

DELAYING PENSION PAYMENTS

If you are eligible to receive monthly pension payments and you leave state employment **before** reaching your SERS normal retirement date, you may be able to increase your pension by delaying payments until a later date.

Reducing the Early Retirement Reduction

When you retire and begin receiving payments **before** reaching your SERS normal retirement date, your pension is reduced for early retirement – the earlier you retire, the greater the reduction.

If you delay receipt of your pension, you can reduce the impact of or even eliminate the early retirement reduction as you grow closer to your SERS normal retirement date.

When you submit an application to delay your pension payments, the contributions you made toward your benefit during your state service will continue to accrue interest until you apply for your pension.

SERS Normal Retirement Date

Your SERS normal retirement date is the date at which you can receive the maximum pension to which you are entitled under the law without any early retirement reduction:

- **If you first became a SERS member before January 1, 2011**, your SERS normal retirement age is age 60 or 50 depending on your class of service with three years of service, or any age with 35 years of service.
- **If you first became a SERS member on or after January 1, 2011**, your SERS normal retirement age is 65 or 55 depending on your class of service with three years of service, or any age with 35 years of service.

Things to Consider

After reaching your SERS normal retirement date, your pension no longer increases and can actually decrease under certain payment options. **Current law requires that you file an application for retirement benefits within seven years of reaching your SERS normal retirement date or you may forfeit your rights to your pension.**

In addition, majority state-paid health insurance coverage through the Retired Employees Health Program (REHP) is only available to eligible retired employees, and therefore, is not an option while you defer pension payments.

You Can Change Your Mind

If you choose to defer your pension payments and later change your mind before reaching your SERS normal retirement date, you may apply for an early retirement benefit. Your pension will be calculated based on how far you are from your SERS normal retirement date at that time. Call a retirement counselor for a personal retirement estimate calculated to a number of payment options.

COUNSELORS ARE
HERE TO HELP

CALL 1.800.633.5461

For more information.

Returning to State Service

If you choose to defer your pension and later return to state service, you will be reinstated to active SERS membership -- you will resume making payroll contributions and earning service credit toward your SERS pension.

Death Benefit While Delaying Payments

If you die while delaying your pension payments, your benefit will be paid as though you had retired and selected payment Option 1 the day before your death, unless you instruct SERS to do otherwise.

Under Option 1, the total present value of your retirement benefit will become payable to your designated beneficiaries. SERS must pay the beneficiaries listed on the most recent beneficiary form in your member record prior to your death. Be sure to keep an updated beneficiary form on file with SERS at all times. The form is available at www.SERS.pa.gov.

How to Delay Pension Payments

Contact a retirement counselor at 1.800.633.5461 to complete an application. You must provide proof of your date of birth and complete an updated beneficiary nomination form.

You will continue to receive annual member statements even if you delay your pension. When you reach your SERS normal retirement date, SERS will provide you with a benefit estimate calculated according to a number of payment options and a retirement application and other forms.

NOTE: The State Employees' Retirement System (SERS) provides this document for educational and informational purposes. Information in this document is general in nature, does not cover all factual circumstances and is not a complete statement of the law or administrative rules. The statements in this document are not binding; and in any conflict between the statements in this document and applicable law or administrative rules, the law and administrative rules will prevail. Members' retirement-related information may be subject to disclosure under Pennsylvania's Right-to-Know Law.