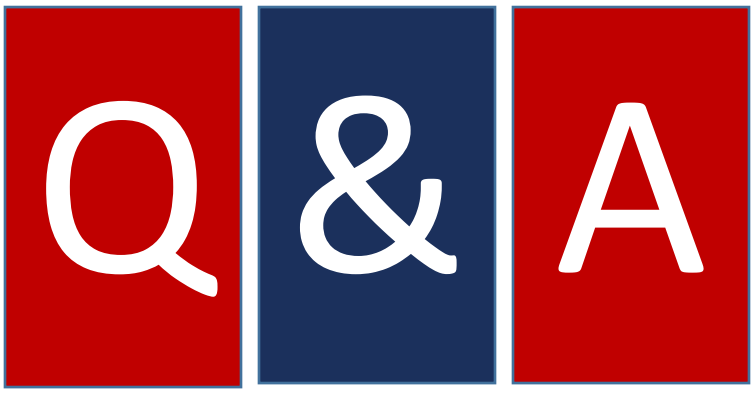
Marital Status and Beneficiary Changes



KPPA
Kentucky Public Pensions Authority

Frequently Asked Questions for

Post-Retirement Beneficiary Changes

Under HB 87

Pursuant to KRS 61.542

Can I change my beneficiary?

After the first day of the month in which a retired member receives their first retirement payment, a retired member may not change their payment option or account beneficiary designation except in limited circumstances as outlined in KRS 61.542.

Can I change my payment option after I retire?

Yes, if certain criteria is met. A retired member receiving a monthly retirement allowance under the Basic, Life with 10 Years Certain, Life with 15 Years Certain, Life with 20 Years Certain, and Social Security Adjustment Option without Survivor Benefits may elect to change their account beneficiary at any time by completing Form 6036, Beneficiary Designation Change. Retired members should log into their Self Service account to initiate the process to change their beneficiary by completing the Form 6036 online. Making this beneficiary change does not change the payment option selected at retirement.

A retired member receiving a monthly retirement allowance who marries or remarries after retiring may make a one-time election on or before 1/1/2022 (if the marriage or remarriage was prior to 6/29/2021), or within 120 days of marriage or remarriage (if the marriage or remarriage was on or after 6/29/2021) to provide monthly survivorship benefits to his/her new spouse by designating the new spouse as beneficiary. A Form 6035, Beneficiary and Payment Option Change, must be filed along with the spouse's date of birth verification and a copy of the marriage certificate, to initiate this change.

The retirement office will then provide a Form 6050, Estimated Retirement Allowance, for the retired member to complete and return. All forms must be received in the retirement office by the due date to be effective with the following month's retirement payment; changes to a retired member's retirement payment option will not be retroactive. This change is irrevocable. The due date for marriage or remarriage that occur prior to 6/29/2021 is 1/1/2022, or 120 days from the date of marriage or remarriage for those that occur on or after 6/29/2021. The retired member may only elect from the Survivorship 100%, 66 2/3%, 50% or Social Security Adjustment Option with Survivorship (if prior to age 62) when changing payment option due to marriage or remarriage for the new spouse.

Any new survivorship payment option shall be actuarially equivalent to the monthly payment option the member was receiving prior to the change and shall not impact any other benefits otherwise payable to an alternate payee under a valid Qualified Domestic Relations Order already on file at the retirement office.

KPPA Kentucky Public Pensions Authority

Are forms available on the KPPA website for retired members to change the beneficiary of the account?

No, forms are not available on the KPPA website. Retiree Self Service has been updated to allow a majority of retirees to easily complete the appropriate form through an online wizard. Retirees should log into their Self Service account at myretirement.ky.gov and click the Beneficiary and Payment Option Change link to begin the process. During this process, if the system identifies that you are ineligible to complete the process online, it will instruct you to call our office for additional instructions. Otherwise, all retired members should complete the process through Retiree Self Service.

I am an ex-spouse receiving benefits from a retired member's account as part of a Qualified Domestic Relations Order (QDRO). If the retiree makes a beneficiary and payment option change, will the amount I received under the QDRO change?

No, it will not impact any other benefits otherwise payable to an alternate payee under a valid Qualified Domestic Relations Order already on file at the retirement office.

I want to name my spouse as my beneficiary but I do not want to change my payment option. Can I do this?

Yes, if the retiree chose a non-survivorship option at retirement (Basic, Life with 10, Life with 15, or Life with 20 years certain, or Social Security Adjustment Option without Survivor rights) the retiree may update their beneficiary to their new spouse without changing their payment option.

If the retiree married or remarried after their retirement date AND they are receiving a benefit under a survivorship option (Survivorship 100%, Survivorship 66 2/3%, Survivorship 50%, Pop Up, and Social Security Adjustment Option with Survivor Rights), the retiree can change their beneficiary to their new spouse, but they must also select a new survivorship option. The survivorship payment options will be recalculated to ensure they are actuarially equivalent to the benefit the retiree received at their initial retirement date.

Kentucky Public Pensions Authority

Once I complete the paperwork to update my beneficiary and/or payment option, how long will the process take before I see the changes reflected on my account?

While other variables may impact the process time for your beneficiary change, it will also depend upon how quickly the retiree returns the required paperwork to finalize the change. KPPA will review the initial request submitted online via Retiree Self Service to determine the retiree's eligibility to update their beneficiary and/or payment option and send additional forms once a recalculation is prepared. For more details regarding the process of your beneficiary change request, review the Beneficiary Change presentation on the KPPA website.

Will I receive back pay if my beneficiary change increases my monthly retirement allowance?

No. KRS 61.542 states while the recalculation may change your monthly retirement allowance, it must remain actuarially equivalent to the monthly retirement allowance the retiree was receiving prior to the beneficiary/payment option change.

KPPA
Kentucky Public Pensions Authority