

Return to Work (RTW) after Retirement

APRIL 12 NDPERS LUNCH & LEARN





Agenda

1. **Returning to work with a private employer**
2. **Returning to work with a participating NDPERS employer**
 - **Impact to NDPERS pension**
 - Continue pension without interruption
 - Suspend pension temporarily
 - **Impact to NDPERS health insurance coverage**



Return to work with a private employer

Great news!

**Doesn't impact your NDPERS pension or
health insurance coverage**

Return to work with a participating NDPERS employer

- Do your homework.
- Your decision to return to work (RTW) with a participating NDPERS employer could impact your NDPERS monthly retirement benefit (pension) and health insurance coverage.
- Plan accordingly.

Each member is responsible for understanding statutory or plan provisions that may impact their specific return to work situation.



- State Agency (State of ND is one employer regardless of which state agency)
- Political Subdivision

Who is your new employer?

1

- Temporary
- Part- Time (Regularly funded, permanent, but working **less** than 20 hours a week for fewer than 20 weeks a year)
- Full-Time (Regularly funded, permanent, but working **more** than 20 hours a week for more than 20 weeks a year)

What kind of position is this?

2

- Main Defined Benefit Plan
- Public Safety Plan
- Defined Contribution
- Highway Patrol Plan
- Judges Plan

What NDPERS retirement plan is this position eligible for (if any)?

3

County elected officials may have special provisions that apply.

Three questions before RTW with a participating NDPERS employer


1. Who is your new NDPERS employer: State Agency or Political Subdivision?

Any State Agency

- Regardless of which state agency employs you, the State of ND is considered one participating NDPERS employer
- Includes State Higher Education

Political Subdivision

- Each county, city, or school is a political subdivision and are all separate participating NDPERS employers



How to keep my pension and RTW?

When RTW, you must **not contribute** into your NDPERS retirement plan.

Restarting your contributions into your NDPERS retirement plan, as a retiree, will result in the suspension of your pension.



RTW without
suspending your
pension

How to draw your pension and RTW

RTW with same employer

 keep it simple

Option 1 *

- Return as a (non-contributing) temporary employee.
- Work as many hours as you want.

Option 2 *

- Return as a (non-contributing) permanent part-time employee.
- Work part-time less than 20 hours a week for less than 20 weeks a year.

RTW with different employer

From state to pol sub or vice versa

Option 1 and 2 still apply.

Option 3

- When you are at normal retirement and RTW with a different NDPERS employer, you may elect to be non-contributing and waive participation as a permanent full-time employee.

* early retirees must be off covered payroll for 31 days and receive first retirement payment before returning to work

What do you need to do if you don't want your pension to be suspended?

Option 1 and 2: RTW with same employer

If non-contributing temporary or non-contributing part-time working under 20/20:

- Decline/waive participation with your new employer by submitting SFN 17627 Optional Participation Waiver. Find it in the New Hire Kit.*

Option 3: RTW with different employer

If Permanent, regularly funded position working over 20/20:

- You must waive participation with your new employer by submitting SFN 52486 (Mandatory Participation RTW Waiver – must be requested from NDPERS)*

**New employer will enter your into the NDPERS system as non-contributing.*

RTW and suspend my pension

MANDATORY PARTICIPATION WITH NEW EMPLOYER

NO OPTION TO WAIVE PARTICIPATION IN NDPERS RETIREMENT PLAN

Suspend my pension

No option to waive participation when RTW

Because the employer or position type mandates that you MUST participate

Normal retiree

- RTW with the same NDPERS participating employer which requires you to contribute to the NDPERS retirement system as a permanent full-time employee.
- Members drawing their pension from Main, Judges and Public Safety are under same NDCC 54-52.

Early retiree

- RTW with any NDPERS participating employer in ANY capacity (temporary, part-time, full-time) prior to receiving first retirement payment.
- RTW as a permanent full-time employee at any time in the future results in your early retirement benefits being suspended.

Ready to really retire? Take action

1. Must make application to resume suspended retirement payments
2. Original retirement and second retirement are calculated separately
3. You must elect the same retirement option upon second retirement as previously chosen for the original retirement

Example: If you chose 100% Joint & Survivor (J&S) for your original retirement, you must select 100% J&S for your second retirement benefit



RTW and Health Insurance Coverage

Do you currently have NDPERS health insurance?

Take a 31 day break!!

= Health Insurance Continues
the month after you terminate

Example:

3/2023 Leave (terminate) employment

4/30/2023 Insurance coverage ends

5/2023 RTW

No break before RTW

= No health insurance
the month after your change in status

Example:

3/2023 Leave (terminate) employment

3/30/2023 Insurance coverage ends

4/2023 RTW

The Bottom Line...

RETIREMENT – AT NORMAL RETIREMENT

If you want to draw your NDPERS retirement pension AND draw a paycheck...

- RTW as a Temporary employee – no limit on hours
- RTW as a Part-Time, Non-Contributing employee
(working less than 20 hours/week)

NDPERS ACTIVE HEALTH INSURANCE

If you have NDPERS health insurance and you want employer paid health insurance the month after you leave employment...

You must take a 31 day break in service!

The Bottom Line...

RETIREMENT – IF AT EARLY RETIREMENT

If you want to draw your NDPERS retirement pension AND draw a paycheck...

- Take a break! Do not RTW before you receive your first retirement payment!
- RTW as a Temporary employee – no limit on hours
- RTW as a Part-Time, Non-Contributing employee
(working less than 20 hours/week)

NDPERS ACTIVE HEALTH INSURANCE

If you have NDPERS health insurance and you want employer paid health insurance the month after you leave employment...

You must take a 31 day break in service!



Help is available

CONTACT US



NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

Contact NDPERS

- **Customer Service**

- Call: (701) 328-3900 or
- TF:(800) 803-7377

- **Online Resources**

- Website: ndpers.nd.gov
- [Member Self Service \(MSS\)](#)

