STATE OF ALASKA

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Tiers I, II, and III
Defined Benefit Plan
Retirement Application Instruction Booklet

PERS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ALASKA DIVISION OF
Retirement
and Benefits

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Introduction

Congratulations! You are about to realize your retirement dreams! This packet has been designed to provide the information and forms necessary to apply for and begin receiving your retirement benefits from the Public Employees' Retirement System (PERS).

Your retirement includes both pension and access to health benefits. Please read this information booklet carefully to be sure you understand all the benefit provisions to which you are entitled. Also, make sure you have taken advantage of any claimed service options that might increase your benefit and, most importantly, that you meet retirement eligibility requirements.

By following the procedure outlined on this page you will receive your benefits timely. Your application must be submitted to the Division of Retirement and Benefits (Division) prior to your retirement effective date and should be submitted to the Division at least 60 days, but no more than one year, prior to your planned retirement date.

Must-Do Checklist

- ☐ Retiree Return to Work Policy (Bona Fide Separation from Employment): You must have a bona fide separation from employment. See pages 30-31 for information regarding bona fide separation.
- ☐ Proof of date of birth and marriage. If you are married, you must provide proof of marriage. You must provide proof of date of birth for yourself, spouse, and any dependent children. Copies are acceptable.
- ☐ Divorce or Dissolution: You must provide court certified copies of all divorce decrees and qualified domestic relations orders that occurred while a PERS member. If the divorce happened prior to PERS Membership and you have not remarried, provide a copy of only the divorce decree. If you remarried prior to PERS membership and are still married to the same person, you do no need to provide any divorce documentation. Please refer to the *Qualified Domestic Relations Order* (QDRO) *Divorce and Dissolution Information Packet* (gen027) on the Division website.
- ☐ Direct Deposit: If you elect to have your benefit direct deposited, you must provide a voided check for personal checking accounts, or proof of account number and routing number for a personal savings account.
- ☐ Health Benefit Enrollment: You must make an election for medical coverage, dental/vision/audio, and long-term care. If you do not want coverage, you must mark the box declining coverage. You will not be appointed to retirement until you elect or decline coverage.
- ☐ Indebtedness: You must decide if you want to pay for any indebtedness in full or accept a lifetime actuarial reduction to your retirement benefit.

  Payment of Indebtedness with Pre-Tax Transfer: If you are planning on paying for your indebtedness, it must be initiated 6 weeks prior to your retirement date. Your retirement will not be processed until the transfer is complete.
- ☐ Signature: You must read the certification language on page F-12 and sign/date your application.
- ☐ Power of Attorney (POA) or Guardian, if applicable. If you are submitting this retirement application as Power of Attorney for a PERS member, you must submit the POA document for review. If you are submitting this application as a guardian of a PERS member, you must submit a copy of the court order appointing you guardian.

What Tier Am I?

PERS is a four-tier system. Some benefits differ depending on your tier. This packet is intended for Tiers I, II, and III (Defined Benefit plan) **only**. If you are in the Defined Contribution (DCR) plan, please contact the Division for information applicable to your benefit package. The following table will assist you in determining your tier.

Tier I *Entered PERS prior to July 1, 1986*	**Tier II** *Entered PERS on or after July 1, 1986, but prior to July 1, 1996*	**Tier III** *Entered PERS on or after July 1, 1996, but prior to July 1, 2006*
Early retirement at age 50.	Early retirement at age 55.	Early retirement at age 55.
Normal retirement at age 55 or any age with 30 years of service.	Normal retirement at age 60 or any age with 30 years of service.	Normal retirement at age 60 or any age with 30 years of service.
System-paid medical premiums at either early or normal retirement.	System-paid medical premiums at normal retirement age 60 or at any age with 30 years of service.	System-paid medical premiums at normal retirement age 60 with 10 years of credited PERS service or at any age with 30 years of service.
Peace officer/firefighter members have system-paid medical premiums at any age with 20 paid-up years of peace officer/ firefighter service.	Peace officer/firefighter members have system-paid medical premiums at any age with 25 paid-up years of peace officer/ firefighter service.	Peace officer/firefighter members have system-paid medical premiums at any age with 25 paid-up years of peace officer/ firefighter service.
Average Monthly Salary (AMS) calculated using 3 highest consecutive salary years.	Average Monthly Salary (AMS) calculated using 3 highest consecutive salary years.	Average Monthly Salary (AMS) calculated using 5 highest consecutive salary years for non-peace officer/firefighter members, 3 highest consecutive for peace officer/firefighter members.
Geographic differential included in calculation of Average Monthly Salary.	Geographic differential included in calculation of Average Monthly Salary if 50% of service served in area with a differential.	Geographic differential included in calculation of Average Monthly Salary if 50% of service served in area with a differential.
Alaska Cost-of-Living Allowance available to eligible members at retirement.	Alaska Cost-of-Living Allowance available to eligible members at age 65.	Alaska Cost-of-Living Allowance available to eligible members at age 65.
Eligible for either Ad Hoc or Automatic Post-Retirement Pension Adjustment.	Eligible for only Automatic Post-Retirement Pension Adjustment.	Eligible for only Automatic Post-Retirement Pension Adjustment.

Section I. Minimum Requirements for Pension Benefits

Retirement Effective Date

By law, your retirement effective date will be the first of the month after all the following requirements are met:

- You meet the minimum service and age requirements for retirement. **You should not leave employment until you are absolutely certain that you are eligible to retire if you are close to being vested or completing other retirement requirements. It is your responsibility to be sure you are eligible for retirement before you terminate employment.**
- **You have terminated employment.** Active members must terminate employment no later than the end of a month to be eligible for retirement benefits effective the first of the following month. If you terminate your employment on the first day of the month, you will not be appointed to retirement until the following month.
- You have a bona fide termination of employment with no pre-arrangement to return to work in any capacity is required. See *Section X. Working After Retirement: Retiree Return to Work Policy (Bona Fide Separation of Employment)*, page 31.
- Your Retirement Application is received by the Division of Retirement and Benefits prior to the date you plan to retire.

Retirement Eligibility

You reach retirement eligibility by meeting either age or service requirements.

Age Requirements

Under early retirement, your monthly benefit is actuarially reduced based on age by 1/2 percent per month for each month under normal age. The closer you are to normal retirement age, the smaller the reduction. Under normal retirement, your monthly benefit is not reduced.

Caution: If you refund your PERS contributions and interest, you will not be eligible for PERS retirement benefits.

Service Requirements

You will be eligible to retire after you reach retirement age and satisfy the following service requirements.

You must have at least:

- five paid-up years of PERS service;
- 60 days of paid-up PERS service per session if you were an employee of the legislature during each of five legislative sessions and you were first hired as a legislative employee before May 30, 1987;
- 80 days of paid-up PERS service if you were an employee of the legislature during each of five legislative sessions and you were first hired under the PERS after May 29, 1987; or
- two paid-up years of PERS service if you are vested in the Teachers' Retirement System (TRS).

You may retire at any age and receive a normal (unreduced) benefit if you have:

- 30 paid-up years of PERS service; or
- 20 paid-up years of PERS service as a peace officer or firefighter.

Military service performed while not a member of PERS may NOT be used to satisfy the 20 or 30 years needed to retire at any age.

The following types of PERS service may count toward retirement eligibility:

- Permanent full-time and part-time employment with a PERS employer while the employer is participating in the PERS. Some PERS employers have agreed to pay additional contributions to allow employees to receive credit for their earlier service before the employer joined the PERS
- Part-time State of Alaska service from 1961-1975
- Earlier service before January 1, 1961
- Past peace and correctional officer, firefighter, and special officer service
- Elected official service
- Alaska Bureau of Indian Affairs service
- Service earned while on occupational disability
- Military service performed under an active call of duty while an active member of PERS
- Leave Without Pay (LWOP) service after June 13, 1987, while receiving Workers' Compensation

Accrued LWOP that exceeds 10 working days in any calendar year is not creditable under the PERS.

Military service performed while not a member of PERS that is claimed does not count toward retirement eligibility (vesting), but may increase your PERS service.

In some cases, temporary service may be used for retirement eligibility. Contact the Division for more information.

It is always a good idea to ask your employer(s) to verify your PERS service before you terminate employment. Verifying your service is especially important if you:

- **have worked part-time, or**
- **just barely have enough PERS service to retire or for the 10 years required for Tier III system-paid medical, or**
- **have service with the Alaska Marine Highway System, or**
- **contributed to the PERS as an Alternate Option employee.**

Simultaneous PERS and TRS Credit

If you are a member of the PERS and Teachers' Retirement System (TRS) at the same time, you may receive partial credit under both systems. To be eligible, you must be employed at least half-time in both the PERS and the TRS concurrently and you must make the required contributions.

The total combined PERS and TRS credit that you may earn during a school year (July 1 through June 30 of the following year) may not exceed one year.

Concurrent PERS and TRS Credit:
If you are a member of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) at the same time, you may receive partial credit under both systems. To be eligible, you must be employed at least half-time in both the PERS and TRS concurrently and you must make the required contributions.

Concurrent Credit Adjustment:
Credited service that exceeds one year must be adjusted and refunded. To ensure that you understand how the adjustment will affect your service, please contact the Division of Retirement and Benefits.

Simultaneous PERS and PERS Credit:
If you are a member of the PERS and you have employment with two or more employers that participate in the PERS, and you are employed in a PERS eligible position, the total combined PERS service may not exceed one year per calendar year.

IMPORTANT: You cannot retire from the PERS if you are actively working in the TRS with your PERS employer. For example, if you are retiring in the PERS from School District X, you cannot work for School District X in the TRS, post-retirement without it potentially affecting your PERS retirement. See *Section X. Working After Retirement: Retiree Return to Work Policy (Bona Fide Separation of Employment)*, page 31.

Section II. Pension Benefit Calculation

Service

Your pension benefit calculation is dependent upon the number of years of service you have as well as your average monthly salary.

PERS members working full-time earn service on a day-for-day basis. To receive credit for a weekend or holiday you must be in pay status the day before and the day after the weekend or holiday. Part-time PERS members earn service based on the number of hours worked with 1560 hours equaling a year of service. Part-time members cannot earn more than what the full-time service would be for any given period.

Since the number of years of service is a fundamental part of the retirement calculation, the more years of service you have, the higher your pension benefit will be. The PERS has several different types of non-PERS services that can be claimed. Please read *Section III. Using Claimed Service Credit to Potentially Increase Pension Benefits (page 9)* for more information. You will need to complete and submit a claim form if you have any of the service listed. Claim forms are available from our website at *Alaska.gov/drb* or you may contact the Division.

Average Monthly Salary

Your salary history during your PERS employment is reviewed to determine which consecutive set of salary years will be used for the calculation of your Average Monthly Salary (AMS). Once determined, your total salary is divided by the number of months and partial months you worked to determine your monthly average.

To include your last salary as one of your highest, you must have at least 115 days of creditable service during that year. If you terminate employment before working 115 days, your last salary will not be included among your highest years.

Benefit Formula

The PERS benefit formula differs depending on whether you are a peace officer/firefighter member or an all-other member of the system.

For peace officer/firefighter members, the formula is:

First 10 Years of Service	All Years Over 10
2% of AMS per year of service up to 10 years.	2.5% per year of service for all years over 10.

A peace officer/firefighter member who has 26 years of service and an AMS of $2,000 per month would have their base pension benefit calculated as follows:

- (2% x $2,000) x 10 years; plus
- (2.5% x $2,000) x 16 years;
- equals $1,200 per month.

This base pension would then be adjusted for early retirement, indebtedness, or joint and survivor option, depending upon the member's elections.

The formula for all-other PERS employees is:

First 10 and all years served prior to July 1, 1986	All years over 10 served after July 1, 1986	All years over 20 served after July 1, 1986
2% of AMS per year of service.	2.25% of AMS per year of service.	2.5% of AMS per year of service.

An all-other member who has 26 years of service and an AMS of $2,000 per month would have their base pension benefit calculated as follows:

- (2% x $2,000) x 10 years; plus
- (2.25% x $2,000) x 10 years; plus
- (2.5% x 2,000) x 6 years;
- equals $1,150 per month.

Again, this base pension would then be adjusted for early retirement, indebtedness, or joint and survivor option, depending upon the member's elections.

Geographical Differential (State of Alaska Employees)

Whether or not any geographic differential is included in the calculation of your AMS depends on your tier.

- **Tier I:** Geographic differential is included in your AMS.
- **Tiers II and III:** Geographic differential is included in calculation of your AMS if 50% of your service served in an area with a differential.

Important: Only service earned through employment with the State of Alaska can be considered to determine if Tier II and III members have 50% or more service served in an area with a differential. Geographic differential must have been received for 50% or more of PERS services earned through employment with the State of Alaska to be used in calculation of benefit.

Indebtedness Payments

An indebtedness can be established on your PERS account for several reasons:

- A prior refund of PERS contributions
- Qualified claimed service
- Deficient contributions

Payment(s) on a post-tax basis may be made directly to our Juneau office, or by arranging payroll deductions through your payroll office. Payments that are made with post-tax monies are not eligible for IRA rollover or tax deferred status.

There is also an option for payment that involves using a pre-tax transfer from certain Defined Contribution plans.

Please note: Statutes allowing for a pre-tax payment of an indebtedness for refunded and reinstated service were repealed on July 1, 2010. Because of the variety of allowed and non-allowed plan transfer types, you must contact the Division directly to determine if you, and the plan you wish to transfer the money from, are eligible to be used to pay an indebtedness.

If you plan on using a pre-tax transfer to pay your indebtedness, it must be initiated six weeks prior to your retirement date. Your retirement benefit cannot be processed until the pre-tax transfer is received.

If at retirement you have an indebtedness that has not been paid to the PERS, your monthly retirement benefit may be actuarially reduced over your lifetime, depending on the type of indebtedness.

Usually, indebtedness for service that is being used for retirement eligibility must be paid in full prior to retirement. Contact the Division for more information regarding this type of indebtedness.

For other types of indebtedness, a lifetime reduction to pay the indebtedness will only be applied if the resulting benefit is greater than the benefit calculated without the indebtedness and associated service.

Section III. Using Claimed Service Credit to Potentially Increase Pension Benefits

Claimed Service Used for Vesting or Retirement Eligibility

Claimed service increases the number of years of service used to calculate your pension benefit and can result in a higher pension amount.

The following types of claimed service may, when paid in full, count toward vesting or retirement eligibility and have the potential to increase your monthly pension benefit.

Note: Claimed service does not change your tier.

Type of Service	Description	Use for Vesting	Use for Retirement Eligibility
Part-Time Service	Part-time service with the State of Alaska prior to 1976.	No	Yes
Service Prior to 1/1/61	Permanent full-time employment with the State, former Territory of Alaska or U.S. Government in Alaska (excluding armed forces).	Yes	Yes
Past Peace Officer, Firefighter and Correctional Officer Service	Permanent full-time or part-time employment after January 1, 1961 as a peace officer, correctional officer or firefighter with a municipality before it joined the PERS.	No	Yes
Special Officer Service	Permanent full-time or part-time employment as a special officer commissioned by the Alaska State Troopers if you have been an active peace officer, firefighter, or correctional officer in the PERS.	Yes	Yes
Elected Official Service Prior to January 1, 1981	Must have been a compensated elected official who did not waive credit.	Yes	Yes
Alaska Bureau of Indian Affairs Service	Non-teaching service with an Alaska BIA school.	Yes	Yes
Workers' Compensation Service	If you received Workers' Compensation benefits after June 12, 1987, and had been on Leave Without Pay (LWOP) during the Workers' Compensation period, you may claim the LWOP time for service credit.	Yes	Yes
Call to Active Military Duty	If you are called to active military duty from your PERS employment and report to your employer within 90 days of an honorable discharge, you may claim this time for service credit.	Yes	Yes

Claimed Service for Benefit Calculation Only

The following service can be claimed to potentially increase your benefit, but cannot be used to satisfy either vesting or retirement eligibility requirements:

Type of Service	Description
Military Service Served While Not a PERS Member	Can claim up to five years of active military service in the U.S. Armed Forces if honorably discharged. Tiers II and III may only claim this service if they are not receiving or eligible to receive a U.S. Government retirement benefit based on the same service.
Temporary Service	Can claim full-time temporary service with a PERS employer.
VPSO Service	Service as a Village Public Safety Officer if you have been an active peace officer.

Under certain circumstances, temporary service can also be claimed to meet retirement eligibility requirements at a separate, additional cost. Contact the PERS for more information regarding this provision.

Claimed Service for Peace Officer/Firefighter Military Service Credit for Medical Benefit Eligibility

Type of Service	Description
Military Service Served While Not a PERS Member (HB 116)	PERS peace officer/firefighter members of the PERS who are vested with 20 years of peace officer/firefighter service can claim active military service to meet the 25-year requirement for medical insurance prior to age 60 under AS 39.35.535. Can claim if you (1) have 20 years of paid-up service under the P/F occupation code; (2) are within 12 months of your retirement eligibility date, (3) have filed a retirement application with the Division (4) and you must not be eligible to receive a federal benefit for the same period of service.

After your claim is received, an indebtedness is established. You may choose to pay the cost prior to retirement on a pre-tax or post-tax basis or take a lifetime reduction to your benefit to do so. You must indicate on Section III of the Retirement Application form how you intend to pay the indebtedness.

Contact the PERS to find out how to claim service and how much it would cost.

Claimed service that can be used to meet retirement eligibility requirements usually must be paid in full prior to retirement.

Section IV. Medical Benefits, Dental-Vision-Audio, and Long-Term Care Programs

Health benefits available from the Alaska Retiree Health Plan include Medical, Dental-Vision-Audio (DVA), and Long-Term Care (LTC). Enrollment information and available options are summarized in this section. Please refer to *What Tier Am I?* (page 2) in the introduction of this booklet to determine your tier for eligibility purposes.

All tiers must pay a premium for the optional DVA and LTC insurance benefits if elected. Tier II and Tier III members must pay for medical insurance if elected and are not eligible for system-paid benefits.

Premium payments will be deducted from your retirement check each month. If your monthly check is not sufficient to cover the cost of the premiums, you are responsible to pay the premiums directly to the health plan.

You will be sent a *Retiree Direct Bill Health Enrollment* form once you are appointed to retirement. You must submit this form directly to the claims administrator within 60 days of the date you were notified of your right to enroll in this plan. You will receive a monthly bill from the claims administrator. **If you do not receive a form, please contact the Division. You will not have coverage unless this form is completed and submitted to the claims administrator.**

If you fail to pay the monthly premiums your insurance benefits will stop, and you will not be allowed to reinstate them.

This is only a summary of the benefits available. Complete descriptions are available in the *Retiree Insurance Information* booklet and *Long-Term Care* booklets, available on the Division website. In the event of a conflict between this information and the plan booklets, the plan booklets will prevail.

Health Plan – Who May Be Covered

- You. **You must provide evidence of date of birth.**
- Your spouse. You may be legally separated, but not divorced. **You must provide proof of marriage and evidence of your spouse's date of birth.**
- Your children from birth (exclusive of hospital nursery charges at birth and well-baby care) up to 23 years of age *only* if they are:
  - ~ Your natural children, stepchildren, foster children placed through a State foster child program, legally adopted children, children in your physical custody and for whom bona fide adoption proceedings are underway, or children for whom you are the legal, court-appointed guardian. If a child is not your natural born child, please provide a court-certified copy of the adoption paperwork or court orders.
  - ~ Unmarried and chiefly dependent upon you for support; and
  - ~ Living with you in a normal parent-child relationship.
    - » This provision is waived for natural/adopted children of the benefit recipient who are living with a divorced spouse, assuming all other criteria are met.
    - » Only stepchildren living with the retiree more than 50% of the time are covered under this plan.
  - ~ **You must provide evidence of date of birth for each eligible dependent.**

In accordance with Alaska Statutes 39.35.680(12):

- if your dependent child is age 19 or older, they are required to be registered at, and attending on a full-time basis, an accredited educational or technical institution recognized by the Department of Education and Early Development.
- if your dependent child is age 19 or older and is not a full-time student, then the dependent is eligible for coverage only if he or she is totally and permanently disabled. Please contact the Division for additional information about eligibility, and for information about how to provide proof of your dependent's disability.

Children incapable of employment because of a mental or physical incapacity are covered even if they are past age 23. However, the incapacity must have existed before age 23 and the children must continue to meet all other eligibility criteria. You must furnish the Division with evidence of the incapacity, proof the incapacity existed before age 23, and proof of financial dependency. This proof must be submitted within 60 days of your retirement date or the date the child turns 23, whichever is later. Children are covered as long as the incapacity exists, they meet the definition of children except for age, and you continue to provide periodic proof of the continued incapacity as required.

Children are not eligible for Long-Term Care (LTC) coverage.

When you retire, you must list your dependents under the health plan so claims may be paid. If your dependents change later, you must complete a form to add or delete dependents from your account.

If more than one family member is retired under a retirement plan sponsored by the State of Alaska, each eligible family member may be covered by this program both as a benefit recipient and as a dependent, or as the dependent of more than one benefit recipient.

If you elect or are provided with coverage for dependents, your dependents are eligible for benefits on the same day you are eligible if they meet all eligibility requirements. Medical coverage provided by the retirement system is family coverage. If you must pay for Medical coverage, you are required to elect the level of coverage that you want. If you add new dependents, they will be covered immediately if you are purchasing coverage for them.

Tiers II and III only: If you elect dependent coverage during an open enrollment period, your dependents are covered on January 1, assuming you pay the required premium.

If you increase your coverage to include dependents following marriage or birth or adoption of a first child, their coverage begins on the first of the month following receipt of your written request.

To report your eligibility for health insurance to the claims administrator within the proper timeline, you must file your retirement application at least 60 days prior to your retirement date. Once your eligibility has been reported, you will be sent a welcome kit with information and forms for using your health plan. Shortly afterward, the claims administrator will send you identification cards.

Medical Plan

Medical Benefits Highlights	
Benefit Year	January 1 – December 31
Annual Deductible	The amount you must pay before the plan pays $150 per individual annually Maximum 3 deductibles per family annually
Coinsurance	The amount the plan pays – 80% of the recognized charge.
Annual Out of Pocket Maximum	When your 20% reaches this amount, the plan pays 100% for the rest of the year — $800 per person.
Lifetime Maximum	$2 million per person
Prescription Drugs	Maximum allowed for each fill – 90 day supply: Retail/local pharmacy: • Brand-name drug – $8 co-pay • Generic drug – $4 co-pay Mail-order pharmacy: • All drugs – No co-pay
Outpatient Surgery, Preoperative Testing, Second Opinions	100% with no deductible.
Skilled Nursing Facilities	Subject to deductible.
Travel	• For treatment or second opinions not available locally • Round-trip • Must be pre-authorized
Healthy Pregnancy Program	Available.

Medical coverage provided by the retirement system or elected at retirement has no pre-existing conditions limitation. A pre-existing conditions limitation is applied if you select coverage for yourself or your dependents during open enrollment.

Applicable to Tiers II and III only: Pre-existing conditions are conditions, excluding pregnancy, for which you received diagnosis, tests, or treatment (including taking medication) during the three consecutive months before the most recent day you became covered under this plan. For example, if your coverage begins on April 1, a pre-existing condition would be one for which you received diagnosis, testing, or treatment during January, February, and/or March.

Under this provision, only the first $1,000 of covered medical expenses are paid for pre-existing conditions. If you or your dependent had other group coverage that ended less than 90 days before coverage under this plan began, some or all of this pre-existing condition limitation may be waived. After 12 consecutive months of coverage, this limitation is cancelled and the claims incurred after the 12-month period are covered the same as all other services with no pre-existing limitation.

MEDICAL COVERAGE	Tier I	Tier II	Tier III
Eligibility	Vested and at least age 50-55; or 20 years of peace officer/firefighter service; or 30 years of other service.	Vested and at least age 55-60; or with 20 years of peace officer/firefighter service; or with 30 years of other service.	Vested and at least age 55-60 with 10 years of credited service; or with 20 years of peace officer/firefighter service; or with 30 years of other service. Access to medical benefits provided for those without 10 years of credited service.
Premiums Required	No premium payment required.	No premium required if age 60; or with 25 years of peace officer/firefighter service; or with 30 years of other service. If under age 60 without service time, pay full premium until age 60.	No premium required if age 60; or with 25 years of peace officer/firefighter service; or with 30 years of other service. If under age 60 without service time, pay full premium until age 60. Members without 10 years of credited service will pay full premium as long as coverage is desired.
Medical Coverage Enrollment	Automatic at retirement.	May enroll at retirement or during an annual open enrollment. Automatically enrolled at age 60.	May enroll at retirement or during an annual open enrollment. Automatically enrolled at age 60 with 10 years of credited service.
Coverage Starts	Effective date of your retirement.	Effective date of your retirement, January 1 of year following enrollment during an open enrollment or on the first of the month following age 60.	Effective date of your retirement, January 1 of year following enrollment during an open enrollment or on the first of the month following age 60 with 10 years of credited service.
Coverage Ends	When a pension benefit is no longer being paid.	When a pension benefit is no longer being paid or if required premiums are not paid.	When a pension benefit is no longer being paid or if required premiums are not paid.
Pre-Existing Conditions Limit	None.	None if elected at retirement or age 60. A limit may be applied if you elect medical coverage during an open enrollment.	None if elected at retirement or age 60. A limit may be applied if you elect medical coverage during an open enrollment.

Tier I members have family coverage at retirement which includes the member, spouse, and dependent children.

Eligible Tier II and III members who are electing coverage may elect for:

- retiree only;
- retiree and spouse;
- retiree and child(ren); or
- retiree and family.

You may decrease the level of coverage at any time. For example, you may change from retiree and family coverage to retiree and spouse coverage at any time. To decrease your coverage, you must submit a written request to the Division. **Changes in coverage are effective on the first of the month following the receipt of your written request.** Once you decrease your coverage, you cannot reinstate it except as described below.

You may only increase coverage:

- during an annual open enrollment (Tiers II and III);
- within 120 days of marriage to include a new spouse and their child(ren); or
- within 120 days of birth or adoption of a child to include coverage for the new child.

Premiums for coverage are based on the level of coverage selected. **It is your responsibility to notify the Division in writing if your level of coverage changes because your dependents no longer meet the eligibility requirements.**

Dental-Vision-Audio (DVA) Plan

The DVA plan is optional and premiums are required from all tiers. No pre-existing conditions limitation applies to the DVA plan. The DVA benefit year is January 1 through December 31 of each year.

Dental Plan Highlights
• Pays 100% of the recognized charge for most preventive services (X-rays, exams, cleaning, etc.) with no deductible • Pays 80% of the recognized charge for most restorative services (fillings, extractions, etc.) after the annual deductible is met • Pays 50% of the recognized charge for most prosthetic services (crowns, dentures, etc.) after the annual deductible is met • Requires an annual deductible of $50 per person for restorative or prosthetic services • Pays up to $2,000 of covered expenses per person per year • If you use a network provider, you are protected from balance billing. If you elect a non-network provider, you will be responsible for additional charges.

Vision Plan Highlights
• Requires no deductible • Pays 80% of the recognized charges • Covers one complete eye examination, including a required refraction, per year • Covers two lenses during each calendar year • Covers one set of frames during every two consecutive calendar years

Audio Plan Highlights
• Pays 80% of the usual, customary, and reasonable charges • Requires no deductibles • Allows a maximum benefit of $2,000 in a three-year period

PERS RETIREMENT APPLICATION

TO ALLOW TIMELY PROCESSING OF YOUR RETIREMENT APPLICATION, ALL AREAS OF THE APPLICATION FORM MUST BE COMPLETED. FAILURE TO COMPLETE THE APPLICATION WILL DELAY THE PROCESSING OF YOUR APPLICATION AND THE PAYMENT OF YOUR BENEFIT.

This packet includes a retirement application form. Your application form must be received by the Division or postmarked no later than the last day of the month prior to your desired retirement effective date.

All retirement effective dates for eligible retirees are the first of the month following termination of employment and receipt of the retirement application. Health insurance coverage is effective on the date of your retirement if you enroll in the plans and the required premiums are paid either by direct deduction from your retirement check or self-payment to the health plan.

To avoid delays:

- ***Bona Fide Termination:*** Ensure you will have a bona fide termination from your employer. See *Section X. Working After Retirement: Retiree Return to Work Policy (Bona Fide Separation of Employment)*, page 31.
- ***Evidence of Date of Birth and Marriage:*** Provide evidence of date of birth and proof of marriage.
- ***Divorce or Dissolution:*** If you have been divorced or had your marriage dissolved during your PERS employment, you must provide a court-certified copy of your divorce or dissolution documents. You will not be appointed to retirement until all required court-certified documents are received.
- ***Alaska Marine Highway System (AMHS):*** If you have service earned through the Alaska Marine Highway System (AMHS), please request verification of salary and service from your employer prior to applying for retirement.
- ***Claimed Service:*** Submit any applications for claimed service at least 6 weeks prior to your retirement effective date.

IMPORTANT NOTICE! When your retirement application has been processed, you will receive a letter from the Division summarizing your elections. Please read this letter carefully and report any discrepancies between the letter and your intended elections immediately. Corrections to your elections can only be made within 15 days of the date you receive your appointment letter or your first benefit check, whichever is later.

First Retirement Check

Pension benefits are paid at the end of each month. ***The processing of your first benefit check can take approximately six weeks from your retirement effective date.*** Once your application has been processed, benefit checks will be automatically issued at the end of each month.

If you have elected electronic direct deposit, your checks will be electronically deposited into your bank account once the pre-notification process has been completed. The pre-notification process typically occurs around the 13th of each month. Please be aware that if we are unable to process your retirement before the pre-notification process, your first benefit check may be delivered to your mailing address. You can view a detailed accounting of your deposit online each month at *myRnB.alaska.gov.*

Pull this application form out from the center of the booklet and mail your completed form to:

Alaska Public Employees' Retirement System
Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

PERS RETIREMENT APPLICATION INSTRUCTIONS

To allow timely processing of your retirement application, all areas of the application form **MUST** be completed. We have included this instruction sheet to assist you. If you have any questions regarding the benefits you are electing on the application form, please contact the Division of Retirement and Benefits toll-free at (800) 821-2251 or in Juneau at (907) 465-4460 and speak to a retirement counselor.

I. Employee Information.
Your Retirement Identification Number (RIN) can be found on your annual statements. Be sure to include a personal telephone number and your personal email address so PERS staff can reach you if there is any problem with the processing of your application or if additional information is required.

II. Pension Benefit Election.
If you are married: See *Section V. Rights of Spouses and Dependents* (page 23) for an overview of the benefit elections. If you are married, you must elect a survivor option unless your spouse waives continuing benefits. You must provide a marriage certificate and evidence of your spouse's date of birth. In Section A, you will complete the information regarding your survivor and choose the level of continuing survivor benefits you wish to provide.

If you are married and wish to make an election from Section B, you must have your spouse waive their right to a survivor benefit. **Once waived, all benefits, including medical insurance, cease at your death if you choose no survivor option.**

If you are single, you must choose a benefit option from Section B.

Incapacitated Dependent Child: To elect an incapacitated dependent child as your survivor, you must submit medical documentation substantiating incapacity and dependency for review by the Administrator. If you are married, your spouse must waive their right to benefits. Approval by the PERS Administrator is required.

III. Indebtedness Payment.
See *Section II. Pension Benefit Calculation,* page 6.

IV. Employee Voluntary Savings Account.
See *Section VIII. Voluntary Savings Plan,* page 28.

V. Application for Alaska Cost-of-Living Allowance (COLA).
See *Section VII. After Retirement Benefit Increases,* page 26.

VI. Electronic Direct Deposit Authorization.
Complete this section if you want your benefit electronically deposited directly to your financial institution. ***You must attach a voided check (or deposit slip if depositing to a savings account) in the specified area.***

VII. Health Benefit Enrollment.
See *Section IV. Medical Benefits, Dental-Vision-Audio and Long-Term Care Programs,* page 11. This may be your only opportunity to enroll.

VIII. Retiree Health Dependent Enrollment.
See *Section IV. Medical Benefits, Dental-Vision-Audio and Long-Term Care*, page 11.

IX. PERS Beneficiary Designation.
See *Section V. Rights of Spouses and Dependents*, page 23.

X. Retiree Select Life Enrollment.
See *Section IX. Life Insurance,* page 29.

XI. Tax Withholding Election.
See *Section VI. Taxes and Your Benefits,* page 25.

XII. Divorce/Dissolution. If you were married at any time during your PERS service and your marriage ended by divorce or dissolution, you must submit **court-certified copies of your divorce or dissolution documents. You will not be appointed to retirement until all required court-certified documents are received.** See *Section V. Rights of Spouses and Dependents,* page 23.

XIII. Certification. Please read this section carefully. Some of the benefit options you elect are irrevocable. Be sure you understand your options before you sign and submit this application. If you have any questions, please contact the Division and ask to speak to a retirement counselor.

You must certify you have read the information contained in *Section X. Working After Retirement: Retiree Return to Work Policy (Bona Fide Separation of Employment)* on page 31, explaining the requirements for a bona fide termination of employment. You must also certify that you do, or do not, have a pre-arrangement with your employer to return to work after retirement. If you do have a pre-arrangement to return to work with your employer, your retirement application will not be processed.

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PERS Application for Retirement Benefits

I. EMPLOYEE INFORMATION

NAME (FIRST, MI, LAST)			LAST 4 OF SSN OR RETIREMENT IDENTIFICATION NUMBER (RIN)
BIRTH DATE	SEX ☐ Male ☐ Female	MARITAL STATUS ☐ Married ☐ Divorced ☐ Single ☐ Widowed	DATE OF MARRIAGE
PERSONAL TELEPHONE NUMBER	PERSONAL EMAIL ADDRESS		DATE OF DIVORCE
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)			

II. PENSION BENEFIT ELECTION

I hereby apply for ☐ Early ☐ Normal
retirement benefits to become effective the 1st day of _____(month), _____ (year).

RETIREMENT OPTIONS. Choose from either A or B below. If widowed, please provide a certified copy of the death certificate.

A. SURVIVOR OPTION (Married members)
Survivor Information

NAME (FIRST, M.I., LAST)	DATE OF BIRTH
SOCIAL SECURITY NUMBER	RELATIONSHIP ☐ Spouse ☐ Incapacitated Child

See *Section V – Rights of Spouses and Dependents* for information about designating an incapacitated child as your survivor.

I elect: ☐ 75% Joint Survivor Option ☐ 50% Joint Survivor Option

☐ 66-2/3% Last Survivor Option *(Available if first hired before July 1, 1996)*. In selecting the 66-2/3% Last Survivor Option, I understand if my spouse dies first, my entire benefit will be reduced to 66-2/3% for the rest of my life. If I die first, my spouse will receive the 66-2/3% survivor benefit for the rest of his/her life.

B. NO SURVIVOR OPTION (Single members. If you are married, you may only choose this option if your spouse signs the waiver below. All benefits including medical coverage will cease upon the death of the applicant.)

☐ Normal or Early Benefit: I do not elect a Survivor Option

☐ Level Income Option *(Available if first hired before July 1, 1996.)* I request my retirement benefits in an increased amount prior to age 65 and a reduced amount after age 65 for life regardless of any benefits I may receive from any other plan. I understand that any additional income I may be entitled to receive at age 65, including social security benefits, has no bearing on the amount of the reduction to my benefit under this option. *This option may only be selected if no survivor option has been selected.*

SPOUSE'S WAIVER OF SURVIVOR OPTION *(Complete only if married and NOT selecting a survivor option.)*

I acknowledge and approve the benefit selected. I understand the terms of the selection and that by signing this waiver **I freely waive entitlement to continuing survivor benefits, including health coverage,** which may otherwise be payable to me, upon the death of the named applicant. By signing this consent, I agree to waive my right to any benefits that would be paid to me and consent to the naming of another beneficiary.

SPOUSE'S SIGNATURE	
PRINTED NAME	DATE
SPOUSE'S SIGNATURE WITNESSED BY (DIVISION OF RETIREMENT AND BENEFITS REPRESENTATIVE, NOTARY PUBLIC OR POSTMASTER)	

On this_____day of_____20____, (Spouse's Name)_____personally appeared before me whose identity I proved on the basis of satisfactory evidence to be the signer of the participant signature above, and he/she acknowledged that he/she executed it.

NOTARY PUBLIC		RESIDING AT	SEAL OR POSTMASTER STAMP REQUIRED
STATE OF	BOROUGH/COUNTY OF	COMMISSION EXPIRES	

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

III. INDEBTEDNESS PAYMENT

☐ I HAVE NO INDEBTEDNESS

I hereby **irrevocably** elect:

- ☐ to pay my indebtedness in full prior to my retirement effective date.
  - ☐ by check
  - ☐ to pay my indebtedness by a pre-tax plan transfer (must initiate request for transfer prior to retirement)
- ☐ to cancel any outstanding indebtedness due by accepting an actuarial reduction to my retirement benefit for life.

IV. EMPLOYEE VOLUNTARY SAVINGS ACCOUNT

(See *Section VIII – Voluntary Savings Plan for more information,* page 28)

Complete **only** if you elected to participate in the voluntary savings program.

I request the balance in my Employee Savings Account be paid to me in the form of:

Lump sum:

- ☐ Lump sum payment of total account balance.
  - ☐ Withhold taxes. ☐ Do not withhold taxes.

Annuities:

- ☐ Life Annuity.
- ☐ Life Annuity with Five Year Term-Certain.
- ☐ Life Annuity with Ten Year Term-Certain.

Installments over a Designated Period of Time:

- ☐ Installments expressed in months _____ (number of months).

V. APPLICATION FOR ALASKA COST-OF-LIVING ALLOWANCE (COLA)

(See *Section VII – After Retirement Benefit Increases* (page 27) for eligibility requirements.)

By providing my physical address below, I hereby apply to receive the Alaska Cost-of-Living Allowance (COLA) payments to be effective the date of my appointment to retirement. I will notify the PERS whenever I plan to leave Alaska for a continuous period exceeding 90 days or when I have been out of Alaska for more than **90 days.** I understand if I am gone for 91 days or more, COLA will **not** be paid for the entire absence. **I understand I am required to repay any overpayments to the Division of Retirement and Benefits for COLA received during any ineligible periods.**

PHYSICAL RESIDENCE ADDRESS (NOT A P.O. BOX)		
CITY	STATE	ZIP

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

VI. ELECTRONIC DIRECT DEPOSIT AUTHORIZATION

By attaching a voided check or letter from a banking institution with my bank routing number and account number, I hereby authorize the electronic deposit of my benefit directly to my financial institution. *NOTE: If you do not elect the direct deposit program, your warrant will be mailed to your correspondence address.*

I hereby authorize the State of Alaska to make net payroll warrant deposits to my account as indicated below:

Check One: ☐ Savings ☐ Checking

ATTACH A VOIDED CHECK HERE
(used to verify your bank transit routing and account number)

By completing this section, I authorize the State of Alaska, if necessary, to make adjustments to the above account to correct any credit entries made in error. I understand the State will make a reasonable effort to notify me within twenty-four (24) hours when an adjustment is made. This authority remains in effect as long as I am retired or until the State receives written notice from me. I understand that 30 days written notice is required to change financial institutions, account numbers, or type of account. I further understand direct deposit will begin ***after*** the above account information has been electronically verified.

I also understand that ***unless*** I inform the Division of Retirement and Benefits otherwise, the first payroll after such changes are made, my benefit will be ***electronically deposited*** to the previous financial institution. Changes ***do not*** take effect until the second payroll after the change was initiated.

Direct deposit is not available to financial institutions in foreign countries. **Due to federal regulations, funds cannot be transferred electronically if the funds will be forwarded to an account in another country.**

VII. HEALTH BENEFIT ENROLLMENT

MEDICAL BENEFITS (must mark a box) **Premium Payment Required – See Premium Rate Card**

I elect the following **medical** coverage: ☐ **No medical coverage**

☐ Retiree only ☐ Retiree and spouse ☐ Retiree and child(ren) ☐ Retiree, spouse, and child(ren)

☐ System-paid AlaskaCare medical *(see pages 2-4 for eligibility requirements)*

DENTAL-VISION-AUDIO BENEFITS (must mark a box) **Premium Payment Required – See Premium Rate Card**

I elect the following **Dental-Vision-Audio (DVA)** coverage: ☐ **No Dental-Vision-Audio coverage**

☐ Retiree only ☐ Retiree and spouse ☐ Retiree and child(ren) ☐ Retiree, spouse, and child(ren)

LONG-TERM CARE BENEFITS (must mark a box) **Premium Payment Required – See Premium Rate Card**

I elect the following **Long-Term Care (LTC)** option:

Retiree coverage:

☐ No Long-Term Care coverage ☐ Silver ☐ Gold ☐ Platinum

☐ I am covered under my spouse's LTC plan. Spouse's SSN _____

Spouse coverage (may only elect if member is electing coverage):

☐ No Long-Term Care coverage ☐ Silver ☐ Gold ☐ Platinum Spouse's date of birth _____

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

VIII. RETIREE HEALTH DEPENDENT ENROLLMENT FOR SPOUSE AND CHILDREN

Your spouse is considered a dependent for this purpose. If you do not provide your spouse's information, they will not be covered. Your child may be eligible up to age 19, and up to age 23 if a full-time student. Please refer to the instruction booklet for more detail regarding dependent eligibility. **Please complete the *Student Status Verification* form on page F-15 if applicable.**

Enrollment of your spouse requires evidence of marriage and date of birth. Enrollment of your dependent children requires evidence of date of birth. **Please complete the *Evidence of Birth Date – Spouse & Eligible Dependents* form on page F-17 if applicable.**

DEPENDENT INFORMATION

☐ I HAVE NO ELIGIBLE DEPENDENTS ☐ MY ELIGIBLE DEPENDENTS ARE LISTED BELOW *(see pages 9-10)*
(Attach additional sheets if necessary)

1.

DEPENDENT LAST NAME, FIRST, M.I.	SOCIAL SECURITY NUMBER	DATE OF BIRTH

RELATIONSHIP ☐ Spouse Date of Marriage _____
☐ Dependent Child ☐ Other Relationship(specify) _____

SEX ☐ Male ☐ Female | Full-Time Student ☐ No ☐ Yes

MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4) – IF DIFFERENT FROM RETIREE'S

2.

DEPENDENT LAST NAME, FIRST, M.I.	SOCIAL SECURITY NUMBER	DATE OF BIRTH

RELATIONSHIP ☐ Dependent Child ☐ Other Relationship(specify) _____

SEX ☐ Male ☐ Female | Full-Time Student ☐ No ☐ Yes

MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4) – IF DIFFERENT FROM RETIREE'S

3.

DEPENDENT LAST NAME, FIRST, M.I.	SOCIAL SECURITY NUMBER	DATE OF BIRTH

RELATIONSHIP ☐ Dependent Child ☐ Other Relationship(specify) _____

SEX ☐ Male ☐ Female | Full-Time Student ☐ No ☐ Yes

MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4) – IF DIFFERENT FROM RETIREE'S

4.

DEPENDENT LAST NAME, FIRST, M.I.	SOCIAL SECURITY NUMBER	DATE OF BIRTH

RELATIONSHIP ☐ Dependent Child ☐ Other Relationship(specify) _____

SEX ☐ Male ☐ Female | Full-Time Student ☐ No ☐ Yes

MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4) – IF DIFFERENT FROM RETIREE'S

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

IX. PERS BENEFICIARY DESIGNATION

If you are MARRIED, your spouse is automatically your 100% primary beneficiary unless they consent to another beneficiary, or your spouse is not entitled to benefits under the terms of a Qualified Domestic Relations Order (QDRO). Please complete the spousal consent form, *Spousal Waiver of Beneficiary*, on page F-13 if your spouse is waiving entitlement to benefits.

PRIMARY BENEFICIARY DESIGNATION
(Your beneficiary designations must add up to 100%.)

1.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

2.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

3.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

4.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

SECONDARY BENEFICIARY DESIGNATION
(Beneficiary in the event the primary beneficiary is no longer living. Your beneficiary designations must add up to 100%.)

1.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

2.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

3.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

4.

FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

X. SELECT LIFE ENROLLMENT

Please verify eligibility with your human resource office before completing. Only those State of Alaska and political subdivision employees currently participating in a State-sponsored life plan are eligible to enroll.

☐ I do **not** elect to continue my Select Life Insurance and hereby waive my right to participate now and in the future.

☐ I elect to continue my Select Life Insurance and hereby authorize the State to make the necessary deduction from my benefit check. (*Complete beneficiary designation.*)
Life Insurance Volume Amount $_____ Premium $_____

PRIMARY BENEFICIARY DESIGNATION
(Your beneficiary designations must add up to 100%.)

	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
1.	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				
2.	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				
3.	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				
4.	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

SECONDARY BENEFICIARY DESIGNATION
(Beneficiary in the event the primary beneficiary is no longer living. Your beneficiary designations must add up to 100%.)

	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
1.	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				
2.	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				
3.	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				
4.	FULL LEGAL NAME OF PERSON, TRUST, OR INSTITUTION	RELATIONSHIP TO MEMBER	SSN OR TIN	DATE OF BIRTH	% OF BENEFIT
	MAILING ADDRESS (STREET OR P.O. BOX, CITY, STATE, ZIP+4)				

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

XI. TAX WITHHOLDING ELECTION

Federal Tax Information: See the Withholding Certificate for Pension or Annuity Payments (W4-P) Personal Allowance Worksheet or your tax professional for more information on the amount of taxes you should have withheld. **If you do not specify your withholding allowances, the Division will default your withholding to married and three exemptions.**

☐ Check here if you want **NO** federal income tax withheld from your benefit **OR** select from the following:

☐ Married ☐ Single ☐ Married / withholding at the higher single rate

☐ Select your desired Federal Withholding by inputting the number of allowances you are claiming in the box to the left. Enter zero (0) if you are claiming no allowances.

$ ☐ Additional amount of federal tax you would like withheld from your monthly benefit check (if any). Please enter as a positive amount in the box to the left.

XII. COURT-CERTIFIED COPIES OF DIVORCE/DISSOLUTION DOCUMENTS

DIVORCE: If you have been divorced or had your marriage dissolved during your PERS employment, you are **required** to submit court-certified copies of your documents; court-certified documents are distinguished by a raised, embossed seal or blue-ink seal of the court. If you have been divorced, submit copies of your divorce decree, Findings of Fact and Conclusions of Law and the property settlement agreement or any other documents that address your retirement; if you had your marriage dissolved, submit court-certified copies of your decree of dissolution, your petition for dissolution, and the property settlement agreement or any other documents that address your retirement.

Federal law prohibits the disbursement of retirement funds unless the ex-spouse has either filed a Qualified Domestic Relations Order (QDRO), has waived their right to benefits, or if there is clear evidence there is no entitlement.

LAST 4 OF SOCIAL SECURITY NUMBER OR RIN

XIII. CERTIFICATION

BONA FIDE TERMINATION OF EMPLOYMENT

The Internal Revenue Code and Alaska law require a bona fide termination of the employee/employer relationship to occur before a member can be eligible to receive retirement benefits. I certify:

- ☐ that I have read the information contained on page 31 of this application booklet explaining the requirements for a bona fide termination of employment.
- ☐ that I **DO** have a pre-arrangement with my employer to return to work after my retirement and cannot retire at this time.
- ☐ that I **DO NOT** have a pre-arrangement with my employer to return to work after my retirement.

I understand that all terms of the pension benefit selected are irrevocable and that any change to my selection on this application or its withdrawal must be done in writing and received by the Division of Retirement and Benefits prior to the effective date of my benefit.

I acknowledge that I can contact the Division of Retirement and Benefits for counseling on any of my retirement options.

I acknowledge that I have been offered all three health plans available: medical, dental-vision-audio (DVA), and long-term care (LTC).

I further understand that this is my only opportunity to enroll in the long-term care plan and that by not electing long-term care at this time, or by not paying the required premium payment, I waive my right to future participation in the LTC plan.

I understand that if I first entered the PERS on or before June 30, 1986, this is my only opportunity to enroll in the dental-vision-audio plan and, that by not electing DVA at this time, I waive my right to future participation in the DVA plan.

I understand that if I first entered the PERS on or after July 1, 1986, I may enroll in the medical and dental-vision-audio plans now or during an open enrollment period, subject to certain restrictions and by paying the required premium payment.

I understand that my dependents between the ages of 19-23 are required to be registered at, and attending on a full-time basis, an accredited educational or technical institution recognized by the Department of Education and Early Development.

I authorize the deduction of premiums from my benefit check for any insurance elected above.

I attest, as required by the Federal Office of Foreign Asset Control in support of U.S.C. Title 50, War and National Defense, the full amount of my direct deposit (if selected) is not being forwarded to a bank in another country and if at any point I establish a standing order with my receiving bank to forward the full direct deposit to a bank in another country, I will inform the State of Alaska, Division of Retirement and Benefits immediately. If the State discovers the full amount of a direct deposit has been forwarded to another country, the direct deposit agreement shall be terminated.

In completing this application, I acknowledge that a person who knowingly makes a false statement, or falsifies or permits to be falsified, a record of the retirement system in an attempt to defraud the system, is guilty of a class A misdemeanor, which, upon conviction, is punishable by a fi ne of not more than $500.00 or by imprisonment for not more than twelve months or both. AS 39.35.670. I also acknowledge that a person who obtains funds and/or benefits by deception may be subject to prosecution for other crimes, including theft, which may be charged as misdemeanors or felonies with potential fines and penalties including imprisonment. I also acknowledge that a person who obtains funds and/or benefits from the system unlawfully may also be required to make restitution.

SIGNATURE	DATE

Alaska Public Employees' Retirement System
P.O. Box 110203, Juneau, AK 99811-0203
Fax: (907) 465-1470 | TDD: (907) 465-2805
Toll-Free: (800) 821-2251 | Juneau: (907) 465-4460

Spousal Waiver of Beneficiary

Spouse's Consent

I,_____ , am the spouse of _____.

I understand that I may be entitled to the death benefits that will be paid if my spouse dies. I have reviewed the retirement benefit provisions described in the *PERS Information Handbook*. I understand that, depending upon the circumstances of my spouse's death, I may be eligible to receive either a lump sum benefit or monthly benefit for the rest of my life and that major medical insurance may be available to me and my eligible dependents while I am receiving monthly benefits.

By signing this consent, I agree to waive my right to any benefits that would be paid to me and consent to the naming of another beneficiary.

_____

Spouse's Signature *(must be witnessed below)* Date

_____

Witness Signature *(must be a designated employee of the Division of Retirement and Benefits)* Date

OR

_____

Notary Public or Postmaster

_____

State of: Notary Stamp/Seal

_____

My Commission Expires:

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ALASKA DIVISION OF
Retirement and Benefits

Toll-Free: (800) 821-2251
alaska.gov/drb

Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

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

Student Status Verification Form

FOR OFFICE USE ONLY

SECTION I. RETIREE INFORMATION

Retiree Name Last	First	M.I.
Retirement ID (RIN)	Retiree Phone Number ( )	

SECTION II. DEPENDENT INFORMATION

Child Name Last	First	M.I.
Relationship	Child DOB / /	

SECTION III. DEPENDENT ENROLLMENT VERIFICATION

My dependent is currently enrolled as a Full-Time (FT) Student. FT status is based on the educational institution definition (see below). The dependent identified above is enrolled as a student for the following semester:

Student Attending Fall Semester:		
Start Date:	End Date: / /	Number of Hours Enrolled:
Student Attending Spring Semester:		
Start Date:	End Date: / /	Number of Hours Enrolled:
Name of School		
Street Address/P.O. Box		

City	State	ZIP	Phone Number ( )

The term “educational institution” means a school maintaining a regular faculty and established curriculum, and having an organized body of students in attendance. It includes primary and secondary schools, colleges, universities, normal schools, technical schools, mechanical schools, and similar institutions, but does not include non-educational institutions, on-the-job training, correspondence schools, or night schools. It is the member’s responsibility to confirm that the educational or technical institution that your child is attending is accredited and recognized by the Department of Education and Early Development. To verify that the institution is accredited, the following Web sites may be consulted: *CHEA.org* or *FAFSA.ed.gov*.

By completing this verification, I acknowledge that a person who knowingly makes a false statement or falsifies or permits to be falsified, a record of the AlaskaCare Retiree Health Plan in an attempt to defraud the plan, is guilty of a Class A Misdemeanor, which upon conviction, is punished by a fine of not more than $500 or by imprisonment for not more than twelve months or both (AS 39.35.670: AS 11.56.210). I also acknowledge that a person who obtains funds and/or benefits by deception may be subject to prosecution for other crimes, including theft, which may be charged as misdemeanors or felonies with potential fines and penalties including imprisonment. I also acknowledge that a person who obtains funds and or penalties from the system unlawfully may also be required to make restitution.

I understand that if my child does not finish the school year, or otherwise becomes ineligible, I will notify the State of Alaska of the change in status immediately.

Retiree’s Signature	Date / /

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Evidence of Birth Date

(Spouse and Eligible Dependents)

FOR OFFICE USE ONLY

ALASKA DIVISION OF
Retirement and Benefits

Toll-Free: (800) 821-2251
alaska.gov/drb

Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

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

NAME (FIRST, M.I., MAIDEN, LAST)		
RELATIONSHIP TO RETIREE	RIN OR LAST 4 DIGITS OF SOCIAL SECURITY NUMBER	
CURRENT MAILING ADDRESS (STREET OR P.O. BOX)		
CITY	STATE	ZIP
BIRTHPLACE (CITY, STATE, PROVINCE, OR COUNTRY)	DATE OF BIRTH (MONTH/DAY/YEAR)	

I hereby submit the following evidence to establish my correct age for the purpose of applying for retirement benefits:

(Check documents being submitted. Copies are acceptable.)

- ☐ 1. Birth certificate
- ☐ 2. Hospital birth records certified by custodian of such records
- ☐ 3. Affidavit regarding attending physician's record of birth
- ☐ 4. Notification of birth in public newspaper
- ☐ 5. Baptismal certificate (if date of birth is included)
- ☐ 6. Record of military service
- ☐ 7. Valid and unexpired state-issued driver's license or identification card
- ☐ 8. U.S. passport, unexpired
- ☐ 7. Other records (please specify):_____

Any documentation not in the English language must be accompanied by a certified translation. I certify that the above information is true and correct to the best of my knowledge.

SIGNATURE	DATE

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DVA Enrollment

DENTAL-VISION-AUDIO (Optional Plan)	Tier I	Tier II	Tier III
Enrollment	One-time opportunity at retirement. If you do not enroll in DVA prior to your retirement, you waive your right to elect this coverage permanently.	You may elect DVA with or without the medical plan at retirement. You may elect DVA during an open enrollment only if you did not enroll in the medical plan at retirement and are electing medical for the first time. If you have not elected medical prior to age 60, you will have one final chance to enroll in DVA at age 60 if you first become eligible for automatic medical benefits at that time.	You may elect DVA with or without the medical plan at retirement. You may elect DVA during an open enrollment only if you did not enroll in the medical plan at retirement and are electing medical for the first time. If you have not elected medical prior to age 60, you will have one final chance to enroll in DVA at age 60 if you first become eligible for automatic medical benefits at that time.
Premiums Required	Monthly premiums are required based on the level of coverage elected. Premiums are deducted from your retirement benefit or if your benefit is insufficient, you pay the premiums directly to the claims administrator.	Monthly premiums are required based on the level of coverage elected. Premiums are deducted from your retirement benefit or if your benefit is insufficient, you pay the premiums directly to the claims administrator.	Monthly premiums are required based on the level of coverage elected. Premiums are deducted from your retirement benefit or if your benefit is insufficient, you pay the premiums directly to the claims administrator.
Coverage Starts	Effective date of your retirement.	Effective date of your retirement; January 1 of year following enrollment during an open enrollment; or the first of the month following your 60th birthday if first enrolling then.	Effective date of your retirement; January 1 of year following enrollment during an open enrollment; or the first of the month following your 60th birthday if first enrolling then.
Coverage Ends	When a pension benefit is no longer being paid, if premiums are not paid, or when you drop coverage.	When a pension benefit is no longer being paid, if premiums are not paid, or when you drop coverage.	When a pension benefit is no longer being paid, if premiums are not paid, or when you drop coverage.

Other Health Plan Information

Coordination of Benefits

The AlaskaCare health plans coordinate benefits with other group health care plans to which you or your covered dependents belong.

You may be covered both as a retiree and as a dependent of another covered retiree or you may have more than one health plan. If that occurs, you will receive benefits from both plans (except for Long-Term Care which prohibits double AlaskaCare coverage). However, the benefits received will be subject to the coordination of benefits provisions as indicated in this section. Coordination of benefits assures no one receives more than 100% of covered benefits.

Order of Payment for Coordination of Benefits

To pay benefits, health plans must determine which plan pays first. Like most other health plans, the AlaskaCare plans follow the standard coordination of benefits rules adopted by the National Association of Insurance Commissioners. The most common of these rules are:

- The retiree plan is secondary to Medicare, except if Medicare is provided before age 65 due to end stage renal disease. Then the retiree plan remains primary for 30 months after Medicare was effective.
- If you are covered by Medicare and a plan that covers you as an active employee or the spouse of an active employee, the active plan is primary, Medicare is secondary, and the retiree plan pays third. **The order may differ if you are not eligible for Medicare Part A at no cost to you. Please contact the Medicare Information Office for more details.**
- The plan covering the retiree directly, rather than as a dependent, is the primary plan.
- A plan covering the person as a retiree is secondary to a plan covering that person as an active employee.
- If a child is covered under both parents' plans, the plan of the parent whose birthday falls earlier in the year is the primary plan. If both parents have the same birthday, the plan that has covered a parent longer is the primary plan.

If none of these rules apply, the plan that has covered you longer is the primary plan.

If you have two health plans, any dollar limits are doubled. For example, the dental annual maximum pays up to $2,000 of covered expenses under one plan and another $2,000 under the second plan for a total of $4,000 of covered expenses. Any services that are limited to a maximum number of services in a year are not doubled. For example, if you have two plans that each cover a single vision exam each year, the plans coordinate to cover up to 100% of a single vision exam; they do not pay for two vision exams in a year.

For further information and details on coordination of benefits, please see the *Retiree Health Plan Information* booklet.

It is your responsibility to report the existence of benefits payable under any plan, and to file for those benefits.

Effects of Medicare

You or your eligible dependent must elect Medicare Part A and B at age 65, regardless of any other coverage you have.

When you or your eligible dependent are eligible for Medicare coverage (and most people are eligible at age 65), the benefits available under the retiree plan will become supplemental to your Medicare coverage. The claims administrator will assume that you and/or your dependents have coverage under both Medicare Part A and Part B when you or your dependent reach age 65. If you are not provided with Medicare Part A free of charge, you should submit a copy of your letter from Medicare stating that you are not eligible to the claims administrator. **Everyone is eligible for Medicare Part B.**

If you do not enroll in Medicare Part B coverage, the estimated amount that Medicare would have paid will be deducted from your claim before processing by this plan. If you receive care outside the United States, Medicare does not cover your expenses and the retiree plan will take this into account when processing your claims.

Long-Term Care (LTC)

The Long-Term Care (LTC) plan has a pre-existing conditions limitation.

No benefits are payable for any covered Program of Care provided or begun prior to the effective date of your coverage or during the first 12 months of coverage if caused by a pre-existing condition. Pre-existing conditions are conditions for which you received diagnosis, tests, or treatment (including taking medication) during the three consecutive months before the most recent day you became covered under this plan. For example, if your coverage begins on April 1, a pre-existing condition would be one for which you received diagnosis, testing or treatment during January, February, and/or March.

You may elect to cover your spouse if you elect coverage for yourself before the effective date of your retirement. You may be legally separated from your spouse but not divorced.

Spouses of benefit recipients who lose coverage because of death or divorce may elect coverage for themselves only and may not elect coverage for a new spouse. If you choose coverage for yourself only because you are not married at the time you retire, or if you remarry following divorce or the death of your spouse and elected coverage for yourself, you may request in writing to cover your new spouse. Your new spouse will be required to provide information on his or her health and will be subject to approval or denial by the claims administrator.

You may be covered by only one AlaskaCare LTC plan at a time. If you are covered by your own LTC plan, your spouse cannot have LTC coverage for you under their retirement benefit. If you are covered under your spouse's LTC plan, notify the Division when you retire, so the LTC coverage can be moved to your own retirement benefit or terminated if you elect a new option.

Premiums are based on you or your spouse's age at the time coverage begins. You pay the premiums for this coverage through deduction from your monthly retirement check. You self-pay premiums directly to the claims administrator if your monthly retirement check is insufficient to pay your premiums. Your premium does not increase with age; however, overall premiums are subject to change. When premiums change, you will pay the new rate for the age you were at the time you enrolled in the plan.

Long-Term Care Plan Comparison

	Silver Option	Gold Option	Platinum Option
Lifetime Maximum and Inflation Protection	$400,000 Maximum No inflation protection.	$300,000 Simple inflation protection at 5% of original benefit each year. Applies to daily and lifetime benefit amounts. Applied annually to daily and lifetime benefit amounts until the covered member reaches age 85.	$300,000 Compound inflation protection at 5% of the prior year's benefit each year. Applies to all daily and lifetime benefit amounts. Applied annually to daily and lifetime benefit amounts until the covered member reaches age 85.
Deductible	90 days of covered Long-Term Care.		
Benefit Eligibility	Inability to perform 2 of 6 activities of daily living or severe cognitive impairment.		
Nursing Care Facility Daily Benefit	$200 per day		
Assisted Living Facility Daily Benefit	$150 per day		
Home Health Care Daily Benefit	$125 per day		
Hospice Care Daily Benefit	$125 per day		
Respite Care Daily Benefit	Up to $200 per day, maximum of 14 days per calendar year.		
Pre-Existing Condition Limitation	Yes.		
Coverage Begins	Effective date of retirement. New spouse's coverage begins the first of the month following approval, if requested after retirement.		
Coverage Ends	When pension benefit is no longer being paid or when required premiums are not paid.		

Example of Inflation Protection

	Nursing Facility Daily Benefit		Lifetime Maximum Benefit	
Year	Simple Inflation (Gold)	Compound Inflation (Platinum)	Simple Inflation (Gold)	Compound Inflation (Platinum)
Start	$200	$200	$300,000	$300,000
5	250	255	375,000	382,884
10	300	326	450,000	488,668
15	350	416	525,000	623,678
20	400	531	600,000	795,989
25	450	677	675,000	1,015,906
30	500	711	750,000	1,296,583

The example of inflation protection is illustrative only. Increases in inflation protection will end when the covered member reaches age 85.

Limitations and Exclusions

The following services are not covered and no benefits are payable for:

- a loss caused by declared or undeclared war or any such act
- a loss caused by a suicide attempt or an intentionally self-inflicted injury
- a confinement in a government institution, unless the covered individual is legally obligated to pay a charge
- services received or expenses incurred on any day the covered individual is confined to a hospital
- services or expenses that are covered by the AlaskaCare retiree group medical plan
- services received or expenses incurred outside the United States
- services provided by a person who usually resides in the covered individual's home, or is a member of the covered individual's family, or when the person performing the service normally does not charge for the service
- services received for which the covered individual is not legally obligated to pay
- services received which are covered by Medicare
- services provided or required because of the past or present service of any person in the armed forces of a government
- services provided or required under any law or governmental program except Medicaid

If you have questions on actual coverage under this plan, contact the Member Services Contact Center toll-free at (800) 821-2251 or in Juneau at (907) 465-4460.

Frequently Asked Questions

My spouse is retired and has the LTC plan for both of us. Can I elect LTC too?

You may not have two LTC plans for either you or your spouse. If your spouse has LTC, you may either keep the coverage you have under that plan or you may elect a different LTC option for you, your spouse, or both of you under your benefit. If you elect to keep the LTC your spouse has for you, be sure to let the Division know so that your coverage/premium can be moved to your retirement benefit.

What if my check isn't enough to pay the premium(s) for my health benefits?

You may pay the premium directly to the claim administrator—the Division will provide you with the forms and procedure to do this after your benefit is calculated.

Can I have two DVA plans?

Yes. If you have a second retirement (you retire from TRS and then from PERS, for example), you may elect coverage under both plans. Or if you are covered by your spouse's plan, you may elect to have a second plan for yourself or yourself and your eligible dependents.

The benefit to having two DVA plans is they coordinate to pay 100% of covered expenses. For example, a filling is covered at 80% under one plan and the second plan pays the remaining 20%. In addition, any annual dollar limits are doubled. For example, the dental plan has a $2,000 maximum and each plan pays up to $2,000, for a total of $4,000, for covered expenses. Service limits, one eye examination per year for example, are not doubled.

What if I travel or live outside the United States?

Your medical and DVA coverage is good worldwide, with the exception of the travel benefit which is only available for medical services in the contiguous United States and the states of Alaska and Hawaii. You may have to pay the cost of the claim up front and file for reimbursement. LTC is not available outside the United States.

How is this plan different from the plan I have while I'm working?

The retirement systems cover over 200 employers in Alaska, all with different health plans. It is impossible to replicate or be familiar with all the different plans. However, the retiree plan is different from the State's plan for active employees and from any other employer plan of which we are aware. For additional information on the Long-Term Care plans, visit *AlaskaCare.gov.*

Section V. Rights of Spouses and Dependents

Under the PERS, there are provisions that recognize the rights of spouses and dependents to receive PERS benefits. These provisions:

- require that the benefit payable to a married member who retires be in the form of a Joint and Survivor (J&S) pension, unless the spouse consents to another form of benefit; and
- allow a former spouse to be treated as a spouse/surviving spouse of a member, to the extent required in a qualified domestic relations order (QDRO), as part of the property settlement in a divorce or dissolution judgment. Rights of a former spouse and dependents under a QDRO may take precedence over other rights under the retirement system statutes.

If you wish to continue both pension benefits and health benefits to your spouse in the event of your death, you must have elected a survivor option, otherwise all benefits cease at your death.

If you were married during your PERS service, and subsequently your spouse has died, you will need to submit a **certified** copy of the death certificate when you apply for your benefits.

If you remarry, you will need to submit a **certified** copy of the marriage certificate for retirement and/or health insurance purposes.

Joint and Survivor Options

There are various types of benefits available, including the 50% and 75% Joint and Survivor (J&S) options and, for Tiers I and II, the 66-2/3% Last Survivor. Your election is irrevocable and is applicable to your spouse at the time of retirement only.

Selection of any one of the J&S options will provide a continuing, lifetime monthly benefit, including eligibility for health benefits, to your spouse or other eligible dependent, if you die before your spouse or other eligible dependent. Otherwise all benefits, including Medical, cease at your death.

Married members are required by PERS statutes to select a J&S option when they retire. This requirement will be waived if a member's spouse gives written consent to another type of benefit to the PERS administrator.

The 50% J&S option is automatically required when (1) a member fails to select a J&S option, and the spouse does not consent to another type of benefit, or (2) a member dies prior to the effective date of retirement (even if an application designating a different J&S option was previously submitted).

If the spouse consents, the member may select another retirement option (normal, early, or level income) that will pay monthly benefits to the member during his or her lifetime, **but will not pay monthly benefits or medical coverage to the spouse after the member's death.** The spouse's consent to another type of benefit may be made **before** the member's retirement date on the *Application for Retirement Benefits* in Section II B.

A joint and survivor benefit election will reduce your regular retirement benefit.

Caution: Under the 66-2/3% Last Survivor option, your entire benefit will be reduced to the 66-2/3% survivor benefit if your spouse dies first. Only a spouse of a member at the time the member retired may be treated as a surviving spouse.

A joint and survivor option elected at retirement is irrevocable.

Beneficiary Designation

If you are married at the time of your death and you were married to the same person during part of your PERS employment, your spouse is automatically your beneficiary, regardless of your written designation, unless:

- your spouse consents to another beneficiary; or
- another person (such as a former spouse) is eligible for the benefits under a qualified domestic relations order (QDRO). That person would be entitled to the portion of the benefit that is ordered by the QDRO.

If you fail to designate a beneficiary, or if no designated beneficiary survives the member, the administrator will pay the death benefit:

1) to the surviving spouse or, if there is no surviving spouse;
2) to the surviving children in equal parts or, if there is none surviving;
3) to the surviving parents in equal parts or, if there is none surviving;
4) to the members' estate.

See *Designation of Beneficiary* in the *PERS Information Handbook* for more information.

How a Divorce Affects Retirement Benefits

If you have been divorced or had your marriage dissolved during your PERS employment, you are required to submit a court-certified copy of your divorce decree and the property settlement agreement or your petition for dissolution.

Following a post retirement divorce/dissolution, an ex-spouse who was married to a member when the member retired and elected a joint and survivor option continues to be eligible for the survivor benefit, (and any associated medical benefits) in the event of the death of the member. A future spouse of a retired member who married the member **after** the member retired may not be treated as a surviving spouse under any circumstances. A former spouse may be eligible for all or part of a PERS benefit under a qualified domestic relations order (QDRO).

Required Information in the Event of a Divorce

Individuals who are entitled to benefits because of a qualified domestic relations order (QDRO) must file evidence of their entitlement with the PERS administrator to protect their rights.

Evidence of entitlement (court-certified divorce or dissolution decree, or QDRO) should be filed with the PERS administrator immediately after the change in marital status.

Section VI. Taxes and Your Benefits

PERS benefits are taxable by the federal government as soon as they are received. Division of Retirement and Benefits employees do not give tax advice. Please see your tax advisor for information regarding the level of taxation you should select.

Tax Excludable Benefits

Pension benefits are taxable by the federal government upon receipt. However, a portion of your monthly benefit may be tax excludable if you paid contributions to the system prior to 1987 or made taxed contributions for an indebtedness.

The federal government requires that the tax excludable amount be calculated based on your total contributions which have been taxed and a factor which takes into account your life expectancy. If a survivor's benefit will be payable after your death, your spouse's life expectancy will also be taken into account.

This results in a payout of your tax-excludable contributions over your expected lifetime and your spouse's, if a survivor's benefit will be payable after your death.

You will be notified of the tax excludable portion upon your appointment to retirement.

Monthly survivor's benefits are taxable by the federal government upon receipt. However, a portion of the monthly survivor's benefit may also be tax excludable depending on the member's circumstances at the time of death.

Federal Income Tax Withholding

There are three withholding options available. You may:

1) elect no withholding and pay your taxes directly to the Internal Revenue Service (IRS). In that case, you should contact the IRS about filing requirements and deadlines; or
2) specify your withholding allowance(s); or
3) specify your withholding allowance(s) plus have an additional amount withheld.

You may change your withholding option at any time by submitting a new Withholding Certificate for Pension or Annuity Payments (W-4P).

Federal income tax will automatically be withheld from your benefit if, when you are appointed to receive monthly benefits, you do not complete *Section XI* of the Retirement Application specifying one of the above withholding options. The tax rate for a married person with three allowances will be used to determine the withholding amount.

If you do not specify your withholding allowances, the Division will default your withholding to married and three exemptions.

Tax Consequences of Reemployment with the Same Employer During the Required Break-in-Service Period

Retirees may incur additional tax penalties if they reemploy with the State of Alaska in any capacity without observing the break-in-service requirements. Please refer to *Section X. Working After Retirement: Retiree Return to Work Policy (Bona Fide Separation of Employment)*, page 31 for more information.

State Income Tax If You Live Outside of Alaska

Although Alaska does not have a state income tax, members who live outside Alaska may be required to pay state and local income taxes on benefits that they receive. The Division of Retirement and Benefits will not withhold state income taxes. Check with a tax expert in your area for more information.

Section VII. After Retirement Benefit Increases

Alaska Cost-of-Living Allowance (COLA)

The Alaska Cost-of-Living Allowance (COLA) was developed in 1966 to help retirees who remain principally domiciled in the State of Alaska, to defray some of the higher cost of living in Alaska. The amount of COLA for eligible participants is 10% of their final base retirement benefit per month or $50 per month, whichever is higher. Eligible members must be principally domiciled and physically present in the state to receive this benefit.

If you reside in Alaska after you retire, you may receive an Alaska COLA in addition to your regular monthly benefit. COLA is equal to 10% of your base benefit or $50, whichever is more. (Please refer to *What Tier Am I?* on page 2 of the introduction of this booklet for eligibility information.)

If you are not eligible for COLA at retirement, but will become eligible at age 65, you must apply for COLA on the *Application for Alaska Cost-of-Living Allowance* form (02-1896). The form is available on the Division of Retirement and Benefits website at *Alaska.gov/drb*. **Receipt of COLA is not automatic.**

"Residing in Alaska" means domiciled and physically present in Alaska. A domicile is that place where you have your true, fixed, and permanent home and principal establishment and to which, whenever you are absent, you intend to return. An absence exceeding 90 days constitutes a break in residency for COLA purposes. If you receive a property tax exemption, or any other exemption or benefit, in another state based on claiming legal residency in that state you are not eligible for Alaska COLA.

If you receive Alaska COLA to which you are not entitled, you must repay the amount received in error, plus interest. For example, if you left Alaska with the intent to return within 90 days, but did not return until the 91st day or later, you must repay COLA back to the day you left Alaska.

Example of 90-day rule:

Day Left Alaska	Day Return to Alaska	Number of Days	Result
09/01/2017	11/30/2017	90	No Overpayment
09/01/2017	12/01/2017	91	Overpaid for September, October, November and possibly December

Post Retirement Pension Adjustments (PRPA)

Your PERS benefit will grow over time if there are increases in the Consumer Price Index for Urban Wage Earners in the Anchorage area. The PRPA is paid to all eligible retirees regardless of where they live. (Please refer to *What Tier Am I?* on page 2 of the introduction of this booklet for eligibility information.)

The amount of the PRPA will depend upon the recipient's age and how long the recipient has been receiving PERS benefits.

PRPAs are calculated effective July 1 each year by multiplying the recipient's base pension benefit, including any prior PRPAs, by:

- 75% of the cost-of-living increase in the preceding calendar year or 9%, whichever is less, if the recipient is at least age 65 or on PERS disability on July 1; or
- 50% of the cost-of-living increase in the preceding calendar year or 6%, whichever is less, if the recipient is at least age 60 or has been receiving PERS benefits for at least five years as of July 1.

Eligible recipients who have not received pension benefits during the entire preceding calendar year will receive a prorated PRPA.

If selecting a 50% or 75% Joint and Survivor option, the survivor will receive a reduction in all PRPAs accrued during the member's retirement, if the member predeceases their spouse. If selecting the 66-2/3% Last Survivor option, your entire benefit will be reduced to the 66-2/3% survivor benefit if your spouse dies first. This includes a reduction in all PRPAs you accrued in retirement.

Section VIII. Voluntary Savings Plan

The Voluntary Savings Plan is an account funded solely by post-tax, voluntary contributions from a Public Employees' Retirement System (PERS) employee. Contributions made to a Voluntary Savings Plan are separate and completely independent of the mandatory contributions that each PERS employee is required to make to the retirement system as an active employee. You can locate your account balance at *myRnB.alaska.gov*, on your account summary page.

Lump Sum

You can elect to receive payment in a lump sum, with or without taxes withheld.

Life Annuity Options

Life annuity payment options are irrevocable once the payment option has been initiated and you receive the first payment. Upon request, the Division of Retirement and Benefits will provide estimations of benefits to members through factors provided by the Actuarial Analyst of the insurance company. These factors are subject to change and will be updated every quarter. Provided estimations are not to be construed as representative of actual benefits from the purchase of an annuity. The annuity options available are:

- **Life Annuity.** A Life Annuity is a lifetime benefit to the member. All benefits cease upon the death of the member. There are no survivor or beneficiary benefits.
- **Life Annuity with Five Year Term-Certain.** Life Annuities are lifetime benefits paid to the member. If the member dies prior to the Five Year Term-Certain, the designated beneficiary would receive the remaining payments until a total of the Five Year Term-Certain payments have been paid.
- **Life Annuity with Ten Year Term-Certain.** Life Annuities are lifetime benefits paid to the member. If the member dies prior to the Ten Year Term-Certain, the designated beneficiary would receive the remaining payments until a total of Ten Year Term-Certain payments have been paid.

Installments over a Designated Period of Time

Installments are a monthly benefit that can be stated in terms of months (examples: 1-1/2 years can be expressed as 18 months). This is the full balance of the Voluntary Savings plus accrued interest to the date of retirement divided by the designated period of time as elected by the member. Should you die prior to the designated period of time, the remaining payments will be paid to the designated beneficiary(s) in a lump sum.

Section IX. Life Insurance

Converting Employer-Sponsored Life Insurance Plans

If you are participating in a group life insurance plan sponsored by your employer, you may be able to convert this coverage to a private policy. Please contact your employer's human resources office for more information.

State of Alaska-Sponsored Life Insurance Plan

State of Alaska employees and those political subdivision employees participating in the State of Alaska Select Life Insurance benefits may elect to continue this coverage while retired. Premiums will be deducted from your monthly benefit check. Decreases are allowed to the plan post-retirement with the following rules:

- Decreases in coverage are allowed upon appointment to retirement and one time each calendar year after.
- Decreases are allowed in $5,000 increments.
- To request a decrease in coverage, complete and submit the *Retirees Select/Optional Life Insurance Continuation/Waiver* form (02-1858), or decrease the level of coverage on page F-10 of the *Retirement Application*.
- Coverage may not be decreased below a total of $5,000.
- Once decreased, coverage may never be increased under this plan.

Premium increases occur in January based on your age category. For more information on premiums, visit our website at *Alaska.gov/drb*.

Section X. Working After Retirement: Retiree Return to Work Policy (Bona Fide Separation of Employment)

Reemployment with a Non-PERS Employer

PERS members may work for any non-PERS employer or in a nonpermanent or temporary position with a PERS employer without affecting their retirement benefits.

Returning to PERS-covered employment, however, will cause your retirement benefit to cease. Special restrictions exist for members who retire under a Retirement Incentive Program (RIP).

Returning to Work with a PERS Employer After a Normal Retirement

Normal retirement is defined as retiring with either age or service eligibility for an unreduced retirement benefit. Normal age retirement is age 55 for Tier I and age 60 for Tier II/III, 30 years of service for "all others," or 20 years of service for peace officers/firefighters, at any age. (Normal retirement does not include RIP retirees.)

If you return to work in a permanent full-time or part-time position after a normal retirement, your retirement benefits are stopped and you earn a second pension benefit based on the service and salaries earned during the second period of employment.

It is your responsibility to notify the Division if you have returned to work in a PERS-eligible position so your benefit can be stopped and you can avoid an overpayment of benefits.

When you retire again, if you first entered the PERS prior to July 1, 1977, your first and second retirement benefits may be calculated together as if you had not retired. You will receive an adjusted benefit based on what you received on early retirement and your reemployment segment. If you were hired after July 1, 1977, you will receive your original retirement benefit and a second benefit based on your back-to-work employment segment and salaries.

If you return to work with a PERS employer and you elected any level of Long-Term Care (LTC) at your normal retirement, you must pay the monthly LTC premiums directly to the vendor. If you do not make direct payments during your return to work, you will not be covered and will not be able to elect LTC at the time of your second retirement.

Returning to Work with a PERS Employer After an Early Retirement

If you retire under the early retirement provisions and subsequently return to PERS-covered employment, your retirement benefits will stop and you will earn a second pension benefit based on the service and salaries earned during the second period of employment. This benefit will have an actuarial increase based on the duration of your reemployment and the difference between your early retirement compared to a normal retirement benefit.

Employment in any Capacity with the Same Employer After Retirement

The PERS retirement plan established by AS 39.35.095 – 39.35.680 is intended to qualify under 26 USC 401(a) and 414(d) of the Internal Revenue Code (IRC) as a qualified governmental retirement plan. To preserve the qualified status of the PERS, the Division must adopt and enforce IRC regulations. The IRC and Alaska law require a bona fide termination of the employee/employer relationship.

PERS retirees may not return to employment with the same employer in any capacity without observing the required break-in-service periods and must have no pre-arrangement for re-employment prior to their retirement date.

A retiree who has a pre-arrangement for employment prior to retirement will be considered to not have had a valid termination of employment, invalidating their retirement. **All retirement benefits paid, including medical claims, will be required to be repaid to the system.**

A retiree who has no pre-arrangement for employment who returns before the required break-in-service period has elapsed, will have their retirement benefit suspended until the retiree has terminated employment. The retiree will have to serve a new break-in-service period after the termination before they can be reemployed in any capacity by the same employer. ***If a retiree is under 59-1/2, all retirement benefits received will be reported to the Internal Revenue Service as an early distribution and the retiree may be subject to tax penalties.***

Once you have had a required break-in-service period, you many again employ with same employer, in a position that is not PERS contributing.

Break-in-Service Requirements

Retirees age 62 or older may return to employment with the same employer after a 60-day break in service. Retirees younger than age 62 may return to employment with the same employer after a six-month break in service.

Additional Resources

The *PERS Information Handbook* is available at *Alaska.gov/drb*.

Contacting the PERS

When contacting the PERS, please have your Social Security Number or Retirement Identification Number (RIN) available.

Member Services Contact Center

Toll-Free . . . . . (800) 821-2251
In Juneau . . . . . (907) 465-4460
Fax. . . . . (907) 465-3086
TDD *for the hearing impaired* . . . . . (907) 465-2805
Email . . . . . .doa.drb.mscc@alaska.gov

Mailing Address

Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

Physical Address

6th Floor, State Office Building
333 Willoughby Ave.
Juneau, AK 99801

Alaska.gov/drb

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