

The Pension Planner

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KEY CONSIDERATIONS FOR RETIRING ABROAD

Benefits can be worth it, if you plan ahead.

Retiring overseas is becoming more popular than ever before for many Americans looking for a lower cost of living, better quality of life, and a change of scenery in their golden years. In fact, a June 2021 survey by the Aegon Center for Longevity and Retirement found that 13 percent of U.S. workers and retirees hope to live in another country in retirement.

Many retirees are already enjoying these benefits. According to the Social Security Administration there were more than 432,000 U.S. workers living overseas receiving Social Security benefits in 2019. Here at the NYSNA Pension Plan office, nearly 200 of our current retirees reside outside the continental US. As of April 2022, most of them are found in the Philippines, Thailand, West Indies, Ireland, England, and Canada.

If this all sounds enticing to you, some key considerations for retiring abroad include:

FINANCES AND BANKING

Even if you expect to transfer most of your savings within the new country, some funds like retirement accounts may not be as portable as others. Also, check with the Social Security Administration to see where direct deposit payments are available.

You'll want to choose a credit card with no foreign transaction fees that is widely accepted and monitor exchange rates to optimize any conversions to local currency.

In addition, you should consider direct deposit for your NYSNA Pension Plan benefit. In the past, participants living in certain countries have encountered issues with mail delivery, so direct deposit will ensure your pension benefit arrives safely in your bank account each month.

If a participant wishes to receive direct deposit, the Plan recommends they open an account with a US-based bank insured by the FDIC (using a 9-digit routing number) that has overseas branch locations near where the participant will reside.

TAXES

Because each country has its own tax rules, it would be beneficial to talk with an international tax expert during your planning process. All U.S. citizens must pay taxes, regardless of where they live, and if you keep a residence in a U.S. state, you may also have to

pay state taxes. Luckily, some countries have tax treaties with the U.S. that limit the amount of U.S. income tax you must pay or exempt you from paying tax up to a certain level of foreign income you've earned.

There are also differences in how foreign investment funds are taxed, and there can be reporting requirements based on how much money you hold in foreign bank accounts.

HEALTHCARE

Traditional Medicare does not provide coverage for hospital or medical costs outside the United States, so if you are retiring in another country, you'll need to obtain health insurance from another source. If you think you'll be living abroad full-time, it may not make sense to enroll in Medicare Part B to avoid the premiums. However, you should be aware that late enrollment penalties may apply if you change your mind and enroll in Part B in the future. Since there is typically no premium, most retirees should consider automatically enrolling in Medicare Part A (hospital coverage) when reaching age 65, regardless of where you're living. If you return to the US, you'll be covered.

Depending on where you move, you may need to understand and be comfortable with socialized medicine, which may mean waiting longer for access to certain medical services. This is an important consideration especially as you age and healthcare needs typically increase. Also, think about long-term care, the type of facilities available nearby, and any support system of friends or family you may need to lean on in the event you or your spouse need this type of care.

VISAS AND OTHER LEGAL DOCUMENTS

Some countries offer special retirement visas that may allow individuals to work. Existing legal documents, such as wills and trusts, should be reviewed before moving overseas.

The Pension Plan strongly recommends having a power of attorney on file with us in the event you are unable to sign certain required documents and forms. Remember, even if our office has a POA on file for you, it doesn't mean that you can't sign on your own behalf when necessary. ●

If you decide to retire abroad, you should:

- ✓ Contact the Pension Plan right away with your new address BEFORE you move.
- ✓ Call the Plan office if you need to update any pertinent information in our files, including your address, email, or direct deposit and tax information.
- ✓ Provide the Plan with at least one or two emergency contact person(s) (preferably one residing in the US) that we can reach out to in the event we're unable to reach you abroad by mail, phone or email. If possible, you should also provide contact information for an individual who will be handling your affairs in the event you pass away.

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PLAN REMINDER

KEEP US UPDATED WITH CURRENT CONTACT INFO

In addition to this newsletter, the NYSNA Pension Plan frequently sends important plan information to our participants with legally required documents (1099s), reminders, and updates. In order for these communications – and your pension check (when you’re retired) – to reach you, we need to have your most current contact information on file, including:

- Phone number (cell and/or home phone)
- Mailing address
- E-mail address
- Emergency contact name and phone number (only in the event we can’t reach you directly in certain situations regarding your pension).

To verify or update your contact information in our database, please call the Pension Plan office at (877) RN BENEFITS [762-3633]. You may also e-mail the Plan at pensions@rnbenefits.org with any changes.

SHARE YOUR EXPERIENCE!

At the NYSNA Pension Plan, one of our primary goals is providing our participants with a seamless transition to retirement and supplying you with the necessary information needed to make an informed decision on exactly when that retirement will happen.

So, how are we doing? We’d like to hear from you and possibly include your thoughts in an upcoming issue of *The Pension Planner*.

Please e-mail your comments to: communicationsdepartment@rnbenefits.org.
We look forward to hearing from you!

YOUR MONEY:

MAKE YOUR SAVINGS LAST

ENSURE YOU HAVE A STEADY STREAM OF INCOME THROUGHOUT RETIREMENT.

In 2022, people are living longer and healthier than ever before. With the life expectancy of a 65-year-old hovering around age 85, and many living well into their 90s, retirees can expect to spend up to one-third of their lives in retirement. Will you have sufficient income to maintain your standard of living throughout all those retirement years?

The best way to deal with the uncertainty of how many years you’ll actually live, and the reality that you’ll need a steady stream of income throughout those years, is through careful pre- and post-retirement planning.

We all have every reason to worry about whether the amount we’ve saved for retirement will last the 20 or 30 years we’ll be retired. Those who retire early should be even more diligent about their savings because it must last even longer.

Here are some planning tips to ensure that your savings will last a lifetime:

1. ESTIMATE YOUR RETIREMENT INCOME. When you retire, you’ll receive a monthly pension benefit from the NYSNA Pension Plan (assuming you’re vested in the Plan), along with a monthly benefit from Social Security. You decide when to begin receiving these benefits. If you choose the reduced early retirement benefit option offered by the Pension Plan, your monthly benefit will be permanently lower than if you continued working full time in covered employment until age 65. Similarly, your Social Security pension also will be lower if you begin receiving your benefit earlier than age 65 (normal Social Security retirement age is now age 67 for those born after 1960) instead of waiting until full retirement age or later.

Either way, the monthly benefits you receive from the NYSNA Pension Plan and Social Security together may not be enough for you to maintain the same standard of living you had prior to retirement. Fortunately, you’ll be able to actually start using the money you’ve hopefully been saving throughout your working years.

2. ESTIMATE EXPENSES. Break down your expenses into two general categories – essential and nonessential. Expenses for housing, food, necessary clothing, health care costs, etc. will fall under the essential category. Expenses for “extras” such as entertainment, travel, and eating out fall under the nonessential group. If your monthly expenses seem high when compared to your monthly income, find ways to trim essential and nonessential costs.

Suggestions may include buying a smaller home or renting a smaller apartment; canceling a more expensive cable or streaming television package in favor of the basics; and shopping around for less expensive healthcare coverage.

Even with careful planning, unexpected costs can and will come up. Among the top unanticipated expenses for retirees are health care, home maintenance (including replacement of older appliances), replacing your car or car maintenance, increasing taxes, and new interests or hobbies such as traveling. Financial planners recommend setting aside money to cover at least two years of living expenses to accommodate these surprises.

In addition, financial industry veterans caution against even considering retirement until you’ve substantially paid down all outstanding debts, including paying off a mortgage, making final payments on car and education loans, and taking care of balances due on credit card accounts while you’re still working.

3. COMPARE INCOME AND EXPENSES. After you’ve spent considerable time on steps one and two, you’ll quickly see how your sources of retirement income stack up against monthly expenses. Hopefully, your income sources will cover essential expenses at the very least. Then determine whether your less predictable assets are sufficient to fund discretionary expenditures.

4. PERIODICALLY REVISIT THE EARLIER STEPS. At the beginning of every year, take a fresh look at your income sources and monthly expenses. Compare and rework the figures to adjust for changes in personal circumstances, the market, inflation rates, and other factors. Make any necessary adjustments right off the bat, especially if it requires reducing expenses.

5. RESIST THE URGE TO HELP YOUR LOVED ONES MORE THAN YOU CAN AFFORD. Of course you love your family and want to help them out financially if needed. However, spending too much on your children and grandchildren can put your own financial future at risk. Remember, your kids still have the ability to make a good living over many future decades, while you do not.

6. YOU MIGHT CONSIDER A PART-TIME JOB. While it’s not something you need to pre-plan now, many retirees, especially those who are in good health, find they miss having a job, or at least the routine, responsibilities, and camaraderie of working in certain settings. Some find that while they don’t miss the work, they do miss the steady paycheck.

Keep in mind that if you think you might fall a bit short in your savings or just want to fill your days, the option is there to find a part-time job or ease gradually out of your current medical career to keep working in retirement. You may decide to totally change careers in retirement and find a new passion! ●

PENSION PORTABILITY: TAKE YOUR PENSION BENEFIT WITH YOU

As a NYSNA Pension Plan participant, if you should find yourself faced with the need, desire, or opportunity to find a position with a different employer, it's comforting to know that participants have the ability to move employment between facilities that NYSNA has bargained into the Plan without the loss of credited service (subject to the Plan's "break in service" rules outlined on Page 9 of the Plan's *Summary Plan Description*).

Known as pension portability, this means if you choose to leave your current employer and begin working at another facility that participates in the NYSNA Pension Plan (see the full list of participating facilities listed below), you'll continue adding on to the service credit you've already earned up until that point.

If you work for a participating employer and aren't vested when you switch employers to begin working in a covered position with another NYSNA Pension Plan-contributing employer, you'll continue to earn credited service. If you're already vested when you switch from one contributing employer to another, you'll continue to add to your credited service time. ●

Current 2022 NYSNA Pension Plan facilities are:

- Albert Einstein College of Medicine
- Brooklyn Hospital Center
- Centerlight Healthcare
- Flushing Hospital Medical Center
- Gracie Square Hospital
- Interfaith Medical Center
- Jack D. Weiler Hospital of the Albert Einstein College of Medicine
- Kingsbrook Jewish Medical Center
- Maimonides Medical Center
- Montefiore Medical Center
- Montefiore Mount Vernon
- Montefiore New Rochelle
- Mount Sinai Hospital, The
- Mount Sinai Morningside
- Mount Sinai West
- Nephro Care, Inc.
- New York Dialysis Management, Inc.
- New York Dialysis Services, Inc. (Sound Shore Dialysis Center)
- New York Dialysis Services, Inc./ABC
- New York Eye & Ear Infirmary of Mount Sinai
- New York-Presbyterian Brooklyn Methodist Hospital
- New York Presbyterian Hospital
- Parker Jewish Institute for Healthcare & Rehabilitation
- Peconic Bay Medical Center
- Schaeffer Extended Health Care Center
- St. Joseph Hospital
- Staten Island University Hospital
- Syosset Hospital
- Terence Cardinal Cooke Health Care Center
- Union Community Health Center
- Wyckoff Heights Medical Center

The Pension Plan office will be closed
Monday, October 10 for Columbus Day and
Thursday and Friday,
November 24 and 25 for Thanksgiving.



Q What's the difference between the "past service credit" and "future service credit" I sometimes read about in your newsletter?

A NYSNA Pension Plan participants must have five years of "credited service" to be vested in the Plan and therefore eligible for a future pension benefit. At least one of those years must be future service.

- If, in one calendar year, you work:
- 851 hours or more, you'll earn one full year of credited service.
 - 651 to 850 hours, you'll earn two-thirds of a year of credited service.
 - 500 to 650 hours, you'll earn one-third of a year of credited service.
 - Less than 500 hours, you will not earn any credited service.

PAST SERVICE CREDIT

Past service is for the years worked in a covered position with an employer *before* the employer joined the Plan. You may earn past service credit if you already were employed when NYSNA negotiated with the employer to join the Pension Plan, provided the employer made contributions to cover past service credit.

FUTURE SERVICE CREDIT

Credited service earned by a participant *after* your employer joins the Plan is considered future service credit. If you began working with a NYSNA Pension Plan employer in a covered position after the employer had already negotiated to contribute to the Plan, all your credited service will be future service.

(For additional information regarding service credit, please refer to your most recent Pension Plan Summary Plan Description or call the Plan office at [877] RN BENEFITS.)

Q Is there an early retirement option available from the NYSNA Pension Plan?

A Yes. The NYSNA Pension Plan has what we call a 60/20 retirement option that refers to an unreduced early retirement benefit available to vested participants. In order to be eligible for this benefit, a vested participant must have accrued at least 20 years of credited service (including one year of future service) under the Plan and leave active, covered employment between the ages of 60 and 64. If you decide to retire before age 65 and begin receiving an unreduced early retirement benefit from the Pension Plan, you'll receive pension benefits for a longer period of time than if you took normal retirement at age 65 but, your benefit won't be reduced to cover the additional years that you'll be enjoying in retirement.

(See Page 11 of your most recent Pension Plan Summary Plan Description or rnbenefits.org for more details on this topic.)

The Pension Planner

The Pension Planner is published four times a year as a service to participants of the New York State Nurses Association Pension Plan. The information in this newsletter is not intended to be complete Plan information, and is not a substitute for the Summary Plan Description or the Plan’s official plan document. Please address questions about this newsletter to the Communications Department.

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Please notify us if your address changes so you won’t miss the next issue of The Pension Planner.

New York State Nurses Association

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Pension Plan

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ARE YOU FAMILIAR WITH ANY OF THESE INDIVIDUALS? IF SO, LET US KNOW!

Despite our continued best efforts to locate them, their family members, or their beneficiaries, we simply don’t have current contact information to reach some of our pensioners.

Therefore, we need your help. These participants were once your co-workers and friends, so we’re hoping one of our readers may know their whereabouts.

Check the list below and if you recognize anyone, please reach out to them, their families, or the Plan office at (877) RN BENEFITS [762-3633] as soon as possible and tell them to contact us.

Claudeth
Mary
Regina
Annie
Yvonne
Joseph
Inez
Marjorie
Louise
Antonine
Ernest
Judith
Ann
Joseph
Maric
Rizalina
Maryellen
Glendora
Chou Oh
Lamai
Sandra
Marva
Betty

Adams
Alleyne
Alston
Austin
Ayersen-Boyd
Baratz
Barton-Omobude
Battersby
Bedford
Bernard
Bobb
Bogart
Boland
Bottari
Brutus
Calangi
Caroleo
Carter
Chen
Chunoumpai
Clayton
Cudjoe
Davis

Hermione
Jacques
Veronica
Mavis
Gaston
Gloria
Norma
Carolyn
Hyacinth
Eileen
Jane
Joseph
Saturine
Theresa
Erika
Carol
Annamma
Valerie
Deborah
Arthur
Lorenza
Loyda

Desanges
Deshommes
Diaz
Dowdie
Duchaussee
Edwards
Ellis
Elmore
Evans
Falcone
Floyd
France
Francis
Francis
Friedman
Fullerton
George
Gittens-Colder
Grandenetti
Grant, Jr
Gravador
Gray

Dorothy
Chang-Hi
Hedva
Stevie
Carlyle
Donna
Chang-Hi
Hedva
Stevie
Carlyle
Donna
Thucilia
Lovely
Joyce
Anja
Edmund
Colin
Aileen
Thomas
Shakera
Demrall
Muneshwar
Louise
Lorna
Geraldine
Patricia
Juania
Glenna
Ralph
Jacqueline
Luz Divina

Gullo
Hahn
Haimson
Hairston
Hamblin
Hergus
Hahn
Haimson
Hairston
Hamblin
Hergus
J Lapierre
Jeudy-Pierre
Kelley
Laine
Ling
Martindale
Mitchell
Mooney
Morris
Morrison
Paul
Pearce
Pierre
Post
Reed
Richards
Rosenzweig
Spencer Jr
Spiel
Zayas