



Retired & Called Back To Work?

Know the Rules for Optimizing Your Pension Benefits

With the record-breaking number of hours being reported to the Motion Picture Industry Pension & Health Plans (MPIPHP), it should come as no surprise that some retirees are being called back to work. If you are retired and get the opportunity to contribute your skills and time within the industry, here is some important information you should keep in mind when planning your re-employment.

Before diving into the information you should keep in mind, it would be helpful to review some relevant terms. A "payroll month" is a month that begins on the Sunday preceding the last Thursday of the month and ends on the Saturday preceding the last Thursday of the following month. For example, an upcoming payroll month is Sunday, December 22, 2019 through

Saturday, January 25, 2020. A snapshot of payroll months may be found at www.mpiphp.org under the "Re-employment After Retirement" section of the Forms tab.

A "month of suspendible service" is a payroll month during which a re-employed retiree works 40 hours or more. During this month of suspendible coverage, a retiree's pension benefits are suspended/forfeited for the calendar month during which 40 hours or more of work are worked or guaranteed.

Therefore, if a re-employed retiree (who has not yet commenced required minimum distributions by the April 1 of the calendar year after the retiree reaches age 70½ years) works 40 hours or more in a payroll month, his or her pension benefits for that month will be suspended.¹

NEW RULE FOR MONTH OF SUSPENDIBLE SERVICE

The previously mentioned 40 hours threshold, however, was recently increased to 50 hours by an action of the Board of Directors of the Motion Picture Industry Pension Plan ("Pension Plan"), effective with the payroll month beginning December 22, 2019. Under this new rule, pension benefits will not be suspended/forfeited if a retiree works less than 50 hours (or stops working altogether) in any payroll month beginning on or after December 22, 2019.

Therefore, if a re-employed retiree (who has not yet commenced required minimum distributions by the April 1 of the calendar year after the retiree reaches age 70½ years) works 50 hours or more in a payroll month that begins on or after December 22, 2019, his or her

¹A Participant who retires from the industry and then returns to work in it during the first two months of his or her retirement will have his or her monthly pension benefit suspended until the Participant completes two consecutive calendar months with no Industry work performed.





pension benefits for that month will be suspended.¹

As an example, Janey, a retiree who is 66 years old, has the opportunity to go back to work for 45 hours during the payroll month of December 22, 2019 through January 25, 2020. Since her hours will be under the new threshold of 50 hours, Janey will continue to receive her pension benefits for February 2020 without suspension.

AVOID A PERMANENT SUSPENSION OF PENSION BENEFITS

Another rule retirees need to be aware of concerns those who retired under the unreduced early retirement provisions of the Pension Plan. The Plan provides

those participants who have worked at least 30 qualified years, and accrued at least 60,000 hours at the age of 60 years, 55,000 hours at the age of 61 years or 50,000 hours at the age of 62 years, the ability to take an unreduced early retirement pension benefit.

This Plan benefit, however, comes with a caveat: retirees who are re-employed after retiring under this provision who accrue 400 or more credited hours in a Plan computation year will have a permanent suspension of pension benefits until the month of their 65th birthday. Retirees who fall under this category need to be careful about their work schedules if they wish to have the flexibility to resume their pension benefits immediately upon completing their re-employment.

NOTIFICATION OF YOUR INTENT TO WORK AFTER RETIREMENT

The Pension Plan provides two important forms to help you manage your return to work in an efficient manner. You can notify the Pension Plan of your intent to return to work by filling out the Retiree Re-employment Notification form, and then the End of Re-employment Notification form, to tell the Pension Plan when you



have stopped working so that your pension benefit can be reinstated in an expedited matter. Both of these forms are available at www.mpiphp.org.

As always, be sure to consult with your Pension Plan *Summary Plan Description* to learn about the rules related to re-employment. If you have any questions about the rules as they may apply to your individual situation, please call MPIPHP's Participant Service Center to speak with a representative.

SPD UPDATE

Effective December 22, 2019, references to "40 hours" are changed to "50 hours" on the following pages of the *Summary Plan Description for the Motion Picture Industry Pension & Individual Account Plans*:

- ▶ Pages 6, 20, 21, 25, 26, and 43.

