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MEMBER NEWS

A Publication for VRS Members

May 2021 | [Archives](#)

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Member Education



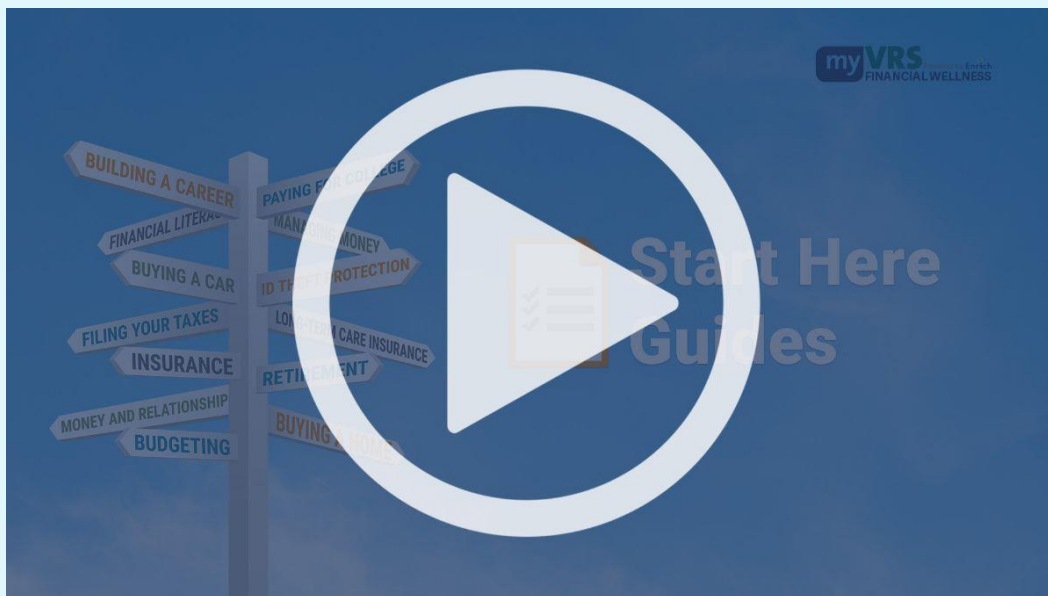
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Have an idea for an article?

VIDEO: myVRS Financial Wellness Start Here Guides

Sometimes the most important step toward reaching your goals is knowing where to begin. A strong finish comes from a strong start, and [myVRS Financial Wellness Start Here Guides](#) point you in the right direction as you set goals for the future.





Online Retirement Launching for Eligible VRS Members



Starting this summer, many VRS members will have the ability to retire online through their secure [myVRS accounts](#), rather than filling out a paper application.

If you're planning to retire in the coming year, the first step is to [register your myVRS account](#) if you've not already done so. From your account, you can access retirement counseling information, videos and step-by-step guidance at key decision points. Be sure to notify your human resource office that you plan to retire, so that you can receive additional counseling and be informed of retirement benefits your employer offers.


The online retirement process will take about 30 minutes. Should you need support, you can stop at any point, save your work and contact a VRS member counselor for assistance.

Some members will not initially have access to retire online, including members with:

- Judicial service in their record.
- Hazardous duty service.
- Long-term disability service in their record or who are retiring on disability.
- An Approved Domestic Relations Order (ADRO) on file.
- Ongoing purchase of prior service agreements.

Members in these situations can complete the [Application for Service Retirement \(VRS-5\)](#)  or the [Application for Disability Retirement \(VRS-6\)](#)  and associated forms.

Along with online retirement, additional myVRS self-service features are launching in July and August:

- **Beneficiary management:** Update your beneficiaries online instead of submitting the [Designation of Beneficiary \(VRS-2\)](#)  paper form. This includes updating beneficiaries for your VRS defined benefit member account and group life insurance benefits. Members and retirees with defined contribution accounts will continue to update beneficiaries through [Account Access](#).
- **Accessing survivor benefits:** Members or retirees who are receiving survivor benefits based on another VRS member's account will automatically be able to view their survivor benefits using their personal myVRS account.

After you retire, you will have access to additional online features to help you manage direct deposit of your retirement benefit and report health insurance premiums if you are eligible for the health insurance credit. With the introduction of these new features, VRS is making more member services available online through your secure [myVRS account](#). If you haven't visited myVRS lately, take time to register or log in to explore the Benefit Estimator, Retirement Planner and myVRS Financial Wellness—services designed to help you at every stage of your career.



Financial Planning Services Now Available to VRS Members

VRS members now have access to [Certified Financial Planning services](#) provided through ICMA-RC, the record keeper for VRS Defined Contribution Plans. Participation in a VRS Defined Contribution Plan (DCP) is not required to take advantage of these services.

CFP professionals offer guidance and support to help members feel confident about their financial security and find a path forward for:

- Reducing debt.
- Budgeting.
- Protecting their loved ones.
- Optimizing Social Security benefits.
- Planning their estates.

Members may sign up for no-cost webinars and one-on-one 30-minute consultations with CFP professionals at varetire.org/make-a-plan. Spouses and loved ones are welcome to be a part of the conversation.

Goal-specific financial plans as well as comprehensive financial plans are available at a low cost for members without defined contribution accounts, or whose DCP accounts are below the balance threshold. These financial plans are offered at no cost if your balance is above the DCP account balance threshold:

- **Goal-Specific Financial Plan** – \$175 per financial plan, if DCP account balance is less than \$100,000, or you do not have a DCP account.
- **Comprehensive Financial Plan** – \$450 per financial plan, if DCP account balance is less than \$200,000, or you do not have a DCP account.

CFP professionals do not sell products or services, nor do they provide investment advice.

These financial planning services are in addition to customer support provided by Defined Contribution Plans Retirement Specialists. If you have defined contribution accounts, continue to [contact DC Plans Specialists](#) for your plan-specific questions.




Health Insurance Credit Expanding to Cover Non-Teacher School Division Retirees

Legislation passed during the 2020 General Assembly session expands access to the health insurance credit to non-teacher school division retirees starting July 1.

Current and future retirees with at least 15 years of VRS service credit will receive a monthly credit of \$1.50 per year of service, or \$2.50 if your employer elects an additional \$1 enhancement. The legislation also removes the \$45 monthly cap on the credit for non-teacher school division retirees.

The [health insurance credit](#) is a tax-free benefit that assists with health insurance premiums you pay for single coverage, excluding any portion of the premiums covering a spouse or dependents. To receive the credit, you must provide supporting documentation if VRS is not deducting your health insurance premiums or if you have additional premiums to report. The health insurance credit is included with your retirement benefit payment and ends upon your death.

Requesting the health insurance credit once you retire

If you have at least 15 years of VRS service credit and are eligible for the health insurance credit at retirement, complete and send the [Request for Health Insurance Credit \(VRS-45\)](#)  to VRS. If you are retiring this summer or later, you can request the credit and report premium changes online through your [myVRS account](#) once you are retired.



myVRS Financial Wellness: Tackle Debt With the Credit Card Paydown Tool

One of the biggest obstacles to saving more for future goals is a high debt burden. Though a useful tool, credit cards are a primary source of personal debt for many people. It doesn't take much to get behind; before you know it, you're making only the minimum payment and your hard-earned money is getting eaten away by monthly fees. You keep paying, but it feels like your debt never goes away.

The Credit Card Paydown Tool in [myVRS Financial Wellness](#) is designed to help you get strategic about paying down debt, showing different approaches you can take to reduce and eliminate the barriers standing in your way.

You start with a simple debt inventory, adding your cards with their balances and interest rates. Next, you'll elect whether you value lower monthly payments now, or paying off your debt as quickly as possible. Select your credit score range, and the Credit Card Paydown Tool provides three strategies for comparison:


- **Balance Transfer:** The fastest paydown option with the least amount of interest owed—if you can pay off your debt within the low promotional rate period, typically 12 to 24 months.
- **Fixed Amount Payments:** Consistent monthly payments at a fixed amount greater than the minimum monthly payment could be an effective strategy. You will see increased savings over time since you are paying less in interest.

- **Minimum Payment:** Although making the minimum payment on your cards is usually the cheapest option in the short term, it keeps you in debt longer and is more costly over the long term because of the interest charges.


Using your personalized inputs, the Credit Card Paydown Tool will estimate the amount of time each approach will take to eliminate your balance, and how much interest you'll owe with each option. With charts to aid visualization, these estimates can help you decide how aggressively you want to tackle your debt.

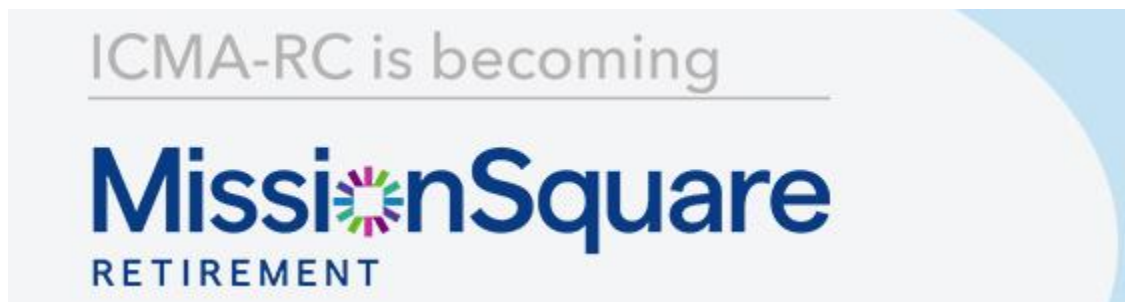
The Credit Card Paydown Tool is just one of many resources [myVRS Financial Wellness](#) has to offer on the topic of credit. Learn more or brush up on your skills with the interactive mini-courses Mastering Credit and Optimizing Your Score, and Using Credit Cards Responsibly. You'll also find articles, videos and guides to build your expertise and enhance your financial proficiency, no matter your current knowledge level or learning style.

Quarterly Investments Report Provides Latest Fund Insights

Check out VRS' quarterly [Investments Report](#) , which has an updated design and features a new column from Chief Investment Officer Ronald Schmitz. The report highlights quarterly fund performance while the column provides context to the data, as well as additional insights into VRS' investment strategy. Find quarterly reports on the [VRS Investments page](#).

2021 Legislative Summary

The 2021 General Assembly concluded its special session on April 7. The legislature passed and the governor signed several VRS-related bills, which are summarized in the [2021 Legislative Summary](#) .



ICMA-RC Is Becoming MissionSquare Retirement

ICMA-RC, the record keeper for VRS defined contribution plans, is becoming MissionSquare Retirement to further reflect its vision for the future and represent the growing diversity of its client base.

The brand change will become fully effective later this year. MissionSquare Retirement will continue providing the services (administrative, account management and participant education) it does today. Members can expect the same level of service and will notice a logo change on the website, correspondence and print materials in the coming months.



VRS Receives Top Awards for Financial Wellness and Optional Retirement Plan Campaigns

VRS came away with a pair of first-place wins at the annual Eddy Awards sponsored by Pensions & Investments magazine at its annual East Coast Defined Contribution Conference March 8-11.

The myVRS Financial Wellness platform took first place in the financial wellness category among public plans with more than 5,000 participants. The winning entry was a joint effort of VRS and partner iGrad, featuring the ongoing campaign to engage members in reducing financial stress by improving money-management skills and financial knowledge. [Read the full release.](#)

VRS' communications campaign supporting 2020 updates to the Optional Retirement Plan for Higher Education (ORPHE) took first place in the conversions/403(b) consolidations category for public plans with 1,000 to 5,000 participants. VRS and TIAA submitted a joint entry for the ORPHE 2020 campaign, which focused on increasing value for plan participants by making provider and investment choices more consistent. [Read the full release.](#)



Your Turn to Ask: What Happens If I Change Hazardous Duty Positions?

As a member covered under the State Police Officers' Retirement System, the Virginia Law Officers' Retirement System or a political subdivision with enhanced


hazardous duty benefits, it's important to be aware that your hazardous duty benefits could change if you leave your position and get hired into a different position.

If you move to a hazardous duty position with another VRS-covered employer, a non-hazardous duty position covered under VRS or return to work as a full-time active employee in a VRS-covered position after retirement, you will come under the plan provisions of your new position for retirement and other benefits. When making a decision on changing positions or returning to work after retirement, consider how your new position will impact your:

- Retirement multiplier.
- Eligibility for the hazardous duty supplement.
- Age and service requirements for retirement.

See the [Transferring Between Hazardous Duty Positions Job Aid](#)  or the Leaving Employment chapter of your [Handbook for Members](#) to learn how your benefits may be affected.

In addition, if you take a refund of your member account, which ends your VRS membership, and then return to a non-hazardous duty position with a VRS-participating employer, you will be rehired under the [Hybrid Retirement Plan](#). If you take a refund and return to a position under SPORS, VaLORS or VRS with enhanced hazardous duty benefits, you will be in [Plan 2](#).

For more information on your hazardous duty benefits, see [Hazardous Duty Benefits: Frequently Asked Questions](#)  or [contact VRS](#). Carefully consider the impact to your benefits before accepting a new position or returning to work after retirement.



Member Education

Webinar courses are posted on the VRS website as they are scheduled. Register from our [Education and Counseling pages](#).

Retirement Planning

- [Are You on Track?](#)
- [myVRS Financial Wellness](#)
- [Hybrid Retirement Plan Member Education](#)

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