

SERS News



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Thank You for Responding to Our Survey!

As your pension administrator, one of SERS' main duties is to help you understand your retirement benefits, rights, and responsibilities. How can we better do that? What do you really want to know?

In September, we surveyed a random sample of our members and asked for your insight to help us improve. We are grateful that more than 1,000 members responded to the survey. We thought you might be interested in some of the things we learned.

Retired members have high praise for the assistance they received from their retirement counselors. They have a strong preference for doing business over the phone and many find automated telephone systems frustrating. The most confusing part of retirement was understanding the benefit payment options and, on an on-going basis, the most unclear aspects of retirement include managing health coverage and understanding the remaining present value of the retirement benefit.

Only about 20 percent of the retired members surveyed had visited SERS' website, but almost one-third said that they would be interested in being able to change their address, update their direct deposit, adjust federal income tax withholding or complete other tasks online.

Our retired members are active! One respondent told us that she loved "the ability to do many meaningful things with many different people...and some not so meaningful, *just fun!*"

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Update: Home Addresses Are Public Information

In the last edition of *SERS News*, we included an article reminding you that certain information related to your employment and pension—including your home address—may be considered a public record under Pennsylvania law.

In late August SERS received a properly filed right-to-know request seeking the names and home addresses of nearly all SERS members. In September we sent letters to SERS' annuitants and e-mails to many of SERS' employers to ensure that you were aware of the limited number of legal exceptions that allow SERS to withhold your home address information.

While SERS does not provide legal advice, in general, the two most likely

exceptions that appear to apply to SERS' members are the "personal security" exception, which can be documented with a judicial decree such as a protection from

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**In response to your calls,
the right-to-know request that
prompted SERS' outreach on
this issue is posted at
www.SERS.state.pa.us.**

**As of the printing of this
newsletter, SERS had denied a
portion of the request, which is
being appealed by the requestor.**

SERS retirement benefits are payable on the last working day of each month.

If you receive your payments by direct deposit, SERS will deposit your money into the bank account you requested on the last working day of each month.

If you receive your payments by check through the mail, SERS will mail your check on the next-to-last working day of each month and your check should arrive in the mail within ten business days.

Do You Have an Option to Change Your Option?

When you retire, your election of a retirement option is final and binding and cannot be changed except in a few specific cases. If you chose a retirement option that provides a monthly annuity for someone else after you die – sometimes referred to as an “option 2,” “option 3,” or other “joint and survivor option” – you may be able to change your option under the following specific circumstances:

- If, after you retire, you marry or divorce; you may change your option and/or your survivor designation.
- If, after you retire, your designated survivor dies; you may change your option and/or your survivor designation.

In any case, if you designated your spouse as your survivor and you have since divorced or your spouse has died, please contact your retirement counselor at 1-800-633-5461.

If you cannot remember which retirement option you chose when you retired, see your annual statement. Your 2013 statement should arrive in the mail in late January. 📧

Annuitant Statements to Mail in January

Personalized annuitant statements will look a little different this year but they will include the same valuable information as in the past.

For instance, you will see the summary of your benefit payments over the last year, your federal income tax withholding information as filed with SERS, and a description of the retirement option you chose at retirement. In addition, you will find next year’s payment calendar, and the amounts that will be withheld for health insurance premiums and federal income tax, if any.

Watch your mailbox in late January for your 2013 statement. 📧

January Payment Dates

Checks mail from Harrisburg - Jan. 30, 2014
Direct deposits made - Jan. 31, 2014

Correction Note: The printed version incorrectly listed the year 2013.

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abuse order or a restraining order, and the “law enforcement officer or judge” exception, which SERS automatically applies to members who currently serve or have served in positions such as judge, state police officer, capitol police officer or other law enforcement officer position.

To learn more about the exceptions, go to <http://OpenRecords.state.pa.us>, select “Right to Know Law,” then click on one of the links that follows “Effective Jan. 1, 2009.” Exceptions are generally provided in section 708 of the law.

If you believe that you may qualify for an exception, it is your responsibility to make the reason for the exception known.

Who you notify depends on whether you are a retired or active member:

Retired Members - It is your responsibility to notify SERS of your potential exception by completing and submitting a “Right-to-Know Law Disclosure of Home Address Exception Documentation” form as soon as possible. You can download a copy of the form at www.SERS.state.pa.us or you can call 1-800-633-5461 to request that a copy be mailed to you.

Active Members - It is your responsibility to notify your HR Office of your potential exception. 📧

Pension Payments Now or Later?

If you leave state employment before you reach “normal retirement age” but after you become eligible for monthly pension payments, you’ll have a choice to make.

You can either:

- apply for and begin receiving your pension payments right away, knowing that the value of your pension will be impacted by an early retirement reduction, or
- postpone your application for payments until you are older, thereby decreasing or eliminating the early retirement reduction.

If you choose to postpone your application, be aware you must apply for pension payments within seven years of reaching your normal retirement age. If you do not, you will only be eligible to receive your own contributions plus the statutory interest you have earned on your contributions as of your normal retirement age.

So, what is your normal retirement age? It is the age at which you are eligible to receive a pension that is not reduced by an early retirement reduction. It is listed on your annual member statements that are mailed to you each March.

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Since retiring, SERS’ annuitants have earned degrees, published books and traveled the globe. There are folks who horseback ride in Montana, drive the famous Route 66, hike the Appalachian Trail, winterize camps in Alaska, help Native American tribes in Michigan, perform with the philharmonic in Philadelphia and bike across America. Others are teaching art, mastering computers, caring for loved ones, renovating houses, walking the mall, providing English-as-a-second-language instruction, living on their own schedule and sleeping in.

Active members are keenly interested in public policy discussions and legislative proposals related to public pensions. More than 65 percent use SERS’ website; most think it’s “fine” but many wish that it could be more user-friendly. Respondents said that they would like more information on pension reform, a better search function, easier navigation and the ability to conduct more transactions online. The overwhelming reason active members currently visit SERS’ website is to calculate retirement estimates.

Like retired members, active members find benefit payment options and health coverage issues to be confusing. However, active members would also like clearer information on the benefit formula, normal retirement age and purchasing service.

Our active members definitely feel a sense of satisfaction associated with public service. They told us that the most meaningful part of their work includes “working with the veterans who worked so hard for our country,” “striving to preserve our native environment,” “protecting the commonwealth from violent offenders,” “providing hands-on care and comfort to residents,” “helping elderly and disabled people remain in their homes, instead of going to nursing homes” and “serving and helping people in positive ways.”

It will take us several months to fully understand all that you told us but look for some important changes in 2014. With your input, we’re already working to simplify our materials and get more quickly to the heart of the matter. We hope you’ll notice as we implement your suggestions and that you’ll experience service improvements that you appreciate.

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SERS has seven Regional Retirement Counseling Centers throughout the Commonwealth serving Active Members based on their work locations, and Retirees, Survivor Annuitants and Beneficiaries based on their residence locations.

Retirement Counselors are available in each center to answer questions you may have about your retirement benefit. You can reach your Retirement Counselor by calling 1-800-633-5461.



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David Durbin, Executive Director

Now or Later - from pg 3

For those hired before Jan. 1, 2011, it is either age 60 or 50 (depending upon your class of service and employment position) with at least three years of service, or any age after 35 years of service.

For those hired after Jan. 1, 2011, it is either age 65 or 55 (depending upon your class of service and employment position) with at least three years of service, or any age after 35 years of service when your age and full years of service total at least 92. 🗑️

Pension Reform Update

Pension reform is still a hot topic for policymakers in Harrisburg and continues to be covered by the media. A number of different ideas are still being actively debated. As of *SERS News* press time, however, future legislative action remains unclear. The General Assembly's website, www.legis.state.pa.us provides useful tools to help you stay informed on the status of various bills.