

PERS newsbreak

Alaska Public Employees' Retirement System

December 2019

Number 121

Are You Financially Ready For Your Future?

It is never too late, or too soon, to receive a personalized *Financial Readiness Review* from your State of Alaska retirement plan advisor. Meeting with your advisor can help answer many retirement questions including:

- how your assets are allocated,
- your savings rate,
- your eligible retirement age,
- the amount or percentage of your pre-retirement income you will need to replace, and
- your financial readiness.

During the review, you and your retirement plan advisor will discuss your personal data, pension and Social Security estimates, outside investments, and goals. Your advisor will also include spouse and partner retirement benefits and other potential sources of retirement income.

The *Financial Readiness Review* will give you a detailed look at your projected income and cash flow throughout your retirement years. If the review reveals you're not quite on track, you'll receive suggestions to help you get there.

Already retired? A *Financial Readiness Review* can help you, too! It's easier to see the road ahead with a personal review. Schedule an in-person or over-the-phone meeting today by calling (800) 526-0560 toll-free or in Anchorage at (907) 276-1500. 🐦

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Social Security Administration Benefits



As a PERS member, your PERS pension benefit may reduce the amount of benefits you are entitled to under Social Security **if you did not** pay Social Security taxes during your PERS employment. If you paid Social Security

taxes during your PERS employment, there will be no reduction to your Social Security benefits. Keep in mind, not all PERS employees participate in Social Security. If you are unsure if you paid Social Security taxes, please contact your employer.

For those who did not pay Social Security taxes while working for the State of Alaska, local government, or school district, there are two laws that may reduce your Social Security benefits:

- The Windfall Elimination Provision, which affects the way your Social Security retirement benefits are calculated.
- The Government Pension Offset, which affects Social Security benefits you may be eligible to receive as a spouse or widow/widower.

Windfall Elimination Provision

The Windfall Elimination Provision affects people who have earned a pension from the PERS and did not pay Social Security taxes during their employment, but who also worked at other jobs where they paid Social Security

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Walk-in or Scheduled Appointment



The value of time can be immeasurable, and we want to make sure we maximize the time we have with you. The Division of Retirement and Benefits offers you the choice of

either a walk-in or scheduled appointment. We want to help you get the most out of your interactions with the Division, so if you are wondering which option would be better for you and your situation, please read the following guidelines.

Walk-in Appointments

Walk-in appointments should be limited to business that can be accomplished within 10-15 minutes. This includes dropping off forms, submitting your retirement application, a quick review of your documents, and notarization of relevant Division documents.

Please note: We are unable to notarize non-Division-related documents.

Many documents may be submitted to the Division electronically, but some are required to be received by mail or in-person. General questions and requests for

information can be handled by our Member Services Contact Center, staffed by our team of professional representatives, toll-free at (800) 821-2251 during regular business hours. Although our staff enjoys our personal one-on-one meetings, phone calls and online submissions will save you driving time and the stress of finding parking.

Scheduled Appointments

If your business cannot be resolved in 10-15 minutes, a scheduled appointment with a senior benefits counselor may be the best solution. This includes retirement projections, in-depth questions about service and retirement eligibility, coordination between the State-administered plans in which you participate, and other retirement and benefits related questions that require additional time and review.

These one-hour appointments can be done in-person in Juneau and Anchorage, or by phone, regardless of where you live. Phone appointments are ideal for those who are unable to meet face-to-face or find a phone call a more convenient way to interact with us. These appointments can be set up online at Alaska.gov/drb/reps/makeAppointment.html or by calling our Member Services Contact Center toll-free at (800) 821-2251 during regular business hours.

Your time is very important to us. If you have comments or recommendations, please email Roberto Aceveda at Roberto.Aceveda@alaska.gov. 🐦

The Path to Financial Success

For PERS members participating in SBS-AP.

Whether you are just starting your career or have seen many seasons come and go, the Division of Retirement and Benefits and our partner, Empower Retirement, can help guide you on the path to financial success. Understanding that “Financial Success” will have many meanings and different timelines for our members, we have worked with Empower Retirement to provide customized individual appointments that are all about you, your goals, and your timelines. We want to make sure that you focus on doing your best in your chosen career without worrying about becoming a retirement and financial expert as well. We have the tools, resources, and people available to you from your first day at work, to your mid-career checkup, to the day you begin planning your legacy.

So, where do you start? The New Employee Benefit Orientation page on our website, Alaska.gov/drb/

benefits/employee/orientation.html, has some important handouts and videos provided by both the Division and Empower Retirement. Be sure to watch the videos, fill out your checklist, and make an appointment with your plan representatives from both Empower (for the Defined Contribution, Supplemental Annuity, and Deferred Compensation plans) and the Division (for the Defined Benefit plans).

- Make an appointment on our website at Alaska.gov/drb/reps/makeAppointment.html, or call the Division’s Member Services Contact Center toll-free at (800) 821-2251.
- Make an appointment with an Empower Representative at akdrb.empower-retirement.com. Click *Plan Resources*, then *Schedule a Meeting*, or call the Anchorage office at (907) 276-1500. 🐦

Social Security Administration Benefits

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taxes long enough to qualify for retirement benefits. If you are subject to the provision, a different formula is used to calculate your Social Security retirement benefits to prevent a windfall in benefits.

The provision does not apply if you first became eligible to retire prior to 1985, or if you have 30 years of “substantial” earnings during your Social Security-covered employment. For more information regarding the Windfall Elimination Provision, please contact your local Social Security office and request publication no. 05-10045. You can also call the Social Security Administration at (800) 772-1213 or visit their website at ssa.gov.

Governmental Pension Offset

The Governmental Pension Offset affects Social Security benefits you may be eligible to receive as a spouse or widow/widower. Under the offset provisions, some or all of your spouse or widow/widower's Social Security benefit may be offset by your PERS pension if you did not pay Social Security taxes during your employment. For more information regarding the offset provision, please contact your local Social Security office and request publication no. 05-10007. You can also call the Social Security Administration at (800) 772-1213 or visit their website at ssa.gov.

Disability Insurance

If you have worked exclusively for the State or a participating employer for more than 10 years, you will not be eligible for Social Security disability, since the State and other participating employers do not participate. Social Security disability is only available if you have enough Social Security credits. Generally, you


need 40 credits, with 20 earned in the last 10 years. In order to protect yourself and replace the disability benefits for which you may no longer be eligible under Social Security, the State offers voluntary supplemental benefits (VSB), for short-term and long-term disability. If your employer does not participate in the State's VSB plan, be sure to inquire with your employer if there are other options available.

Short-Term Disability

Short-term disability (STD) protects you in the event of a brief absence from work. It can also fill in the waiting (elimination) period before long-term disability benefits begin. STD benefits can begin after you've been disabled and off work for 30 days. If you are still in pay status from accrued or donated leave at that time, benefits begin after you exhaust all paid leave. STD pays 60% of your base salary up to a maximum of \$2,500 per month, less other income (see below). Benefits continue as long as you are disabled, for up to 180 days from the date of disability.

Long-Term Disability


Long-term disability (LTD) protects you in the event of an extended disability. Benefits begin after you've been disabled and off work for at least 180 days. Benefits continue for as long as you remain disabled—up to age 65 if you are disabled before age 60 or for up to 4-½ years if you are disabled after age 60. You may elect a plan that covers either 50% or 70% of your salary, less other income.

For further information on short-term and long-term disability insurance through the VSB plan, visit our website at Alaska.gov/drb/benefits/employee/VSBs/disability.html. 

2020 Retiree Benefit Mailing Dates

Retiree benefits will be mailed on the following dates in 2020:

- January 24
- February 25
- March 25
- April 23
- May 21
- June 25
- July 23
- August 25
- September 24
- October 23
- November 24
- December 22

The mailing date is also the date that funds are available from your financial institution. If you would like to have your benefit directly deposited, complete the Electronic Direct Deposit Authorization for Retirees form and return it to the Alaska Division of Retirement and Benefits. You can find the form at Alaska.gov/drb/checkDates. 

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**Member Services
Contact Center**

8:30 a.m. – 4 p.m.
Monday – Thursday

8:30 a.m. – 3 p.m.
Friday

(907) 465-4460
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TDD: (907) 465-2805
Fax: (907) 465-3086

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Alaska.gov/drb

The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act (ADA). The PERS Newsbreak is available in alternative communication formats upon request. DRB ADA Coordinator: (800) 821-2251; in Juneau: (907) 465-4460, or contact the TDD for the hearing impaired at (907) 465-2805.

Note: The Division of Retirement and Benefits is unable to unsubscribe members from our mailing list at this time. The Division has a fiduciary duty to provide both its active and retired members with information regarding their health and retirement benefits, including—but not limited to—benefit education, plan enrollment, and any changes in the plans. While we acknowledge that it can be frustrating to receive a high volume of communication from the Division, it is necessary to keep our members up to date on current information and educational opportunities concerning their health and retirement benefits. We apologize for any inconvenience this may cause you.

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We Want to Share Your Retirement Story

We want to share your retirement story with your fellow members. Are you volunteering, traveling, involved in the community or just enjoying life? Let us know where you are living now, what you are involved in, where you were employed, and how your State of Alaska retirement has allowed you to enjoy new adventures in retirement. Submit your stories on our website at Alaska.gov/drb/retirement/retireesInTouch.html, email your stories to doa.drb@alaska.gov, or mail your stories and photos to the address on this newsletter, Attention: Newsbreak Editor. Please keep your stories to 500 words or less. 



Stay up to date on upcoming seminars, events, and tips for your retirement.
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