



## Got survivor benefits? Part 1

**P**eriodically, we receive communications from active letter carriers who have been informed that if they die, their wife or family would receive nothing in terms of benefits. Most of the information is erroneous. My hope is that this information is not being given to our members as a scare tactic to retire. Regardless of the reason, for this month and next, my articles will deal with survivor issues as they relate to the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) as an active employee or a retired annuitant. While both have benefits available, they do differ in some aspects. This month we will deal with FERS employees.

The Federal Employee Retirement System can provide survivor benefits, with benefits offered depending on personal situations that exist at the time of death. FERS and Social Security survivor benefits can be paid under various conditions to current and former spouses and children. Surviving spouses must meet certain age and marriage length requirements in order to qualify for benefits. You also can elect benefits for a spouse you marry after retirement under FERS. Children's benefits are payable to each unmarried child:

- up to age 18;
- up to age 22 if a full-time student; or
- any age if the child became disabled before age 18.

Your Thrift Savings Plan account will be available to your designated survivors. More information about FERS survivor benefits (including court-ordered benefits for a former spouse) are available through pamphlets on OPM's website, [opm.gov](http://opm.gov).

Let's look at different scenarios and their effect on active, retired and former FERS employees.

**Scenario 1**—A FERS employee is currently on the rolls with 25 years of service. He dies and leaves a wife and no children. What are the survivor benefits available?

- **Basic employee death benefit**—adjusted annually for inflation. For 2011-2012, the amount is \$30,792.98, plus a lump-sum payment of the higher of half the deceased employee's annual basic salary or half of the deceased employee's high-three, plus any Social Security and Thrift Savings Plan survivor benefits that may be payable. *For this benefit to be payable, the deceased*

*employee must have completed 18 months of service and died while subject to FERS deductions.*

- **A monthly survivor benefit**—the employee must have 10 years or more of service and died while subject to FERS deductions. The spouse must have been married for nine months immediately prior to the employee's death. If death is an accident, then employment and marriage requirements are waived.
- Survivor benefit is computed as if the employee retired optionally (with no age reductions on the date of death). In this case, a 25-year FERS annuity is reduced to 50 percent for the surviving spouse.

**Scenario 2**—The same employee, but with two children under age 18.

Children of deceased FERS employees are entitled to a child's annuity, minus any amount received from Social Security. This usually results in the benefit being eliminated, since Social Security entitlements are greater. Social Security benefits for children are paid until age 18. So, a full-time student would then have their child's annuity reinstated through OPM until age 22 if continuing in school.

**Scenario 3**—A FERS employee is not currently on the rolls, having left with 25 years' service. He dies at age 54. What is the retirement annuity/entitlement of his wife?

For a FERS employee who separated from service, the spouse would be entitled to a survivor benefit if the employee had at least 10 years of creditable service. Spouses who meet the marriage requirements will automatically receive survivor benefits, *unless* the marriage took place after the employee left the federal government. The survivor may also elect to receive the unexpended balance of the employee's FERS retirement account. *Children under the age of 18 would be entitled to Social Security benefits. Any benefit paid by OPM would be offset by the amount Social Security pays. This would usually result in no payment from OPM.*

**Scenario 4**—A FERS employee is not currently on the rolls but has not applied for deferred annuity.

This could be the case of an employee who, for whatever reason, left the service and has fewer than 10 years' service. This employee's spouse or survivor would only be entitled to the sum of money that the deceased had deposited into FERS, unless a refund was received prior to death. ☒