

Your Retirement Checklist

All Funds

When planning for retirement, it is important to give yourself enough time to review your benefits and options. The time frames in this checklist are a guide. Processing time varies and cannot begin until the Division of Pensions and Benefits receives all the necessary information and forms from both you and your employer.

6-8 MONTHS BEFORE RETIREMENT

- Obtain a retirement estimate.** Members within 2 years of retirement can obtain an estimate of retirement benefits using the Member Benefits Online System (MBOS). MBOS is a set of Internet based applications that allow registered members access to information about their pension. Register with MBOS at www.state.nj.us/treasury/pensions (select "Online Member Services - MBOS").

To hear an estimate of retirement benefits over the phone, you may call the Division of Pensions and Benefit's Automated Information System at (609) 777-1777. You may also submit a *Request for Retirement Estimate* form which is available from your benefits administrator, the Division's Web site (select "Forms and Publications"), or by calling (609) 292-7524. The form must be forwarded to the Division for processing.

If you provide us with the name and birth date of your beneficiary, we will estimate your Maximum Allowance along with alternate payment options to your beneficiary.

- Consider attending a pre-retirement seminar** conducted by the Division of Pensions and Benefits. You may register online for a seminar using the Division's Web site at: www.state.nj.us/treasury/pensions (select "Seminars and Workshops"). A general description about the seminars, and a complete list of upcoming dates and locations are available. If you do not have Internet access, check with your benefits administrator

or training coordinator, or call the Division's Benefits Education Office at (609) 777-2111.

4-6 MONTHS BEFORE RETIREMENT

- Apply for Retirement.** Registered MBOS users can apply for retirement online at: www.state.nj.us/treasury/pensions (select "Online Member Services – MBOS") This is an easy, secure, and accurate way to apply for retirement. If you do not have Internet access you can obtain an *Application for Retirement Allowance* from your benefits administrator or the Division of Pensions and Benefits.

Whether you apply for retirement online through MBOS or by written application be sure to carefully read the instructions and the available fact sheets about retirement prior to submission. (See page 4 for a list of fact sheets.)

- All members of the State-administered retirement systems must provide proof of age prior to retirement. Acceptable proofs of age include a photocopy of any of the following: birth certificate; baptismal certificate; passport; naturalization or immigration papers; or other records including military records, census records, school or business records, age recorded on marriage licenses and insurance, or children's birth records. Registered users can verify if proof of age is on file using MBOS.

If your proof of age is not already on file with the Division of Pensions and Benefits, you should attach a photocopy of your birth certificate, or other proof of age document, to your retirement application. (MBOS applicants should mail proof of age to the Retirement Bureau, Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295. Please also include your name, pension membership number, retirement date, and daytime telephone number.)

For Public Employees' Retirement System (PERS) and Teachers' Pension and Annuity Fund (TPAF) only — **if you are choosing**

options A, B, C, D, 2, 3, or 4, you must also submit proof of your beneficiary's birth date (see above paragraph for acceptable forms of proof). Please include your (the retiree's) name, anticipated retirement date, daytime telephone number, and pension membership number on the photocopy of your beneficiary's proof of age and attach it to your retirement application or mail it to the Division's Retirement Bureau (see above paragraph for address).

Your retirement application will not be processed until the Division receives the required copies of birth date evidence.

- PERS and TPAF only – If applying for a Veteran Retirement, you must qualify as a veteran for pension purposes. Registered users can verify if veteran status is on file using MBOS. If you are not already listed as a veteran on the Division of Pensions and Benefits' records, you must send a photocopy of your military discharge (Form DD 214) to the NJ Department of Military and Veteran Affairs (NJDMAVA), at the following address:

**NJ Department of Military and
Veteran Affairs
ATTN: DVP-VBB
PO Box 340
Trenton, NJ 08625-0340**

Since the NJDMAVA also makes determinations of veteran's preference for Civil Service and property tax appeals, a note should be attached to say that the discharge is being sent for pension purposes. For more information about veteran status see Fact Sheet #17, *Veteran Status*.

- If you have applied for a purchase of additional service credit in the past few months, and are not submitting an online retirement application through MBOS, please write "Purchase Pending" across the top of your *Application for Retirement Allowance* prior to sending it to the Division.

- The amount of your **life insurance** coverage through the retirement system decreases at retirement or terminates if you have less than 10 years of service credit. You may **convert** the dollar difference between the coverage you had before retirement and the coverage you

will have after retirement to a non-group life insurance policy by applying to a **Prudential Insurance Company agent within 31 days of your termination of employment**. No physical examination is required to prove insurability. The cost of the coverage will be at the standard rate for someone your age. For further information about conversion, you can contact Prudential at 1-800-524-0542 or through any of its local offices or if you live in New Jersey by calling 1-800-262-1112. You should contact other insurance carriers and compare the available policies and costs before you decide to purchase the conversion policy.

- Ask your employer to submit a **Certification of Service and Final Salary** to the Division of Pensions and Benefits.
- Contact the **NJ State Employees Deferred Compensation Plan** office at 1-866-NJSEDCP or the **Supplemental Annuity Collective Trust (SACT)** office at (609) 633-2031 if you participate in those plans.
- You will receive a letter** from the Division of Pensions and Benefits acknowledging receipt of your retirement application. Also included are answers to some frequently asked retirement questions.

**APPROXIMATELY 3 MONTHS
BEFORE RETIREMENT**

- You will receive a letter offering you enrollment in the New Jersey State Health Benefits Program (SHBP) if you are:
 - currently covered by the SHBP.
 - a member of the TPAF with 25 years or more of service credit in the pension fund or retiring on a disability retirement.
 - a PERS or Alternate Benefit Program member retiring from a school board of education or county college with 25 or more years of service credit in the pension fund or retiring on a disability retirement.
 - a Medicare eligible member of the TPAF or the PERS who works for a Board of Education.

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- a police officer or firefighter retiring with 25 years or more of service credit in the pension fund or retiring on a disability retirement whose employer does not provide any payment or compensation toward the cost of health benefits for its retirees.

If you will not be eligible for post-retirement medical coverage through the SHBP, discuss with your employer any coverage they may provide you.

If you are 65 or older, contact the local Social Security Administration office for full Medicare enrollment. You must be covered by both Part A and Part B of Medicare to be eligible to enroll in the SHBP in retirement.

Most Medicare eligible retirees and/or their Medicare eligible dependents need not enroll in Medicare Part D prescription drug coverage. Some SHBP members who qualify for low income subsidy programs may find it beneficial to enroll in Medicare Part D. However, once you and/or your dependents enroll in Medicare Part D, your SHBP retired group prescription drug benefits will be terminated for both you and your dependents.

You may need to obtain a written statement from your employer certifying that you have been covered under an employer group health plan. The statement should indicate when and why coverage as an active employee will end.

APPROXIMATELY 2 MONTHS BEFORE RETIREMENT

You will receive a *Quotation of Retirement Benefits* letter which shows your monthly retirement allowance with:

- the option you selected; (for PERS and TPAF)
- a quote of any outstanding loan balance with repayment options; and
- a quote of any outstanding arrears (purchase) balance and/or shortages.

If you will be retiring with an outstanding loan balance, you must decide how you wish to repay your loan. You may:

- pay the loan **in its entirety** prior to receiving any benefits; or
- continue your monthly loan repayment schedule into retirement until the loan balance **plus interest** has been repaid.

Any outstanding arrears or shortages must be paid before your retirement check can be issued. Failure to respond to these issues will delay your retirement benefits.

APPROXIMATELY 1 MONTH BEFORE RETIREMENT

Your retirement will be presented to the retirement system’s Board of Trustees for approval. You will receive a board approval letter and will have 30 days from the board approval date or your effective retirement date (whichever is later) to change your option selection if you wish. If you change your option after board approval, your new selection must again be approved by the Board of Trustees. This may delay your first check.

You may choose to cancel your retirement within 30 days of your retirement date or board approval date (whichever is later). This request must be in writing to the Division of Pensions and Benefits. Canceling your retirement does not guarantee reemployment with your employer.

If you are not eligible for SHBP coverage after retirement, you should discuss with your employer the possibility of continuing medical, prescription drug, dental, or vision coverage under the provisions of COBRA.

SHORTLY AFTER YOUR RETIREMENT DATE

You will receive **forms for withholding** federal and New Jersey State income tax.

You will receive a **form** to have your retirement check **deposited directly** to your bank account.

Your **first retirement check** will be dated no earlier than the first of the month following your retirement date or 30 days after approval by the retirement system’s board of trustees, whichever is later.

FACT SHEETS ABOUT RETIREMENT

Listed below are fact sheets pertaining to retirement and related issues. These fact sheets available on our Web site at www.state.nj.us/treasury/pensions (select "Forms and Publications"). You can also obtain fact sheets from the Division's Office of Client Services at (609) 292-7524, or from your benefits administrator or human resources representative.

Purchasing Service Credit

- 1 - Purchasing Service Credit (PERS, TPAF & Police and Firemen's Retirement System - PFRS)
- 2 - Estimating the Cost of Purchasing Service Credit (PERS & TPAF)
- 3 - Estimating the Cost of Purchasing Service Credit (PFRS)

Retirement Planning

- 4 - Applying for Retirement (PERS & TPAF)
- 5 - Pension Options (PERS & TPAF)
- 11 - Enrolling in the State Health Benefits Program When You Retire
- 17 - Veteran Status (PERS & TPAF)
- 18 - Cost-of-Living Adjustments (All Funds)
- 19 - Applying for Retirement (PFRS)
- 41 - Applying for Retirement (State Police Retirement System - SPRS)
- 54 - Calculating Your Own Retirement Allowance (PERS & TPAF)
- 61 - Planning for Your Survivors - Pension Options (Judicial Retirement System - JRS)
- 64 - About Your Retirement Check

Types of Retirement

- 14 - Deferred Retirement (PERS, TPAF & PFRS)
- 15 - Disability Retirement Benefits (PERS & TPAF)

- 16 - Disability Retirement Benefits (PFRS)
- 39 - Disability Retirement Benefits (SPRS)
- 53 - Legislative Retirement Benefits (PERS)

Taxation of Benefit Distributions

- 12 - Taxation of Retirement Benefits
- 27 - The Taxability and Mandatory Withholding of Income Tax From Your Pension Distribution
- 59 - The Taxability and Mandatory Withholding of Income Tax From Your Deferred Compensation Distribution

Employment after Retirement

- 21 - Employment After Retirement (PERS)
- 28 - Employment After Retirement (TPAF)
- 29 - Employment After Retirement (PFRS)
- 57 - Employment After Retirement (SPRS)

State Health Benefits Program/COBRA

- 11 - Enrolling in the State Health Benefits Program When You Retire
- 23 - The State Health Benefits Program and Medicare Parts A & B for Retirees
- 30 - Continuation of New Jersey State Health Benefits Program Insurance Under COBRA
- 47 - State Health Benefits Program Retired Coverage Under Chapter 330 (PFRS & Law Enforcement Officers (LEO/Part of PERS))
- 73 - Retiree Dental Expense Plan

Life Insurance/Death Benefits

- 13 - Conversion of Group Life Insurance (All Funds)
- 68 - Designating a Beneficiary (All Funds)

This fact sheet has been produced and distributed by:

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(609) 292-7524 • TDD for the hearing impaired (609) 292-7718**

URL: <http://www.state.nj.us/treasury/pensions> • E-mail: pensions.nj@treas.state.nj.us

This fact sheet is a summary and not intended to provide total information.
Although every attempt at accuracy is made, it cannot be guaranteed.
