



New Employee Orientation

Valuable Benefits to Advance Your Financial Security





RETIREMENT

What is a Defined Benefit Retirement Plan?

A defined benefit (DB) plan, sometimes known as a traditional pension, is not an individual retirement account, but one based on a retirement formula defined by law. For general state employees covered under MOSERS, we calculate your pension using your service, salary, and a multiplier.

Why is a DB Plan Important to Your Future Financial Security?

- As a member of the MSEP 2011 or Judicial Plan 2011, you contribute 4% of your pre-tax pay to help fund your future retirement benefits.
- Once vested, even if you leave state employment, you can receive a monthly benefit payment for your lifetime once you are eligible.
- You don't have to manage this account – your benefit remains the same, no matter what our investment returns.
- As a retiree, you will receive an annual cost-of-living adjustment (COLA) of 0-5%.
- Build your retirement income even further by participating in the MO Deferred Comp plan.

If you work in both a full-time benefit-eligible position and a part-time position (in another state agency) be sure to tell your HR office. It could increase your future retirement benefit.

The Value of Your Retirement Benefit

Below is a simplified example of what your future retirement benefit might look like over time. The benefit would be even more with compounding cost-of-living adjustments (COLAs), which are included in your plan, but not shown here for simplicity. The benefit formula is:

$$\text{Final Average Pay} \times \text{Multiplier} \times \text{Credit Service} = \text{Monthly Base Benefit}$$

Assumptions

Final average pay (FAP).....	\$2,500
Multiplier.....	1.7% (.017)
Credited service.....	35 years
Retirement age.....	55 years
Benefit payment option.....	Life Income Annuity
Length of retirement (ending with your death).....	20 years

Contributing to Retirement While You Work (35 Years)

Monthly salary	\$ 2,500.00
4% monthly contribution	100.00
Annual contribution	1,200.00
Total contributions made	\$42,000.00

Future Retirement Benefit (20 Years)

Base monthly benefit	\$1,487.50
Temporary benefit (paid until you reach age 62)	700.00
Monthly retirement benefit	\$2,187.50
Total base benefit paid	\$357,000.00
Total temporary benefit paid (from age 55 to 62)	\$58,800.00
Total retirement benefit without COLAs	\$415,800.00

Look for a series of emails from MOSERS highlighting the value of your state benefits. Messages include links to helpful resources, calculators, and videos which are also available on our website whenever you need them.

www.mosers.org/members/neo-emails



LIFE INSURANCE

Life Insurance Coverage Protects You and Your Family*

Group term life insurance protects you and your family from financial hardship in case of death. Term life insurance does not accumulate cash value and only results in a benefit payment when you die. Update your beneficiary designations with the *Designation of Life Insurance Beneficiaries* form online.

Did You Know that Travel Assistance is Included in Your Life Insurance Coverage?

As a participant in MOSERS group life insurance plan, coverage is automatic.

Services are available 24 hours a day, every day, including health information and access to registered nurses.

Travel Assistance provides both emergency and non-emergency assistance including:

- Passport, visa, weather, and currency exchange information.
- Emergency ticket, credit card and passport replacement, funds transfer, and missing baggage assistance.
- Help locating medical care providers and interpreter services.
- Legal assistance including location of a local attorney and bail bond services.
- Emergency transportation and personal security services.
- Find the Travel Assistance brochure and wallet card on our website.

* MOSERS' life insurance benefits are not available to employees of the Department of Conservation or state colleges and universities (except State Technical College of Missouri and Lincoln University).

The Value of Your Life Insurance Benefits

As a MOSERS benefit-eligible employee, you automatically receive one times your annual salary (\$15,000 minimum) in basic life insurance coverage at no cost to you. Additionally, you may:

- Purchase up to six times your annual salary in optional life insurance coverage and pay the premiums through payroll deduction.
- Purchase optional life insurance coverage for your spouse and/or child(ren).
- Increase your optional life insurance by \$10,000 without proving insurability during the Annual Term Life Insurance Review period each year in October.
- Increase by up to \$30,000 your optional life insurance coverage, without proving insurability, upon a change in family status (marriage, divorce, birth of child, death of spouse or child).
- Increase your optional life insurance at any time by completing the Standard Medical History Statement (and receiving approval from Standard Insurance).
- Retain optional and child life insurance into retirement if you retire within 60 days of termination of employment.
- Port or convert your life insurance coverage if you leave state employment or your coverage is reduced at retirement.
- Receive an accelerated benefit (a portion of your benefits prior to your death) if you are terminally ill and meet eligibility requirements.
- Continue your life insurance coverage, if eligible, without having to pay the premium if you become disabled.
- Provide your designated beneficiary(ies) with three times your annual salary if your death is determined to be duty-related.
- Benefit from the repatriation benefit (transportation of your body) if you die more than 200 miles from home.
- Access and update beneficiary information at www.mosers.org. (Member Login)

Watch the NEO Video on MOSERS' YouTube Channel for an overview of your benefits!



LONG-TERM DISABILITY

Income Replacement if You Become Disabled

People insure their lives, health, homes, and other possessions, but often overlook their most important asset—their ability to earn an income. Long-term disability (LTD) insurance protects your earning ability by providing partial income replacement in the event you become disabled. This can help bridge the gap from your date of disability to your recovery or retirement, whichever comes first.

**What's going on at MOSERS?
Follow us on facebook
and twitter to find out.**

The Value of Your Long-Term Disability Coverage

No-cost coverage becomes effective on the first day you become a member of MOSERS with the premiums paid by your employer. With this coverage, you may:

- Replace 60% of your pre-disability earnings less any deductible income (i.e. Social Security disability, workers' comp, etc.).
- Continue to earn service credit towards retirement for each month you receive a disability benefit from our insurance company.
- Have your premiums for continued life insurance coverage waived if you are totally disabled.
- Continue LTD coverage for up to one year if you are on an approved leave of absence, provided you pay the premiums.
- Protect your spouse or children with the lump-sum survivor benefit payable if you die while receiving LTD benefits.
- Stay at or return to active work with a reasonable accommodations expense benefit.

The benefit waiting period is 90 days or whenever sick leave that you are entitled to is exhausted, whichever is later.

June 2019