

USGS

FERS Planning For The Future

OBJECTIVES:

- Learn how to plan for a successful retirement by starting early
- Review resources available to help in your planning



U. S. Department of Interior
U. S. Geological Survey [Accessibility](#) | [FOIA](#) | [Privacy](#) | [Policies and Notices](#) February 2014

Resources Online

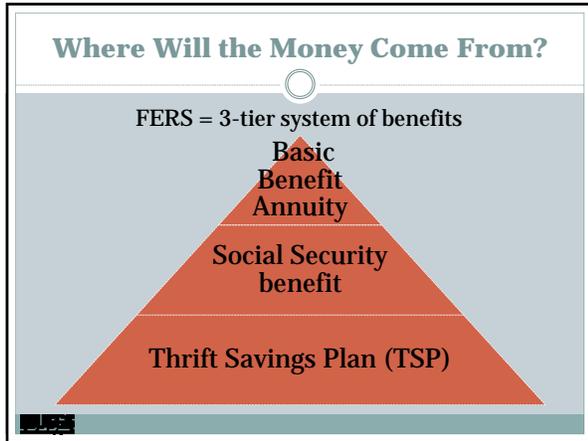
- **Pay & Benefits website**
www.usgs.gov/humancapital/pb
 - Convenient access 24/7
 - Wealth of Pay & Benefits information
 - Stay Informed with Benefits Bulletins
 - Access to systems



Set Goals

- **Begin Retirement Planning Early**
 - Contribute to TSP – at least get the 5% free money
 - Service history review – decide whether to pay deposits
 - Adjust benefits based on life situation
 - Research and ask questions
- **Late Career - 5 years prior to retirement**
 - Verify health & life insurance eligibility for retirement
 - Request a retirement estimate
 - Maximize TSP contributions
 - What will you do in retirement?
 - Can you afford to retire?









FERS Annuity Computation

Years & months of service x 1%
(1.1% if 62+ w/20 years)
[unused sick leave](#)

Example: 30 x 1% = 30% of high-3

Plus FERS Annuity Supplement if under age 62

Review your eOPF

- Electronic Official Personnel Folder ([eOPF](#))
 - All pay, work schedule, and position changes documented
 - SF 50, Personnel Actions
 - Designation of Beneficiary forms – SF 3102, 2823, 1152
 - History of health & life insurance elections
 - Military service documents



Will You Receive Credit for all Service?

- [Deposits](#)
- [Redeposits](#)
- [Military Service Deposits](#)
- Peace Corps / VISTA volunteer
- Other Retirement Systems – Foreign Service, TVA
- Leave Without Pay up to 6 months per calendar year

Can impact your Retirement annuity / eligibility

Retirement SCD

- ✦ Retirement & Leave SCD's can be different

- ✦ Depends on creditable service
 - Deposit(s) paid?
 - Redeposit(s) paid?
 - Temporary Service 1-1-89 and later **not** creditable

Request an Estimate

For Retirement Planning purposes 

Estimates include:

- annuity with & without credit for military service
- amounts of deposits / redeposits due
- annuity with & without reduction for deposits
- amount of FERS annuity supplement

Current Deductions to Stop

Deductions not Continuing

- Basic Benefit 0.8% in most cases
- Social Security 6.2%
- Medicare 1.45%
- TSP
- FSA

Understand Social Security's Role

Social Security Benefit

- Earliest eligible at age 62 w/ 40 credits

Review your
Social Security Statement

www.ssa.gov



Take TSP Seriously!

- **Thrift Savings Plan (TSP)**
 - Options for Contributions:
 - Tax-deferred Traditional Savings
 - Roth Savings taxed now, earnings not ever taxed
 - TSP Catch-up beginning at age 50
 - Use Employee Express to make elections
 - Don't Miss out on Free Money – 5% matching
 - Take advantage of Compounding
 - Consider the L fund

www.tsp.gov



TSP After Separation

Options

- Leave it in
 - **Withdrawal Options**
 - Single payment
 - Rollover to IRA or other qualified plan
 - Life Annuity
 - Self only, joint with spouse or another
 - Monthly Payments
 - Life expectancy
 - Specific Dollar amount
- **Tax Information**
- <https://www.tsp.gov/lifeevents/entering/enteringRetirement.shtml>

www.tsp.gov



Health Insurance (FEHB)

- **Employee**
 - ✦ Open Seasons annually
 - ✦ Qualifying life events
 - ✦ Premiums pre-tax
- **Retirement**
 - ✦ Need 5 years continuous coverage immediately prior
 - ✦ Covered under Family coverage through Federal spouse counts
 - ✦ Covered under Tricare counts – but must elect FEHB prior
 - ✦ Premium the same - no longer eligible for pre-tax savings



Life Insurance (FEGLI)

- **Coverage**
 - Basic
 - Option A – Standard
 - Option B – Additional (up to 5 multiples)
 - Option C – Family (up to 5 multiples)
- Can reduce at any time
- Increase only with life event or medical exam
- 5 years coverage prior to retirement

FEGLI in Retirement

		Reduction		
		none	50%	75%
Basic	Keep/drop	none	50%	75%
Option A Standard	Keep/drop	At age 65 automatically reduces \$200/month until \$2500		
Option B Optional (1-5)	Keep/drop	none	Full -2% /month for 50 months then ends	
Option C Family (1-5)	Keep/drop	none	Full -2% /month for 50 months then ends	

Dental & Vision (FEDVIP)

- Coverage as employee
 - Dental plans & Vision plans
 - Enroll during Open Season or at life event
 - Premiums are pre-tax
- At retirement
 - No 5 year requirement
 - Can apply in retirement if not covered
 - No longer pre-tax



Flexible Spending Accounts

- Pre-tax savings for health & dependent care expenses
- Not available to retirees

www.fsafeds.com

FSAFEDS 1-877-372-3337

Long Term Care Insurance

- Can apply at **any time**
- Advantages of applying Early
 - Premiums are based on age
 - Apply while healthy to avoid not qualifying later
- Covers Qualified Relatives even if you're not enrolled
- Coverage is portable

www.ltcfeds.com

LTCFEDS 1-800-582-3337

Life Events

- Review beneficiary forms
- Update as needed – marriage, divorce
- Insurance elections time limited
- Court orders may impact retirement & benefits



Disability Retirement

Eligible to apply with 18 months of creditable service

Must be disabled due to disease or injury
• expected to last at least one year

Not able to perform duties of position

Survivor Benefits

- Monthly annuity may be payable
 - Death in Service & Retirement
 - Spouse
 - Eligible children
- May be eligible for health benefits
 - Eligible for survivor benefit
 - AND must be covered by self & family at death



Separation Prior to Retirement

- **What Happens to Your Insurance Coverage?**
 - Health Insurance options
 - Life Insurance Conversion
 - Dental/Vision ends
 - Long Term Care portable

- **Retirement options**
 - Deferred at age 62 or MRA
 - Must contact OPM directly

Stay Informed!

- **Pay & Benefits Website**
 - Access to current information
 - Organized to quickly find what you need

- **Benefits Bulletins**
 - All-employee emails
 - Provide timely benefits & retirement information
 - Archived on website

- **Benefits News Sites**
 - Can sign up to receive free emails newsletters

Questions? Contact Us