



WORCESTER FIREFIGHTERS LOCAL 1009

International Association of Fire Fighters

625 CHANDLER STREET • WORCESTER, MA 01602 • OFFICE: (508) 831-0519 • FAX: (508) 797-1690

International Association of Fire Fighters
Professional Fire Fighters of Massachusetts

Frequently Asked Questions

Option D

Source: PERAC February 1, 2012

Q. If a member dies before retiring; can the member provide for payment of a lifetime allowance to a surviving family member?

A. Members have the right to choose an Option D beneficiary upon becoming a member or at any point prior to retirement. Option D provides a designated beneficiary with an allowance for life. However, if the member does not designate an Option D beneficiary and if his/her spouse (provided he/she has an eligible spouse) does not elect to receive a lifetime allowance, the member's accumulated deductions will be paid in a lump sum to his/her surviving beneficiaries of record and no lifetime allowance can be paid.

Beneficiaries

Q. Who may a member designate as his/her Option D beneficiary?

A. Members may designate only one beneficiary. The eligible beneficiaries are limited to a member's spouse, the member's former spouse (provided he or she has not remarried at the time of being designated as the Option D beneficiary), the member's child, parent, or sibling.

Q. May a member change his/her Option D beneficiary designation?

A. A member may change his/her Option D beneficiary designation by giving written notice on a prescribed form to his/her retirement board. It is important to remember whom one's Option D beneficiary is because changes in personal circumstances do not automatically alter the designation. The Option D beneficiary remains the same until a new beneficiary is designated in the prescribed manner.



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Q. Can a beneficiary make any "make-up" payments that a member had been eligible to make?

A. If a member's accumulated deductions do not reflect all of his/her creditable service, the member's Option D beneficiary may make "make-up payments" to establish a more complete record of creditable service. A beneficiary has 90 days in which to act from the date the retirement board mails a notice regarding his or her right to act.

Permanency of Choice

Q. Is a member permitted to change his/her mind about electing Option D?

A. A member can cancel his/her election of Option D by giving written notice to his/her retirement board.

Q. Under what circumstances is a member's Option D election superceded?

A. An Option D designation has a serious and lasting legal impact unless:

- A member cancels it; or
- A member's designated beneficiary predeceases the member; or
- A member retires; or
- A member's surviving beneficiaries are eligible to receive an accidental death benefit; or
- A member's eligible surviving spouse elects to receive a benefit, even if the member did not choose the spouse as his/her Option D beneficiary.



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Amount of Benefit

Q. How is an the Option D benefit calculated if a member dies before his/her 55th birthday?

A. The designated beneficiary is entitled to receive the Option C allowance the member would have been entitled to receive if the member had attained age 55 and retired on the date he /she died. The number of years of service that the member had been granted when he/she died plus any service for which the beneficiary makes a “make-up” payment will be used in the calculation.

Q. What is the Option D benefit if a member’s death occurs on or after his/her 55th birthday?

A. The designated beneficiary is entitled to receive the Option C allowance the member would have received if the member had retired on the date he/she died.

Election By Spouse

Q. May a member’s spouse elect to receive Option D benefits?

A. A member’s spouse may elect to receive Option D benefits if:

- The member dies as a member-in-service and has nominated the spouse as beneficiary of his/her accumulated retirement deductions, or,
- The member has been married to the spouse for at least one year and dies as a member-in-service with at least two years of creditable service.

This type of spousal election is permitted even if the member had chosen another individual as his/her Option D beneficiary. The member must be living with his/her spouse at the time of death or if the couple is living apart, it must be for a justifiable cause other than the spouse’s desertion or moral turpitude.



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Q. What if a member has already retired under Option A or B, is there a circumstance in which his/her spouse could elect to receive Option D benefits?

A. If the member dies within 30 days of retirement, the spouse can elect to receive Option D benefits. The member must be living with his/her spouse at the time of death or if the couple is living apart, it must be for a justifiable cause other than the spouse's desertion or moral turpitude.

Q. What benefits are payable to a member's spouse in these situations?

A. The member's spouse would receive the Option C allowance the member would have received if he/she had retired on the date of his/her death. If the member was under age 55 on the date of death, the allowance would still be calculated as if the member had attained age 55. If the member was age 55 or older, the allowance would be calculated using the member's actual age on the date of death.

Q. How and when may a member's spouse elect Option D benefits?

A. The retirement board will notify a member's spouse of his or her right to elect Option D benefits. A spouse has 90 days from the date this notice is mailed to elect Option D benefits. To be effective, the election must be made on a prescribed form filed with the retirement board within this period.

Q. What happens if a surviving spouse does not elect Option D benefits?

A. If the member had not named another individual as his/her Option D beneficiary, the member's accumulated deductions would be paid to the surviving beneficiaries of record or, if there are none, to the member's surviving spouse in one sum.

If the member had named another individual as his/her Option D beneficiary, that individual would receive a lifetime allowance (instead of a lump sum payment of accumulated deductions being made to the surviving beneficiaries of record).