

Understanding PERS Death Benefits After Retirement – Tiers I, II and III



Death benefits to survivors and beneficiaries of PERS retirees depend on irrevocable elections made at the time the member retired and the most current beneficiary designation on file with the Division of Retirement and Benefits.

When you retired from the Public Employees' Retirement System (PERS), you elected the type of retirement you would receive.

What if I was unmarried when I retired?

If you were not married when you retired, you chose one of two options. You chose either a Regular or Level Income Option benefit. The type of retirement you elected is irrevocable.

1. **Regular Retirement:** All benefits cease at the time of your death, including health insurance.

Beneficiary payment: Your beneficiary(s) will receive the balance of your member contribution account, if any, or the last pension check. If you die after you have retired, your beneficiary is entitled to the benefit check for the month in which the you died, if it was not already paid to you. Any check payable to you dated after you die, will need to be returned to the Division to be reissued in the name of your beneficiary(s).

2. **Level Income Option** (not available for PERS Tier III): If you chose this option you will receive an increased benefit amount prior to age 65, and a decreased amount beginning at age 65. If you chose this benefit option you must anticipate other retirement resources to commence at age 65 in order to provide approximately the same income. All benefits cease at the death of the member, including health insurance.

Beneficiary payment: Beneficiary(s) receive the balance of your contribution account, if any or the last pension check.

What if I was not married at retirement, but got married later?

If you were not married at the time of retirement, but marry after appointment to retirement, you cannot change the type of

retirement benefit you elected. Payment of your last pension check and the balance of the member contribution account will be paid to the beneficiary(s) as indicated on the most current beneficiary designation on file with the Division of Retirement and Benefits.

While married, you can cover a new spouse for health insurance, but health insurance for your new spouse will stop at the time of your death.

What if I was married when I retired?

If you elected a joint and survivor option at retirement, at the time of your death your beneficiary will start receiving that benefit. To receive survivor benefits, your surviving spouse or incapacitated child's representative must submit a certified copy of the death certificate and complete and submit the survivor benefit application.

The benefit amount your survivor will receive depends on the irrevocable survivor election you made at retirement. The elections available to you, as the member, were:

- 50% Joint and Survivor
- 75% Joint and Survivor
- 66-2/3rd Last Survivor (Not available for PERS Tier III)

The survivor percentage chosen applies to the gross benefits, before taxes or deductions for supplemental insurance.

For example:

Member Chose 50% Joint and Survivor:

EXAMPLE ONLY	
Current Monthly Gross Benefit	Survivor Gross Benefit
\$2,000 Base Benefit	\$1,000 Base Survivor Benefit
\$800 Post Retirement Pension Adjustment	\$400 Post Retirement Pension Adjustment
\$200 COLA	\$100 COLA
\$3,000 Total Benefit	\$1,500 Total Survivor Benefit

Member Chose 75% Joint and Survivor:

EXAMPLE ONLY	
Current Monthly Gross Benefit	Survivor Gross Benefit
\$2,000 Base Benefit	\$1,500 Base Survivor Benefit
\$800 Post Retirement Pension Adjustment	\$600 Post Retirement Pension Adjustment
\$200 COLA	\$150 COLA
\$3,000 Total Benefit	\$2,250 Total Survivor Benefit

Member Chose 66-2/3rd Last Survivor Option:

EXAMPLE ONLY	
Current Monthly Gross Benefit	Survivor Gross Benefit
\$2,000 Base Benefit	\$1,333 Base Survivor Benefit
\$800 Post Retirement Pension Adjustment	\$533 Post Retirement Pension Adjustment
\$200 COLA	\$130 COLA
\$3,000 Total Benefit	\$1,996 Total Survivor Benefit

What if I got divorced after I retired?

If you are divorced after retirement, you will not be able to change your retirement election to a non-survivor option. The retirement election made when you retired is irrevocable. The divorce does not nullify your survivor designation. Upon your death, your spouse at the time of retirement will still be considered the survivor and will receive survivor benefits.

What if my spouse died after I retired?

If you are the member, death of your spouse does not affect the 50% or the 75% Joint and Survivor options. The retirement election made at the time of retirement is irrevocable. You are not able to change your retirement election to a non-survivor option.

If you chose the 66-2/3rd Last Survivor and your spouse dies, your benefit is reduced to the 66-2/3rd level as you are now the last survivor between the pair.

What happens if I remarried after divorce, or after the death of a spouse that was named as my survivor when I retired?

If you remarry after divorce or the death of your spouse that was named as the survivor at the time of retirement, your new

spouse may be added as a dependent to your retiree health insurance. However, your new spouse will have no rights to survivor benefits. Both pension and retiree health insurance will cease at the time of your death. Your last retirement check will be paid out to your named beneficiary.

What Tier Am I?

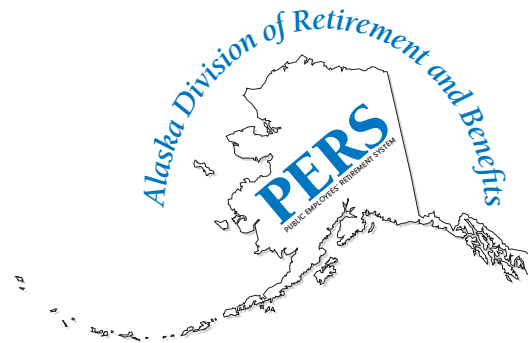
Members who first entered a PERS position and were making contributions:

- **Tier I** — Before 7/1/86.
- **Tier II** — On or after 7/1/86, but before 7/1/96.
- **Tier III** — On or after 7/1/96, but before 7/1/06.

The information included here only applies to Tiers I, II, and III.

DISCLAIMER:

The information contained in this informational brochure is based on a summary description of benefits, costs, rates, other calculations, policies or procedures for the pension and benefit plans administered by the Division of Retirement and Benefits, including but not limited to, the Public Employees' Retirement System and the AlaskaCare Retiree Benefit Plan. The Division of Retirement and Benefits has made every effort to ensure, but does not guarantee, that the information provided is accurate and up to date. Where this information conflicts with the relevant Plan Document, the Plan Document controls.



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