

# Important (and often overlooked) Teacher Retirement System Benefit

If you or another NYSTRS member is seriously ill, or experiencing a potentially life threatening surgery or procedure, then taking care of the people who survive is a concern. Understanding the benefits available through the NYS Teacher's Retirement System is one part of securing the future for any beneficiaries you have.

Most of us are familiar with the Inservice Death Benefit available to system members. The basics are:

Tier 1: Generally equal to one-twelfth of your last 12 months of regular compensation for each year of service, to a maximum of three times your earnings. This is the basic benefit there are case by case variations.

Tier 2-5: Generally equal to one year's salary after a year of service, and it increases to a maximum of three years' salary after three or more years of service. After age 60 the benefit is reduced by 4% per year, up to a maximum reduction of 40% at age 70.

Here is where you may be able to secure a larger benefit for your beneficiary. If you have more than 10 years of NYS service you can file for a disability retirement benefit and select the Largest Lump Sum benefit payout. This has to be completed prior to death and can be submitted before going in for a surgical procedure or while experiencing a life threatening illness. The key is it must be submitted, postmarked, prior to the date of death.

**IMPORTANT: You are not completing the entire application, you would be submitting an incomplete application without a retirement date. This application can be withdrawn at anytime.**

**Why do this?????? If you die you would be considered retired and your beneficiary would receive the Largest Lump Sum benefit *plus* 1/2 the In Service Death Benefit. (Retirees receive 50% of the Inservice Death Benefit in effect at retirement during the 1<sup>st</sup> year they are retired.)**

Check your Member Profile (received in the mail recently?) to see how this would change the benefit for your beneficiaries. In my case my family would receive roughly \$70,000 more.

If you have any basic questions or are wondering what steps have to be taken feel free to ask me (Linda Meredith) or your retiree delegates Shelly Lee or Teresa Burleigh. The best way to get your specific information is to call the NYSTRS at (800) 348-7298, Ext. 6010.