



## Redepositing a CSRS refund— Is it in your future?

**M**any of our active members have previously left government service and had withdrawn their CSRS contributions. For those individuals who left the service prior to October 1, 1990, upon return to government employment, they have the option of redepositing these funds, plus accrued interest, to receive full credit for the previous service upon retirement. Even if redeposit is not made, these employees will still use the previous service time toward retirement eligibility. However, if their redeposit is not made, then at retirement, their annuity will be “actuarially reduced based on age and amount of redeposit including interest that is owed.” What this means is that an actuarial value factor is assigned toward your annuity and it is reduced to offset the owed amount.

This actuarial amount is based upon economic assumptions and demographic factors such as life expectancy, and they are revised when those assumptions change. The retiree’s age at retirement and total monies owed both affect the reduction. The older a person is at retirement, the greater the offset, since this offset is designed to return to the CSRS coffers an amount approximating the owed amount. The reduction is determined by dividing the amount of monies owed for redeposit by a Present Value Factor, which runs from 277.6 at age 40 to 47.2 at age 90. The reduction is figured at the time and age of retirement. The resulting figure is then deducted monthly from the annuity. Whether the redeposit is in your best interest must be determined on a case-by-case basis.

For FERS employees who had previous CSRS service and withdrew those funds, the offset actuary is with a different calculation, which runs from 185.6 at age 40 to 46.4 at age 90.

Any individual who left government service after October 1, 1990, is required to repay the funds for credit. They are not entitled to the actuarial offset. For more information on this matter, you can go to the Office of Personnel Management website at [opm.gov](http://opm.gov).

**People all over the country are helping themselves or others to save \$3,600 per year on the cost of prescription drugs. While most of our membership may not qualify for**

this program, most of us know someone who might.

The high cost of medicine can be a burden on seniors who have limited income and resources. But there is *extra help*—available through Social Security—that could pay part of the monthly premiums, annual deductibles and prescription co-payments. The extra help could be worth up to \$3,600 per year.

To figure eligibility, Social Security needs to know income and the value of savings, investments and real estate (other than the home lived in). To qualify for the extra help, they must be receiving Medicare and also have:

- **Income limited to \$15,600 for an individual or \$21,000** for a married couple living together. Even with higher annual income, they still may be eligible for some help with monthly premiums, annual deductibles and prescription co-payments. Some examples where income may be higher include if they:
  - Support other family members who live with them
  - Have earnings from work
  - Live in Alaska or Hawaii
- **Resources limited to \$11,990 for an individual or \$23,970** for a married couple living together. Resources include such things as bank accounts, stocks and bonds. Social Security does count a house and car as resources.

Social Security’s easy-to-use online application is at [socialsecurity.gov](http://socialsecurity.gov). To apply by phone or have an application mailed to you, call Social Security at 800-772-1213 (TTY 800-325-0778) or go to the nearest Social Security office. Ask for the *Application for Help with Medicare Prescription Drug Plan Costs* (SSA-1020).

To learn more about the Medicare prescription drug plans and special enrollment periods, visit [medicare.gov](http://medicare.gov) or call 800-MEDICARE (800-633-4227 or TTY 877-486-2048).

**In closing, I look forward to seeing many of you in Boston** at the national convention. In addition to the retirement breakfast, our office will conduct a retirement workshop during one of the training sessions during the week. If you are eligible or interested in your retirement, I hope to see you there! Also, don’t forget to order breakfast tickets ahead of time. See our coupon on page 47. ☒