

MCCS GROUP RETIREMENT PLAN

Q: When is the earliest I become eligible to retire?

A: Provided you have at least 5 years of creditable retirement-contributory service in the Group Retirement Plan, you may be eligible as early as age 52 under the early-reduced retirement provision (4% reduction for every year you retire before age 62 – maximum of 40%).

Q: When is the earliest I can retire and receive full benefits?

A: The earliest you can retire and receive your full benefit is age 55 with 30-years contributory service in the Group Retirement Plan, age 60 with 20-years contributory service in the Group Retirement Plan or age 62 with at least 5 years creditable retirement-contributory service in the Group Retirement Plan.

Q: If I leave MCCS NAF employment before meeting the age requirement for an immediate retirement benefit and leave my retirement account intact, when is the earliest I can apply for my benefit?

A: At age 52, you will be eligible to apply for an early-reduced benefit, provided you have at least 5 years of creditable retirement-contributory service.

Q: How do I apply for my retirement?

A: Provided you are eligible, you may apply for your retirement at your local MCCS Human Resources Office. Deferred annuitants may apply when eligible at their local MCCS Human Resources Office or directly to MRG at Headquarters. At termination, MRG contact information is provided to the employee.

Q: How soon will I receive my first annuity benefit payment?

A: You can expect your first payment to commence the first of the month following your final and annual leave payout checks, retroactive to your date of retirement, for immediate annuitants. For deferred annuitants, your retirement is effective the 1st of the month following the date your retirement application is received at HQ. There is no retro retirement for deferred annuitants.

Q: If I have sick leave on the books when I retire, will that count toward my retirement benefit?

A: Yes – Provided you have at least 173 hours. Every 173 hours of sick leave computes to 1 month additional credited service. Any hours under 173 are forfeited if not used.

Q: Is sick leave used to calculate retirement if I defer my retirement to a later date?

A: No. Sick leave balances are forfeited if you do not elect an immediate annuity. The only time sick leave can be carried forward for deferred annuities is if an employee is involuntarily terminated as a result of a BBA.

Q: I am married; do I have to elect a surviving spouse annuity option?

A: Yes, the Internal Revenue Service mandates a married member elect a survivor benefit unless the spouse waives their entitlement in writing.

Q: How much is my annuity reduced as a result of my survivor spouse election?

A: Your annuity is reduced 10% to fund the entitlement of your surviving spouse.

Q: How much will my survivor get if I die?

A: Your survivor will get 55% of the benefit you have in force at the time of your death your annuity amount before your survivor reduction)

Q: What happens if my spouse predeceases me?

A: Your annuity will revert back to the amount before the surviving spouse reduction, if your spouse predeceases you.

Q: Can I elect a new survivor if my spouse predeceases me?

A: No, your annuity will remain a lifetime option without a survivor after your spouse predeceases you.

Q: I am not married; can I elect a survivor option when I retire?

A: Yes, you can name anyone as your survivor. Your annuity will be actuarially reduced to fund the survivor option, based on your survivor's age.

RETIREE HEALTH INSURANCE QUESTIONS

Q: Is there a premium change when transferring from Aetna Managed Care (Choice POS II) to Aetna Traditional Choice (Indemnity Plan)?

A: Yes, please refer to the current year premium rate sheet.

Q: When a retiree turns 65, does their medical coverage automatically transfer to Aetna Traditional Choice (Indemnity Plan)?

A: No, the transfer is not automatic. The retiree must complete an MCCA 499 Form electing to continue medical coverage. S/he should receive a packet in the mail before their birthday with the options. Failure to make an election to change coverage could jeopardize coverage.

Q: Can a retiree later enroll in the dental plan if s/he did not elect to continue it when s/he retired?

A: No, if the retiree was not enrolled in the dental plan during the time of retirement, s/he may not enroll later.

Q: Do I have to enroll in Medicare Part A & B?

A: Yes. If you are at least age 65 – or eligible for Medicare for other reasons you must enroll in Medicare Part A & B.

Q: Do I have to enroll in Medicare Part D (Rx)?

A: No. The Aetna plan is deemed to be “credible” and there is no coordination with Medicare for Rx – so you are not penalized or required to join Medicare Part D.

Q: Does my employer contribute to retiree medical/dental premium costs?

A: Yes. The MCNAF activity continues to pay 70% of eligible medical and dental premiums for eligible retirees.

Q: I have been enrolled in medical, dental, and life for less than 15 years. Can I continue coverage into retirement?

A: No, the requirement is 15 years of cumulative participation to be eligible for retiree insurance continuation.

Q: If I was enrolled in FEHBP, FEGLI or another NAF Service plan prior to my enrollment in the Marine Corps NAF plan does that participation time count?

A: Your prior FEHBP and FEGLI participation will count if it was with a DoD agency. If it was outside of DoD then it will not count toward your participation requirement. Yes, enrollment in another NAF Service plan(s) will count toward your requirement.

Q: If I do not elect to continue insurance when I retire, can I enroll at a later date?

A: No, insurance is only authorized at the time of retirement as a continuation. You cannot elect to enroll at a later date if you waive the opportunity when you retire.

Q: If I elect a deferred annuity, can I elect insurance when I initiate my retirement at a later date?

No: Insurance continuation is only for immediate annuities.

RETIREMENT PLAN REFUNDS

Q: How long does it take for me to receive my refund check from the Retirement Plan?

A: It generally takes up to 6 weeks in most cases, depending upon when the application was received and whether the applicant was vested in the Plan prior to termination.

Q: Why does it take so long?

A: The refunds are processed as a batch once per month, and only those received by the first of each month will be included in each batch.

Q: Will my refund be sent by Direct Deposit or paper check?

A: The refunds are always paid by direct deposit. (Except in instance such as overseas banking).

Q: Do I get all of my contributions back?

A: Yes

Q: If I get a refund and then get another position with MCCA can I buy back my previous contributions?

A: Yes- Provided you are hired into an eligible position and re-enroll into the plan. This would need to be done immediately upon re-employment and provided you do not waive participation. Failure to request a buy back during the eligibility period will result in no future opportunity to elect a buy back.

Q: If I am vested in the group retirement plan, can I still request a refund instead of an annuity when I terminate?

A: Yes, you can always get a refund of your contributions when you terminate, however it is never recommended. You will have to sign an acknowledgement that you understand what your annuity option would be and you waive that option.

RETIREMENT PORTABILITY QUESTIONS

Q: If I transfer to a retirement-covered civil service position, can I continue my MC NAF retirement coverage?

A: Section 1131 of PL107-107 permits employees moving between NAF and APF positions on or after December 28, 2001, to continue coverage in the retirement plan that covered them immediately before the move, even if they are not vested in that retirement plan. Employees must move between retirement-covered positions with a break of not more than one year.

Q: If I transfer to a retirement-covered civil service position and elected to continue my MC NAF retirement coverage, can I participate in the Thrift Savings Plan (TSP).

A: No, you cannot participate in the Thrift Savings Plan. Employees who remain in a NAF retirement system are subject to the defined contributions plan (401k) associated with that system.

Q: When I transferred to a retirement-covered civil service position, I exercised retirement portability and elected to retain my MC NAF retirement coverage. I have accepted a civil service position with another agency; however, I have a break in service of more than one year. What will happen to my MC NAF retirement?

A: Because of your retirement portability election, by law, you are locked into the MC NAF retirement system for life. The new civil service agency will be required to continue your MC NAF coverage regardless of the break in service. ***PLEASE NOTIFY HEADQUARTERS MRG OF ANY CHANGES IN EMPLOYMENT AFTER MAKING A PORTABILITY ELECTION***