- If enrolling in PEBB for the first time, submit Retiree Election Form (Form A)
- Accepted Documents: Medicare card or entitlement letter

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PEBB Proof of Enrollment: Part 2

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How to submit?

- Send a message through HCA support
- Mail or fax

What happens after I submit proof?

- Rate is lowered to the lower Medicare rate
- If paying PEBB premiums, they generally no longer apply after Medicare enrollment

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Questions?

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