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**Colorado  
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# **Survivor Benefits**

Revised February 2006

## Overview

In the event of your death before retirement, PERA provides benefits to your qualified survivors or named beneficiary(ies).

The order in which your qualified survivors receive benefits depends on whether or not you are eligible for retirement at the time of your death.

### Retirement Eligibility

Minimum Service Credit	Minimum Age
25 years	50
20 years	55
5 years	60
Less than 5 years	65

## Member Eligible for Retirement

If you are an active Colorado PERA member and you are eligible for retirement (see the Retirement Eligibility chart), your qualified survivors are as follows, listed in order of eligibility:

- 1. Cobeneficiary:** The person designated by you after you are eligible for retirement benefits to receive an Option 3 Benefit. (To select a cobeneficiary to receive this benefit, call PERA and request an *Option 3 Declaration Form*.)  
**Benefit:** Your cobeneficiary will receive an Option 3 Benefit.
- 2. Spouse:** The person to whom you were married on the date of your death.  
**Benefit:** Your surviving spouse will receive an Option 3 Benefit.
- 3. Children:** Natural or adopted, unmarried, under age 18, or under age 23 if enrolled full-time in an

accredited school within six months after your date of death. Natural is limited to children conceived before the death of the member and brought to term within the normal gestation period following the member's death.

**Benefit:** One qualifying child receives 40 percent of your HAS; two or more qualifying children share 50 percent of your HAS equally. This benefit continues to be payable to the child until that child is no longer qualified.

- 4. Disabled Adult Children:** Children who are mentally or physically incapacitated from gainful employment prior to marrying or reaching age 18 (or age 23 if enrolled full-time in school).

**Benefit:** A disabled adult child may continue to receive a child's survivor benefit as explained in number 3 above.

- 5. Dependent Parents:** Financially dependent parents who receive at least 50 percent of their support from you as documented by IRS tax returns at the time of your death.

**Benefit:** One dependent parent receives 25 percent of your HAS; two dependent parents share 40 percent of your HAS.

- 6. Named Beneficiary:** If there are no qualified survivors to receive a monthly benefit, your named beneficiary will receive a lump-sum payment.

## Member Not Eligible for Retirement

If you are an active Colorado PERA member with at least one year of earned service and you are not eligible for retirement when you die, your qualified

survivors are listed below in the order of eligibility. If your death is job-related, this service credit minimum is waived.

1. **Children:** Natural or adopted, unmarried, under age 18, or under age 23 if enrolled full-time in an accredited school within six months after your date of death. Natural is limited to children conceived before the death of the member and brought to term within the normal gestation period following the member's death.  
**Benefit:** One qualifying child receives 40 percent of your HAS; two or more qualifying children share 50 percent of your HAS equally. This benefit continues to be payable to the child until that child is no longer qualified.

2. **Spouse:** The person to whom you were married on the date of your death. Benefits are as follows:

**If your death is job-related,** your surviving spouse may elect to immediately begin receiving an Option 3 Benefit.

**If you have between one and 10 years of service credit at the time of your death,** your surviving spouse, at age 60, is eligible to begin receiving a monthly benefit equal to 25 percent of your HAS. If PERA determines that your surviving spouse is disabled, the benefit is payable immediately.

**If you have 10 or more years of service credit at the time of your death,** your surviving spouse will immediately begin receiving an Option 3 Benefit, provided there are no qualified children. A surviving spouse would begin receiving this benefit immediately following the

conclusion of qualifying children's receipt of survivor benefits.

3. **Disabled Adult Children:** Children who are mentally or physically incapacitated from gainful employment prior to marrying or reaching age 18 (or age 23 if enrolled full-time in school).  
**Benefit:** A disabled adult child may continue to receive a child's survivor benefit as explained in number 1 to the left.
4. **Dependent Parents:** Financially dependent parents who receive at least 50 percent of their support from you as documented by Internal Revenue Service (IRS) tax returns at the time of your death.  
**Benefit:** One dependent parent receives 25 percent of your HAS; two dependent parents share 40 percent of your HAS.
5. **Named Beneficiary:** If there are no qualified survivors to receive a monthly benefit, your named beneficiary will receive a lump-sum payment.

### Less Than One Year of Service Credit

If you should die with less than one year of PERA service credit and your death is not job related, your named beneficiary will receive a lump-sum payment.

### Inactive Member

If you are an inactive member with at least five years of Colorado PERA service credit, the following will occur in the event of your death:

## Your surviving spouse is eligible to receive an Option 3 Benefit

beginning on the date you would have been eligible to receive a reduced service retirement benefit.

**If you have no surviving spouse,** your named beneficiary will receive a lump-sum payment.

If you are an inactive member with less than five years of PERA service credit, the following will occur in the event of your death:

**Your named beneficiary** will receive a lump-sum payment.

**Your survivors,** in some cases, may qualify for survivor benefits if you earned at least six months of PERA service credit within the three years preceding your death and you died from the same illness or injury that caused you to terminate PERA-covered employment.

## Health Care Coverage

Survivors receiving a monthly benefit and the guardians of any children receiving monthly survivor benefits are eligible to enroll in the PERACare Health Benefits Program. The Program offers health care, dental, and vision plans.

PERA subsidizes a portion of the monthly health care premium for benefit recipients based on the deceased members' years of service credit. Survivors must enroll within 30 days after the first day that survivor benefits are payable.

## In the Event of Your Death

Your survivors or named beneficiary should promptly notify PERA of your death by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

## Glossary

**Highest Average Salary (HAS)** is one-twelfth of the average of the highest annual salaries on which PERA contributions were paid that are associated with three periods of 12 consecutive months of service credit.

**An Option 3 Benefit** is a lifetime monthly benefit based on a member's age, service credit, and on the age and life expectancy of the survivor at the time of the member's death.

**Lump-Sum Payment** is a single payment of a deceased member's contributions and interest, plus a 100 percent match on those contributions and interest.

**Named Beneficiary** is the person(s) designated on your *Member Information Form*. If no beneficiary is named, or the beneficiary is deceased, your account will be paid to your estate.

**Note:** Surviving spouses and dependent parents who are eligible for a monthly benefit, and are also a named beneficiary on your account, may elect to receive a lump-sum payment in lieu of a monthly benefit, if there are no other eligible survivors.

***Trooper Survivors:** Surviving spouses and qualified children who receive benefits based upon the death of a state trooper who was killed in the line of duty may be exempt from federal income tax. Consult a tax adviser to determine if you qualify for this exemption under Section 101(h) of the federal Internal Revenue Code.*

## For More Information

- Visit PERA's Web site at [www.copera.org](http://www.copera.org).
- Attend a PERA Benefit Information Meeting.
- Write to PERA at PO Box 5800, Denver, Colorado 80217-5800. Please include your Social Security number with requests for personal information.
- Request an estimate of survivor benefits based on your current circumstances by calling PERA at 303-832-9550 or 1-800-759-7372 and providing the date of birth for your spouse and children, and dependent parents if applicable.
- Visit the PERA offices at 1300 Logan Street in Denver or in Westminster at 1120 West 122nd Avenue.

This brochure contains general information about Colorado PERA's survivor benefits program. Your rights, benefits, and obligations as a PERA member are governed by Title 24, Article 51 of the Colorado Revised Statutes, and the Rules of the Colorado Public Employees' Retirement Association.

Colorado Public Employees' Retirement Association  
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[www.copera.org](http://www.copera.org)