

# TSRA Member Retirement Questions and Answers

RBAC's (Retirement Benefits Affairs Committee)  
TSRA Spring Luncheon  
May 19, 2016

# Why This Talk?

- Reflects TSRA member problem experiences from last several years
  - Questions from website, [www.tsretirees.org](http://www.tsretirees.org)
  - E-mails
  - Personal contacts
- Problems grouped under 4 Questions:
  - Whom do I contact re Textron benefits?
  - What are my benefits?
  - Who receives benefits?
  - How do family survivors access benefits?

Remainder of Talk Focuses on Answers to These Questions

# Whom Do I Contact re Textron Benefits? → Fidelity Administers Textron Benefit Programs

## Benefit Plans

Pension Plan  
Savings Plan

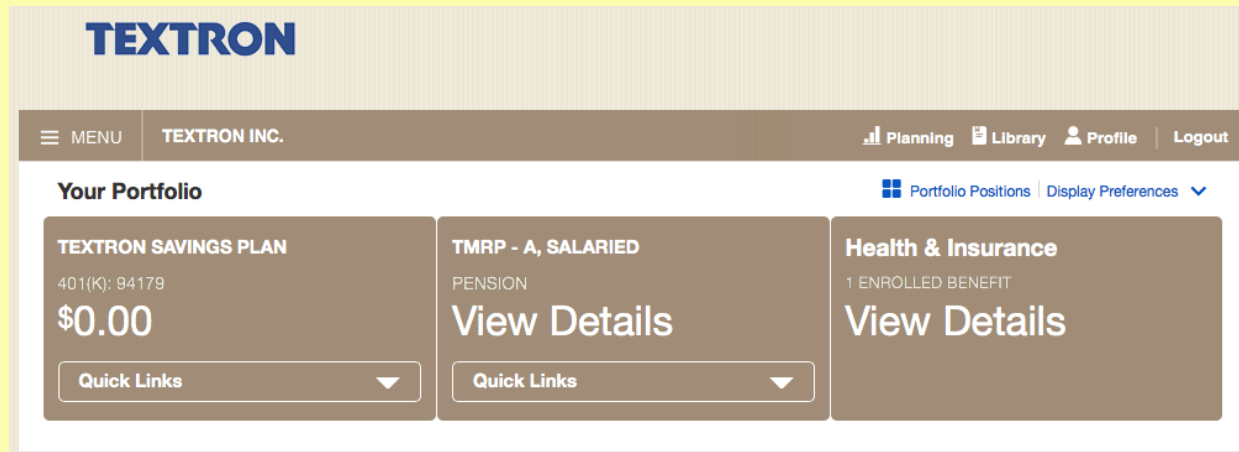
Medical Benefits  
Life Insurance

Method	Address	Required ID
Phone	866-698-9847	Username; Password or Soc. Sec. Number
Internet	<a href="http://www.netbenefits.com">www.netbenefits.com</a>	Username; Password
Mail	Fidelity Benefits Service Center PO Box 770003 Cincinnati OH 45277-0071 Attention: Textron	Probably requires additional steps (phone contact) to validate your identity

Be Sure You and Your Family Know How to Contact Fidelity

# What Are Your Textron Benefits?

- Defined in writing at time of separation/retirement
- Specified on your NetBenefits website account



- Provided in writing after request to Fidelity (See next slide)
- Highly individualized
  - Age, earnings, date of hire, date of separation, personal selections....
  - Textron benefits have been evolving regularly over time
- Plan Descriptions available on NetBenefits website

**Make Sure You Know Your Benefits By Contacting Fidelity**

# How Can Retiree/Former Employee Obtain Written Confirmation of Benefits?

- Phone or Internet best approach to initiate request
  - Fidelity can readily verify who you are
  - Fidelity mails written statement or
  - Download and print from Internet
- Individuals who left Textron long ago may need to provide proof of employment
  - Original separation/retirement documentation
  - Social Security records
  - Old pay stubs
  - Tax records
  - W-2s

**Former Employee May Need to Do “Homework” to Document and Initiate Benefits**

# Textron Retirement Benefits Following US Trend: Defined Benefit (Pension) → Defined Contribution (IRA)

- 1987 Early Retirement Incentive Including Medical Benefits
- 1991 Medical Benefit Ends
- 2007 Textron Creates Defined Contribution Plan (RAP)
- 2010 Textron Freezes Entry into TRP  
(Ends Defined Benefit for New Employees)
- 2015 Textron Contributes 4% of Salary to Savings Plan  
(Only for Employees Not Receiving a Pension)

Retirement Security is Shifting to Employee; Make Sure You Understand Your Benefit

## Who Receives Benefits ?

- Retiree – Pension, Savings Plan, Medical (if any)
  - Not usually a problem
    - Most retirees understand what is due them
    - Retiree normally takes required actions to remedy problems

Survivors - Pension, Savings Plan, Medical (if any), Life Insurance

Recent Experience Indicates this **is Problem Area**

Beneficiary(ies)

Identified in writing to Fidelity

In cases of divorce, separation, re-marriage, QDRO (Qualified Domestic Relations Order) → All interested parties **should understand beneficiary designation**

**Understanding Beneficiary Designation Can Reduce Stress and Potential Financial Difficulty at Retiree's Death**

# What Do the Survivors Receive (Pension) ?

- Pension
  - Retiree selects pension payment form at retirement start
  - Payment form cannot be changed after commencement

Marital Status @ start of benefit	Payment Form	Surviving Spouse/Joint Pensioner Benefit	Relative Size of Monthly Benefit*
Not married	Single-Life Annuity	Payments cease @ death	100%
Married	Single-Life Annuity	0 (Only with spouse concurrence)	100%
Married	Joint & 50% Survivor	50% of monthly benefit	93.5%
Married	Joint & 75% Survivor	75% of monthly benefit	90.5%
Married	Joint & 100% Survivor	100% of monthly benefit	87.8%

\* (Employee and (Spouse/Joint Pensioner) both Age 62; varies with ages

**Beneficiaries Should Clearly Understand Benefit**



# What Do the Survivors Receive (Life Insurance)?

- Payable to retiree's designated beneficiary
- \$5000 for retirees who were covered by Textron life insurance at time of separation/retirement
- Insurance administered by MetLife

Survivor Initiates Benefit by Contacting Fidelity

# How Do Survivors Access Benefits?

- Best Approach - Contact Fidelity by phone
  - 866-698-9847
  - Can by-pass prompts by entering “0” to get to agent
  - Report death to agent
- Fidelity Survivor Services Case Manager contacts caller within 5 days (normally < 48 hours);
  - Initiates benefits process
  - Single Point-of-Contact for all benefits;
  - Provides case number to track benefits
- “Condolence kit” sent to caller within 7 days
  - Condolence letter
  - Specifies documentation required (death certificate, survivor’s identity, etc.)

Report Retiree Death to Fidelity by Phone to Expedite Process

# Current Retirees Have Some Work To Do

- Older Retirees With Medical Benefit Continue Enjoying Retirement, but Prepare for Future
  - Stay abreast of Textron Choice Plus Medical Options/Costs Offered by Humana
  - “Getting Your Affairs In Order”, [www.tsretirees.org](http://www.tsretirees.org)
- Retirees Without Company-Sponsored Medical Benefit
  - Retirees < 65; Investigate COBRA and private carrier medical insurance;
  - Retirees  $\geq$  65; Investigate COBRA and Medicare Sign-Up
- Are you collecting Social Security now?
  - If no, pay attention to next slide

Do It Now

# Pre-Retirees Should Be Planning Actively Now

- Financial Planning
  - Self-planned
    - Fidelity has comprehensive planning tool: Retirement Income Planner on [www.netnenefits.com](http://www.netnenefits.com)
  - With Financial Advisor
    - Registered financial planners have a fiduciary responsibility to you
    - Now brokers handling your IRA have a similar responsibility (new Federal regulation)
- Social Security
  - Consider deferring benefit until 70
    - Benefit grows by 8%/yr from age 66 to 70 (born > 1942)  
age 67 to 70 (born > 1959)
  - Check changes in effect after April 29, 2016 → [www.ssa.gov](http://www.ssa.gov)
    - Spousal benefit changes have limited options

Pre-Retirees Have Work To Do, but Time To Do It

# What and Who is The Retirement Benefits Affair Committee?

## What do we do?

Provide current information on Textron and other benefits

Educate TSRA membership on pertinent retirement issues

**With privacy concerns, we are limited in degree of personal involvement**

## Who does it?

Guy Berube, member and former RBAC Chairman

Joel Bernstein, former RBAC Chairman and current TSRA President

Mark Kovacs, Chairman, RBAC

Jim Stamboni, member

Contact: [tsrabenefits@tsretirees.org](mailto:tsrabenefits@tsretirees.org)

**RBAC Will Help Where We Can**

# Actions You Can Take To Simplify Your Retirement Life

- Know how to contact Fidelity
- Know in detail what your Textron benefits are
- Identify your beneficiary(ies)
- Make sure they understand their anticipated benefits
- Contact the TSRA's Retirement Benefits Affairs Committee (RBAC) with your questions

Continue Enjoying Your Retirement

# Textron/Fidelity/Humana/MetLife Benefits Contact Information

Method	Address	Required ID
	<b>Fidelity Benefits Service Center</b>	
Phone	866-698-9847	Username; Password/Soc. Sec. #
Internet	www.netbenefits.com	Username; Password
Mail	Fidelity Benefits Service Center PO Box 770003 Cincinnati OH 45277-0071 Attention: Textron	Probably requires additional steps (phone contact) to validate your identity
	<b>Humana Textron Choice Plus Medical</b>	
Phone	1-866-396-8810	DOB; Humana ID
	<b>MetLife Life Insurance</b>	
Phone	1 – 800-638-6420	Report death to Fidelity first
	<b>Textron Benefits Appeal</b>	
Mail	Textron, Inc. 40 Westminster Street Providence, RI 02903 ATTN: Benefits Strategy and Compliance	