

Pre-Retirement Education Program (PREP)



Retirement Agenda

- Defined Benefit Plans
- Defined Contribution
- Retiree Health Insurance Credit (RHIC)
- Return to Work
- Disability & Survivor Benefits
- Service Purchase
- Deferred Compensation
- Portability Enhancement Provision
- Getting Ready for Retirement

NDPERS Retirement Plans

1. Defined Benefit (DB) Hybrid Retirement Plan. This is the NDPERS MAIN plan – Tier 1, 2 & 3
2. Defined Contribution (DC) Retirement Plan
3. ND Judges Retirement System
4. ND Highway Patrol Retirement System
5. ND Public Safety Retirement System
6. State Law Enforcement Retirement System
7. Job Service Retirement Plan



Defined Benefit (DB) Hybrid Plans

Defined Benefit (Main) Hybrid Plan Eligibility and Mandatory Participation

- At least 18 years of age
- Work at least 20 hours a week
- 20 or more weeks a year
- Position is regularly funded & not of limited duration (not temporary)

Optional Participation

- Temporary position
- Regularly funded position but does not work 20 hours a week for more than 19 weeks a year
- Must be 18 years of age
- Must enroll within 6 months of part-time/temporary employment
- Employee contributes 15.26% of gross salary on an after-tax basis for Main DB plan
- Employee can not be an active participant in another employer-sponsored retirement plan (includes public or private sector plans)
- Employer is prohibited from paying any portion of contributions

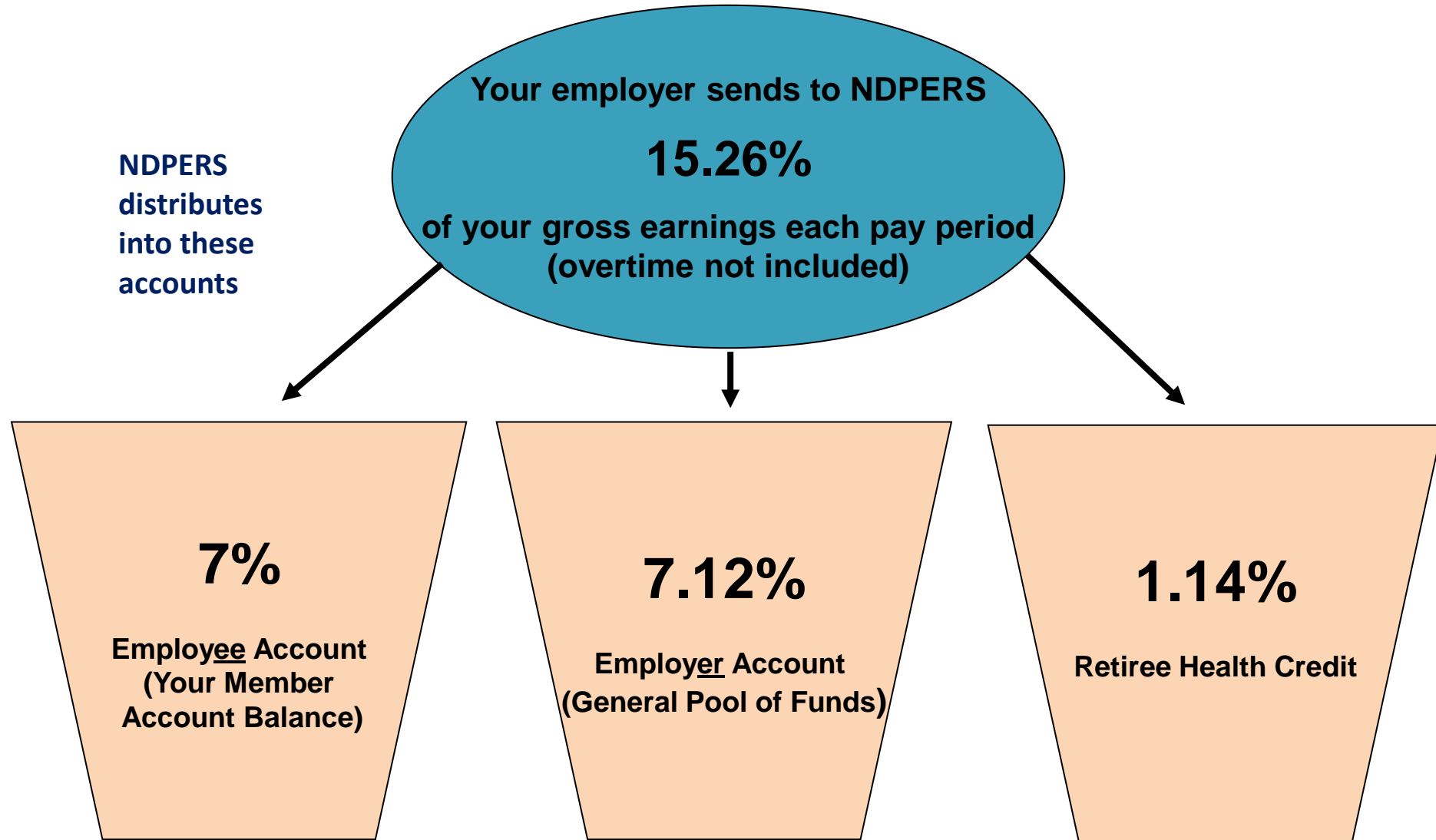
Defined Benefit (DB) Main Hybrid Plan Tiers

First Enrolled = First Contribution to NDPERS

Date First Enrolled	Vesting	Contributions	Early Retirement	Normal Retirement	Multiplier
<u>TIER 1</u> Prior to Jan 2016	36 months	7.00% EE 7.12% ER 1.14% RHIC	Age 55 6% reduction	Rule 85 or Age 65	2.00%
<u>TIER 2</u> Jan 2016 – Dec 2019	36 months	7.00% EE 7.12% ER 1.14% RHIC	Age 60 8% reduction	Rule 90 w/ <u>min Age 60</u> or Age 65	2.00%
<u>TIER 3</u> Jan 2020	36 months	7.00% EE 8.26% ER <i>No RHIC</i>	Age 60 8% reduction	Rule 90 w/ <u>min Age 60</u> or Age 65	1.75%

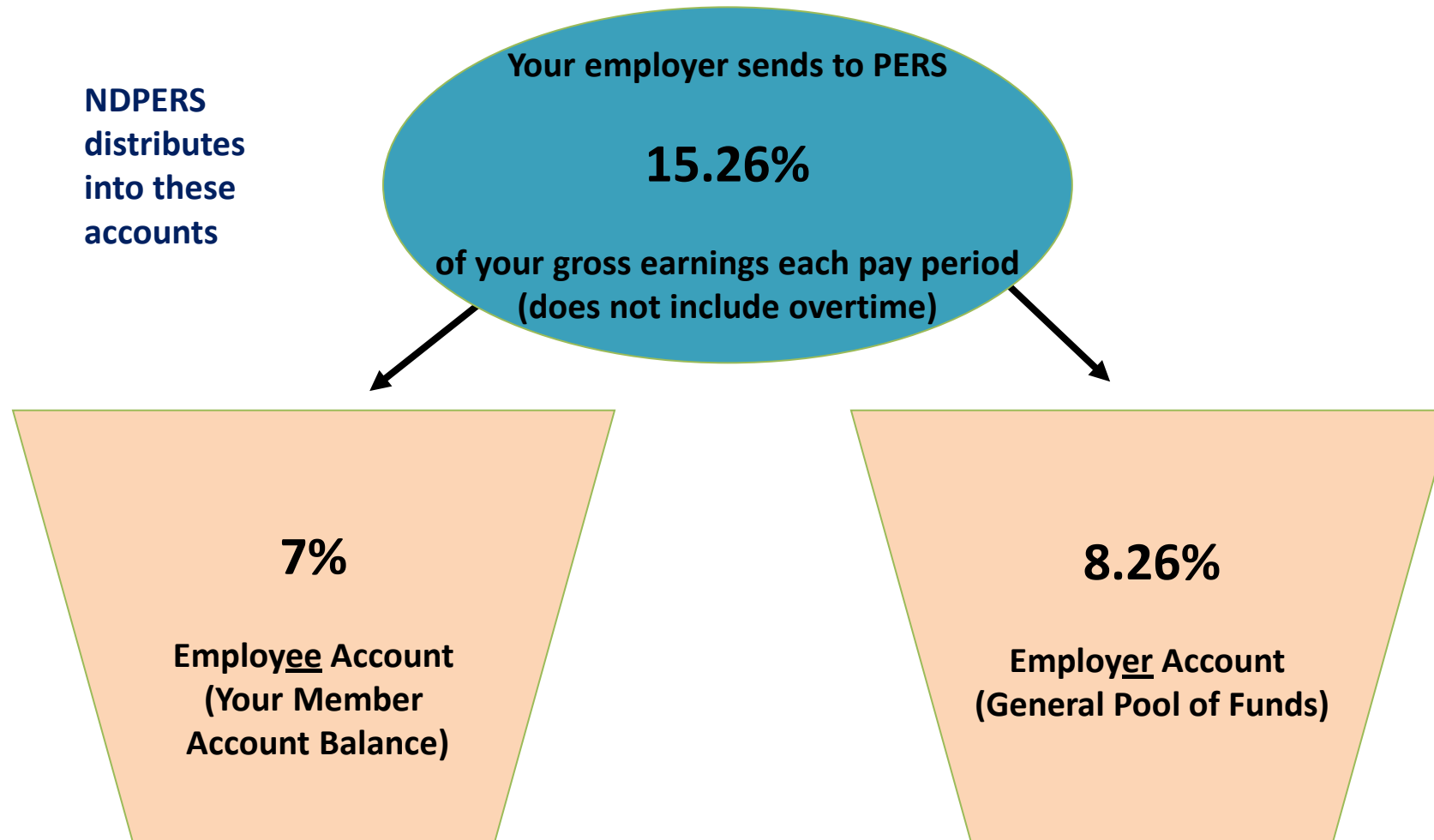
Defined Benefit (DB) Main Hybrid Plan

Tier 1 & 2 - First Enrolled before January 1, 2020



Defined Benefit (DB) Main Hybrid Plan

Tier 3 (2020 Tier) - First Enrolled on or after January 1, 2020



Service Credit and Vesting

- One month of service credit for each month NDPERS receives contributions on your behalf.
- *Vested* means you are legally entitled to a monthly benefit.
- You become vested the earlier of:
 - Achieving 36 months (3 years) of service credit, or
 - Attaining 65 years of age while employed (Main only)
- This is an ANNUITY. Receive a monthly retirement payment for the rest of your life.

Grandfathered NDPERS Retiree Plans

Your new employee may be grandfathered under a previous tier if:

1. Left member account balance intact
(did not take a refund or rollover) and
2. Returned to work for an agency that has the NDPERS Defined Benefit Plan

Dual Membership

(Combine service credit for vesting and normal retirement)

- NDPERS Defined Benefit Retirement Plans:
 - Defined Benefit Hybrid Plan (Main)
 - Public Safety Plan
 - Judges Plan
 - Highway Patrol Plan
- Other Qualifying State-Sponsored Retirement Plans
 - Teachers Fund for Retirement (TFFR)
 - Teachers Insurance and Annuity Association (TIAA)
(through North Dakota University System only)

Benefit Formula - Main

Tier 1 & 2 - First Enrolled before January 1, 2020

- Final average salary (FAS)
Method 1 – average of highest 36 salaries of the last 180 months employed (only those reported prior to 12/2019 are considered)
Method 2 – average of 3 highest 12-month consecutive periods of the last 180 months employed (all salaries considered within the last 180 months)
- Benefit multiplier
2.00%
- Years of Service Credit (YOS)
One month of service for each monthly contribution

Calculation:

$$\text{FAS} \times 2.00\% \times \text{YOS} = \text{Single Life Monthly Benefit}$$

Benefit Formula - Main

Tier 3 (2020 Tier) - First Enrolled on or after January 1, 2020

- Final average salary (FAS)
3 highest 12-month consecutive periods of the last 180 months employed
- Benefit multiplier
1.75%
- Years of Service Credit (YOS)
One month of service for each contribution

Calculation:

$$\text{FAS} \times 1.75\% \times \text{YOS} = \text{Single Life Monthly Benefit}$$

Final Average Salary (FAS) Comparison

Method 1 – average of highest 36 salaries of the last 180 months employed (only those reported prior to 12/2019 are considered)

Method 2 – average of 3 highest 12-month consecutive periods of the last 180 months employed

Benefit Calculation Details

Service Credit Purchase

Benefit Payee Details

FAS Details

Months Used : 36

User FAS Amount : \$0.00

FAS Amount 2019 : \$5,543.44

FAS Amount 2020 : \$5,600.28

FAS 2019:

Export Excel

Page 1 Of 4 Results 1 - 10 of 36

Effective Date	Year	Month	Plan	Wages & Salary	Projected Wages & Salary
12/31/2019	2019	12	Main	\$5,724.00	\$0.00
11/30/2019	2019	11	Main	\$5,724.00	\$0.00
10/31/2019	2019	10	Main	\$5,724.00	\$0.00
09/30/2019	2019	9	Main	\$5,724.00	\$0.00
08/31/2019	2019	8	Main	\$5,724.00	\$0.00
07/31/2019	2019	7	Main	\$5,724.00	\$0.00
06/30/2019	2019	6	Main	\$5,604.00	\$0.00
05/31/2019	2019	5	Main	\$5,504.00	\$0.00
04/30/2019	2019	4	Main	\$5,504.00	\$0.00

FAS 2020:

Export Excel

Page 1 Of 4 Results 1 - 10 of 36

Effective Date	Year	Month	Plan	Wages & Salary	Projected Wages & Salary
08/01/2020	2020	8	Main	\$0.00	\$5,867.00
07/01/2020	2020	7	Main	\$5,867.00	\$0.00
06/01/2020	2020	6	Main	\$5,724.00	\$0.00
05/01/2020	2020	5	Main	\$5,724.00	\$0.00
04/01/2020	2020	4	Main	\$5,724.00	\$0.00
03/01/2020	2020	3	Main	\$5,724.00	\$0.00
02/01/2020	2020	2	Main	\$5,724.00	\$0.00
01/01/2020	2020	1	Main	\$5,724.00	\$0.00
12/01/2019	2019	12	Main	\$5,724.00	\$0.00

Retirement Benefit Options

- Single Life
- 50% Joint & Survivor
- 100% Joint & Survivor
- 10 Year Term Certain
- 20 Year Term Certain

Additional Benefit Options:

- Partial Lump Sum Option (PLSO)
- Graduated Benefit Option



DB Retirement – Tier 1

(Hired Before 1/1/2016)

Normal Retirement	Early Retirement**
<p>Lifetime benefit</p> <ul style="list-style-type: none"> At the earlier of: 	<p>Lifetime benefit</p> <ul style="list-style-type: none"> Reduced by 6% for each year or .5% for each month if:
<p>Attain Age 65</p>	<p>NOT Age 65</p>
<p>OR</p>	<p>OR</p>
<p>Achieve “Rule of 85” (Member’s Age + Service Credit)</p>	<p>HAVE NOT met Rule of 85</p>
<p><i>Example: 60 years old</i> <i>+ 25 years service</i> <i>= 85 years</i></p>	<p>**Must be at least age 55</p>

Retirement Benefit Estimate – Tier 1

Example:

RULE 85

Member: 55.4167 years; Spouse: 54.4167 years

Benefit Multiplier:	2.00%	Marital Status:	Married
Age at Retirement:	55.4167	Retirement Date:	December 01, 2039
Years of Service Credit:	29.5833	Account Balance:	\$35,505.69
Final Average Salary:	\$4,255.00		

RETIREMENT BENEFIT OPTIONS

Single Life Benefit:	\$2,517.54
50% Joint & Survivor Benefit:	\$2,422.13
100% Joint & Survivor Benefit:	\$2,333.51
Ten (10) Year Term Certain Benefit:	\$2,497.65
Twenty (20) Year Term Certain Benefit:	\$2,443.78

RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$147.92
Alternate 50% Joint & Survivor Health Credit:	\$142.31
Alternate 100% Joint & Survivor Health Credit:	\$137.11

Partial Lump Sum Option (PLSO)

- Normal or past normal retirement
- 12 months of Single Life payment in a lump sum
- Lifetime monthly benefit is actuarially reduced
- May still choose an alternate benefit option
 - Joint & Survivor
 - Term Certain
- Once in a lifetime election
 - Made at initial application for retirement benefits

Partial Lump Sum Option (PLSO) – Tier 1

Example:

RULE 85

Member: 55.4167 years; Spouse: 54.4167 years

Benefit Multiplier:	2.00%	Marital Status:	Married
Age at Retirement:	55.4167	Retirement Date:	December 01, 2039
Years of Service Credit:	29.5833	Account Balance:	\$35,505.69
Final Average Salary:	\$4,255.00		

RETIREMENT BENEFIT OPTIONS

WITHOUT PLSO

WITH PLSO

Single Life Benefit:	\$2,517.54
50% Joint & Survivor Benefit:	\$2,422.13
100% Joint & Survivor Benefit:	\$2,333.51
Ten (10) Year Term Certain Benefit:	\$2,497.65
Twenty (20) Year Term Certain Benefit:	\$2,443.78

\$2,284.92
\$2,198.32
\$2,117.89
\$2,266.87
\$2,217.97

PARTIAL LUMP SUM OPTION (PLSO)

\$30,210.48

RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$147.92
Alternate 50% Joint & Survivor Health Credit:	\$142.31
Alternate 100% Joint & Survivor Health Credit:	\$137.11

This example may not be interpreted as a personal calculation

Graduated Benefit Option

- Must be at or past normal retirement
- Choice between a 1% or 2% annual increase
- Monthly benefit is actuarially reduced
- May still choose an alternate benefit option
 - Joint & Survivor
 - Term Certain
- Once in a lifetime election
 - Made at initial application for retirement benefits

2% Graduated Benefit Option – Tier 1

Example:

RULE 85 Member: 55.4 years / Spouse: 54.4 years

Benefit Multiplier:	2.00%	Marital Status:	Married
Age at Retirement:	55.4167	Retirement Date:	December 01, 2039
Years of Service Credit:	29.5833	Account Balance:	\$35,505.69
Final Average Salary:	\$4,255.00		

RETIREMENT BENEFIT OPTIONS

No Graduated Benefit

Graduated Benefit

Single Life Benefit:	\$2,517.54	\$2,075.71
50% Joint & Survivor Benefit:	\$2,422.13	\$1,973.07
100% Joint & Survivor Benefit:	\$2,333.51	\$1,880.34
Ten (10) Year Term Certain Benefit:	\$2,497.65	\$2,060.81
Twenty (20) Year Term Certain Benefit:	\$2,443.78	\$2,007.57

RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit:	\$147.92
Alternate 50% Joint & Survivor Health Credit:	\$142.31
Alternate 100% Joint & Survivor Health Credit:	\$137.11

Graduated Benefit Lifetime Comparison

Example:

Year	Monthly Single Life	Single Life LTD	Monthly 2% Graduated Benefit	2% Graduated LTD
1	\$ 2,517.54	\$ 30,210.48	\$ 2,075.71	\$ 24,908.52
2	\$ 2,517.54	\$ 60,420.96	\$ 2,117.22	\$ 50,315.21
3	\$ 2,517.54	\$ 90,631.44	\$ 2,159.57	\$ 76,230.03
4	\$ 2,517.54	\$ 120,841.92	\$ 2,202.76	\$ 102,663.16
5	\$ 2,517.54	\$ 151,052.40	\$ 2,246.82	\$ 129,624.94
6	\$ 2,517.54	\$ 181,262.88	\$ 2,291.75	\$ 157,125.96
7	\$ 2,517.54	\$ 211,473.36	\$ 2,337.59	\$ 185,177.00
8	\$ 2,517.54	\$ 241,683.84	\$ 2,384.34	\$ 213,789.06
9	\$ 2,517.54	\$ 271,894.32	\$ 2,432.03	\$ 242,973.36
10	\$ 2,517.54	\$ 302,104.80	\$ 2,480.67	\$ 272,741.34
11	\$ 2,517.54	\$ 332,315.28	\$ 2,530.28	\$ 303,104.69
12	\$ 2,517.54	\$ 362,525.76	\$ 2,580.88	\$ 334,075.31
13	\$ 2,517.54	\$ 392,736.24	\$ 2,632.50	\$ 365,665.33
14	\$ 2,517.54	\$ 422,946.72	\$ 2,685.15	\$ 397,887.16
15	\$ 2,517.54	\$ 453,157.20	\$ 2,738.86	\$ 430,753.42
16	\$ 2,517.54	\$ 483,367.68	\$ 2,793.63	\$ 464,277.01
17	\$ 2,517.54	\$ 513,578.16	\$ 2,849.51	\$ 498,471.07
18	\$ 2,517.54	\$ 543,788.64	\$ 2,906.50	\$ 533,349.01
19	\$ 2,517.54	\$ 573,999.12	\$ 2,964.63	\$ 568,924.51
20	\$ 2,517.54	\$ 604,209.60	\$ 3,023.92	\$ 605,211.52
21	\$ 2,517.54	\$ 634,420.08	\$ 3,084.40	\$ 642,224.27
22	\$ 2,517.54	\$ 664,630.56	\$ 3,146.08	\$ 679,977.28

This example may not be interpreted as a personal calculation

Main Retirement Benefit Estimate - Tier 1

Example:

“RULE of 85” Applies / No Minimum Age

Benefit Multiplier: 2.00%

Age at Retirement: 55

Years of Service Credit: 30.25

Final Average Salary: \$3,000

Marital Status: Married

Retirement Date: March 1, 2045

Account Balance: \$68,450.89

RETIREMENT BENEFIT OPTIONS

Single Life Benefit: \$1,815.00

- 50% & 100% Joint & Survivor Benefit
- 10 or 20 Term Certain Benefit

I

RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit: \$151.25

- 50% & 100% Joint & Survivor Health Credit

DB Retirement – Tier 2 & 3

(Hired on or After 1/1/2016)

Normal Retirement	Early Retirement **
<p>Lifetime benefit</p> <ul style="list-style-type: none"> At the earlier of: 	<p>Lifetime benefit</p> <ul style="list-style-type: none"> Reduced by 8% for each year or 0.667 for each month if:
<p>Attain Age 65</p> <p>OR</p>	<p>NOT Age 65</p> <p>OR</p>
<p>Achieve “Rule of 90” with minimum age of 60 (Member’s Age + Service Credit)</p> <p><i>Example: 60 years old + 30 years service = 90 years</i></p>	<p>HAVE NOT met Rule of 90</p> <p>**Must be at least age 60</p>

Main Retirement Benefit Estimate - Tier 2

Example:

“RULE of 90” Applies / Minimum Age: 60

Benefit Multiplier: 2.00%

Marital Status: Married

Age at Retirement: 60

Retirement Date: March 1, 2045

Years of Service Credit: 30.25

Account Balance: \$68,450.89

Final Average Salary: \$3,000

RETIREMENT BENEFIT OPTIONS

Single Life Benefit: \$1,815.00

- 50% & 100% Joint & Survivor Benefit
- 10 or 20 Term Certain Benefit

RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Standard Health Credit: \$151.25

- 50% & 100% Joint & Survivor Health Credit

Main Retirement Benefit Estimate - Tier 3

Example:

“RULE of 90” Applies / Minimum Age: 60

Benefit Multiplier: 1.75%

Age at Retirement: 60

Years of Service Credit: 30.25

Final Average Salary: \$3,000

Marital Status: Married

Retirement Date: March 1, 2045

Account Balance: \$68,450.89

RETIREMENT BENEFIT OPTIONS

Single Life Benefit: \$1,588.13

- 50% & 100% Joint & Survivor Benefit
- 10 or 20 Term Certain Benefit

RETIREE HEALTH INSURANCE BENEFIT OPTIONS (RHIC)

Not Available \$0.00

Account Balance & Separation of Employment

– All Tiers

NOT Vested	Vested (36 months or age 65)
<p>Leave member account balance with NDPERS</p> <ul style="list-style-type: none">▪ Return to service accrued service and account balance are recognized▪ Interest compounded monthly*	<p>Receive a lifetime annuity Retire as early as age 55 (<u>age 60 if hired after 1/1/2016</u>) or attain “Rule” or age 65</p>
<p>Lump Sum Refund</p> <ul style="list-style-type: none">▪ Tax Penalties▪ Forfeit service credit and RHIC	<p>Lump Sum Refund</p> <ul style="list-style-type: none">▪ Tax Penalties▪ Forfeit service credit and RHIC
<p>Direct Rollover Forfeit service credit and RHIC</p>	<p>Direct Rollover Forfeit service credit and RHIC</p>
<p>Combination rollover/refund</p>	<p>Combination rollover/refund</p>

*Interest accrual subject to NDPERS Board discretion

Defined Contribution (DC) Plan

Available to Non-Classified state employees, Elected & Appointed state officials



Defined Contribution Plan

Current Trust Company is TIAA

- Eligibility is determined by NDPERS at the time a new hire obtains eligible state employment
- NDPERS provides an individualized comparison
- Benefits at retirement based on performance of investments and amount in account balance

Member selects payment type and stream of income

DC Election is Irrevocable

Transferring or Re-Hired Members to Non-eligible Employer

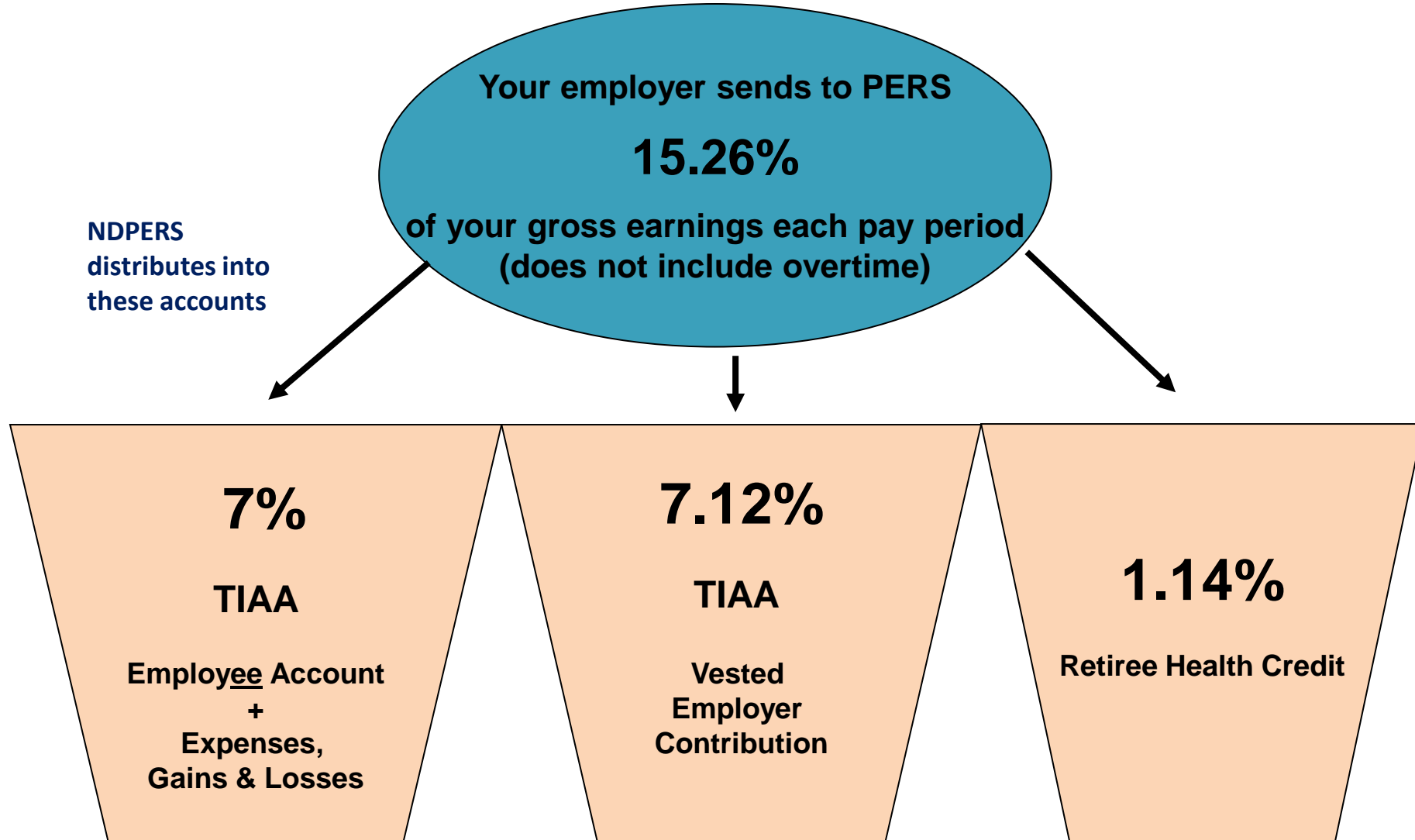
If a new hire is a transfer or a re-hire that previously elected the Defined Contribution (DC) Plan, this employee must remain in this plan – even if obtaining employment with a NDPERS affiliated political subdivision

Transferring to Temporary or Part-time employment

With change in status of position, employee can elect to participate at own expense

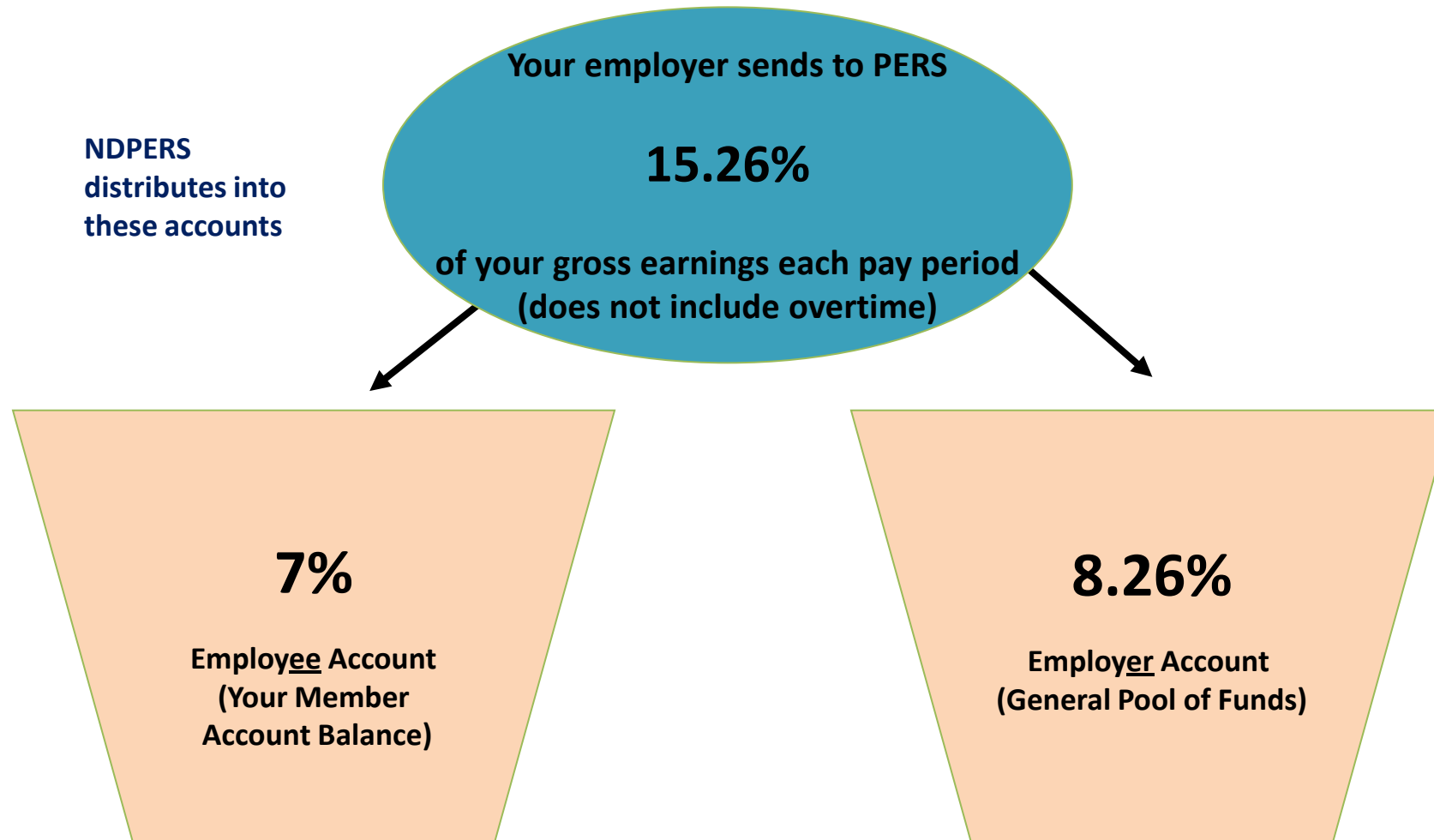
Defined Contribution Plan

First Enrolled Before January 1, 2020 (Tiers 1 & 2)



Defined Contribution Plan

2020 Tier 3 - First Enrolled on or after January 1, 2020



Defined Contribution Plan

Service Credit and Vesting

Years of Service	% Vested in Employer Contribution
Less than 2 years	0%
2 years	50%
3 years	75%
4 years	100%*

*Also vested 100% in employer contributions upon attaining age 65 as an active employee

Defined Contribution Plan

Account Balance Options at Separation

- Lump Sum Refund*
 - Under 59 ½ Tax Penalty
- Direct Rollover
- Combination Rollover/Refund*
 - Under 59 ½ Tax Penalty for Refund
- Periodic Payments*
 - Not a lifetime annuity

**Taxes Apply*

Note: Member only receives RHIC if receiving a lifetime annuity.

Retiree Health Insurance Credit (RHIC)



Retiree Health Credit

- \$5.00 for Every Year of Service Credit for member hired before January 1, 2020
- Reduced for Early Retirement
- Applies to ANY after-tax health, dental, vision or long-term care PREMIUM

Returning to Work



Employees Returning To Work

- Early Retirees
 - Must have retirement benefit suspended, if returning to eligible position
- Normal Retirement (Age 65 or “Rule”)
 - May waive participation in retirement plan contingent upon RTW with new employer
 - Must contact NDPERS for eligibility
- Termination of Participation (FT Permanent changes to PT or Temporary status)
 - Must update employee record from “contributing” to “non-contributing” status

Disability Benefits and Survivor Benefits



Disability Benefits

- Disability Retirement
 - Vested after 6 months
 - Must separate from employment
 - Determined by Medical Consultant or Social Security Award
- 25% of Final Average Salary (FAS)
- Eligibility will be recertified

Survivor Benefits

Assumption: Member is not receiving a retirement benefit

- **Lump Sum Payment**
 - Applies to single and non-vested members
- **Lifetime Payments – Surviving Spouse Only**
 - 50% of Normal Single Life or
 - If deceased is vested
 - 100% Joint & Survivor Payment
 - If deceased was at Normal Retirement Date (NRD) or met “Rule” (NRD in Main Plan is age 65 and Public Safety Plan is age 55)

Service Purchase



Service Purchase

It may help

1. Vest earlier
2. Increase lifetime benefit
3. Increase health credit
4. Reach “Rule” earlier

Types of Service Purchase

1. Previous Public Employment
 - Includes Military (48 months total), Federal, Legislative, employment in another state
 - The retirement plan you are purchasing from must be liquidated.
2. Previous PERS Participation
3. Unpaid Leave of Absence (entire month minimum)
4. Generic Service Purchase
 - 60 months
 - Must be vested
5. Unused Sick Leave
 - At separation from employment

Impact of Main Plan Service Purchase – Tier 1 & 2

Example: 60 months of service purchase.

Assumption: Cost is \$39,000 (Note: Cost is determined by an actuarial cost calculation. Factors are DOB, FAS, Age at normal retirement, number of months purchased, plans multiplier, current RHIC)

No Purchase

\$3,000 FAS

X 2.00% Multiplier

X 20 Years of Service

= \$1,200 Monthly (Single Life)

= \$14,400 Annually

= \$288,000 over 20 years

Purchase - 60 months

\$3,000 FAS

X 2.00% Multiplier

X 25 Years of Service

= \$1,500 Monthly (Single Life)

= \$18,000 Annually

= \$360,000 over 20 years

(\$72,000 additional income)

Calculation:

FAS X 2.00% X YOS = Single Life Monthly Benefit

Return in approximately 10.8 years

Impact of Main Plan Service Purchase – Tier 1 & 2

Example: unused sick leave

No Purchase

$$\begin{array}{l} \$3,000 \text{ FAS} \\ \times \text{ 2.00\% Multiplier} \\ \times \text{ 20 Years of Service} \\ \hline = \$1,200 \text{ Monthly (Single Life)} \end{array}$$

Calculation:

FAS X 9 months X 15.26% = Purchase Cost (\$4,120.20).
Return in approximately 7.6 years

Calculation:

$$\begin{array}{l} 1,450 \text{ hours available} \\ \div 173.3 \text{ hours/month} \\ = 8.37 \text{ months (~ 9 months)} \end{array}$$

Purchase - 9 months

$$\begin{array}{l} \$3,000 \text{ FAS} \\ \times \text{ 2.00\% Multiplier} \\ \times \text{ 20.75 Years of Service} \\ \hline = \$1,245 \text{ Monthly (Single Life)} \end{array}$$

Service Purchase Payment Methods

- Direct Rollover or Transfer of Pre-Tax Dollars from other retirement plans
- Payroll Deductions * (pre- or post-tax)**
- Payment Plan**

**If employer allows payroll deductions*

***Interest applies*

Deferred Compensation Plan

What is Deferred Compensation?

- Voluntary supplemental retirement plan
- Investing Pre-tax dollars, which lowers your taxable income
- Taxed at the time of distribution
- Employer determines if plan is available for their agency

Annual Deferral Limits



- **Minimum**
- \$25 per month
- **Maximum**
- The lesser of:
 - 2022 Annual IRS Limit: **\$20,500/year**
 - or
 - 100% of Taxable Compensation
- **Age 50+** Limit for 2022: \$27,000
- **Regular 3 Year Catchup** for 2022: \$41,000
 - Regular 3 Year Catchup must be within three (3) year **prior to the year in which you retire**
 - Additional forms required
- **“Other 457 plans”**
 - Employer is responsible for tracking annual limits

Deferred Lump Sum Contributions

- Lump Sum Payments:
 - Unused annual leave
 - Unused sick leave
 - Back pay
- Subject to FICA before deferral
- Cannot exceed annual IRS limits
- Severance pay or buyout distributions are not eligible to be deferred

DB Plan Portability Enhancement Provision (PEP)



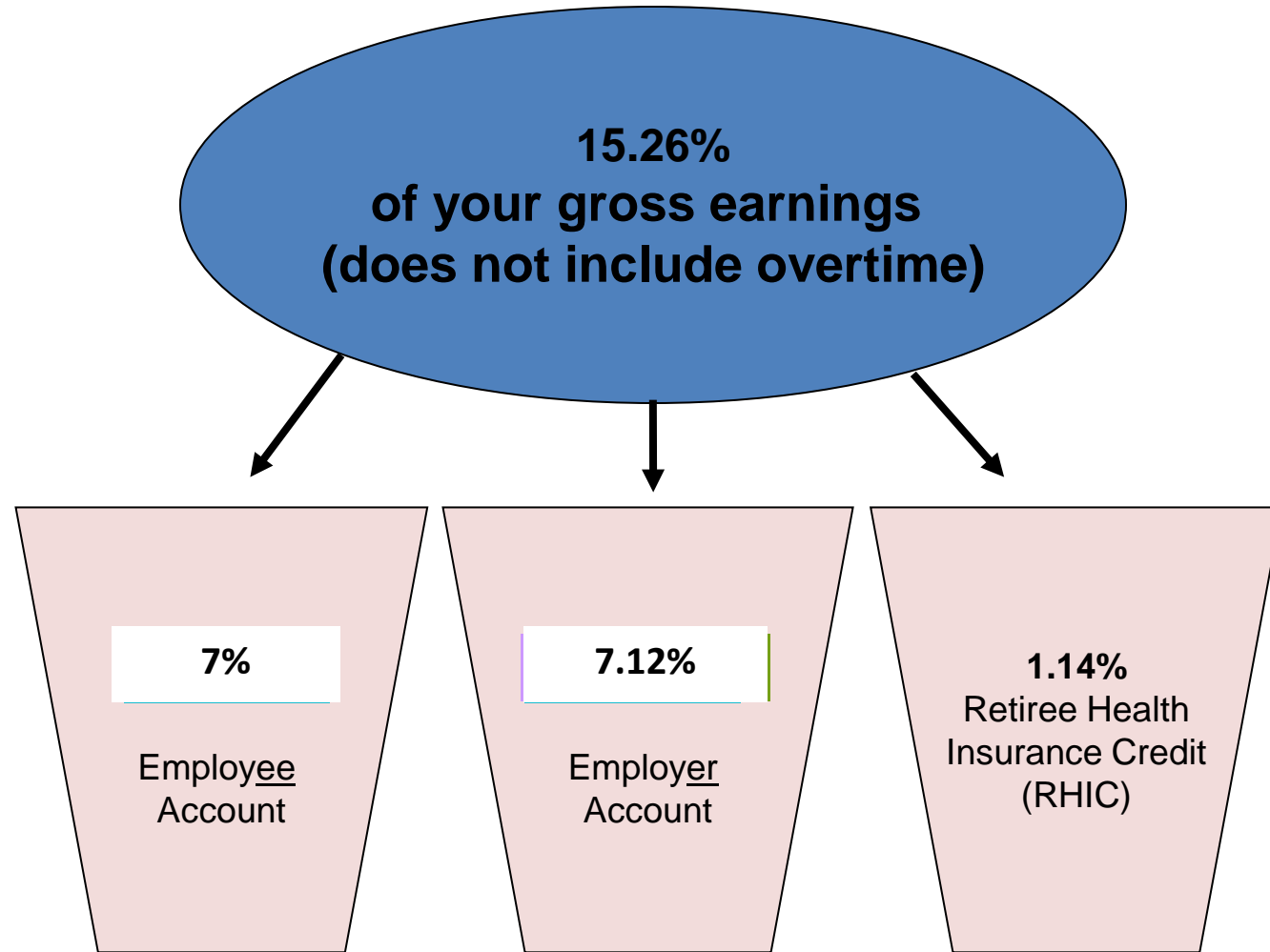
- DB Plan and Eligible Deferred Compensation Plans work together
- Redistribution of funds
- Faster growth of member account balance
- More “portability”

Portability Enhancement Provision (PEP) Tier 1 & 2

DB Plan

Contribution Allocation with PEP (Tier 1 & 2)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

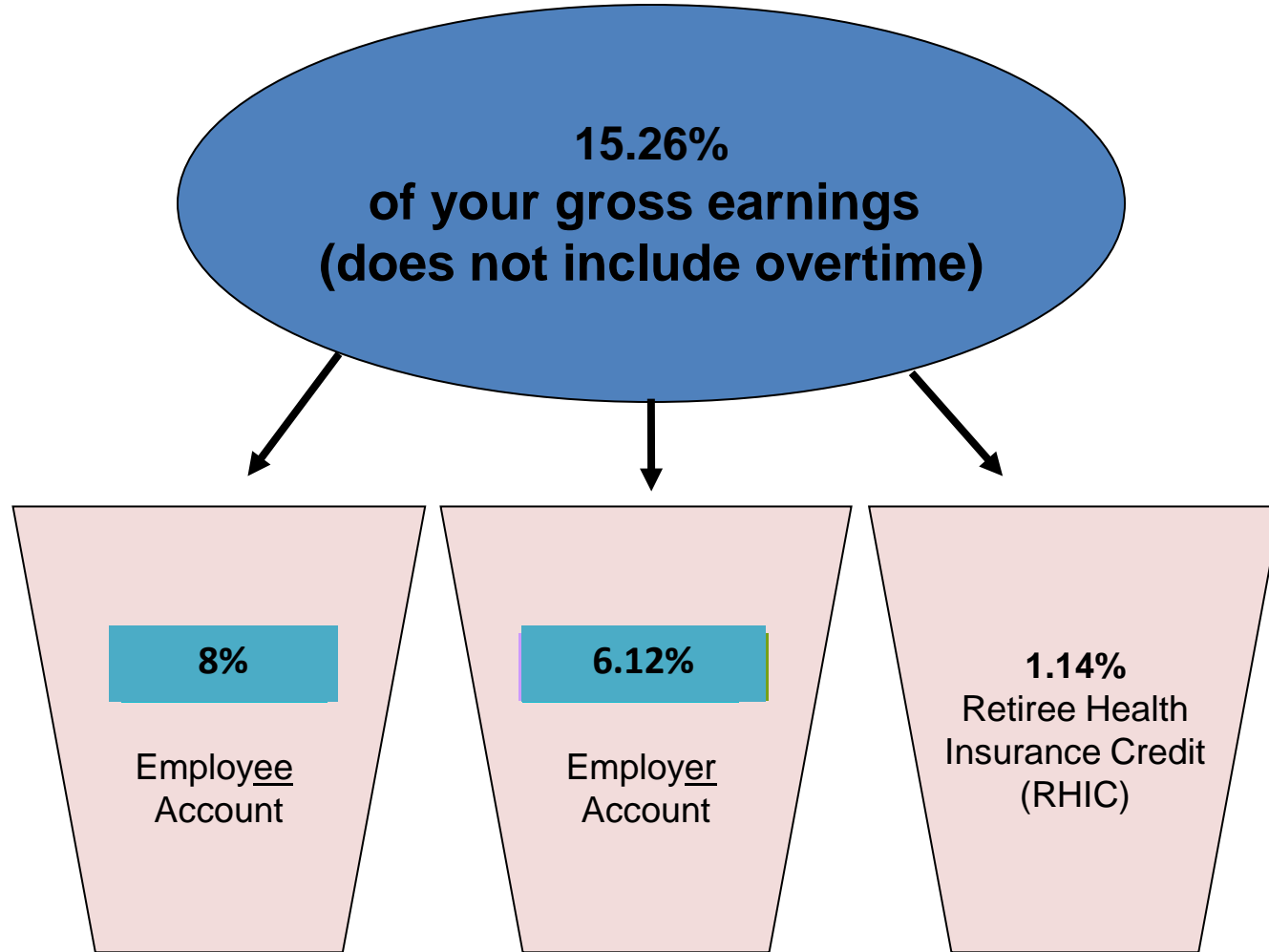


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 1 & 2)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

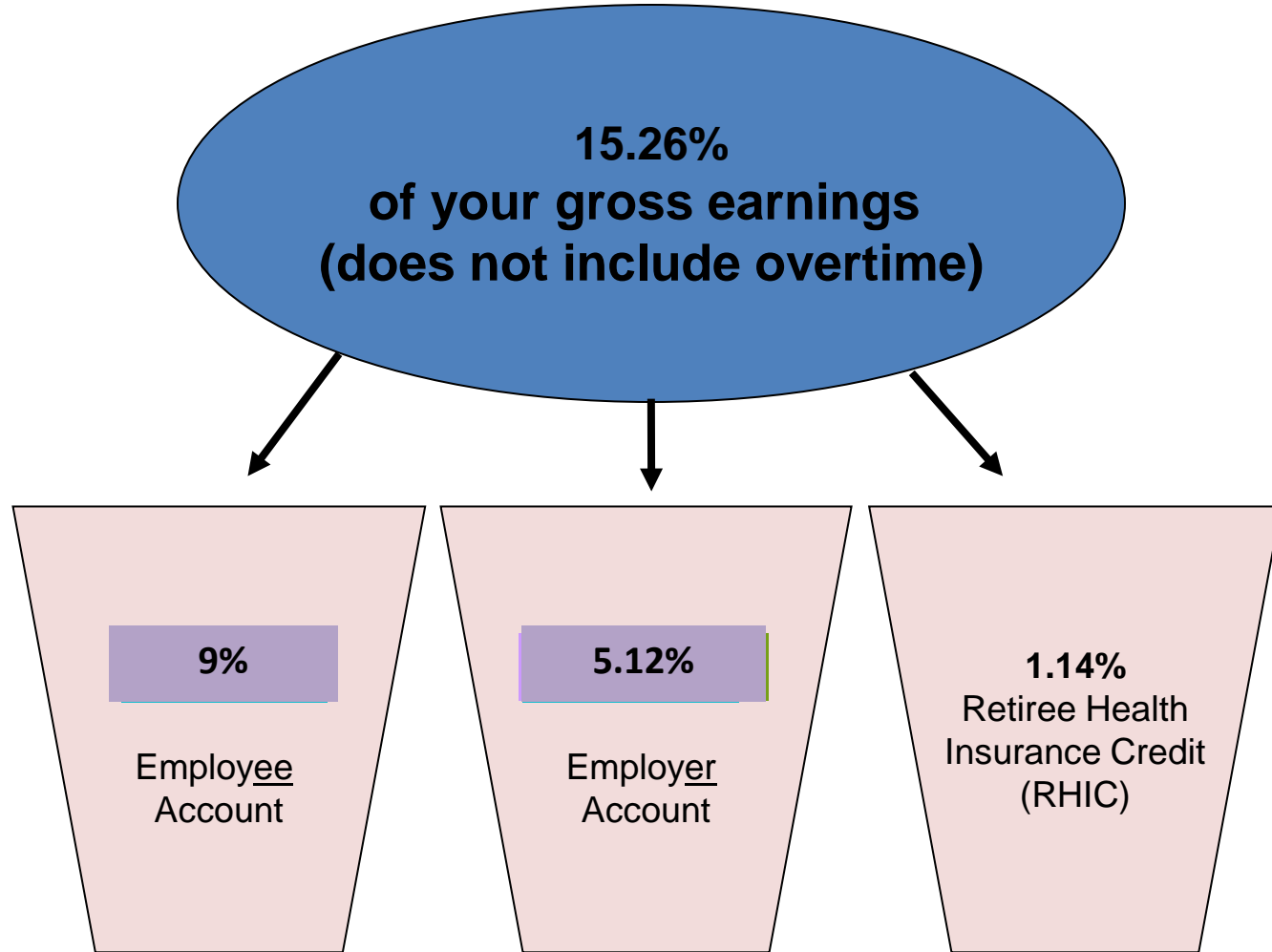


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 1 & 2)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

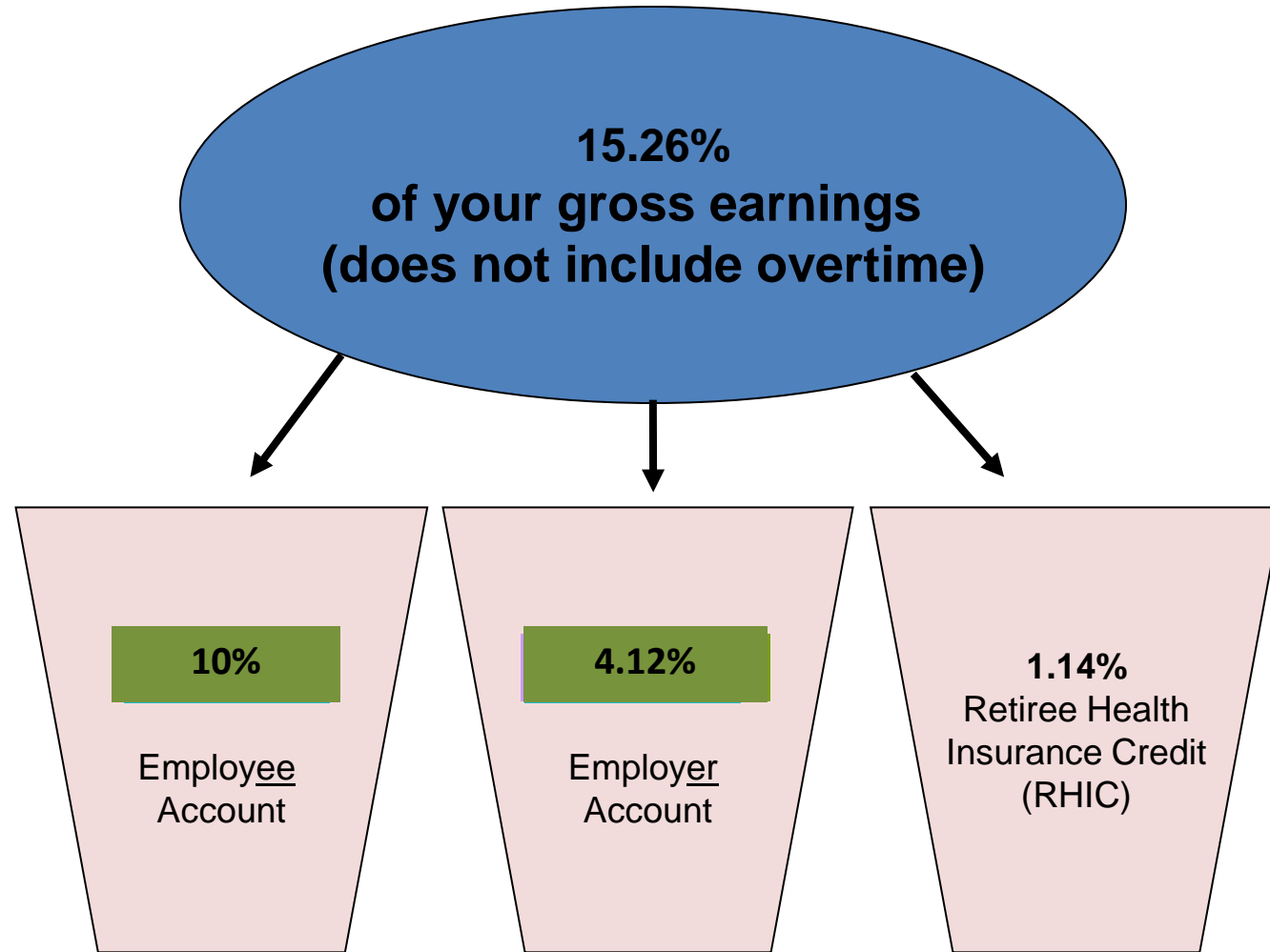


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 1 & 2)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

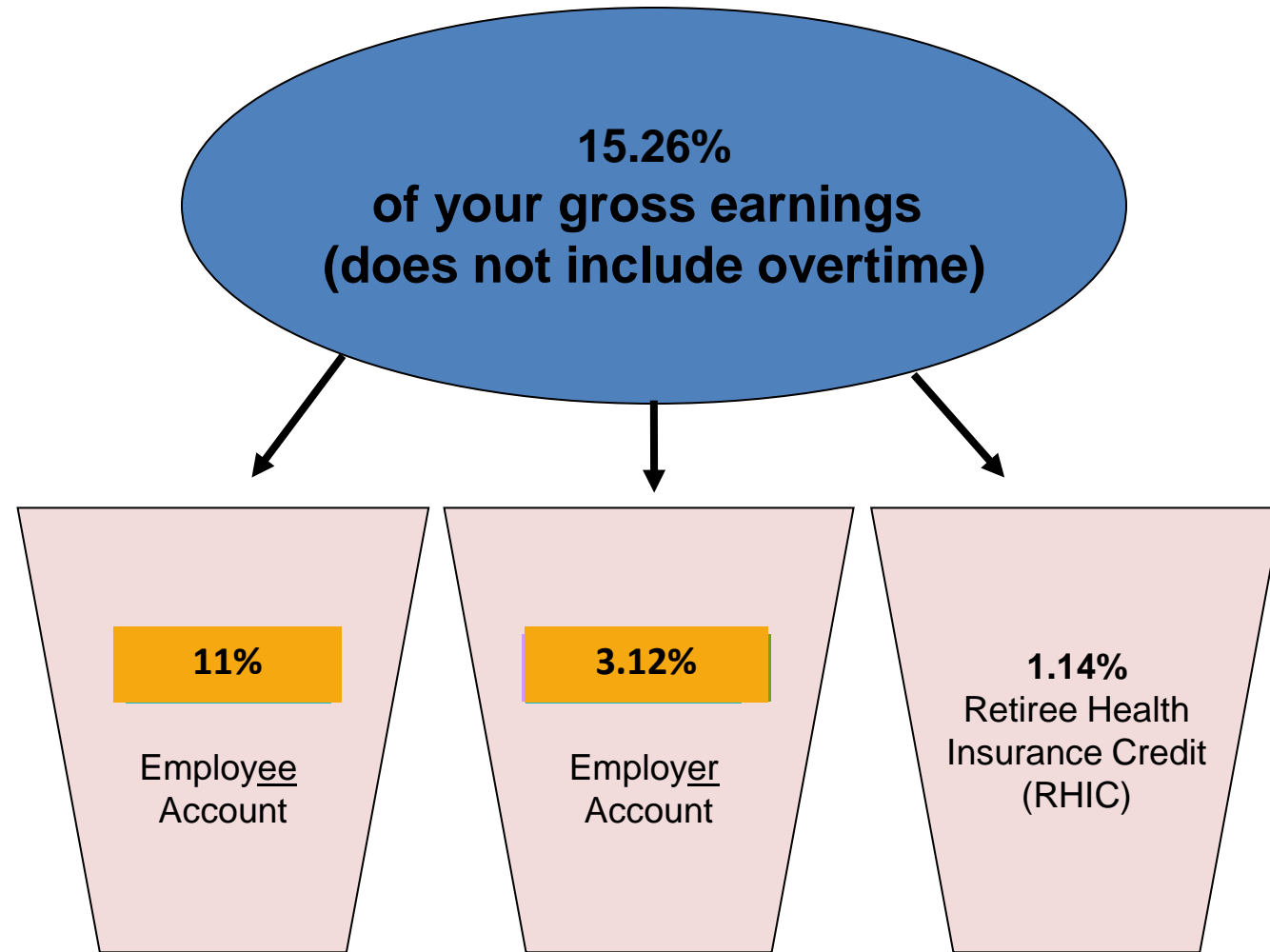


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 1 & 2)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25



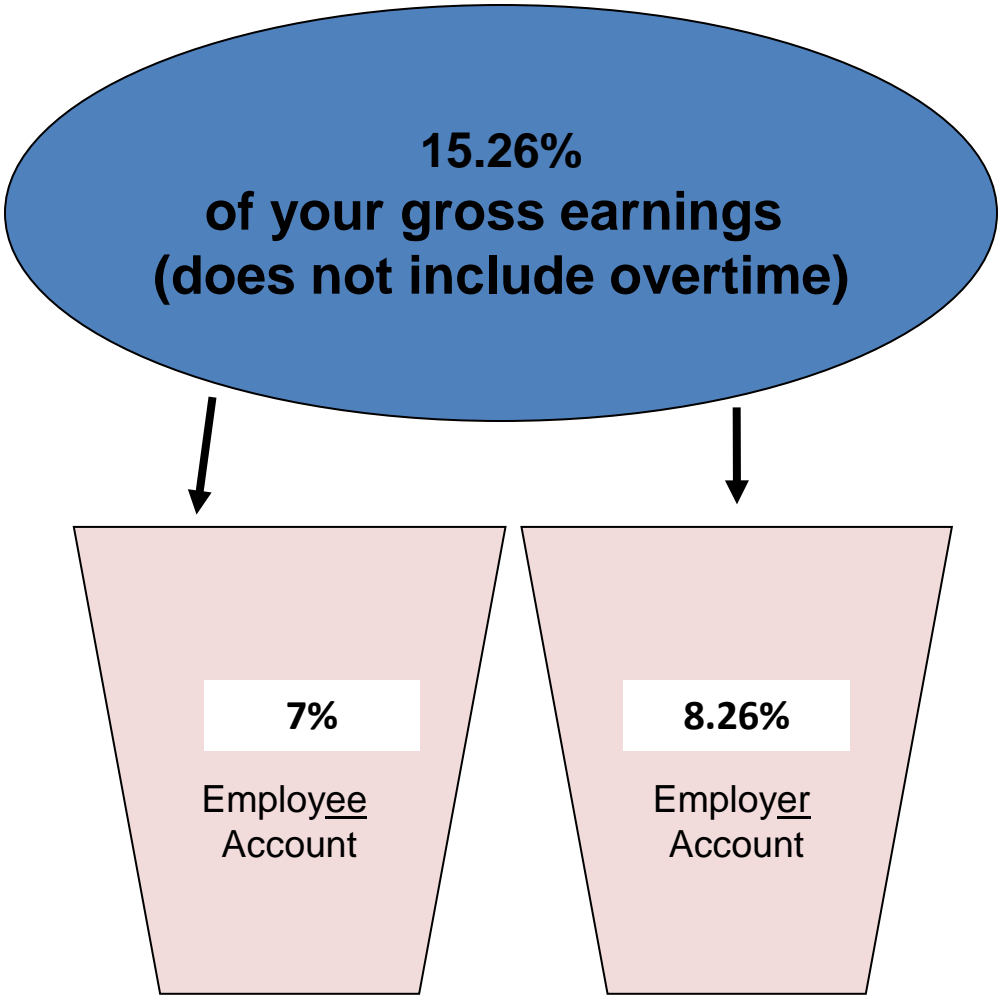
NDPERS distributes into these accounts

Portability Enhancement Provision (PEP) Tier 3

DB Plan

Contribution Allocation with PEP (Tier 3)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

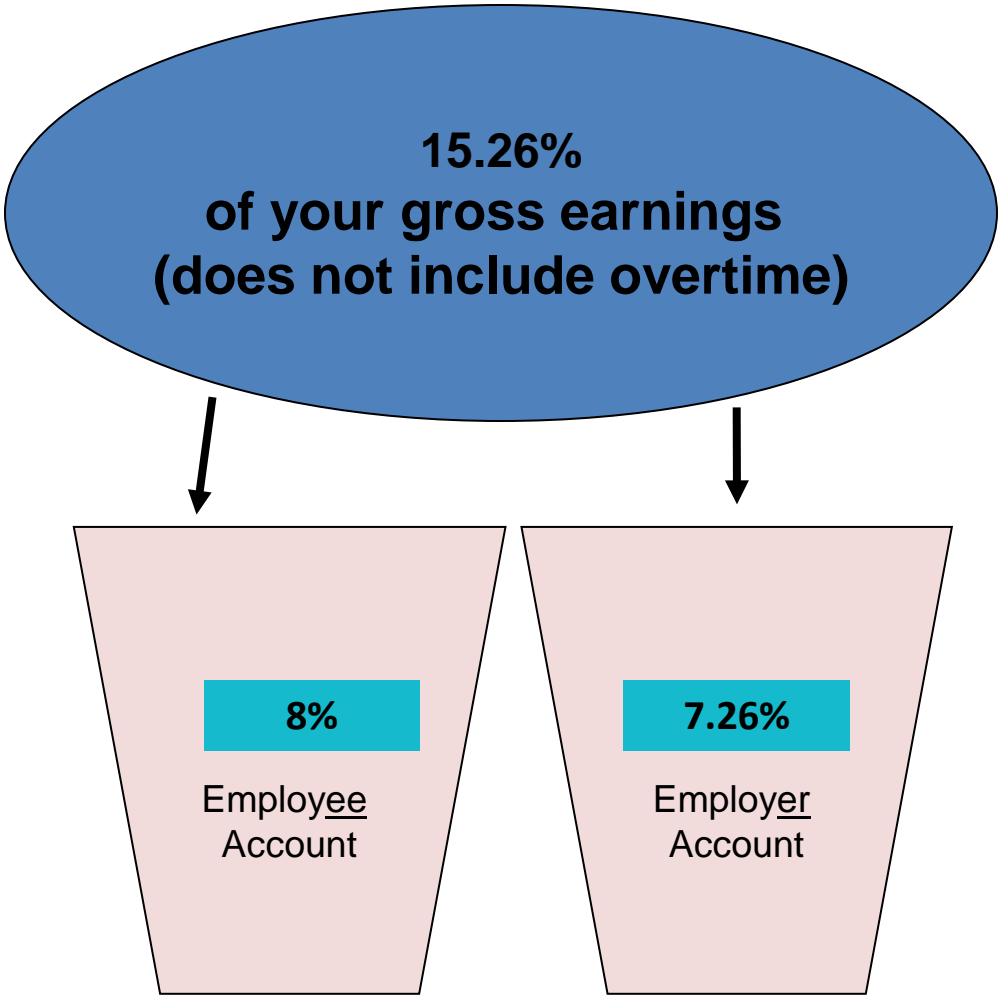


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 3)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

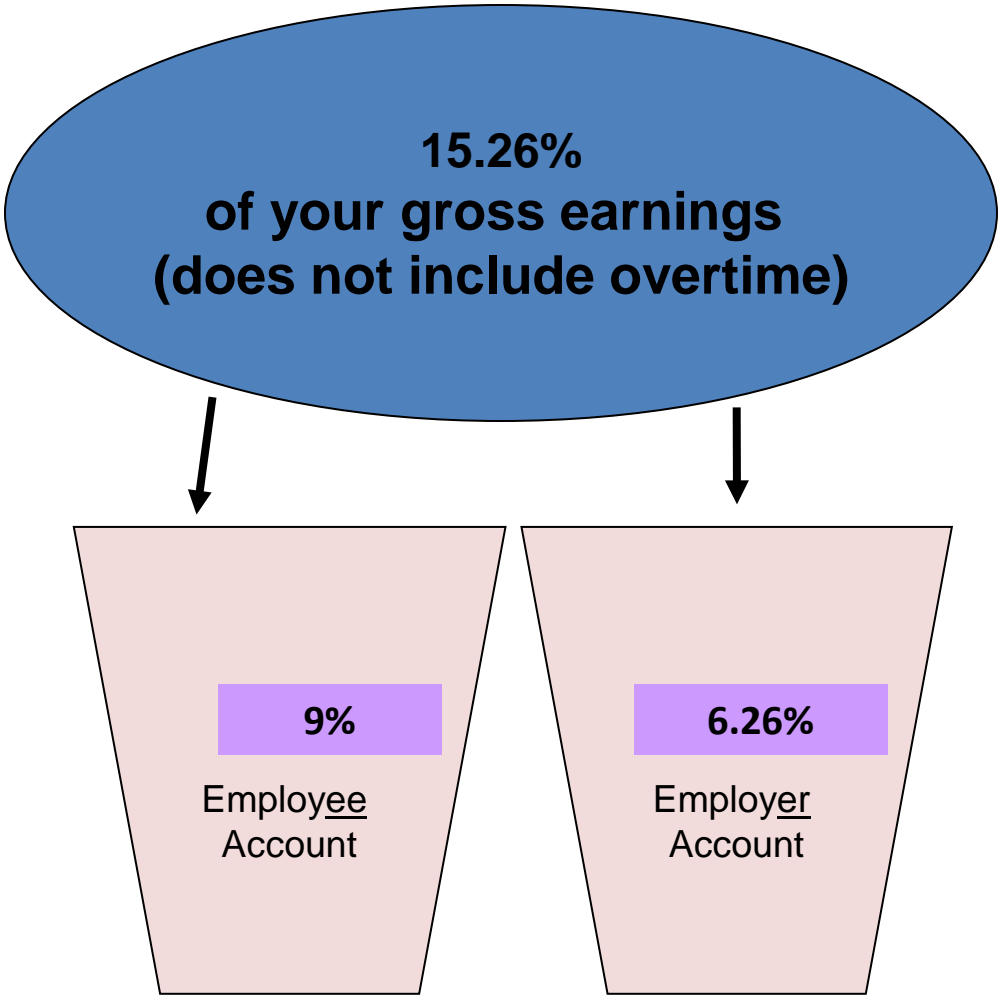


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 3)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

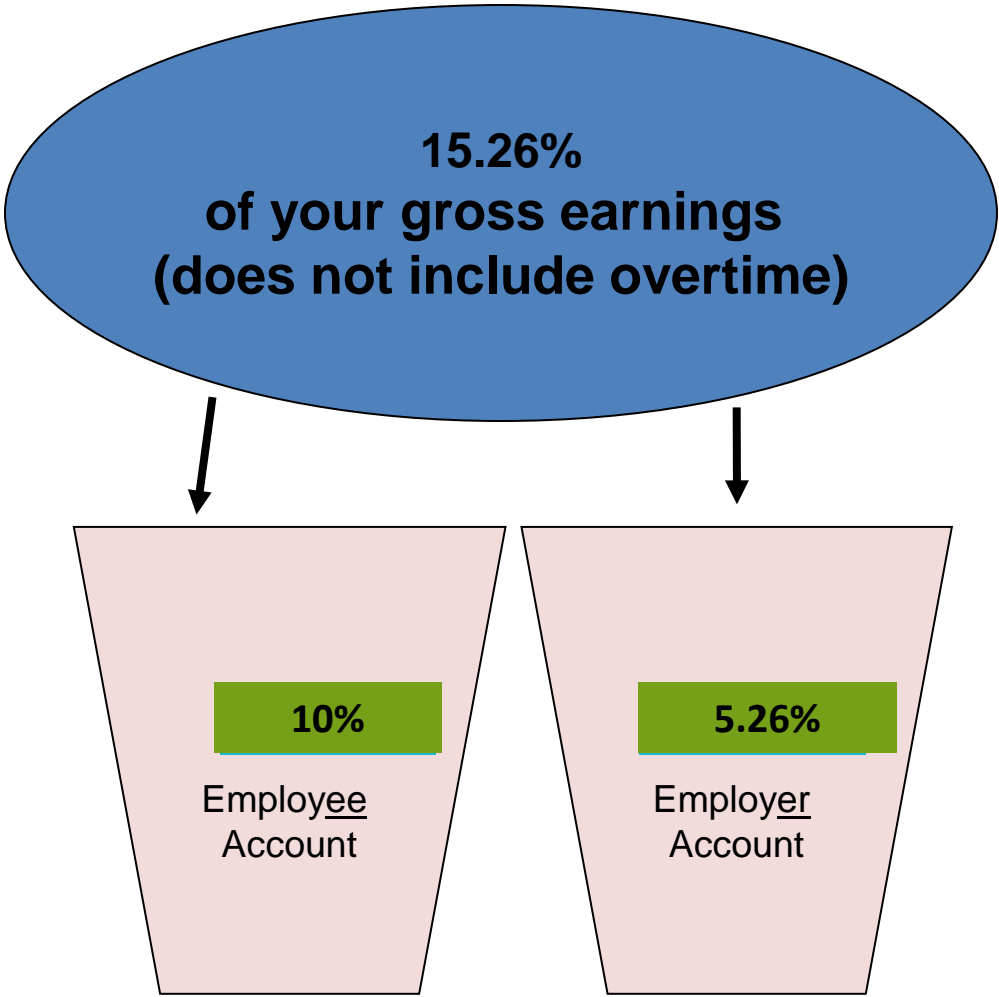


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 3)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25

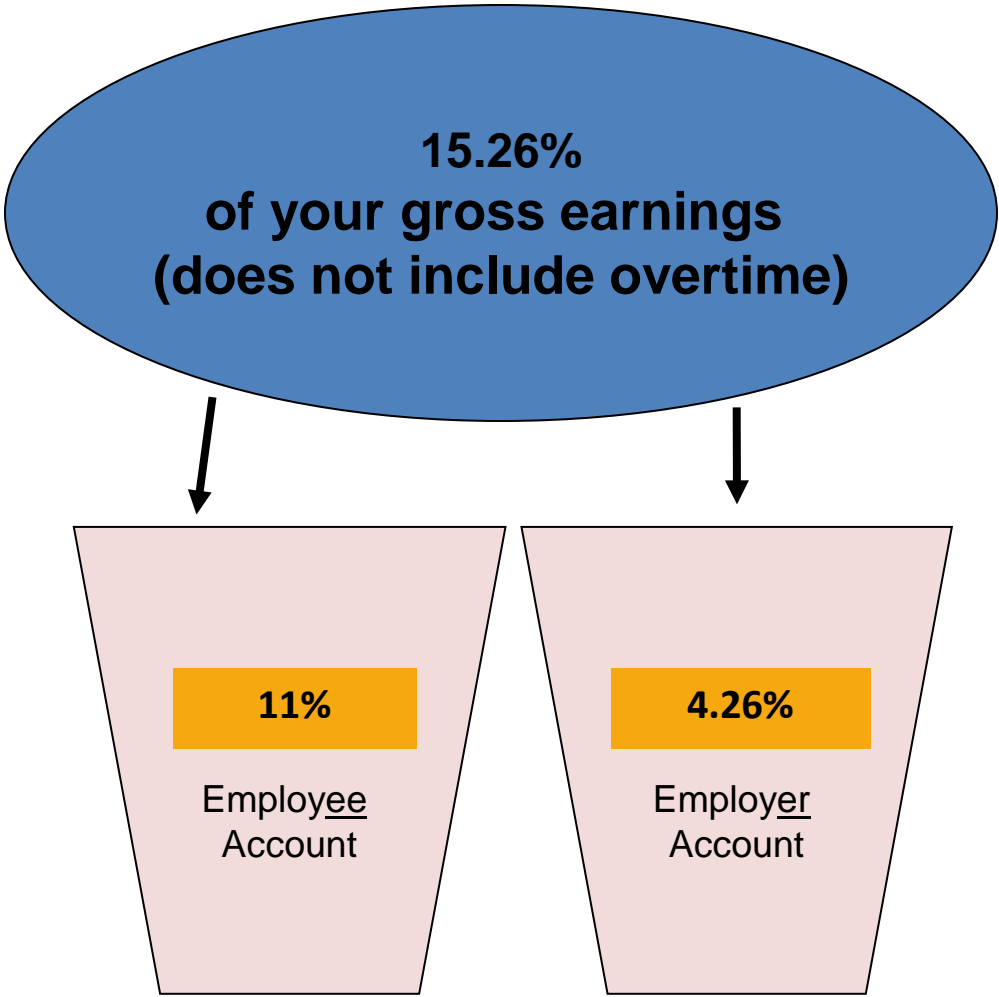


NDPERS distributes into these accounts

DB Plan

Contribution Allocation with PEP (Tier 3)

Years of Service	Your Investment in Deferred Comp
0-12 months	1% of gross pay or minimum of \$25
13-24 months	2% or minimum of \$25
25-36 months	3% or minimum of \$25
37 + months	4% or minimum of \$25



NDPERS distributes into these accounts

How To Activate PEP

- ❑ If enrolled in an eligible deferred compensation plan, PEP is automatic
- ❑ If you're not at the maximum, consider increasing your contribution
- ❑ If not enrolled, contact a Deferred Comp provider representative to enroll
- ❑ Qualifying "Other 457 / 403B" Plan



Are You Retiring Soon?



Retirement Timeline

- The termination date for purposes of processing an application must be the last date (paycheck) for which a member receives salary.
- Applications must be filed with NDPERS at least thirty (30) days before the retirement date or before the benefit payment begins.
- If a lump sum distribution elected, the refund will be processed within 60 – 90 days.
- May defer receiving a distribution to a later date.

Retirement Timeline Example

If a monthly pension benefit is elected, an example of the timeline is as follows:

- April – termination date in April
- April – last paycheck in April (for non-state agencies)
or May 1 (for state agencies)
- April – application received by NDPERS
- May 1 – NDPERS retirement date
- June 1 – first pension check (double payment – includes May and June)
- June 1 – NDPERS retirement insurances begin (if enrolled)
- June 1 – RHIC available (retro to May 1)

Preparing for Retirement

- Determine when your last paycheck will be issued
- Determine when your active insurance ends
- Determine your sick leave balance and if you would like to purchase the converted sick leave
- Find your birth certificate and your spouse's birth certificate (if married)
- Find your marriage certificate (if married)
- Gather your beneficiary(ies) information: *Name, Address, Date of Birth, Social Security Number*
- Submit a voided check
- Your forms must be received and on file with NDPERS 30 days before your retirement date or your retirement payment will be delayed

Make an appointment with NDPERS if you would like to discuss your options and have assistance completing forms

Medicare

Medicare eligible?

- If you will be Medicare eligible, apply for Medicare 60 days before you retire

Steps to follow with your employer?

- Notify your employer that you are leaving service
- If authorizing your employer to send sick and annual leave payout to your deferred comp provider, SFN 3803 must be on file with NDPERS two months before you leave service.

Within Reach:

Transitioning from career
to retirement

Lance Olson

April 6, 2022



- Evaluate where you are now
- Retirement income
- Taxes
- Healthcare
- Insurance
- Estate planning
- Risks
- Action steps and Q&A

What's the most important thing to consider doing as you approach retirement?

- A. Signing up for Medicare
- B. Planning your retirement party. Then plan what you'll do once you're retired.
- C. Talking to a financial consultant about how much you'll need to live on
- D. Writing your will

Evaluate Where You Are Now: A mental checklist



- Evaluate your retirement savings
- Pay off debt and reduce expenses to free up cash to fund short- and long-term goals
- Know how to fund the retirement you want



Assess where you are now



- Define your personal goals
- Consider your benefits
- Assess your savings
- Make a budget for retirement



- Be flexible
- Allocate assets wisely
- This is a risky endeavor. Exercise caution!
- Be realistic
- Diversification can be an important strategy

Diversification is a technique to help reduce risk. However, there is no guarantee that diversification will protect against a loss of income. There is no guarantee that asset allocation reduces risk or increases returns.

Checklist: Retirement income



- Possible sources
 - NDPERS pension
 - Social Security
 - NDPERS 457 Deferred Compensation (DC) Companion Plan
 - Other IRAs, 401(k) and 403(b)
 - Stock dividends
 - Bonds
 - Interest income and savings accounts
 - Continuing to work
 - Pay off debt and reduce other expenses



Bank savings accounts are insured by the FDIC and may offer a fixed rate of return, whereas the return and principal value of other investments will fluctuate with changes in market conditions. Rates on government bonds are fixed and principal, if held to maturity, is guaranteed. U.S. corporate bonds offer a fixed rate of return and principal value.

- Lump-sum withdrawal
- Systematic withdrawals
- Purchasing DB service credits
- Rollover to outside provider

Prior to rolling over, consider your other options. You may be able to leave money in your current plan, withdraw cash or roll over the assets to a new employer's plan, if one is available and rollovers are permitted. Compare the differences in investment options, services, fees and expenses, withdrawal options, required minimum distributions, other plan features and tax treatment. Speak with a TIAA consultant and your tax advisor regarding your situation.

- Decide on a realistic retirement date
- Determine which income sources to draw from first
- Integrate your planning with retirement plans for your spouse or significant other
- What will you do with your 401(k) or 403(b), your pension?
(There are tax implications.)
- Selling a house? You may need to consider capital gains tax.

The TIAA group of companies does not offer tax or legal advice. Please see your personal tax and legal advisors regarding your particular situation.

Checklist: Milestone review



Age	Milestone
59½	Withdrawals from tax-advantaged retirement plans no longer subject to 10% early-withdrawal penalty
62	Minimum age to receive Social Security benefits, but at a reduced amount
66	Full Social Security benefits (regardless of any future earnings) available if you were born between 1943 and 1954
67	Full Social Security benefits available if you were born in 1960 or later
72*	<div>Must begin withdrawing funds from your retirement plans<ul style="list-style-type: none">▪ Employer plans: By April 1 following the year you turn age 72* or retire from the sponsoring employer, whichever is later▪ IRAs (except Roth IRAs): By April 1 following the year you turn age 72*</div>
75	Must begin withdrawing funds exempt from age 72* distribution requirement (funds contributed to a 403(b) plan before January 1, 1987), unless you are still employed and meet certain criteria
90	Must begin income from after-tax annuities. Latest you can start taking lifetime annuity income from a TIAA retirement account

*Age 72 applies if you were born on or after July 1, 1949. If you were born before that date, your RMD age is 70½

Checklist: What can derail your plan



- Health
- Long-term care



- Leave your estate in order. (Your loved ones will be eternally grateful.)
- Consult the proper experts to help you create an estate plan
 - Attorneys
 - Tax advisors/Accountants
- Check with people you know who have worked with an attorney on estate planning; interview the attorney before hiring him or her
- Consider meeting with a financial consultant for support on product needs

Diversify your portfolio

- Diversification may help you avoid big changes in the value of your investments
- Diversify by sector, too

Allocate appropriately

- Most of a portfolio's performance is linked to the way it's allocated

Adjust as needed

- Change your draw down strategy and asset allocation, as needed, throughout your retirement

Diversification is a technique to help reduce risk. However, there is no guarantee that diversification will protect against a loss of income. Please note that there is no guarantee that asset allocation reduces risk or increases returns.

Find the following online tools and many others at TIAA.org/tools

- Retirement Income Illustrator—TIAA.org/Incomellustrator
- Retirement Advisor—TIAA.org/setyourgoals
- Preparing for Retirement—TIAA.org/pfr
- Lifetime Income Calculator—TIAA.org/incomecalculator

And some additional resources...

aarp.org

medicare.gov

Please note that we offer these third-party websites as a convenience to you and do not endorse any of them or any of their views, sponsors, policies, activities, products, or any services offered by them. We are not responsible for the contents of the websites.

What will you do next?



- Be flexible as you reach retirement
- Allocate appropriately for your situation
- Review your retirement plan regularly. Adjust it when needed

Questions?



Thank you!



You can call **800-732-8353**, weekdays, 8 a.m. to 8 p.m. (ET) to schedule a one-on-one session with a TIAA Financial Consultant.



Or you can schedule online at **[TIAA.org/schedulenow](https://www.tiaa.org/schedulenow)**

*The AARP agrees that people need to think about more than money as they prepare to retire—and to help create a new life map for themselves.*¹

¹ AARP, “Ready, Set ... Retire!,” accessed online November 2019

*When it comes to your actual investment portfolio, no other factor will have a bigger impact on your portfolio's success or failure than your asset-allocation plan.*²

² Morningstar, “6 Retirement Asset-Allocation Pitfalls to Avoid,” accessed online November 2019

*It pays to wait—Social Security monthly benefits are 76% higher at age 70 than 62.*³

³ Social Security Administration, “When to Start Receiving Retirement Benefits,” January 2019

*Short-term capital gains are from the sale of investments held for one year or less, while long-term capital gains are from the sale of shares held for one year or more. The capital gains tax rate usually depends on your income. For most taxpayers a zero or 15 percent rate will apply, though this can go up to a 25 or 28 percent rate on certain types of net capital gains.*⁴

⁴ IRS, “Ten Facts That You Should Know about Capital Gains and Losses,” accessed online November 2019

*Average life expectancy for a 65-year-old in the United States is 84 years old for men and 87 years old for women.*⁵

⁵ Social Security Administration, “Calculators: Life Expectancy,” accessed online November 2019

*Annual family premiums for employer-sponsored health insurance rose 5% to average \$20,576 in 2019. Since 2009, average family premiums have increased 54%.*⁶

⁶ Kaiser Family Foundation, “Benchmark Employer Survey Finds Average Family Premiums Now Top \$20,000,” September 2019

“Working-spouse” provisions continue to be a trend to their health coverage plans. 33% of large employers will impose a surcharge for spouses who can obtain coverage through their own employer, and the average annual spousal surcharge will be \$1,200. Only 6% of respondents will exclude spouses entirely when similar health coverage is available through the spouse's own employer.⁷

⁷ Society for Human Resources Management, “For 2019, Employers Adjust Health Benefits as Costs Near \$15,000 per Employee,” August 2018

Since 2009, workers’ contributions have increased 71%, several times more quickly than wages (26%) and inflation (20%).⁸

⁸ Kaiser Family Foundation, “Benchmark Employer Survey Finds Average Family Premiums Now Top \$20,000,” September 2019

Average annual out-of-pocket healthcare expenses—in addition to your monthly premiums—can be as much as \$8,200 for individuals and \$16,400 for family plans.⁹

⁹ Healthcare.gov, “Out-of-pocket maximum/limit,” accessed online March 2021

If you wait longer, your Medicare medical insurance (Part B) and prescription drug coverage (Part D) may cost you more money.¹⁰

¹⁰ Social Security Administration, “Retirement Planner: Benefits by Year of Birth,” accessed online November 2019

For the approximately 54.5 million Americans enrolled in Medicare Part B, the standard premium in 2021 will be \$148.5 (or higher depending on your income) and the deductible will be \$203.¹¹

¹¹ Medicare, “Part B Costs,” accessed online March 2021



Withdrawals of earnings from a retirement account or annuity are subject to ordinary income tax, plus a possible federal 10% penalty if you make a withdrawal before age 59½.

Annuities are designed for retirement savings or for other long-term goals. They offer several payment options, including lifetime income. Guarantees are based on the claims-paying ability of the issuing company. Payments from variable annuities are not guaranteed, and the payment amounts may rise or fall depending on investment returns. The contract value of a deferred variable annuity is subject to market fluctuations and investment risk so that, when withdrawn, it may be worth more or less than its original value.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 877-518-9161 or log in to TIAA.org for underlying product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

This material is for informational or educational purposes only and does not constitute fiduciary investment advice under ERISA, a securities recommendation under all securities laws, or an insurance product recommendation under state insurance laws or regulations. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

Investment, insurance, and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

The tax information in this guide is not intended to be used, and cannot be used, to avoid possible tax penalties. The TIAA group of companies does not provide legal or tax advice. Please consult with your legal or tax advisor.



Investment products may be subject to market and other risk factors. See the applicable product literature, or visit **TIAA.org** for details.

TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributes securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. Each of the foregoing is solely responsible for its own financial condition and contractual obligations.

TIAA.org

©2021 Teachers Insurance and Annuity Association of America-College Retirement Equities Fund, 730 Third Avenue, New York, NY 10017

BUILT TO PERFORM.

CREATED TO SERVE.



Social Security: With You Through Life's Journey



Securing today
and tomorrow



Presentation Overview – 2022

- Program Introduction
- Retirement Benefits
- Spouse Benefits
- Survivor Benefits
- Online Services
- Q & A



Information contained in this presentation is subject to changes in legislation, policies, or procedures



Securing today
and tomorrow

SSA.gov

Did You Know?

There were over **4.7 million** reports of fraud, identity theft and other reports to the Federal Trade Commission in 2020.



1 in 5 people lost money in imposter scams in 2020, totaling **\$1,190 million**.



Securing today
and tomorrow

[SSA.gov](https://www.ssa.gov)



Scam Awareness - 3 Tips to Protect Yourself

- Understand the threats.
- Exercise caution.
- Secure your information.

To report fraud, go to: <https://oig.ssa.gov>



Securing today
and tomorrow

SSA.gov



Scam Awareness & Social Security

- We do contact citizens - generally those who have ongoing business with Social Security - by telephone for customer-service purposes.
- Social Security employees will never threaten you for information; we will not state that you face potential arrest or other legal action if you fail to provide information.
- In those cases, the call is fraudulent, and you should just hang up. Don't give out any information.



Securing today
and tomorrow

SSA.gov

We Wouldn't Miss Your Retirement Party



Securing today
and tomorrow

[SSA.gov](https://www.ssa.gov)



How Do You Qualify for Retirement Benefits?

- By earning “credits” when you work and pay Social Security taxes
- You need 40 credits (10 years of work) and you must be 62 or older
- Each \$1,510 in earnings gives you one credit
- You can earn a maximum of 4 credits per year

Note: To earn 4 credits in 2022, you must earn at least \$6,040.

ssa.gov/planners/credits.html



Securing today
and tomorrow

SSA.gov



How Social Security Determines Your Benefit

Benefits are based on earnings

Step 1 - Your wages are adjusted for changes in wage levels over time

Step 2 - Find the monthly average of your 35 highest earnings years

Step 3 - Result is “average indexed monthly earnings”

ssa.gov/OACT/COLA/Benefits.html

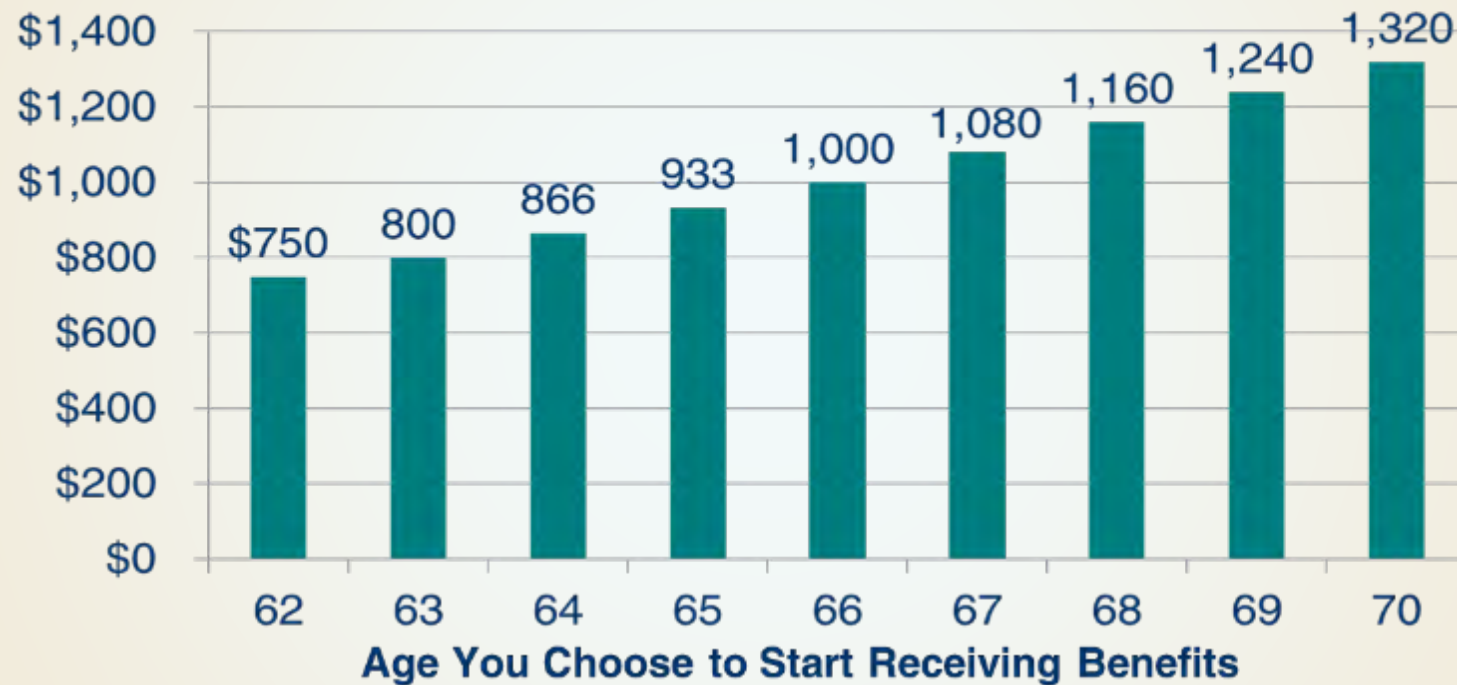


Securing today
and tomorrow

SSA.gov

What Is the Best Age to Start Receiving Social Security Retirement Benefits?

Monthly Benefit Amounts Differ Based on the Age You Decide to Start Receiving Benefits



Note: This example assumes a benefit of \$1,000 at a full retirement age of 66



Securing today
and tomorrow

SSA.gov

Benefits Chart by Age

Year of Birth	Full Retirement Age	A \$1000 retirement benefit taken at age 62 would be reduced by	A \$500 spouse benefit taken at age 62 would be reduced by
1943-1954	66	25%	30%
1955	66 and 2 months	25.83%	30.83%
1956	66 and 4 months	26.67%	31.67%
1957	66 and 6 months	27.5%	32.5%
1958	66 and 8 months	28.33%	33.33%
1959	66 and 10 months	29.17%	34.17%
1960 +	67	30%	35%

ssa.gov/oact/quickcalc/earlyretire.html



Securing today
and tomorrow

SSA.gov

Working While Receiving Benefits

If you are	You can make up to	If you earn more, some benefits will be withheld
Under Full Retirement Age	\$19,560/yr.	\$1 for every \$2
The Year Full Retirement Age is Reached	\$51,960/yr. before month of full retirement age	\$1 for every \$3
Month of Full Retirement Age and Above	No Limit	No Limit

Note: If some of your retirement benefits are withheld because of your earnings, your benefits will be **increased starting at your full retirement age** to take into account those months in which benefits were withheld.



Securing today
and tomorrow

Retirement Earnings Test Calculator:
ssa.gov/OACT/COLA/RTeffect.html

SSA.gov

Taxation of Social Security Benefits

Your adjusted gross income
+ Nontaxable interest
+ $\frac{1}{2}$ of your Social Security benefits
= Your "**combined income**"

Federal Tax Filing Status	"Combined Income"	Taxable Percentage
Individual	\$25,000 - \$34,000	50%
Individual	Over \$34,000	85%
Married Jointly	\$32,000 - \$44,000	50%
Married Jointly	Over \$44,000	85%



Securing today
and tomorrow

SSA.gov

We'll Be Here For Your Family In The Future



Securing today
and tomorrow

[SSA.gov](https://www.ssa.gov)



Benefits for a Spouse

- Maximum benefit = 50% of worker's unreduced benefit
- Reduction for early retirement
- If spouse's own benefit is less than 50% of the worker's, they will be combined to equal to 50% of the worker's
- Does not reduce payment to the worker
- Benefit is unreduced if spouse is caring for worker's child younger than age 16 or disabled
- Spouse benefits are not payable until worker collects

<https://www.ssa.gov/planners/retire/yourspouse.html>



Securing today
and tomorrow

SSA.gov

Spouse Benefit Computation

Kelly's own Full Retirement Age (FRA) benefit = **\$800**

Kelly's spouse/Ex-spouse FRA amount = **\$2,000**

\$1,000 Kelly's max spouse benefit (**50%** of **\$2,000**)

- **\$800** Kelly's own FRA benefit

\$200 Kelly's **spousal** payment

Kelly's spousal benefit (**\$200**) is added to Kelly's own FRA benefit (**\$800**) for a **total benefit** of **\$1,000**



Securing today
and tomorrow

SSA.gov



Benefits for Divorced Spouses

You may receive benefits on your former spouse's record (even if he or she has remarried) if:

- Marriage lasted at least 10 years
- You are unmarried
- You are age 62 or older
- Your ex-spouse is at least 62 and eligible for Social Security retirement or disability benefits, even if not collecting
- Benefit you would receive based on your own work is less than benefit you would receive based on ex-spouse's work

ssa.gov/planners/retire/yourdivspouse.html



Securing today
and tomorrow

SSA.gov

Survivor Benefits

Child	May receive benefits if unmarried and younger than age 18 (or younger than 19 if still in high school)
Disabled Child	May receive benefits after age 18 if unmarried (unless married to another beneficiary) and disabled before age 22
Widow/er or Divorced Widow/er (Remarriage after age 60 will not affect benefits)	May receive full benefits at full retirement age or reduced benefits: <ul style="list-style-type: none">• as early as age 60• as early as 50, if disabled• at any age if caring for child younger than 16 or disabled

ssa.gov/planners/survivors



Securing today
and tomorrow

SSA.gov



Survivor Benefits

When you pass away, your surviving spouse may:

- At full retirement age, receive 100% of deceased worker's unreduced benefit; or,
- At age 60, receive 71.5% of your full benefit and increases each month you wait up to 100% if you start at full retirement age; or
- Claim survivor benefits at any age between 60 and full retirement age.



Securing today
and tomorrow

[SSA.gov](https://www.ssa.gov)



You can switch to retirement on your own record as early as age 62 if that benefit is higher than your surviving spouse's benefit.

OR

You can take retirement as early as age 62, then switch to surviving spouse's at full retirement age if benefit is higher.



Securing today
and tomorrow

[SSA.gov](https://www.ssa.gov)



Other Survivor Benefits

- Lump Sum Death Payment of \$255 is a one-time payment to surviving spouse or child(ren) who meet certain requirements
- Parents' Benefits are for a parent age 62 or older who was receiving at least one-half support from deceased son or daughter

ssa.gov/planners/survivors/ifyou.html



Securing today
and tomorrow

SSA.gov

Spouse vs. Surviving Spouse Benefits

Spouse (living)	Surviving Spouse (deceased)
May start as early as age 62	May start as early as age 60 or as early as 50 if disabled
50% if you wait until FRA or later	71.5% at age 60, increases each month you wait
Less than 50% if you start before FRA (reduction for each month you take benefit early)	100% if you start at FRA or later

Certain conditions must be met.

ssa.gov/planners/survivors/ifyou.html#h6



Securing today
and tomorrow

SSA.gov



Auxiliary Benefits for Children

A child must have:

- A parent who's disabled or retired and entitled to Social Security benefits; or
- A parent who died after having worked long enough in a job where they paid Social Security taxes.

The child must also be:

- Unmarried;
- Younger than age 18;
- 18-19 years old and a full-time student (no higher than grade 12);
- 18 or older and disabled from a disability that started before age 22.

ssa.gov/planners/retire/applying7.html



Securing today
and tomorrow

SSA.gov

How to Apply for Benefits



File online for Retirement, Spouse, Disability, or Medicare Only

- If you are disabled, you can file for Retirement and Disability with same application if you are at least 62 but not yet FRA.
- Survivor* application is not available online.



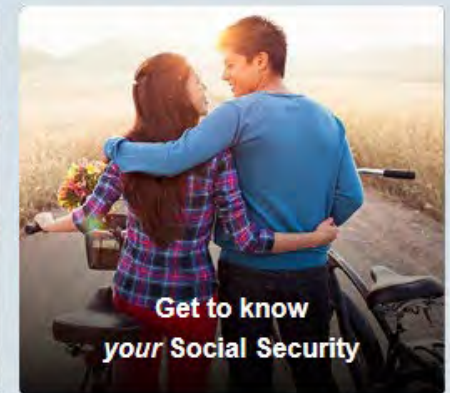
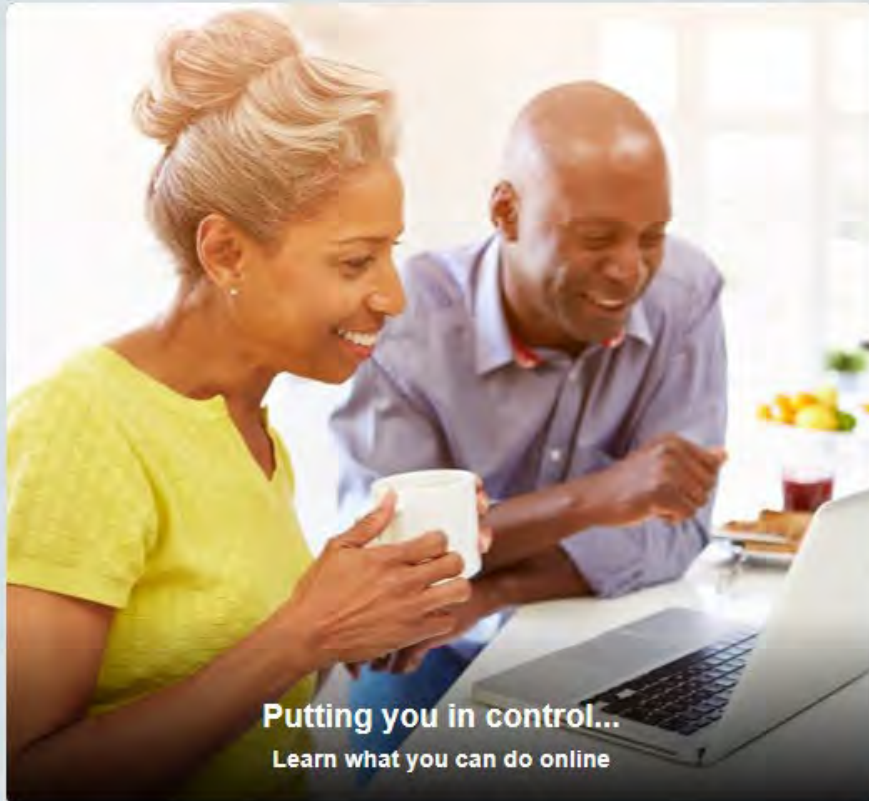
Schedule phone appointment at 1-800-772-1213

****Child and survivor claims can only be done by phone or in office.***



Securing today
and tomorrow

SSA.gov



my Social Security

Check out your *Social Security Statement*, change your address & manage your benefits online today.



Social Security Number

Your Social Security number remains your first and continuous link with Social Security.



Retirement Estimator

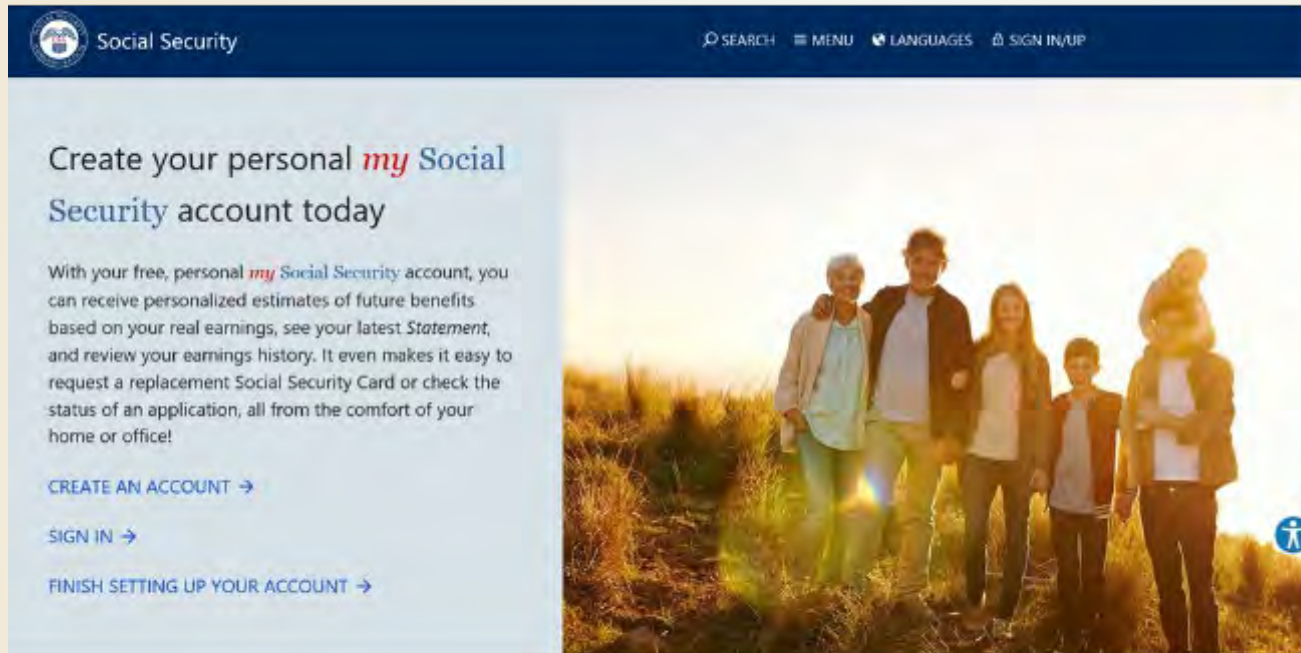
Calculate your benefits based on your actual Social Security earnings record.



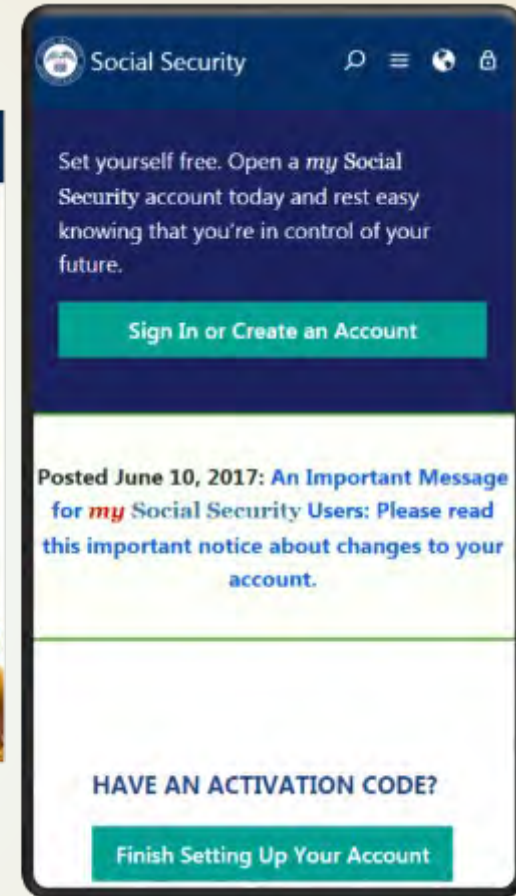
FAQs

Get answers to frequently asked questions about Social Security.

my Social Security



The desktop view of the my Social Security website features a dark blue header with the Social Security logo, a search icon, a menu icon, a languages icon, and a sign in/up link. The main content area has a light blue background on the left with the heading "Create your personal *my* Social Security account today". Below this heading is a paragraph explaining the benefits of a free account, such as receiving personalized estimates of future benefits, seeing the latest Statement, and reviewing earnings history. It also mentions the ability to request a replacement Social Security Card or check the status of an application. Three links are provided: "CREATE AN ACCOUNT →", "SIGN IN →", and "FINISH SETTING UP YOUR ACCOUNT →". To the right of the text is a large image of a diverse group of people (an older couple, a young couple, and a child) standing in a field at sunset. A small accessibility icon is visible in the bottom right corner of the image.



The mobile view of the my Social Security website features a dark blue header with the Social Security logo, a search icon, a menu icon, a languages icon, and a sign in/up link. The main content area has a dark blue background with the text "Set yourself free. Open a *my* Social Security account today and rest easy knowing that you're in control of your future." Below this text is a green button labeled "Sign In or Create an Account". A white box contains a notice: "Posted June 10, 2017: An Important Message for *my* Social Security Users: Please read this important notice about changes to your account." Below the notice is a green button labeled "Finish Setting Up Your Account".

ssa.gov/myaccount



Securing today
and tomorrow

SSA.gov



How to Open a *my* Social Security Account

1. Visit ssa.gov/myaccount
2. Select: “Sign In or Create an Account”
3. Provide some personal information to verify your identity (answer “out of wallet” questions)
4. Choose a username and password
5. Select how to receive a security code every time you access your account (text or email)



Securing today
and tomorrow

SSA.gov



Your Social Security Statement

WANDA WORKER

October 2, 2021

Retirement Benefits

You have earned enough credits to qualify for retirement benefits. To qualify for benefits, you earn "credits" through your work — up to four each year. Your full retirement age is 67, based on your date of birth: April 10, 1960. As shown in the chart, you can start your benefits at any time between ages 62 and 70. **For each month you wait to start your benefits, your monthly benefit will be higher—for the rest of your life.**

These personalized estimates are based on your earnings to date and assume you continue to earn \$51,995 per year until you start your benefits. To learn more about retirement benefits, visit ssa.gov/benefits/retirement/learn.html.

Disability Benefits

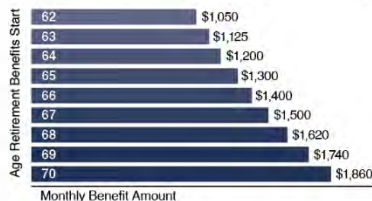
You have earned enough credits to qualify for disability benefits. If you became disabled right now, your monthly payment would be about **\$1,656 a month**.

Survivors Benefits

You have earned enough credits for your eligible family members to receive survivors benefits. If you die this year, members of your family who may qualify for monthly benefits include:

Minor child:	\$2,129
Spouse, if caring for a disabled child or child younger than age 16:	\$2,129
Spouse, if benefits start at full retirement age:	\$2,838
Total family benefits cannot be more than:	\$4,968
Your spouse or minor child may be eligible for an additional one-time death benefit of \$255.	

Personalized Monthly Retirement Benefit Estimates (Depending on the Age You Start)



Medicare

You have enough credits to qualify for Medicare at age 65. Medicare is the federal health insurance program for:

- people age 65 and older,
- under 65 with certain disabilities, and
- people of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Even if you do not retire at age 65, you may need to sign up for Medicare within 3 months of your 65th birthday to **avoid a lifetime late enrollment penalty**. Special rules may apply if you are covered by certain group health plans through work.

For more information about Medicare, visit medicare.gov or ssa.gov/medicare or call 1-800-MEDICARE (1-800-633-4227) (TTY 1-877-486-2048).

Earnings Record

Review your earnings history below to ensure it is accurate. This is important because we base your future benefits on our record of your earnings. There's a limit to the amount of earnings you pay Social Security taxes on each year. Earnings above the limit do not appear on your earnings record. We have combined your earlier years of earnings, but you can view them online with [my Social Security](https://my.ssa.gov). **If you find an error view your full earnings record online and call 1-800-772-1213.**

Work Year	Earnings Taxed for Social Security	Earnings Taxed for Medicare (began 1966)
1971-1980	\$ 20,000	\$ 20,000
1981-1990	41,250	41,250
1991-2000	257,712	257,712
2001	34,915	34,915
2002	35,591	35,591
2003	36,717	36,717
2004	38,686	38,686
2005	40,325	40,325
2006	42,315	42,315
2007	44,346	44,346
2008	45,437	45,437
2009	44,784	44,784
2010	45,847	45,847
2011	47,146	47,146
2012	48,349	48,349
2013	48,606	48,606
2014	49,860	49,860
2015	50,850	50,850
2016	50,158	50,158
2017	50,440	50,440
2018	50,653	50,653
2019	50,957	50,957
2020	51,995	51,995
2021	Not yet recorded	

Taxes Paid

Total estimated Social Security and Medicare taxes paid over your working career based on your Earnings Record:

Social Security taxes	Medicare taxes
You paid: \$34,288	You paid: \$19,396
Employer(s): \$36,003	Employer(s): \$19,396

Earnings Not Covered by Social Security

You may also have earnings from work not covered by Social Security. This work may have been for federal, state, or local government or in a foreign country.

If you participate in a retirement plan or receive a pension based on work for which you did not pay Social Security tax, it could lower your benefits. To find out more, visit ssa.gov/gpo-wep.

Important Things to Know about Your Social Security Benefits

- Social Security benefits are not intended to be your only source of retirement income. You may need other savings, investments, pensions, or retirement accounts to make sure you have enough money when you retire.
- You need at least 10 years of work (40 credits) to qualify for retirement benefits. Your benefit amount is based on your highest 35 years of earnings. If you have fewer than 35 years of earnings, years without work count as 0 and may reduce your benefit amount.
- We use cost of living adjustments so your benefits will keep up with inflation.
- The age you claim benefits will affect the benefit amount for your surviving spouse.
- If you get retirement or disability benefits, your spouse and children also may qualify for benefits.
- If you are divorced and were married for 10 years, you may be able to claim benefits on your ex-spouse's record. If your divorced spouse receives benefits on your record, that does not affect your or your current spouse's benefit amounts.
- When you apply for either retirement or spousal benefits, you may be required to apply for the other benefit as well.
- For more information about benefits for you and your family, visit ssa.gov/benefits/retirement/planner/applying7.html.
- When you are ready to apply, visit us at ssa.gov/benefits/retirement/apply.html.
- The *Statement* is updated annually. It is available upon request, either online or by mail.

[SSA.gov](https://ssa.gov) | Follow us on social media ssa.gov/socialmedia

Form SSA-7005-SM-OL (05/21)



Securing today
and tomorrow

SSA.gov

Fact Sheets

- We now show supplemental fact sheets, based on a person's age and work history, with the *Statement* to provide additional information helpful to make informed decisions.
- The fact sheets include:
 - Four Age-related fact sheets - (Age Groups 18-48, 49-60, 61-69, and 70+)
 - Four Earnings-related fact sheets for:
 - Workers with non-covered earnings who may be subject to WEP-GPO,
 - Workers who are not fully insured,
 - Workers with an intermittent work history, and
 - New workers
 - Medicare fact sheet (ages 62+)

ssa.gov/myaccount/statement.html



Securing today
and tomorrow

SSA.gov

my Social Security Services

If you do not receive benefits, you can:

- View retirement benefit estimates at different ages or dates when you want to start receiving benefits;
- View possible spouse's benefits;
- Request a replacement Social Security card if you meet certain requirements;
- Check the status of your application or appeal;
- Get a benefit verification letter as proof that you are not getting benefits;
- Get your *Social Security Statement* to review:
 - Estimates of your future retirement, disability, and survivor benefits;
 - Your earnings record, to verify the amounts that we posted are correct; and
 - The estimated Social Security and Medicare taxes you've paid.

ssa.gov/myaccount/what.html



Securing today
and tomorrow

SSA.gov

my Social Security Services

If you receive benefits or have Medicare, you can:

- Opt out of mailed notices for those available online;
- Request a replacement Social Security card if you meet certain requirements;
- Report your wages if you work and receive Disability Insurance (SSDI) and/or Supplemental Security Income (SSI) benefits;
- Get a benefit verification letter as proof that you are getting benefits;
- Check your benefit and payment information and your earnings record;
- Change your address and phone number;
- Start or change direct deposit of your benefit payment;
- Submit your advance designation of representative payee request;
- Request a replacement Medicare card; and
- Get a replacement SSA-1099 or SSA-1042S for tax season.

ssa.gov/myaccount/what.html



Securing today
and tomorrow

SSA.gov



When to Start Receiving Retirement Benefits

At Social Security, we're often asked, "What's the best age to start receiving retirement benefits?" The answer is that there's not a single "best age" for everyone and, ultimately, it's your choice. The most important thing is to make an informed decision. Base your decision about when to apply for benefits on your individual and family circumstances. We hope the following information will help you understand how we fit into your retirement decision.

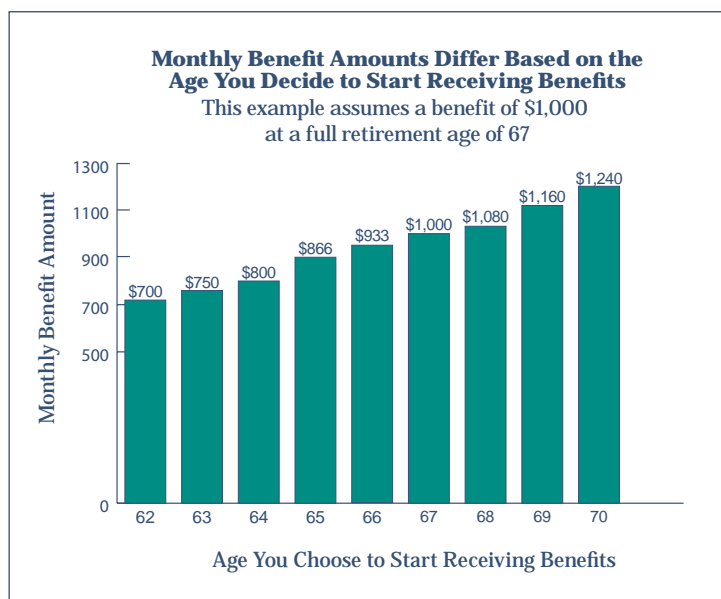
Your decision is a personal one

Would it be better for you to start getting benefits early with a smaller monthly amount for more years or wait for a larger monthly payment in a shorter timeframe? The answer is personal and depends on several factors, such as your current cash needs, your current health, and family longevity. Also, consider if you plan to work in retirement and if you have other sources of retirement income. You must also study your future financial needs and obligations and calculate your future Social Security benefit. We hope you'll weigh all the facts carefully before making the crucial decision about when to begin receiving Social Security benefits. This decision affects the monthly benefit you will receive for the rest of your life and may affect benefit protection for your survivors.

Your monthly retirement benefit will be higher if you delay starting it

Your full retirement age varies based on the year you were born. You can visit www.ssa.gov/benefits/retirement/planner/ageincrease.html to find your full retirement age. We calculate your basic Social Security benefit — the amount you would receive at your full retirement age — based on your lifetime earnings. However, the actual amount you receive each month depends on when you start receiving benefits. You can start your retirement benefit at any point from age 62 up until age 70. Your benefit will be higher the longer you delay starting it. This adjustment is usually permanent: it sets the base for the benefits you'll get for the rest of your life. You'll get annual cost-of-living adjustments and, depending on your work history, may receive higher benefits if you continue to work.

The following chart shows an example of how your monthly benefit increases if you delay when you start receiving benefits.



Let's say you turn 62 in 2022, your full retirement age is 67, and your monthly benefit starting at full retirement age is \$1,000. If you start getting benefits at age 62, we'll reduce your monthly benefit 30% to \$700 to account for the longer time you receive benefits. This decrease is usually permanent.

If you choose to delay getting benefits until age 70, you would increase your monthly benefit to \$1,240. This increase is the result of delayed retirement credits you earn for your decision to postpone receiving benefits past your full retirement age. The benefit at age 70 in this example is about 77% more than the benefit you would receive each month if you start getting benefits at age 62 — a difference of \$540 each month.

Retirement may be longer than you think

When thinking about retirement, be sure to plan for the long term. Many of us will live much longer than the "average" retiree, and most women live longer than men. About 1 out of every 3 65-year-olds today will live until at least age 90, and 1 out of 7 will live until at least age 95. Social Security benefits, which

last as long as you live, provide valuable protection against outliving savings and other sources of retirement income. Again, you'll want to choose a retirement age based on your circumstances so you'll have enough Social Security income to complement your other sources of retirement income.

Married couples have two lives to plan for

Your spouse may be eligible for a benefit based on your work record, and it's important to consider Social Security protection for widowed spouses. After all, married couples at age 65 today would typically have at least a 50-50 chance that one member of the couple will live beyond age 90. If you are the higher earner, and you delay starting your retirement benefit, it will result in higher monthly benefits for the rest of your life. If you die first, it will result in higher survivor protection for your spouse.

When you are receiving retirement benefits, your children may also be eligible for a benefit on your work record if they're under age 18 or if they have a disability that began before age 22.

You can keep working

When you reach your full retirement age, you can work and earn as much as you want and still get your full Social Security benefit payment. If you're younger than full retirement age and if your earnings exceed certain dollar amounts, some of your benefit payments during the year will be withheld.

This doesn't mean you must try to limit your earnings. If we withhold some of your benefits because you continue to work, we'll pay you a higher monthly benefit when you reach your full retirement age. So, if you work and earn more than the exempt amount, it won't, on average, decrease the total value of your lifetime Social Security benefits — and can increase them.

Here is how this works: When you reach full retirement age, we'll recalculate your benefit to give you credit for months you didn't get a benefit because of your earnings. In addition, as long as you continue to work and receive benefits, we'll check your record every year to see whether the extra earnings will increase your monthly benefit. You can find more

information about working after retirement on our website at www.ssa.gov/benefits/retirement/planner/whileworking.html.

Don't forget Medicare

If you plan to delay receiving benefits because you're working, you'll still need to sign up for Medicare 3 months before reaching age 65. If you don't enroll in Medicare medical insurance or prescription drug coverage when you're first eligible, you can sign up later. However, you may have to pay a late enrollment penalty for as long as you have coverage. You can find more detailed information about Medicare on our website at www.ssa.gov/benefits/medicare.

More resources

You can find more information to help you decide when to start receiving retirement benefits at www.ssa.gov/benefits/retirement. If you have a personal *my* Social Security account, you can get your *Social Security Statement*, verify your earnings, and get personalized benefit estimates at www.ssa.gov/myaccount.

When you're ready for benefits, you can also apply online at www.ssa.gov/applyforbenefits. If you want more information about how your earnings affect your retirement benefits, read *How Work Affects Your Benefits* (Publication No. 05-10069). This pamphlet has the current annual and monthly earnings limits.

Contacting Social Security

The most convenient way to do business with us is to visit www.ssa.gov to get information and use our online services.

Or, call us toll-free at **1-800-772-1213** or at **1-800-325-0778** (TTY) if you're deaf or hard of hearing. We can answer your call from 8 a.m. to 7 p.m., weekdays. You can also use our automated services via telephone, 24 hours a day, so you do not need to speak with a representative. **Wait times to speak to a representative are typically shorter Wednesdays through Fridays or later in the day.**



Securing today
and tomorrow

Social Security Administration
Publication No. 05-10147
January 2022 (Recycle prior editions)
When to Start Receiving Retirement Benefits
Produced and published at U.S. taxpayer expense

Q&A Session

Participation in this presentation does not constitute an endorsement by the Social Security Administration (SSA) or its employees of the organizations and information and products not provided by SSA.



Securing today
and tomorrow

[SSA.gov](https://www.ssa.gov)

Pre-Retirement Education Program (PREP)

NDPERS Retiree Insurance Plans



Health, Vision, Dental & Life Insurance

Retirees who are receiving a retirement benefit may be eligible to participate in:

- Health insurance
- Dental insurance
- Vision insurance
- Life Insurance (if enrolled as active employee)

Surviving spouses receiving an ongoing retirement benefit:

- May be eligible to continue or newly enroll in NDPERS insurances (excluding life insurance) at time of retiree's death

Surviving spouses NOT receiving an ongoing retirement benefit:

- May be eligible to continue the NDPERS insurance they are currently participating in (excluding life insurance)

Enrollment “Qualifying Events”

Within 31 days of the following:

- First NDPERS retirement benefit check
- Receiving a retirement benefit check from a Non-NDPERS retirement plan (TIAA or TFFR) - must provide a Verification of Alternate Retirement Plan (SFN-53863)
- Retiree or spouse’s 65th birthday or eligibility for Medicare
- Loss of coverage in an employer-sponsored health plan (not with NDPERS)
- Marriage, Birth, Adoption, or Legal Guardianship



Health Insurance



NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

Health Insurance Options

COBRA – if you or eligible dependents are not Medicare eligible

- Currently enrolled in NDPERS health insurance as an active employee.
- If enrolled in a non-NDPERS health insurance with your employer, you may be eligible for COBRA with your employer.
- COBRA is a continuation of your current level of coverage for up to 18 months

Dakota Retiree Plan – if you or an eligible dependent are Medicare eligible

- You or an eligible dependent are Medicare eligible
- Can include non-Medicare eligible dependents
- Medicare individual(s) has Medicare Parts A & B as primary, NDPERS health insurance as secondary in the Dakota Retiree Plan, and a Part D prescription plan
- The non-Medicare individual(s) enroll in the NDPERS Dakota Plan health insurance plan



COBRA

- Same plan design (co-pays, co-insurance, coverage) as you currently have
- Plan still has Preferred Provider Organization (PPO) and Basic out of pocket costs



What is a Preferred Provider Organization (PPO)?

- An agreement between the Provider and Insurance Carrier
- Services provided by a non-PPO provider will be paid under the Basic Plan of benefits.



Deductible

PLAN	INDIVIDUAL	FAMILY
PPO	\$500	\$1,500
BASIC	\$500	\$1,500



Coinsurance Maximums

PLAN	INDIVIDUAL	FAMILY
PPO 80/20	\$1,000	\$2,000
BASIC 75/25	\$1,500	\$3,000



Total Out-of-Pocket Maximum*

PLAN	INDIVIDUAL	FAMILY
PPO	\$1,500	\$3,500
BASIC	\$2,000	\$4,500

*Sum of deductible and coinsurance (excludes copayments)



Copayment Amounts

PLAN	OFFICE CALL	EMERGENCY ROOM VISIT
PPO	\$30 Per visit	\$60 Per visit
BASIC	\$35 Per visit	\$60 Per visit



Preventive Screening Services

- \$30/\$35 Copayment per Office Visit
 - Maximum Benefit Allowance of \$200 per Member per Benefit Period
 - Deductible Amount is waived
- Benefits Include
 - One routine physical examination per Member per Benefit Period
 - Routine diagnostic screenings
 - Routine screening procedures for cancer



Prescription Drug Coverage

Formulary Generic

- \$7.50 Copayment + 12% Coinsurance
- \$1,200 coinsurance maximum for formulary prescriptions per member per plan year

Formulary Brand Name

- \$25 Copayment + 25% Coinsurance
- \$1,200 coinsurance maximum for formulary prescriptions per member per plan year

Non-Formulary Generic/Brand

- \$30 Copayment + 50% Coinsurance
- \$1,200 coinsurance maximum does not apply

Mail Order is also available to NDPERS members



What happens after COBRA?

- If you, your spouse or an eligible dependent are not eligible for Medicare, you will need to find other coverage until you or an eligible dependent become Medicare eligible.
 - Available through federal exchange www.healthcare.gov.
- If you or an eligible dependent are eligible for Medicare, you may enroll in the Dakota Retiree Plan.



NDPERS DAKOTA RETIREE PLAN

Medicare Secondary Payor + Part D Rx



Do I need Medicare?

- Yes, if enrolling in the Dakota Retiree Plan.
- Medicare A is “hospital” insurance and it is free.
- Medicare B is “medical” insurance and you pay a premium to Social Security.



Why do I need other insurance beside Medicare?

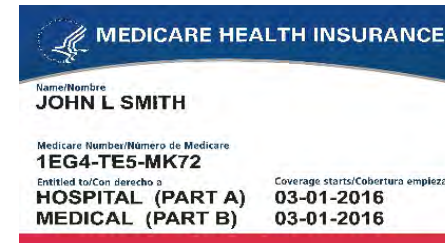
- Medicare eligible people have Medicare A and B, but Medicare does not cover everything.
- Medicare is your PRIMARY insurance.
- A supplement or secondary insurance is your SECONDARY insurance (pays towards expenses after Medicare)
- Medicare A and B does not typically cover prescriptions, so Medicare eligible individuals need a prescription plan, Part D.



The Dakota Retiree Plan

1

Medicare - pays first for medical and hospital visits



You get through Social Security

2

Sanford pays second – after Medicare. You cannot be enrolled in secondary insurance if you don't have primary insurance!



Dakota Retiree Plan through NDPERS

3

Humana Group Medicare is the Part D, Prescriptions



Dakota Retiree Plan

Secondary coverage (“supplement”)
through Sanford Health Plan



Medicare Part A Services

NDPERS Dakota Retiree Plan Medicare (Part A) Hospital Services – Per Benefit Period			
Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
Hospitalization Semiprivate room and board, general nursing and miscellaneous services and supplies <ul style="list-style-type: none"> • First 60 days • 61st thru 90th day • 91st day and after: <ul style="list-style-type: none"> - While using 60 lifetime reserve days • Once lifetime reserve days are used: <ul style="list-style-type: none"> - Additional 365 days - Beyond the additional 365 days 	All but \$[1,556] All but \$[389] a day All but \$[778] a day	\$[1,556] (Part A deductible) \$[389] a day \$[778] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0 All costs
Skilled Nursing Facility Care¹ You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital <ul style="list-style-type: none"> • First 20 days • 21st thru 100th day • 101st day and after 	\$0 \$0 All approved amounts All but \$[194.50] a day \$0	 \$0 Up to \$[194.50] a day \$0	 \$0 \$0 All costs
Blood <ul style="list-style-type: none"> • First 3 pints • Additional amounts 	\$0 100%	3 pints \$0	\$0 \$0
Hospice Care You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited copayment/ coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

Medicare Part B Services

NDPERS Dakota Retiree Plan Medicare (Part B) Hospital Services – Per Calendar Year			
Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
Medical Expenses In or Out of Hospital and Outpatient Hospital Treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment <ul style="list-style-type: none"> • First \$[233] of Medicare approved amounts³ • Remainder of Medicare approved amounts 	\$0 Generally 80%	\$[233] (Part B deductible) Generally 20% ⁴	\$0 \$0
Part B Excess Charges (Above Medicare approved amounts)	\$0	100%	\$0
Blood <ul style="list-style-type: none"> • First 3 pints • Next \$[233] of Medicare approved amounts³ • Remainder of Medicare approved amounts 	\$0 \$0 80%	All costs \$[233] (Part B deductible) 20%	\$0 \$0 \$0
Clinical Laboratory Services Blood tests for Diagnostic Services	100%	\$0	\$0

Medicare Part A & B Services

Parts A & B			
Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
Home Health Care Medicare Approved Services <ul style="list-style-type: none"> Medically necessary skilled careservices and medical supplies Durable medical equipment <ul style="list-style-type: none"> First \$[233] of Medicare approved amounts³ Remainder of Medicare approved amounts 	100% \$0 80%	\$0 \$[233] (Part B deductible)20%	\$0 \$0 \$0

NDPERS Dakota Retiree Plan Medicare (Part A) Hospital Services – Per Benefit Period			
Services	Medicare Pays	Dakota Retiree Plan Pays	You Pay
Other Benefits – Not Covered by Medicare			
Foreign Travel Not covered by Medicare, medically necessary emergency care services <ul style="list-style-type: none"> Beginning during the first 60 days of each trip outside the USA <ul style="list-style-type: none"> First \$[250] each calendar year Remainder of charges 	\$0 \$0	\$0 80% to a lifetime maximumbenefit of \$[50,000]	\$[250] 20% and amounts over the \$[50,000] lifetime maximum



Medicare Part A & B Services

These Are Some Items Not Covered

- Services that are experimental or investigative in nature or that are not medically necessary as determined by Medicare.
- Services received prior to the effective date of your benefit plan.
- Services when benefits are provided by any governmental unit or social agency except Medicaid or when payment has been made under Medicare Part A or Part B.
- Outpatient prescription drugs, unless eligible under Medicare.
- Custodial care provided in a hospital or by a home health agency.
- Surgery to improve appearance.
- Services, treatments or supplies that are not a Medicare eligible expense.

¹A benefit period begins on the first day you receive services as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

²When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to an additional 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

³Once you have been billed \$[233] of Medicare Approved Amounts for covered services, your Part B Deductible will have been met for the calendar year.

⁴Part B Coinsurance (generally 20% of Medicare approved expenses), or in the case of hospital outpatient services under a prospective payment system, applicable copay amounts.



Medicare Coverage Limitations

Refer to “Medicare & You” guide
www.medicare.gov

Medicare Benefit Changes

Medicare deductibles and coinsurances may
change January 1st of each calendar year.



Customer Service

- Sanford Health Plan NDPERS Service Unit
 - 701-751-4125
 - Toll Free 1-800-499-3416
 - sanfordhealthplan.com/NDPERS
- You can also refer the NDPERS website
<https://ndpers.nd.gov>



Dakota Retiree Plan

- Part D through Humana Group Medicare



Medicare Prescription Drug Plan (PDP)

- Humana Group Medicare
 - Qualified Medicare Prescription Drug Plan
- NDPERS Medicare secondary payor and Medicare Prescription Drug Plan must be carried together
- NDPERS Retirees will not be dis-enrolled from the PDP unless they also terminate from the Health Plan Coverage





Deductible

Pharmacy (Part D) deductible

This plan does not have a deductible.



Prescription Drug Benefits

Initial coverage (after you pay your deductible, if applicable)

You pay the following until your total yearly drug costs reach **\$4,430**. Total yearly drug costs are the total drug costs paid by both you and our Part D plan.

Tier	Standard Retail Pharmacy	Standard Mail Order
30-day supply		
1 (Generic or Preferred Generic)	\$5 copay and you pay 15% of the remaining cost share	\$5 copay and you pay 15% of the remaining cost share
2 (Preferred Brand)	\$15 copay and you pay 25% of the remaining cost share	\$15 copay and you pay 25% of the remaining cost share
3 (Non-Preferred Drug)	\$25 copay and you pay 50% of the remaining cost share	\$25 copay and you pay 50% of the remaining cost share
4 (Specialty Tier)	\$25 copay and you pay 50% of the remaining cost share	\$25 copay and you pay 50% of the remaining cost share

back of your membership card for more details.

Coverage Gap

Most Medicare drug plans have a coverage gap (also called the "donut hole"). The coverage gap begins after the total yearly drug cost (including what our plan has paid and what you have paid) reaches **\$4,430**. After you enter the coverage gap, you pay a portion of the plan's cost for covered brand name drugs and covered generic drugs until your costs total **\$7,050**, which is the end of the coverage gap. Not everyone will enter the coverage gap.

Catastrophic Coverage

After your yearly out-of-pocket drug costs (including drugs purchased through your retail pharmacy and through mail order) reach **\$7,050**, you pay the greater of:

- **\$3.95** for generic (including brand drugs treated as generic) and a **\$9.85** copay for all other drugs, or
- **5%** coinsurance

Catastrophic stage explanation:

Your tier 3 drug is \$300. In catastrophic stage, you pay \$15 only. Why? $\$300 \times 5\% = \15 . You pay the greater of 5% coinsurance (all the drug cost) or \$9.85.

Part D Tier Changes

- Prescriptions may change tiers by the Pharmacy Benefits Manager with guidance from the Federal Drug Administration (FDA)/Drug Enforcement Administration (DEA).
- Refer to the Humana Evidence of Coverage on the NDPERS website for complete plan provisions.
- Humana Prescription Drug Guide (formulary list) also available on NDPERS website.



Customer Service

Plan name:

Humana Group Medicare PDP plan

How to reach us:

Members should call toll-free
1-800-585-7417 for questions
(TTY/TDD 711)

Call Monday – Friday, 7 a.m. – 8 p.m.
Central Time.

Or visit our website: **Humana.com**



Wellness Programs

Employees and eligible spouses can qualify to receive up to a total of \$250 each year that can be earned through one or a combination of the following programs:

- WebMD Wellness Program
- Gym Membership



State Health Insurance Counseling (SHIC)

The State Health Insurance Counseling (SHIC) program offers free help with [Medicare](#) and other health insurance. Trained counselors who work through local sponsoring organizations can help answer your questions. SHIC counselors are trained in all aspects of senior insurance issues, such as Medicare, Medicare Part D and Medicare Advantage plans, and have no connection with any insurance company or product.

Contact:

North Dakota Insurance Department
State Health Insurance Counseling Program

insurance@nd.gov

600 E Boulevard Ave.

Bismarck, ND 58505-0320

(701) 328-2440

<https://www.insurance.nd.gov/shic-medicare>

Group Dental Plan

Underwritten By Delta Dental of Minnesota



Dental Coverage

- \$50 Deductible per person per year
 - doesn't apply to diagnostic/preventive services
- Diagnostic & Preventive Services: 100%*
- Basic Services, Endodontics, Periodontics, Oral Surgery, Prosthetic Repairs and Adjustments: 80%*
- Major Restorative, Prosthetics, Orthodontics: 50%*
- Calendar Year Plan Maximum: \$1,000 per person
- Lifetime Orthodontics Maximum: \$1,500 per covered dependent

*Non-participating dentists have not signed an agreement and are not obligated to limit the amount they charge; the member is responsible for paying any difference to the non-participating dentists.



Dental Plan Features

- No waiting periods
- No age limit on Orthodontic treatment
- Out-of-pocket savings if dentist is within network
- Online services at www.deltadentalmn.org
- Insurance cards are automatically mailed



Locate a Provider



Dental Premiums

The following are the premiums through December 31, 2022:

Individual only	\$ 39.80
Individual & spouse	\$ 76.82
Individual & child(ren)	\$ 89.18
Family	\$127.00



Group Vision Plan

Underwritten By Superior Vision



NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

Plan Highlights

- Co-payments
 - \$0 Comprehensive Eye Exam
 - \$35 Materials
 - \$35 Contact Lens Fitting
 - In-network co-pays are paid directly to the provider.
 - Materials co-pay applies to lenses and/or frames, not contact lenses.
 - Insurance cards are automatically mailed.
- For detailed description please see plan handbook.**



Plan Highlights Continued

Services	In Network	Out of Network
Comprehensive Eye Exam:		
Ophthalmologist (MD)	Covered in Full	Up to \$45 retail
Optometrist (OD)	Covered in Full	Up to \$45 retail
Standard Lenses (Per Pair):		
Single Vision	Covered in Full	Up to \$35 retail
Bifocal	Covered in Full	Up to \$50 retail
Trifocal	Covered in Full	Up to \$70 retail
Progressive lens upgrade	20% off over retail lined trifocal lens, including lens options	Up to \$70 retail

Plan Highlights Continued

	In Network	Out Of Network
Contact Lenses	\$100 retail allowance	Up to \$100 retail
Contact Lens Fitting:		
Standard	Covered in Full	Not Covered
Specialty	\$50 retail allowance	Not Covered
Frames - Standard	\$100 retail allowance	Up to \$47 retail

Plan Services	Frequency
Comprehensive Eye Exam	1 per Calendar Year
Contact Lens Fitting Exam	1 per Calendar Year
Lenses	1 Pair per Calendar Year
Frames	1 per Calendar Year
Contact Lenses	1 Allowance per Calendar Year

Locate a Provider



<https://superiorvision.com/>

Coverage Type: Insurance Through Your Employer
Choose Network: Superior National

Vision Premiums

The following are the premiums through December 31, 2023:

Individual only	\$ 6.57
Individual & spouse	\$13.15
Individual & child(ren)	\$11.98
Family	\$18.55



Retiree Health Insurance Credit (RHIC)

Administered by ASIFlex



Purpose of RHIC

- A monthly, lifetime reimbursement for eligible premiums
- May only be reimbursed for ANY AFTER TAX:
 - health insurance premium
 - vision plan premium
 - dental plan premium
 - long term care premium



RHIC: HOW IT WORKS

- ASIFlex administers the reimbursement on behalf of NDPERS.
- NDPERS reports your RHIC to ASIFlex

Reimbursement

1. **NDPERS insurances:** NDPERS validates to ASIFlex – you are automatically reimbursed.
2. **Non-NDPERS insurances:** You submit a claim form for non-NDPERS after-tax health insurance premium (Medicare Part B and Part D qualifies) to ASIFlex – you are automatically reimbursed.
3. Claims submitted after the deadline will be denied.



RHIC Contact Information

- Retiree reimbursement questions should be directed to ASIFlex at 1-800-659-3035.

Phone: 1-800-659-3035

Fax: 1-877-879-9038

Web: www.asiflex.com

Email: asi@asiflex.com

Address: ASIFlex – PO Box 6044 – Columbia, MO 65205-6044

Life Insurance

Underwritten By Voya Financial



NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

Eligibility

- Employees who participated in the NDPERS life insurance as an active employee
- Retired and receiving a retirement benefit from:
 - NDPERS
 - NDHPRS
 - TIAA
 - TFFR
 - Job Service



Levels of Coverage with NDPERS

- Retirees may maintain current coverage or decrease coverage as term policy
 - Basic = \$1,300 coverage (\$4.32 per month)
 - Employee Supplemental *
 - Basic Dependent (children to age 26 & spouse) *
 - Spouse Supplemental *

*Premium is based on age and level of coverage (only available through NDPERS until month in which retired member turns age 65).



“Port” Rights with Voya

- Member may “port” existing level of coverage
 - Up to age 70
- Rates and “port” information provided directly by Voya
- Cannot keep term policy with NDPERS if electing to “port” coverage



Conversion Rights with Voya

- Member may apply for conversion with:
 - Loss of coverage at separation of employment
 - Loss of term coverage at age 65 (after separation of employment)
 - Loss of “port” coverage at age 70 (after separation of employment)
- Whole life insurance policy (no age limit)
- Rates and conversion information provided directly by Voya
- Cannot keep term policy with NDPERS if electing to “convert” coverage



Life Insurance Information

NDPERS website

<https://www.ndpers.nd.gov/retired-members/insurance-plans-retired-members/life-insurance-retired-members>

Voya: 1 (800) 955-7736





Welcome To Medicare 101

Karri Morris

Medicare Manager-Life/Health/Medicare Division

North Dakota Insurance Department

What Is Medicare?

- Health insurance for people:
 - 65 and older
 - Under 65 with certain disabilities
 - Amyotrophic Lateral Sclerosis (also called Lou Gehrigs disease)
 - Any age with End-Stage Renal Disease

NOTE: To get Medicare, you must be a U.S. citizen or lawfully present in the United States.

What Agencies are Responsible for Medicare?

- Centers for Medicare & Medicaid Services (CMS)
 - Administers program
- Social Security Administration (SSA)
 - Enrolls most individuals
 - Collects premiums
- Railroad Retirement Board (RRB)
 - Enrolls railroad retirees

The Parts of Medicare



Part A (Hospital Insurance)



Part B (Medical Insurance)



Part D (Prescription drug coverage)

Your Medicare Options

Original Medicare

☒ **Part A**



☒ **Part B**



You can add:

☐ **Part D**



You can also add:

☐ **Supplemental coverage**



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a former employer or union, or Medicaid.

Medicare Advantage (also known as Part C)

☒ **Part A**



☒ **Part B**



Most plans include:

☒ **Part D**



☒ **Extra benefits**

Some plans also include:

☐ **Lower out-of-pocket costs**

NOTE: Medicare Supplement Insurance (Medigap) policies only work with Original Medicare.

Enrolling in Medicare—Automatic?

- Automatic enrollment for people who get
 - Social Security benefits
 - RRB benefits
- Welcome to Medicare Package
 - Mailed 3 months before
 - 65 or
 - 25th month of disability benefits
 - Includes your Medicare card

Your Medicare Card

- Keep it to accept Part B
- To refuse Part B, follow instructions in the “Welcome to Medicare” package
- Carry your card when you’re away from home
 - Let your doctor, hospital, or other health care provider see your card when you need health care
 - Need a replacement card?
 - ❑ Sign into your Medicare account on [MyMedicare.gov](https://www.mymedicare.gov) and print an official copy
 - ❑ Call 1-800-MEDICARE (1-800-633-4227); TTY 1-877-486-2048



Enrolling in Medicare When It's Not Automatic

- If you aren't automatically enrolled in Part A and Part B
 - You need to enroll with Social Security
 - Online - Visit [socialsecurity.gov](https://www.socialsecurity.gov) or
 - Call 1-800-772-1213, or
 - In Person – Visit your local office (Call for appointment)
 - If retired from a railroad, enroll with the RRB
 - Call your local RRB office at 1-877-772-5772
- **NOTE:** The age for full Social Security retirement benefits is 62. Medicare eligibility age is still 65.

When You Can Enroll for Medicare

- If you don't already have Medicare
 - Initial Enrollment Period (IEP)
 - Special Enrollment Period (SEP) (in certain circumstances)
 - General Enrollment Period (GEP)
- If you already have Medicare (to make changes to how you get your coverage)
 - Yearly Open Enrollment Period (OEP)
 - Medicare Advantage OEP
 - SEP (in certain circumstances)

Initial Enrollment Period

- Your **Initial Enrollment Period (IEP)** lasts 7 months
 - Begins 3 months before your 65th birthday
 - The month you turn 65
 - Ends 3 months after you turn 65
 - Your start date will be delayed
- Can enroll in free Part A anytime after IEP begins
- Can only enroll in Part B (and premium Part A) during IEP and other limited times
- May have a lifetime penalty if you don't enroll during IEP

General Enrollment Period (GEP)

- General Enrollment Period
 - For people who didn't sign up during Initial Enrollment Period
- Occurs annually: January 1st through March 31st
- Coverage begins July 1st
- May have to pay a lifetime penalty for Part B
 - 10% for each 12 months eligible but not enrolled

Special Enrollment Period (SEP)

- Most people don't qualify for a SEP
 - Must have group health plan coverage based on active, current employment for you or your spouse.
 - Can enroll:
 - Anytime if still covered by group health plan
 - Within 8 months of the loss of coverage or current employment, whichever happens first

(NOTE: Retiree and COBRA coverage are not considered active employment.)

Original Medicare

Part A—Hospital Insurance

- Part A (Hospital Insurance) helps cover:
 - Inpatient hospital care
 - Inpatient skilled nursing facility (SNF) care
 - Blood (inpatient)
 - Home health care
 - Hospice care

2022 Part A – What you pay in Original Medicare

Hospital Inpatient Stay	<ul style="list-style-type: none"> ▪ \$1,556 deductible for each benefit period. ▪ Days 1–60: \$0 coinsurance for each benefit period. ▪ Days 61–90: \$389 coinsurance per day of each benefit period. ▪ Days 91 and beyond: \$778 coinsurance per each “lifetime reserve day” after day 90 for each benefit period (up to 60 days over your lifetime). ▪ Beyond lifetime reserve days: ALL costs.
Skilled Nursing Facility (SNF) Stay	<ul style="list-style-type: none"> ▪ Days 1–20: \$0 for each benefit period. ▪ Days 21–100: \$194.50 coinsurance per day for each benefit period. ▪ Days 101 and beyond: ALL costs.
Home Health Care	<ul style="list-style-type: none"> ▪ \$0 for home health care services. ▪ 20% of the Medicare-approved amount for Durable medical equipment (DME).
Hospice Care	<ul style="list-style-type: none"> ▪ \$0 for hospice care. ▪ You may need to pay a copayment of no more than \$5 for each prescription drug and other similar products for pain relief and symptom control while you're at home. ▪ Medicare doesn't cover room and board when you get hospice care in your home or another facility where you live (like a nursing home).

Do I Need to Sign up for Part A?

- Consider
 - It's free for most people
 - You can pay for it if your work history isn't sufficient
 - There may be a penalty if you delay
 - Talk to your benefits administrator if you (or your spouse) are actively working and covered by an employer plan

NOTE: To avoid Internal Revenue Service (IRS) tax penalties, stop contributions to your Health Savings Account (HSA) before Medicare starts.

Original Medicare

Part B - Medical Insurance

- Part B—Medical Insurance helps cover
 - Doctors' services
 - Outpatient medical and surgical services
 - Clinical lab tests
 - Durable medical equipment (DME)
 - Diabetic testing supplies
 - Preventive services

What You Pay – 2022 Part B Premium

- Most people will pay **\$170.10** per month, an increase from \$148.50 in 2021
- Those who have higher incomes may pay an Income-Related Monthly Adjustment Amount (IRMAA) resulting in paying a higher premium.

Monthly Part B Standard Premium — Income-Related Monthly Adjustment Amount (IRMAA)

Your Part B premium in 2022 based on your 2020 tax return:

Annual income		Monthly premium in 2022
Individual	Couple	
Equal to or below \$91,000	Equal to or below \$182,000	\$170.10
\$91,001 - \$114,000	\$182,001 – \$228,000	\$238.10
\$114,001 – \$142,000	\$228,001 – \$284,000	\$340.20
\$142,001 – \$170,000	\$284,001 – \$340,000	\$442.30
\$170,001 – \$499,999	\$340,001 – \$749,999	\$544.30
\$500,000 and above	\$750,000 and above	\$578.30

Part B - What You Pay for Original Medicare in 2022

Yearly Deductible	\$233
Coinsurance for Part B Services	<ul style="list-style-type: none">▪ 20% coinsurance for most covered services, like doctor's services and some preventive services, if provider accepts assignment▪ \$0 for most preventive services▪ 20% coinsurance for outpatient mental health services, and copayments for hospital outpatient services

Should I Keep/Sign up for Part B?

- Consider
 - Most people pay a monthly premium
 - Usually deducted from Social Security/RRB benefits
 - Amount depends on income
 - May supplement employer coverage
 - Contact your benefits administrator to understand the impact to your employer plan

What Is a Medigap Policy?

- Medigap (Medicare Supplement Insurance) Policies
 - Sold by private companies
- Fills gaps in Original Medicare
 - Deductibles, coinsurance, copayments
- All plans with same letter
 - Have same coverage
 - Costs are different
 - Various types of plans offering different benefit
- North Dakota recognizes the federal rule of guaranteed issue for people aging into Medicare, but do not require insurance companies to sell to those under 65.

Medigap Plans 2022

Benefits	Medigap plans									
	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2022**			
							\$6,620	\$3,310		

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,490 before your policy pays anything. (Plans C and F aren't available to people who were newly eligible for Medicare on or after January 1, 2020.)

** For Plans K and L, pays 100% of covered services for the rest of the calendar year once the yearly out-of-pocket limit is met.

*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in an inpatient admission.

When is the Best Time to Buy a Medigap Policy?

- Your Medigap Open Enrollment Period (OEP) begins the month you're 65 or older AND enrolled in Part B
 - Lasts 6 months minimum
 - You have protections – companies **MUST** sell you a plan if in your OEP (Guaranteed Issue)
- You can also buy a Medigap policy whenever a company agrees to sell you one
 - If later, there may be restrictions and medical underwriting

How to Buy a Medigap Policy?

- Decide which Medigap Plan (A–N) has the benefits you need
 - Compare plans by computer or phone
 - Visit [Medicare.gov/medigap-supplemental-insurance-plans](https://www.Medicare.gov/medigap-supplemental-insurance-plans) and use the Medigap comparison tool
 - Call 1-800-MEDICARE (1-800-633-4227)
- Find out which insurance companies sell Medigap policies in your state
 - Call the State Health Insurance Counseling Program (SHIC) for free counseling to help you compare options
 - Call 701-328-2440 (Press Option #1)
- Call the insurance companies and shop around for the best plan at a price you can afford

Medicare Advantage (MA) Plans (Part C)

- A MA Plan is another way to get your Medicare coverage (sometimes called “Part C” or “MA Plans”)
- Offered by Medicare-approved private companies that must follow rules set by Medicare
- If you join an MA Plan, you’ll still have Medicare but you’ll get your Part A (Hospital Insurance) and Part B (Medical Insurance) coverage from the MA Plan, not Original Medicare
 - You’ll need to use health care providers who participate in the plan’s network (some plans offer out-of-network coverage)

How Medicare Advantage Plans Work

In a MA Plan you:

- Must live in their Service Area (usually by county)
- Still are on Medicare with all the rights and protections
- Still receive services covered by Part A and Part B
 - But the MA Plan covers those services instead
- May include prescription drug coverage – if so, you must take it; enrolling in a standalone will cancel coverage
- May have different benefits and cost-sharing
 - May choose a plan with extra benefits like vision, dental or fitness/wellness benefits
- Have a yearly limit on your out-of-pocket costs

When Can I Enroll in a MA Plan?

- During your Initial Enrollment Period (**NEW** to Medicare)
- During the Annual Open Enrollment Period
 - October 15th-December 7th each year
 - Coverage begins January 1
- General Enrollment Period (GEP)
 - If you have Part A and enroll in Part B during a GEP, you can enroll in an MA Plan from April 1–June 30 with coverage starting July 1
- MA Open Enrollment Period (MA OEP)
 - One-time change each year from January 1–March 31 (coverage begins the 1st of the month after)
- May be able to join at other times
 - Special Enrollment Period (SEP)

Medicare Cost Plans

- These plans are required to provide a minimum of Part B coverage; frequently cover A as well
- You must live in their Service Area; your health care provider **must** contract with this plan
- There is no open enrollment – you can join anytime the plan is being sold
- You can cancel coverage anytime you choose
- There is cost sharing MOOP (Maximum Out-of-Pocket Costs)
- As with MA plans this is your Primary Insurance

Part D—Medicare Prescription Drug Coverage

- Available for all people with Medicare
 - Must have Part A and/or Part A & Part B
- Provided through:
 - Standalone Medicare Prescription Drug Plans (PDPs)
 - Medicare Advantage Plans - Prescription Drug Plans (MA-PDs); if included you are required to take it
 - Other Medicare Health Plans such as Cost Plans-you can choose theirs or enroll in a standalone drug plan

How Medicare Part D Works

- It's optional
 - You can choose a plan and join
 - May pay a lifetime penalty if you choose to join later (outside of your Initial Enrollment Period)
- Plans have formularies
 - Lists of covered drugs
 - Must include range of drugs in each category
 - Are subject to change – you will be notified
- You pay the plan a monthly premium
- You pay deductibles and copayments
- Your out-of-pocket cost may be less if you use a preferred pharmacy
- If you have limited income and resources, there's s Extra Help to pay Part D costs

Part D Late Enrollment Penalty

You may have to pay more if you wait to enroll

- You may owe a late penalty if there is a continuous period of 63 days or more after your Initial Enrollment Period in which you go without coverage
- Exceptions if you have
 - Creditable drug coverage
 - Extra Help

You'll pay the penalty for as long as you have coverage

- Added to your Medicare Part D monthly premium
- 1% for each full month eligible and without creditable prescription drug coverage
- Multiply percentage by base beneficiary premium (\$33.37 in 2022)
- Amount changes every year

When to Enroll in a Part D Plan?

- During your 7-month Initial Enrollment Period
 - 65th birthday month OR 25th month of SSDI
- During the **Annual** Open Enrollment Period
 - October 15th – December 7th
 - Coverage begins January 1st
- May be able to join at other times
 - Medicare Advantage Enrollment Period
 - Special Enrollment Period
 - For example, anytime you get Extra Help

Choosing a Part D Plan

- Compare plans by computer or phone
 - Use the Medicare Plan Finder at [Medicare.gov/plan-compare](https://www.medicare.gov/plan-compare)
 - Call 1-800-MEDICARE (1-800-633-4227)
 - Call the Department of Insurance-SHIC Program
 - 701-328-2440 - Press option #1
- To join a Part D Plan
 - Enroll at [Medicare.gov/plan-compare](https://www.medicare.gov/plan-compare)
 - Call 1-800-MEDICARE (1-800-633-4227).
 - Enroll on the plan's website or call the plan

Help for People with Limited Income & Resources

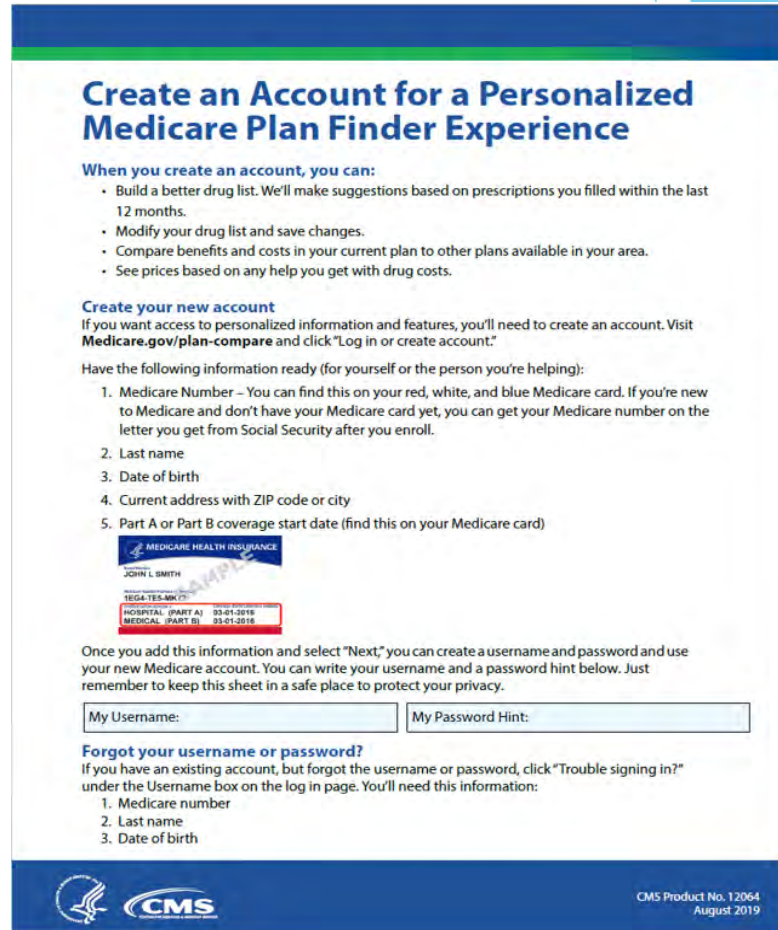
- **Extra Help** (Up to 150% of Federal Poverty Level for Partial LIS)
 - Help paying Part D prescription drug costs – premiums and copays
 - Complete paper application (return to Social Security)
 - Can apply online by going to Social Security Administration:
[socialsecurity.gov/benefits/medicare/prescriptionhelp](https://www.ssa.gov/benefits/medicare/prescriptionhelp)
- **Medicare Savings Programs** (Up to 135% FPL)
 - Help from Medicaid paying Medicare costs, including Medicare premiums, and/or deductibles, and/or coinsurance
 - <https://www.nd.gov/dhs/services/medicalserv/medicaid/apply.html>
- **Medicaid**
 - Federal-state health insurance program - For people with limited income/resources
 - <https://www.nd.gov/dhs/services/medicalserv/medicaid/apply.html>

How to Create a MyMedicare.gov Account:

- Visit [medicare.gov/plan-compare](https://www.medicare.gov/plan-compare)
- Click “Login in or Create account

Have the Following information ready:

1. Medicare number (you can find this on your red, white, blue Medicare card)
2. Last name
3. Date of birth
4. Current address with zip code or city
5. Part A or Part B coverage start date (find this is on your Medicare card)



Create an Account for a Personalized Medicare Plan Finder Experience


When you create an account, you can:

- Build a better drug list. We'll make suggestions based on prescriptions you filled within the last 12 months.
- Modify your drug list and save changes.
- Compare benefits and costs in your current plan to other plans available in your area.
- See prices based on any help you get with drug costs.

Create your new account
If you want access to personalized information and features, you'll need to create an account. Visit [Medicare.gov/plan-compare](https://www.Medicare.gov/plan-compare) and click "Log in or create account."

Have the following information ready (for yourself or the person you're helping):

1. Medicare Number – You can find this on your red, white, and blue Medicare card. If you're new to Medicare and don't have your Medicare card yet, you can get your Medicare number on the letter you get from Social Security after you enroll.
2. Last name
3. Date of birth
4. Current address with ZIP code or city
5. Part A or Part B coverage start date (find this on your Medicare card)



The sample card shows: JOHN L. SMITH, REGATES, MN 55074, HOSPITAL (PART A) 03-01-2015, MEDICAL (PART B) 03-01-2015.

Once you add this information and select "Next," you can create a username and password and use your new Medicare account. You can write your username and a password hint below. Just remember to keep this sheet in a safe place to protect your privacy.

My Username: My Password Hint:

Forgot your username or password?
If you have an existing account, but forgot the username or password, click "Trouble signing in?" under the Username box on the log in page. You'll need this information:

1. Medicare number
2. Last name
3. Date of birth

 CMS Product No. 12064 August 2019

State Health Insurance Counseling (SHIC)

- Provides Medicare beneficiaries with **free, unbiased** information to assist in making an informed decision about Medicare healthcare coverage
- SHIC has 3 full time staff members
- SHIC staff provides training to volunteer counselors (currently 70) located across the 19 counties. They are available to assist beneficiaries in their regions.
- SHIC Program remains busy year-round and has a noticeable peak during the Medicare Part D Open Enrollment period (October 15th- December 7th)

Key Points to Remember

- Medicare is a health insurance program for seniors and for those under 65 due to disability
- Medicare does not cover all health care costs
- You have choices in how you get coverage
- There are programs for people with limited income and resources.
- Certain decisions are time-sensitive
- How to receive help:
 - Call Medicare 1-800-633-4227
 - Call North Dakota Department of Insurance- SHIC Program
 - 701-328-2440 – Press option #1

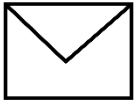
Marketplace Health Coverage

- You can enroll in Marketplace health coverage if you do not qualify for other coverage
 - Not yet eligible for Medicare
 - Special Enrollment Period - life event change such as losing coverage, moving
 - Review plan options and information online at <https://www.healthcare.gov/>
 - Call to get plan options and information at Marketplace
 - Marketplace Phone # 800-318-2596
- You can also contact local State plans for individual health plan insurance options

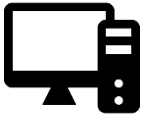
Contact Us



(701) 328-2440 or (800) 247-0560



insurance@nd.gov



www.insurance.nd.gov



[@NDInsuranceDepartment](https://www.facebook.com/NDInsuranceDepartment)



[@NDID](https://twitter.com/NDID)



[@ndinsurancedepartment](https://www.instagram.com/ndinsurancedepartment)

BASIC ESTATE PLANNING

CASEY CHAPMAN

CHAPMAN AND CHAPMAN, P.C.

PLANNING FOR EVERYONE

- **More than making a will**
- **Coordinating all aspects of the plan**
 - **Property**
 - **Retirement/Insurance**
 - **Investments**

PLANNING ISSUES

- TAXES
- ASSET OWNERSHIP
- WILL
- TRUSTS
- BUSINESS TRANSITION
- POWER OF ATTORNEY
- HEALTH CARE DIRECTIVE

TAXES

- **Income taxes**
 - **No income tax to beneficiary for gift or inheritance**
 - **Sale of assets (stepped up basis)**

- Dad bought land- \$20 per acre (his basis)
- Current Value - \$400 per acre
- If Dad sells, taxable gain -- \$380 per acre
- If Dad gifts to children -- their basis is \$20 per acre
- If children take at death -- their basis is \$400 per acre

TRANSFER TAXES

- Gift Tax and Estate Tax – combined
- 2009- \$3.5 Million
- 2010- No transfer tax
- 2011- \$5 Million ‘plus’
- 2017- \$5.49 Million
- 2022- \$12.06 Million ‘plus’
- 2026- back to \$5.49 Million ‘plus’??

GIFTS

- **First \$16,000 each year is excluded (also subject to a COLA)**
- **Gifts to any person in excess of annual exclusion reduce transfer tax exemption**

GIFTS

- Mom gifts \$56,000 to child
 - No prior gifts
- First \$16,000 is excluded
- Next \$40,000 reduces transfer tax exemption
- Mom's remaining transfer tax exemption in 2022 is \$12,020,000
[\$12,060,000 - \$40,000]

ASSET OWNERSHIP

- **Types**
 - **Sole**
 - **Joint**
 - **Beneficiary Designation**
 - **Houses and Land - Life Estate or Transfer on Death**

ISSUES

- **Probate issues**
 - Sole ownership
 - Avoiding probate
- **Coordinate ownership with plans**
 - CAUTION: Joint Ownership
- **Business Transition**

WILLS

- **No Will (Intestacy)**
 - Solely owned property
- **Making a Will**
 - Solely owned property
 - Formalities
 - Property transfers
 - Minor children
 - Special Issues

WILLS

(protective trusts)

- **Beneficiary possibilities**
 - Minor children
 - Disabled persons
- **Use of assets**
- **Timing of distribution**
- **Who is trustee?**

WILLS

(tax trusts)

- Tied to transfer tax exemption
- Remember.... \$12.06 Million (2022)
- Not used as often under new tax law

REVOCABLE TRUSTS

- Revocable living trusts
 - Asset ownership
 - Income taxes
 - Estate taxes
 - Disability
 - Typically, no protection from nursing home costs

IRREVOCABLE TRUSTS

- Life insurance
- Minerals
- Other limited areas

BUSINESS TRANSITION

- Family Business (Farm, etc.)
- The “Stay in the Business” Child
 - Problem with “standard” will
 - Issue of funding “fair” division
 - Other assets
 - Life Insurance
- “Nobody Wants Business” Issue
 - Sale or dissolution

POWER OF ATTORNEY

- **Durable power of attorney**
 - General powers, “plus...”
 - Words of “durability”
 - Avoid guardianship
 - Gifts under power of attorney
 - Some states...statutory form

HEALTH CARE DIRECTIVE

- Designate Health Care Agent
 - Treatment, Providers, etc.
 - Living Will Language
 - Permanent Unconsciousness

- Thank You !!
- REMEMBER
- USE A JOINT ACCOUNT, OR A WILL,
OR A TRUST, OR A JOINT ACCOUNT,
BUT ...
- MAKE A PLAN