



New State Police Pension Plan

Summary Plan Description

Please Note: This handbook is also available on the Office of Pensions website:

www.delawarepensions.com

Text in **green font** in the online PDF contains live links:

- Clicking on the **green text in the Table of Contents** will automatically redirect you to that page.
- Clicking on the **green headings in the body text** will automatically redirect you to the Table of Contents.
- Clicking on **any other green content** will automatically redirect you to that webpage.

Table of Contents

1. MEMBERSHIP.....	6
ELIGIBILITY	6
MEMBERSHIP IDENTIFICATION	6
CONTRIBUTIONS	6
Contribution Restrictions.....	7
VESTING ELIGIBILITY.....	7
TERMINATION OF MEMBERSHIP	7
WITHDRAWAL OF CONTRIBUTIONS.....	7
2. CREDITABLE SERVICE.....	8
GENERAL.....	8
EARNED SERVICE	8
Worker’s Compensation (WC)	8
CLAIMED MILITARY SERVICE (Interrupting Employment)	8
UNIFIED SERVICE	8
BREAK IN SERVICE	9
3. COMPREHENSIVE ANNUAL STATEMENT	10
OVERVIEW OF YOUR COMPREHENSIVE ANNUAL STATEMENT	10
SAMPLE COMPREHENSIVE ANNUAL STATEMENT	11
4. BENEFIT ELIGIBILITY REQUIREMENTS.....	15
RETIREMENT ELIGIBILITY CRITERIA	15
DISABILITY PENSION.....	16
Duty Connected Disability	16
Non-Duty Connected Disability	16
Types of Disabilities	16
Proof	16
SURVIVOR PENSION	17
DEATH BENEFITS WHEN NO ELIGIBLE SURVIVOR	18
5. RETIREMENT PLANNING	18

6. BENEFIT COMPUTATIONS.....	19
CALCULATING YOUR PENSION	19
SERVICE PENSION CALCULATION	19
7. OPTIONS TO PURCHASE ADDITIONAL SERVICE.....	21
OVERVIEW OF BUY-IN OPTIONS	21
COST	21
PAYMENT OPTIONS.....	21
8. APPLYING FOR A PENSION	22
OVERVIEW OF THE PENSION APPLICATION PROCESS	22
VESTED PENSIONERS.....	22
NECESSARY DOCUMENTS.....	22
9. RETIREE BENEFITS.....	26
HEALTH INSURANCE.....	26
Spousal Coordination of Benefits	27
MEDICARE ELIGIBILITY	27
DENTAL INSURANCE.....	27
VISION INSURANCE	27
BURIAL BENEFIT	27
10. RETIREMENT	28
MONTHLY PENSION	28
POST-RETIREMENT INCREASES (PRI).....	28
TAXES.....	28
YEARLY STATEMENTS	28
WORK RESTRICTION	29
IRS Guidelines	29
GENERAL QUESTIONS.....	30

WELCOME

Welcome to the Delaware Public Employees' Retirement System (DPERS). This booklet will assist Delaware's New State Police Pension Plan (NSP) employees in becoming familiar with the benefits and features of their pension plan.

The information in this booklet is very important to the security of you and your family! As a member of our Delaware New State Police Pension Plan, we strongly urge you to take the time to read it and familiarize yourself with your rights, privileges, and obligations.

The Pension Plan laws are necessarily written in legal language; therefore, this booklet has been prepared in lay language to help you better understand its provisions. The following pages should be informative to you and, it is hoped, will answer most questions you may have about your Plan.

Our office assists all active and retired members of the Plan. If you have questions or need assistance in any of your retirement plan matters, please contact the Office of Pensions directly or through the business or human resources' office of your agency. Useful information about your pension plan benefits is also available on our website, www.delawarepensions.com.

OFFICE OF PENSIONS CONTACT INFORMATION:

Address:	Office of Pensions 860 Silver Lake Blvd, Suite 1 – McArdle Building Dover, DE 19904
Telephone:	(302) 739-4208 Toll-free for Long Distance Calling: (800) 722-7300
Fax:	(302) 739-6129
Email Address:	pensionoffice@delaware.gov

DPERS has been providing retirement benefits to participants, their families, and beneficiaries for over 50 years. We look forward to continuing to serve those who have served the State of Delaware.

NOTE: This booklet is only applicable to employees covered under the Delaware New State Police Pension Plan. Nothing in this booklet is meant to extend or change in any way the provisions expressed in the Plan. If there is any conflict between a provision in this booklet and the Plan ([11 Del. C. Ch. 83, Subchapter III](#)), the Plan will take precedence.

1. MEMBERSHIP

ELIGIBILITY

You are a member of the New State Police Pension Plan (NSP) if you are a full-time or regular part-time employee of the Delaware State Police.

You are not eligible to be a member if:

- You are an active member of any other State of Delaware pension plan
- You are an active member of a municipal retirement system financed in whole or part by the State of Delaware unless you are eligible for unification of State service.
- You are an active member of a county retirement system financed in whole or part by the State of Delaware

Employees unsure if they are in a pension-creditable position should contact their Human Resources representative.

MEMBERSHIP IDENTIFICATION

As a NSP member, you have two identification numbers: (1) Payroll Human Resource Statewide Technology (PHRST) Identification Number and (2) Pension ID.

The PHRST identification number is your active employee identification.

The Office of Pensions' identification number is your retirement identification. Your Pension ID is assigned upon your initial employment and can be found in Block 1 of your Comprehensive Annual Statement. To ensure proper identification and prompt service, always include your Pension ID in addition to your full name, mailing address, phone number, and signature in all communications concerning your pension status. If you do not know your Pension ID, we are also able to reference your account with your Social Security Number.

CONTRIBUTIONS

Membership in the NSP is mandatory for all employees working in a pension-creditable position. Your employer automatically enrolls you when you are hired.

Effective 1/1/2001, 7% of all pension-creditable earnings will be deducted from your pay and contributed to the pension fund.

Effective 1/1/1993, the federal and state income tax on your contributions is deferred under [Section 414\(h\)\(2\) of the U.S. Internal Revenue Code](#).

Pension contributions do not determine pension benefits. As a member, you will receive a Comprehensive Annual Statement (CAS) detailing your contributions towards the pension plan, the interest earned on those contributions, and future benefit amount. Please see [Section 3. Comprehensive Annual Statement](#) for more information on CAS reports.

Contribution Restrictions

- Members cannot contribute additional contributions to their pension plan.
- Active and vested members are unable to borrow against or take a loan from pension contributions/ interest earned.

VESTING ELIGIBILITY

To be eligible for a pension you must be vested and meet eligibility requirements (see [Section 4. Benefit Eligibility Requirements](#) for more details). Employees must work for 10 consecutive years to meet vesting requirement.

Once you are vested, if you should leave your job for any reason, you are guaranteed to receive a future benefit for the pension-creditable service earned before termination unless you withdraw your accumulated contributions. All vested pensioners are encouraged to keep the Office of Pensions updated on any changes in contact information (e.g., address, phone, email address). Change of address forms can be found on the Office of Pension website (<https://delawarepensions.com>) under *Retirees > Retiree Forms*.

If you are not vested, you have the option of either leaving your contributions in if you may return to state service or withdrawing your contributions and interest.

TERMINATION OF MEMBERSHIP

Membership ends if the member:

- Terminates from employment without meeting the vesting requirement; or
- Terminates employment after meeting the vesting requirement and withdraws their accumulated contributions and earned interest, if any.

Upon termination of employment, the Office of Pensions receives notification from your agency. Once notification has been received, you will be sent a letter and the following forms if you are not eligible to collect a pension immediately:

- Contribution Retention Notice
- Application for Withdrawal of Benefits

If you do nothing or complete the Contributions Retention Notice form, then all monies will stay in the fund and continue to accrue interest. If you complete the Application for Withdrawal of Benefits, then contributions and interest will be paid out.

WITHDRAWAL OF CONTRIBUTIONS

Upon receipt of the Application for Withdrawal of Benefits, the Office of Pensions will reach out to your agency to verify your termination if documentation has not been received. Once termination has been verified, you will receive additional correspondence to determine how you would like to receive your refund of contributions and interest. Monies can be paid out in a check or transferred to a qualifying retirement account. If you choose to get a cash payout, it will be taxed 20% for federal taxes. Refunds cannot be paid out until at least 45 days after your final paycheck.

Withdrawal of your contributions will terminate your membership in the Plan and will void any rights you or any survivor may have to future benefits in the Plan.

2. CREDITABLE SERVICE

GENERAL

As a member of the New State Police Pension Plan (NSP), you earn creditable service time towards your retirement benefit each day on the job. Creditable service is used to determine your eligibility for retirement, monthly pension amount, and cost of health insurance.

Creditable service time represents periods of employment that are either earned, claimed, or purchased.¹ If you do not agree with your creditable service time, it is recommended that you contact your current human resources' office and request a creditable service schedule be completed. A copy should be forwarded to the Office of Pensions so your file can be updated accordingly. The following describes the types of service credit which may be earned, claimed, or purchased.

EARNED SERVICE

You earn creditable service for each day during the year in which you are an active employee who works in a position that is full-time. No more than one year of service is creditable for all employment in one year.

Worker's Compensation (WC)

If you are hurt on the job, you may be eligible for Worker's Compensation through your active employer. Once the carrier has approved your claim, you are entitled to receive three months of supplemental pay (12 months for employees injured while performing hazardous duty) without charging your leave.

If you remain out of work on Worker's Compensation leave beyond the 3-month (or 12-month) period you must use your sick or vacation leave to continue to earn creditable service time. Upon exhausting available leave, you will be put on a leave of absence without pay. No creditable service will be accrued during an unpaid leave period; however, it may be purchased at retirement. For more information regarding Worker's Compensation, please contact your agency.

CLAIMED MILITARY SERVICE (Interrupting Employment)

If you are called into active service or volunteer for active service in the Armed Forces or the National Guard of the State while you are a member of the NSP and you return to employment within 90 days after discharge from active service, you will receive full creditable service for such full-time continuous, active military service. The Office of Pensions will need the DD214s to give service credit for any unpaid military leave of absence (LOA).

UNIFIED SERVICE

Unifying services gives members with service in two (2) or more plans the option to combine their creditable service time to meet retirement eligibility requirements. Plans eligible to unify with NSP to determine eligibility are as follows:

- State Employees' Pension Plan

¹ Refer to [Section 7. Options to Purchase Additional Service](#) for further information on buy-in options.

- County Municipal Plan
- County Municipal Police/Firefighters' Plan

To be eligible, you do not need to meet vesting rights in both plans. Your unified creditable service time can qualify you to retire from both plans. You cannot unify services if you are collecting retirement benefits from either of the plans. If service in one of the plans was refunded, you can repay the refund to restore service time in the plan.

Unification can only be established at the time of retirement. If you have previous service and want to know if you qualify, please contact the Office of Pensions.

BREAK IN SERVICE

If you leave NSP service before you have acquired ten (10) consecutive years of creditable service, your service credits will be forfeited. Service time can be restored if:

- You discontinue employment due to absence on account of military service, disability, or approved leave, and you again become an employee within four (4) months following the completion of such military service, disability, or approved leave; or
- You again become an employee in a pension creditable position within four (4) months after you leave NSP employment; or
- If you repay any contributions you have withdrawn plus interest.

Upon termination, a vested pension application, a Contribution Retention Notice Form, or an Application for Withdrawal of Benefits **must be filed by your human resources' office**. If you left employment and received a refund of your contributions plus interest, you may re-establish this service upon returning to active membership and must repay the amount you withdrew plus interest. Re-established service can be used to determine minimum service requirements for benefit eligibility.

If you receive a refund of your contributions and subsequently return to State of Delaware employment, you should contact the Office of Pensions for information relative to the options available to you regarding prior service credit.

3. COMPREHENSIVE ANNUAL STATEMENT

OVERVIEW OF YOUR COMPREHENSIVE ANNUAL STATEMENT

As a member of the New State Police Pension Plan (NSP), you will receive a Comprehensive Annual Statement (CAS) yearly. Active member statements can be viewed online by logging into [My.Delaware.Gov](https://my.delaware.gov).

Members with multiple plans should have CAS access for each plan online. Active members without [My.Delaware.Gov](https://my.delaware.gov) access and vested members will receive CAS by mail.

The CAS is a four (4) page report designed to give you an overview of your membership status. The statement consists of six (6) blocks:

1. **PERSONAL INFORMATION (Block 1)** – includes your address, Pension ID number, Date of Birth, Gender, Marital Status, and Spouse's Date of Birth.
2. **PENSION INFORMATION (Block 2)** – Specifies the Pension Plan the statement pertains to and total pension-creditable service time as of the statement date.
3. **CONTRIBUTORY INFORMATION (Block 3)** –
 - a. Total pension contributions and total interest accrued by the employee as of the statement date.
 - b. Wages and Contributions Breakdown for your Highest Creditable Compensation Period. *Wages and Contributions Breakdown will only be available once an employee has met vested status.* Please Note: Highest Creditable Compensation Period can be any consecutive 12-month period and is often not a calendar year.
4. **COMPUTATION INFORMATION (Block 4)** – Pension Estimate Computation Formula is the breakdown of how your pension amount is calculated. Part 3 shows your final estimated pension. *This calculation is only available once an employee has met vested status. If you have not met vested status this page will be blank.*
5. **SURVIVOR INFORMATION (Block 5)** – This box is informational and explains who would be considered an eligible survivor.
6. **BENEFICIARY INFORMATION (Block 6)** – This box lists the current designated beneficiary or beneficiaries to receive payment of undistributed Pension Contributions upon your death if there is no survivor. You are limited to six (6) beneficiaries. If any changes need to be made, please update the form, sign, date, and submit it to the Office of Pensions.

Please review your statements yearly for accuracy. If changes are needed, follow the instructions below each block to get the necessary corrections made. Note: Changes to personal information cannot be updated by the Office of Pensions if you are an active employee. You **MUST** work through your Human Resources' office for these changes.

SAMPLE COMPREHENSIVE ANNUAL STATEMENT



Delaware Public Employees' Retirement System 2023 Comprehensive Annual Statement

DISCLAIMER: This statement represents an estimate only of potential benefits developed from records available to the Delaware Public Employees' Retirement System. This data must be verified at the time of retirement. As a result, your actual retirement benefits may vary significantly from the amounts reflected here. None of the information in this estimate has been verified and the Office of Pensions of the State of Delaware makes no representation or warranty, expressed or implied, as to the accuracy or completeness of such information. Actual service credit and benefits will be verified at the time of retirement. The Office of Pensions encourages all participants who are nearing retirement age to request copies of their records and review them for accuracy.

PERSONAL INFORMATION		BLOCK 1	
Joe Member	Pension ID:	123456	
123 Main Street	Date of Birth:	01/28/1935	
Apt. 5S	Gender:	M	
Dover , DE 19901	Marital Status:	M	
	Spouse's Date of Birth:	05/31/1938	
If any information in Block 1 is incorrect, submit changes with verification to your current Human Resources Office.			
PENSION INFORMATION		BLOCK 2	
Pension Plan: NEW STATE POLICE PLAN			
Total Pension Creditable Service as of 12/31/2023: 11 Years 0 Months (11.0417)			
If any information in Block 2 is incorrect, please contact your current Human Resources Office and have them submit service verification to the Office of Pensions.			
CONTRIBUTORY INFORMATION		BLOCK 3	
Total Pension Contributions as of 12/31/2023:		\$3123.47	
1. Pre-Tax Pension Contributions		\$3123.47	
2. After-Tax Pension Contributions		\$ 0.00	
Total Interest Accrued as of 12/31/2023		\$ 343.76	
Wage and Contribution Breakdown by Year for your Highest Creditable Compensation Period:			
Period Start	Period End	Pension Creditable Wages	Pension Contributions
01/2000	12/2000	28,951.24	688.54
01/1999	12/1999	26,375.64	611.31
01/1998	12/1998	25,432.45	582.97
If any information in Block 3 is incorrect, keep original for your records and submit a photocopy with the errors circled in black ink only with an explanation to this office for investigation.			



Pension ID: 123456
Name: Joe Member
Pension Plan: NEW STATE POLICE PLAN

**Delaware Public Employees'
Retirement System**
2023 Comprehensive Annual Statement

COMPUTATION INFORMATION

BLOCK 4

Pension Estimate Computation Formula

PART 1 – Calculation for years of service up to and including 20.

1. Total Compensation-----→	\$80,759.33
Divided by 36	
2. Equals Final Average Compensation-----→	\$2,243.3
Multiplied by 2.5%	
3. Equals Factor 1-----→	56.08
4. Multiplied by Years of Creditable Service (up to 20)-----→	20.0000
5. Equals Estimated Monthly Pension (part 1)-----→	\$1,121.66

PART 2 – Calculation for years of service above and beyond 20 years.

6. Final Average Compensation-----→	\$2,243.3
Multiplied by 3.5%	
7. Equals Factor 2-----→	78.52
8. Multiplied by Years of Creditable Service (above and beyond 20)-----→	5.0000
9. Equals Estimated Monthly Pension (part 2)-----→	\$392.58

PART 3 – Total Estimated Monthly Pension Benefit

10. Part 1 + Part 2 equals Total Monthly Pension Benefit-----→	\$1,514.24
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If the increased Survivor Benefit Option is chosen, the computed amount in Item 10 will be reduced.

Block 4 contains a step-by-step calculation of your estimated monthly pension accrued under the Delaware Public Employees' Retirement System based on your service and compensation as of 12/31/20xx¹. This monthly pension does not reflect any reduction for early retirement nor does it indicate your eligibility to collect a monthly pension. Please refer to our website, www.delawarepensions.com, for eligibility requirements.

DISCLAIMER: This statement represents only an estimate of credited service and potential benefits. None of the information in this estimate has been verified and the Office of Pensions of the State of Delaware makes no representation or warranty, expressed or implied, as to the accuracy or completeness of such information. Actual service credit and benefits will be verified at the time of retirement.



Pension ID: 123456
Name: Joe Member
Pension Plan: NEW STATE POLICE PLAN

**Delaware Public Employees'
Retirement System**
2023 Comprehensive Annual Statement

SURVIVOR INFORMATION

BLOCK 5

This block is an informational block to assist members in understanding the word "survivor" as it relates to a pension. Unless the order of priority is changed by filing a form with the Office of Pensions, the following is the order of eligible survivors:

1. A spouse – OR
2. An unmarried child under age 18 – or an unmarried child between age 18 and 22 and attending school full-time – OR
3. An unmarried child disabled before age 18 – OR
4. A parent who receives at least one-half of his or her support from you.

An eligible survivor receives a monthly pension. If there is no eligible survivor under Items 1, 2, 3, or 4 above, a death benefit is paid out to your beneficiary(ies) (See Block 6). A death benefit equals the amount of unpaid pension contributions plus interest through the date of death.

The Priority of Eligible Survivors form can be found on our website, www.delawarepensions.com. This form requires your signature in the presence of a notary public.

BENEFICIARY INFORMATION

BLOCK 6

Designated Beneficiary(ies) to receive payment of undistributed Pension Contributions upon your death, if no survivor's pension is payable. If more than one beneficiary is listed, payment will be divided equally unless otherwise noted.

NOTE: You are limited to (6) beneficiaries.

Primary/Secondary	Name					
Relationship	Address			Birthdate	Gender	
Primary/Secondary	Jane Member					
Relation	123 Main Street	Apt. 5S	Dover, DE	19901	01/07/1941	F
Primary/Secondary	Jane Member					
Relation	123 Main Street	Apt. 5S	Dover, DE	19901	01/07/1941	F
Primary/Secondary	Jane Member					
Relation	123 Main Street	Apt. 5S	Dover, DE	19901	01/07/1941	F

If the information on this page is accurate, retain for your records. If you have any changes, please complete and return the Designated Beneficiary form. Please use black ink only.



Pension ID: 123456
Name: Joe Member
Pension Plan: NEW STATE POLICE PLAN

**Delaware Public Employees'
Retirement System**
2023 Comprehensive Annual Statement

Designated Beneficiary Form

Designated Beneficiary to receive payment of pension contributions plus interest if no survivor's pension is available.

You may designate a maximum of six (6) beneficiaries. (If more than one beneficiary is listed, payment will be divided equally unless otherwise noted by indicating Primary and/or Secondary.)

Check one below to update beneficiary information.

ADD	DELETE	MODIFY	PRIMARY	SECONDARY	SSN	Name	Relationship	Address	Birthdate	Gender
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F
☐	☐	☐	☐	☐	XXX-XX-6789	Jane Member	Relation	123 Main Street Apt. 5S Dover, DE 19901	01/07/1941	F

If the information is accurate, do not return. If you make changes, please complete all requested information using BLACK INK only, sign and return to:

OFFICE OF PENSIONS, McARDLE BUILDING, 860 SILVER LAKE BLVD., SUITE #1, DOVER, DE 19904-2402 (SLC: D570A)
OR EMAIL TO PENSIONOFFICE@DELAWARE.GOV

_____ DATE	_____ SIGNATURE
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See [Section 6. Benefit Computation](#) for information on utilizing the on-line calculator for future estimates.

A FREQUENTLY ASKED QUESTION:

Why is my previous service not showing on my Comprehensive Annual Statement?

If you left the state police before completing ten consecutive years of service or took out contributions when you left state service, then service was forfeited. Service will show on your CAS once ten consecutive years have been completed.

4. BENEFIT ELIGIBILITY REQUIREMENTS

RETIREMENT ELIGIBILITY CRITERIA

You are eligible to receive monthly pension payments based on the retirement eligibility criteria below:

Table 2: Pension Benefit Eligibility Requirements

PENSION TYPE	
SERVICE <i>(Active Employees)</i>	○ Ten (10) consecutive years of consecutive credited service and has attained age 62, or ○ At least ten (10) years of credited service plus age equals 75, or ○ Twenty (20) years of credited service at any age, or ○ Ten (10) years of credited service at mandatory retirement age of 55.
VESTED <i>(Terminated Employees)</i>	Ten (10) years consecutive credited service and has attained age 62.
SURVIVOR <i>(Active, Vested, or Retired)</i>	○ Upon the death of an active member, a monthly survivor's pension shall be payable to the eligible survivor(s) equal to 50% of the employee's compensation. ○ Upon the death of an active member in the line of duty, a monthly survivor's pension shall be payable to the survivor(s) equal to 75% of the employee's compensation. ○ Upon the death of a pensioner, their survivor will be entitled to the percentage of the retiree's pension elected at the time of retirement as a member. ○ If a previous member passes away while in terminated vested status, the survivor is not eligible for a survivor pension. Instead, all pension contributions will be paid to the beneficiary listed on file. ○

DISABILITY PENSION

Duty Connected Disability

An employee suffering a partial or total disability from an individual or specific act in the line of duty which would normally occur only while employed as a police officer (e.g. high-speed chase, effecting an arrest, pursuing a suspect, patrolling, etc.) would make that employee eligible for a duty-connected disability pension.

A duty-connected total disability pension shall be 75% of compensation plus 10% of compensation for each dependent during the period of dependency, not to exceed a total of 25% of compensation for all dependents.

A duty-connected partial disability pension shall be calculated based on credited service accrued to the date of disability, similar to a service pension, subject to a minimum of 50% of compensation.

Non-Duty Connected Disability

If an employee suffers a partial or total disability and is not eligible for a duty connected disability pension and the employee has attained at least 5 years of credited service, the employee will be eligible to collect a non-duty connected disability pension. The pension benefit shall be calculated in the same manner as a service pension, based on credited service accrued to the date of disability; however, it is subject to the following:

- In the case of total disability, the minimum pension shall be 50% of compensation plus 5% of compensation for each dependent during the period of dependency, not to exceed a total of 20% compensation for all dependents.
- In the case of partial disability, the minimum pension shall be 30% of compensation.

Types of Disabilities

A partial disability will be considered one in which the employee is unable to perform the duties of a State Police Officer for at least 12 (twelve) months.

A total disability will be considered one in which the employee is unable to perform the duties of any occupation for which the member is reasonably suited by training or experience for at least twelve (12) months.

Proof

Upon application for a disability pension, the required documentation must be submitted by the employee, their employer, and the examining physician. Your application is subject to review by the Executive Secretary to the Board of Pension Trustees who determines if the employee is mentally or physically unable to perform the essential functions of the employee's position as defined.

SURVIVOR PENSION

In the event of an active member or retiree's death, the eligible survivor is entitled to a survivor's pension. A survivor's pension is given to an eligible survivor to help make up for the loss of income that the survivor would be receiving if the pensioner was still alive. If the primary survivor ceases to be eligible for a survivor's pension, that pension becomes payable to the next eligible survivor(s). The following are eligible survivors listed in order of priority:

Table 3: Survivor Definitions by Survivor Type

Survivor Type:	Definition:
Spouse (Lifetime Benefit)	A widow(er) of a member. Must be married prior to the employee's retirement or at least one year before the date of death, unless death is the result of an accident.
Dependent child(ren) (Limited Term Benefit)	The child(ren) must be unmarried, have not attained age 18, or have attained age 18 but not age 22, and are attending school on a full-time basis.
Disabled child (Lifetime Benefit)	A child that has attained age 18 and is permanently disabled as the result of a disability that began before the child attained age 18.
Dependent parent(s) (Lifetime Benefit)	Any parent that was deemed to have been receiving at least one-half of their support from such a deceased person at the time of death.

The retiree may change the order of priority by submitting a notarized Survivor Order of Priority (SOP-1) form.

The monthly survivor pension of a deceased active employee can equal 50% or 75% of the employee's compensation depending on the circumstances outlined below:

1. Upon the death of an active member, a monthly survivor's pension shall be payable to the eligible survivor or survivors equal to 50% of the employee's compensation.
2. Upon the death of an active member in the line of duty, a monthly survivor's pension shall be payable to the survivor or survivors equal to 75% of the employee's compensation.

The monthly survivor pension of a retired employee can equal 50%, 66.67%, 75%, or 100% of the employee benefit calculation, depending on circumstance and/or member election at the time of retirement.

Criteria are as follows:

1. If a member is currently in a vested status, a survivor's pension is based on 50% of the amount the vested member would have been eligible to receive upon retirement.
2. At retirement, a member has the option of electing their survivor option. This election is irrevocable and must be made before the issuance of the first pension direct deposit. The choices are as follows:
 - No reduction to member's pension = 50% survivor's pension
 - 2% reduction to member's pension = 66.67% survivor's pension

- 3% reduction to member's pension = 75% survivor's pension
- 6% reduction to member's pension = 100% survivor's pension

If the deceased member does not have a spouse but does have more than one dependent child, the benefit will be divided equally between all dependent children.

If payable to a surviving spouse who dies, their survivor pension shall cease and the survivor pension shall become payable the following month to the next primary survivor.

DEATH BENEFITS WHEN NO ELIGIBLE SURVIVOR

If you die leaving no eligible survivors, your named beneficiary or beneficiaries will be paid a lump sum equal to the excess, if any, of your accumulated contributions with interest less all pension payments made, including survivor's benefits. You may designate a beneficiary or beneficiaries or change your beneficiary or beneficiaries at any time by completing a Designation/Change of Beneficiary Form. This form should be updated to reflect any name or contact information changes to your named beneficiaries. If there is no designated beneficiary or beneficiaries, the sum will be paid to your estate.

You can see who you have selected as a beneficiary, by reviewing the last page of your Comprehensive Annual Statement.

5. RETIREMENT PLANNING

Along with Social Security and private investment earnings, your pension may be one of your major sources of income at retirement.

While you can count on the stability of the fund, your membership in the NSP is not responsibility-free. Your biggest responsibilities are keeping yourself informed about your benefits and notifying your local human resources' office and the Office of Pensions of changes in your life that affect your pension. It is never too early to start planning for retirement. In preparing for retirement there are several steps you can take:

- Each year you will receive a Comprehensive Annual Statement (CAS). Please examine the statement carefully to ensure that your personal information found in Block 1 and years of credited service found in Block 2 are accurate. If there are any issues, please follow the instructions below each box on your CAS report.
- Keep your beneficiary information up to date. This information can be found on page four (4) of your CAS.
- Delaware Retirement Savings Plan (DEFER) is a State of Delaware Deferred Compensation Savings Plan administered through the Office of the State Treasurer. It provides you with the opportunity to save money for retirement on a tax-deferred basis through the convenience of a pre-tax payroll deduction. DEFER offers a variety of investment options, including access to lower-cost funds, online educational planning tools and resources, the interactive online experience [myOrangeMoney®](#), and the support of local financial advisors from Voya Financial. For more information, please contact Voya at (302) 318-8840 or (800) 584-6001.

- Individual counseling sessions are available through the Office of Pensions and are designed to provide employees with a comprehensive overview of the NSP and retirement process. Upon request, you could receive a personalized pension estimate.
- Contact the Social Security Administration regarding social security benefits (including Medicare), if applicable at 1-800-772-1213 or www.ssa.gov.

6. BENEFIT COMPUTATIONS

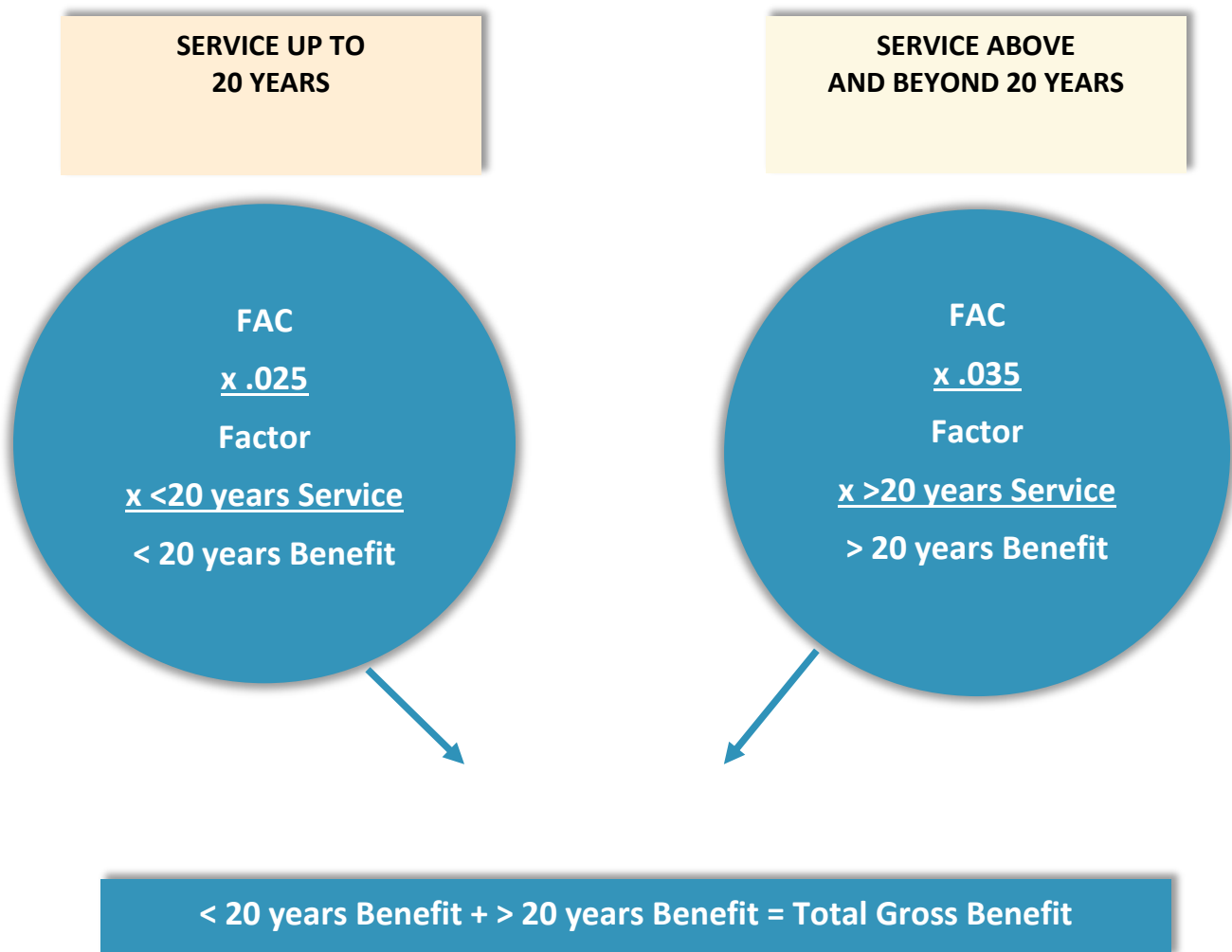
CALCULATING YOUR PENSION

Your pension amount is primarily based on your years of credited service and your Final Average Compensation (FAC). Your FAC is 1/36 of the total compensation paid to you during the three (3) periods of twelve (12) consecutive months during which your compensation was the highest.

You can find the breakdown of your three (3) highest years on page one of the Comprehensive Annual Statement (CAS) under Block 3 Contributory Information. The FAC can be found on page 2 of your CAS.

SERVICE PENSION CALCULATION

Figure 1: Calculating Your Service Pension



TIPS ON USING THE ONLINE CALCULATOR

Employees are encouraged to utilize the pension online calculator to calculate future pensions, located under Active Members > New State Police Pension Plan at <http://www.delawarepensions.com>, which also includes an instructional video on how it works.

All the information needed for the online calculator can be found on page 2 of your recent Comprehensive Annual Statement (CAS).

Our Retirement Counseling page is another great resource for pension information, which is located under Active Members > Retirement Counseling at <http://www.delawarepensions.com>

7. OPTIONS TO PURCHASE ADDITIONAL SERVICE

OVERVIEW OF BUY-IN OPTIONS

Buy-ins are offered at the time of retirement, and, if purchased, will increase the amount of pension creditable service time used to calculate your gross monthly pension. Please see Table 4 for more information on the buy-in option available to you.

Table 4: Description of Buy-In Options Available

SERVICE TYPE	DESCRIPTION
UNIFORMED POLICE SERVICE	Any member of the Delaware River and Bay Authority Police Department, the University of Delaware Police Department or a municipal police department not covered under § 8351(6) of this title who is subsequently employed by the Delaware State Police may receive credit for such previous service upon payment to the Fund, on or before the date of issuance of the individual's first benefit check, of a single lump sum payment equal to the actuarial value of the pension benefits to be derived from such service credits compiled on the basis of actuarial assumptions approved by the Board and the individual's attained age and final average compensation.

COST

Payment for the purchase of an approved buy-in is calculated at the time of retirement. Our online benefit calculator for the NSP will assist you in estimating the cost of buy-ins that apply to you.

PAYMENT OPTIONS

Once the buy-in calculation has been completed, a written notification will be mailed directly to the home address the month in which you will receive your first pension benefit. All payments must be paid before issuance of the first monthly benefit.

Payment can be made one of three ways:

- Deducted from the first monthly pension, if sufficient to cover the entire cost
- Personal check; or
- Rollover from a qualified tax-sheltered account (i.e., 401(A), 457(B), 403(B) (under certain circumstances), or an IRA.)

8. APPLYING FOR A PENSION

OVERVIEW OF THE PENSION APPLICATION PROCESS

Congratulations on making it to retirement!

At least four (4) months before you plan to retire, you should contact your human resources' office to begin the application process. Once notified, the human resources' office of your organization begins the process of verifying service by initiating an electronic Pension Application (Pen-App). The Office of Pensions verifies your service and sends a confirmation email back to the human resources' department after creditable service is confirmed.

Your organization's human resources' office then contacts you for an appointment to complete the necessary paperwork. Once the pension application is signed and notarized, the pension application and required documents are forwarded to the Office of Pensions. The signed pension application and required documents should be in our office 45 days before the effective date of pension (e.g., Retirement effective date of 7/1/YY, the signed pension application should be in our office no later than 5/15/YY). Upon receipt of the pension application by the Office of Pensions, the employee receives a letter acknowledging receipt of the pension application, the effective date of retirement, and the payroll processing month.

The first pension check is deposited on the last business day of the next month following the effective date of pension (e.g., Retire 7/1/YY, first direct deposit received on 8/DD/YY and includes two months of pension).

If you have buy-in options upon retirement, notification regarding the purchase is mailed to your home address the month you are scheduled to receive your first monthly pension payment (e.g. July, using the example above). The buy-in options cannot be calculated until the final payment is made by the organization and the Pension Compensation Calculation (PCC-1) form is submitted to the Office of Pensions.

VESTED PENSIONERS

For vested pensioners, the Office of Pensions will send out correspondence six (6) months before the pensioner's effective date. Once contact information has been verified, a vested packet will be sent out with all necessary paperwork. To avoid delay in receiving a pension, all vested pensioners are encouraged to keep the Office of Pensions updated on any changes in contact information (e.g., address, phone, email address).

NECESSARY DOCUMENTS

The Office of Pensions requires different documents depending on the circumstances of your retirement. You can assist by being ready to provide the personal documentation and forms listed below for your type of pension at retirement. Personal documents should be copies only, please do not send your original birth certificates or social security cards. Even if you don't have everything, don't delay the submission of the requested documents. You can provide some of the missing documents later.

All forms can be found on the Office of Pension website (<https://delawarepensions.com>) under *Retirees > Retiree Forms*.

The following are the documents required to go on pension:

Table 5: Documents Required for Your Pension

Documents Required	Pension Type			
	Service	Vesting	Disability	Survivor
Personal Documents				
1. Copy of both your own and dependents' original birth certificate OR federally-compliant drivers' license – if you do not have either of these, you can substitute: Delayed record of birth 2. Statement of birth as established by the Social Security Administration 3. Vital Statistics Statement of Birth 4. Baptismal Certificate (as an infant)	Y	Y	Y	Y
Copies of all marriage certificates/divorce decrees. The Office of Pensions must be able to track your name from birth to the present. We also need these documents to establish survivor eligibility.	Y	Y	Y	Y
Copies of Social Security cards for yourself and dependents	Y	Y	Y	Y
Copies of Medicare Cards (A and B)	Only if eligible and selecting medical coverage	Only if eligible and selecting medical coverage	Only if eligible and selecting medical coverage	Only if eligible and selecting medical coverage
School verification (For survivors between the age of 18 and 22 who are not permanently disabled before the age of 18.)	N	N	N	Y
Buy-In Documents				
Certification of service from the former employer verifying purchasable service.	Y	Y	N	N
Pension Office Forms				
Pension Application – signed & notarized after service has been verified	Y	@ Retirement **	@ Retirement **	Y Except for Survivors of Retirees

Documents Required	Service	Vesting	Disability	Survivor
Direct Deposit Authorization (DA) Form - Direct deposit of the monthly benefit to a checking, savings, or other account is required. Submit a pensioner's DA form to provide account information.	Y	@ Retirement	@ Retirement	Y
Federal & Delaware Tax Withholding Election Forms - Generally, pension benefits are taxable. Year-end tax forms are mailed before January 31 and report the total amount of pension benefit paid, taxes withheld, and other items. Tax withholding options may be changed by filling out a Federal W-4P or a State of Delaware W-4. State taxes can only be withheld for the State of Delaware. Pensioners living outside of Delaware should seek tax advice to meet their local tax requirements.	Y	@ Retirement	@ Retirement	Y
Burial Benefit Designation/Change of Beneficiary Form (GL) – <i>must be notarized.</i> The Burial Benefit Designation/Change of Beneficiary form (GL) requires the name, date of birth, address, and Social Security number of the person or persons designated. The designated beneficiary or beneficiaries can be changed at any time by completing and submitting a new GL form. This form must be completed in its entirety; properly signed, dated, and notarized to be valid. The pensioner may choose to designate a funeral home as a named beneficiary.	Y	@ Retirement	@ Retirement	Y
Joint Survivor Benefit Form (JSB)* – <i>must be notarized</i> The purpose of this form is for the pensioner to choose the amount of pension to be left to your eligible survivor (<i>an eligible survivor is your spouse, dependent children under 18, children 18 to 22 that are full-time students, a child that is permanently disabled as a result of a disability which began before the child attained age 18, or your dependent parents</i>) at the time of your death. There are four choices: 1. No reduction to member's pension = 50% survivor's pension 2. 2% reduction to member's pension = 66.67% survivor's pension 3. 3% reduction to member's pension = 75% survivor's pension 4. 6% reduction to member's pension = 100% survivor's pension	Y	@ Retirement	@ Retirement	Y

Health, Dental and Vision application/refusal forms and Coordination of Benefits (COB) form (if applicable) (See Section 9. Retiree Benefits)	Y	@ Retirement	Y	Y
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*This election is irrevocable and must be made before the issuance of the first pension direct deposit.

**Agency may have employee sign application at the time of termination.

9. RETIREE BENEFITS

HEALTH INSURANCE (including prescription coverage)

Eligibility for medical coverage and cost vary depending on when you originally entered service as well as the number of years of service accumulated.

For eligible pensioners who were first employed by the State in a pension-creditable position before July 1, 1991, the State will pay 100% of the normal monthly State share.

For eligible pensioners who were first employed by the State in a pension-creditable position on or after July 1, 1991 (except for those receiving a disability pension), the State shall pay a portion of the normal monthly State share based on the number of years of pension-creditable service at the time of retirement. The rates are as follows:

Table 6: Understanding the Monthly State Share Cost of Health Insurance

The following portion of the State Share will be paid by the State, except for those receiving a disability pension or an LTD benefit 100% of State Shared is paid.

Eligible Pensioners Hired by the State on or After July 1, 1991 through December 31, 2006

Years of Service	State share paid by the State
Less than 10 years	0%
10 years – less than 15 years	50%
15 years – less than 20 years	75%
20 years or more service	100%

Eligible Pensioners Hired by the State on or After January 1, 2007

Years of Service	State share paid by the State
Less than 15 years	0%
15 years – less than 17.5 years	50%
17.5 years – less than 20 years	75%
20 years or more service	100%

For disability pensioners, the State will continue to pay 100% of the monthly **State** share regardless of years of creditable service.

The same health insurance plans and coverage elections available to active employees are available to a pensioner.

Spousal Coordination of Benefits

If you cover a spouse under your Highmark Delaware or Aetna health plan, you are required to complete a Spousal Coordination of Benefits (COB) Form online to determine your spouse's eligibility status. The online form must be completed within 30 days of enrolling your spouse in a State of Delaware health plan, within 30 days of your spouse losing or gaining employee coverage and every year during Open Enrollment in May. Failure to complete a Spousal COB Form or provide documentation when required will result in a reduction of your spouse's coverage. To complete online please go to: <https://cob.dhr.delaware.gov>.

MEDICARE ELIGIBILITY

Medicare Part B eligibility is met either upon obtaining age 65 or after 24 months of receiving Social Security disability benefits. If a member has Medicare Part A insurance, this means that the member must now enroll in Medicare Part B insurance at the time of retirement or placement on long-term disability benefits.

Medicare-eligible pensioners, spouses or eligible dependents are required to enroll in Medicare Parts A and B as primary. (Part B may not be required if coverage with active employment is available. Contact the Office of Pensions if you have questions regarding Part B's required enrollment.) For information regarding the current State of Delaware Medicare health plan and qualified part D prescription plan, please visit <https://dhr.delaware.gov/benefits/index.shtml>.

For more information on Medicare Frequently Asked Questions (FAQ), please visit our website at www.delawarepensions.com and navigate to Active Members > Retirement Counseling > Medicare FAQ.

DENTAL INSURANCE

Dental insurance is available upon retirement. The pensioner is responsible for the full cost of the monthly premium. The pensioner may select Individual, Individual and Spouse, Individual Child(ren), or Family coverage.

VISION INSURANCE

Vision insurance is available upon retirement. The pensioner is responsible for the full cost of the monthly premium. The pensioner may select Individual, Individual and Spouse, Individual and Child(ren) or Family coverage.

BURIAL BENEFIT

Each pensioner is eligible to name a beneficiary or beneficiaries to receive a \$7,000 taxable burial benefit at the time of their death. This is available at no cost to the pensioner. This is not a life insurance policy. It has no policy number and no cash value during your lifetime.

The Burial Benefit Designation/Change of Beneficiary form (GL) requires the name, date of birth, address, and Social Security number of the person or persons designated. The designated beneficiary or beneficiaries can be changed at any time by completing and submitting a new GL form. This form must be completed in its entirety; properly signed, dated, and notarized to be valid. The pensioner may choose to designate a funeral home as a named beneficiary.

10. RETIREMENT

Once you are retired, the Office of Pensions becomes your Human Resource Department.

MONTHLY PENSION

You utilize My.Delaware.Gov to review your pay stubs online. To ensure the timely delivery of benefit payments, all pensioners must receive payment of their monthly benefit through direct deposit. Payments are issued on the last business day of each month. The payments are sent electronically so funds post immediately to your bank account.

POST-RETIREMENT INCREASES (PRI)

Pension law does not provide for automatic post-retirement increases. Increases are only granted upon legislative approval.

TAXES

Pensioners may be required to pay both federal and states taxes on pension income. The Office of Pensions cannot withhold another State's tax from the State of Delaware monthly pension. If you intend to move out of Delaware, check with the Division of Revenue in that State to determine if the monthly pension is subject to state income tax. Be sure to consult with an accountant or a tax advisor about your liability or visit the IRS's website at www.irs.gov.

Withholding changes can be made anytime throughout the year by submitting new Federal and Delaware Tax Withholding Election forms to the Office of Pensions.

YEARLY STATEMENTS

Each year pensioners will receive the following statements:

Table 7: Description of Yearly Statements

Form	Description
1099R	Retiree version of a W-2 Form. Form sent out by January 31 st of each year.
1095B	A tax form that reports the type of health insurance coverage you have, any dependents covered by your insurance policy, and the period of coverage for the prior year. This form is used to verify on your tax return that you and your dependents have at least minimum qualifying health insurance coverage.
Retiree Annual Statement	Annual statement with a summary of benefits and burial benefit information.

Pensioners should review the Retiree Annual Statement for accuracy. If any changes need to be made, follow the instructions provided in each block of the statement.

WORK RESTRICTION

You cannot receive a pension from the New State Police pension plan during any month in which you are an employee as defined under the provisions of that Plan unless you are:

- (1) An official elected by popular vote at a regular or special election; or
- (2) An official appointed by the Governor; or
- (3) A registration or election official, or a juror; or
- (4) Receiving an ordinary service, disability or survivor's pension.

The employment, except employment as an elected official, may not be used for further retirement benefits.

IRS Guidelines

The IRS indicates the following guidelines must be followed to return to work with an employer from whom you are receiving a qualified pension plan benefit:

If under age 65 –

- Must have a bona fide separation after retirement (six months or greater).
- Must not have had a pre-arranged agreement to return to work with the State.

If over 65, a bona fide separation is not required.

If working as a contractor directly with a state agency, the retiree must submit a completed Direct Employment Form which incorporates the IRS 20 Factor Test to determine whether an individual qualifies as an employee or independent contractor. The Office of Pensions will issue a determination, based on IRS definitions, as to whether the individual is an employee or contractor. If the retiree is deemed an employee, then the employee must decide whether to continue working or continue to receive their pension benefits as they will be unable to do both.

If working for a contractor which has contracted its services to a state agency, the retiree must submit a completed Indirect Employment form which will place the responsibility of determining the retiree's status as a contractor on the three parties involved – the retiree, the contracting state agency and the hiring entity. The Office of Pensions will not issue a determination, but by submitting the form the parties involved are accepting responsibility for any claims, penalties, or fines that arise from the employment.

DISCLAIMER: In the case of conflict between this summary and existing law, the law prevails.

GENERAL QUESTIONS

If you are a retiree, please be sure to contact our office if any of the following changes occur:

Table 8: Pensioner Changes that Require Updates with the Office of Pensions

If I:	I should:
Change my address	Complete and submit a Change of Address Form to our office
Change my name	Submit updated documentation to the office: • Marriage or Divorce Certificate • Court documentation • Updated Driver's license, Social Security Card, Medicare Card, if applicable
Need to report the death of spouse or pensioner	Call our office to report a death. <i>Please note: An original death certificate will be needed to collect any benefits.</i>
Become re-employed by the State of Delaware in a pension covered position	Contact our office and ask to speak with our Return-to-Work Coordinator
Have questions regarding health care	Call our office and ask for our benefits section
Want to change my tax withholdings	Tax withholdings can be changed at any time. Please complete updated Federal and Delaware Tax Withholding Election Forms and submit them to our office
Want to change my burial benefit beneficiary or beneficiaries	Complete, notarize and submit a new Burial Benefit Designation/Change of Beneficiary Form to our office
Want to change my beneficiary or beneficiaries	Complete and submit an updated Designation of Change of Beneficiary Form to our office

Forms can be found on our website at www.delawarepensions.com under Retirees > Retiree Forms.