

Survivor Benefits Guide



Powering Your Future, Together.

Losing a loved one is never easy. The days and weeks that follow can be overwhelming, especially when there are benefits to understand, information to gather, and important details to manage. Knowing where to begin may feel difficult - and that's completely understandable.

This guide is designed to support members, spouses, family members, and others assisting with financial arrangements. Inside are clear explanations of the information we need, the benefits that could be available, and the process for notifying us of a loved one's passing.

During the days ahead, this guide can help answer questions, reduce uncertainty, and make one part of the process a little easier.

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Reporting the Death of a Member, Beneficiary, or Insurance Dependent

When a member, beneficiary, or insurance dependent passes away, one of the first and most important steps is to contact us as soon as possible. Contacting us promptly helps ensure benefits are handled correctly.

How to Notify Us

To notify us that a member, beneficiary, or insurance dependent has passed, send us an email at Help@DERP.org or call us at (303) 839-5419.

- **We'll need their**
 - Full name
 - Date of birth
 - Date of death
- **We'll also need your**
 - Full name
 - Address
 - Phone number

We'll follow up with any surviving beneficiaries regarding the benefit they may be eligible to receive and let them know if we need any additional information.

Important! Notification can come from anyone, but we can't discuss survivor benefits with anyone but designated beneficiaries and/or personal representatives.

What Happens After We're Notified?

What happens next depends on whether it's a member, a beneficiary, or an insurance dependent who's passed away.

When a Member Passes Away

1. Monthly DERP Pension Benefit payments will stop.

Once we're notified of a member's death, we'll stop future benefit payments. If a payment is issued after the date of death, the overpayment must be resolved before we can issue any benefits to the beneficiary.

2. Health insurance coverage will end.

We'll unenroll the member and any covered insurance dependents from health insurance coverage.

3. We'll contact surviving beneficiaries.

We'll let any surviving beneficiaries know what happens next.

4. Surviving beneficiaries will need to complete an application.

In order to receive any benefits they may be eligible for, surviving beneficiaries will need to complete an application.

5. We'll pay eligible beneficiaries.

Once we receive the required information and documentation, we'll issue any benefits survivors are entitled to receive.

When a Joint and Survivor Beneficiary Passes Away

1. Health insurance coverage will end.

We'll unenroll the beneficiary from health insurance coverage.

2. We'll need the original death certificate.

We can't accept a copy. We'll return the original death certificate by mail.

3. The member's benefit will be recalculated.

We'll recalculate the member's benefit to the maximum benefit amount, as if no joint and survivor benefit option had been elected. This is effective the month after the joint and survivor beneficiary's passing.

4. If applicable, the member will designate name a new lump-sum death benefit beneficiary.

In cases when the joint and survivor beneficiary is also the lump-sum death benefit beneficiary, the member designates a new lump-sum death benefit beneficiary.

When a Lump-Sum Death Benefit Beneficiary Passes Away

1. We'll need a copy of the original death certificate.

We don't need an original death certificate for the passing of a lump-sum death benefit beneficiary – a copy is fine.

2. The member will designate a new lump-sum death benefit beneficiary.

Members can designate lump-sum death benefit beneficiaries in their MyDERP.org account or by completing a paper form.

When an Insurance Dependent Passes Away

1. Health insurance coverage will end.

We'll unenroll the dependent from insurance coverage.

2. We'll need a copy of the original death certificate.

We don't need an original death certificate for the passing of a lump-sum death benefit beneficiary – a copy is fine.

3. The member's health insurance will continue.

No action is needed. The member's health insurance coverage will remain the same.



Learn More About Survivor Benefits in Our Video

Our video [When a DERP Member Passes: What Survivors Need to Know](#) walks you through the steps of reporting the death of a member and helps you understand what to expect. Click or scan the QR code to watch.



Beneficiary Information

Active Death Benefit

If an active member passes away while employed in a DERP-eligible position, death benefits are available to their primary beneficiary.

In most cases, the death benefit is a lifetime monthly DERP Pension Benefit for the designated beneficiary.

- If the member was married, their spouse will receive the lifetime monthly DERP Pension Benefit, unless they formally waived this right and consented to another designated beneficiary.
- If the member wasn't married, any children under age 21 will receive a benefit until they reach age 21.
- If the member wasn't married and didn't have children under age 21, the primary beneficiary will receive the benefit.

On-the-Job Death Benefit

If the death is classified as on-the-job, the member's primary beneficiary will receive a lifetime monthly DERP Pension Benefit with service credit calculated as the higher of:

- 15 years of service credit, or
- Earned service credit plus five years of granted service credit.

In either case, the service credit may not exceed the service the member would have earned by age 65. There are no minimum service requirements for this benefit.



Off-the-Job Death Benefit

If the death is classified as off-the-job, the member's primary beneficiary will receive a lifetime monthly DERP Pension Benefit that is 75% of the on-the-job death benefit.

Service credit is calculated as the higher of

- 15 years of service credit, or
- Earned service credit plus five years of granted service credit.

In either case, the service credit may not exceed the service the member would have earned by age 65. There are no minimum service requirements for this benefit.

Benefits for Children Under 18

If an active member passes away and has children under 18, we'll send survivor benefit payments to the parent or guardian until the children turn 18. We'll need a separate Survivor Benefit Application for each child under 18.



Maximum and Joint and Survivor Benefit Options

At retirement, members select either the maximum benefit option or the joint and survivor benefit option. Their choice impacts whether their DERP Pension Benefit is passed on to a loved one.

Maximum Benefit Option

This selection provides members with the highest monthly DERP Pension Benefit payment for their lifetime. Payments stop upon their death, and no monthly DERP Pension Benefit is passed on to a beneficiary.

Joint and Survivor Benefit Option

This selection provides a reduced monthly DERP Pension Benefit to the member for their lifetime and to the joint and survivor beneficiary for their lifetime. Joint and survivor options can be 100%, 75%, or 50% of the amount a member receives prior to their death and is calculated at retirement based on the assumed life expectancies of both the member and their beneficiary.

Lump-Sum Death Benefit

When members retire from active service, a single lump-sum death benefit payment is available to be paid upon their passing to their beneficiary, or to their estate if their beneficiary is no longer living. If a retired member has withdrawn the complete lump-sum death benefit, it won't be available to the beneficiary.



MyDERP.org

After a Survivor Benefit Application is approved, we'll provide surviving beneficiaries information and instructions on how to set up a [MyDERP.org](https://myderp.org) account.

[MyDERP.org](https://myderp.org) is a secure online resource where users can:

- View and manage benefits
- Update contact information
- Change tax withholding information
- Update direct deposit information
- View and download direct deposit advices
- Access tax forms



Health Insurance Coverage

Medicare and non-Medicare medical, dental, and vision coverage is available to anyone who receives a DERP Pension Benefit and their eligible dependents, or any insurance dependents who were enrolled in DERP health insurance at the time of a member's passing.

- **Insurance for Survivors Who'll Receive a DERP Pension Benefit**

Beneficiaries can enroll in health insurance once they start collecting a DERP Pension Benefit. Health insurance premiums are deducted from monthly DERP Pension Benefit payments.

Any eligible insurance dependent can be enrolled in DERP health insurance, including children under 26 and new spouses.

- **Insurance for Survivors Who Won't Receive a DERP Pension Benefit**

Any insurance dependent who was enrolled in DERP health insurance at the time of a member's passing is eligible to continue their insurance coverage through DERP at their own expense.

Visit the Health Insurance page at [DERP.org](https:// DERP.org) for more information on the Medicare and non-Medicare medical, dental, and vision plans we offer.

Eligible Insurance Dependents

- **Spouses**

Provide a copy of a marriage certificate, common law affidavit, or first page of most currently filed federal tax return.

- **Children under 26**

Provide a copy of a birth certificate, guardianship paperwork, or adoption paperwork.

- **Dependent children of any age who are physically or mentally unable to care for themselves**

Provide legal documentation.

Insurance Premium Reduction (IPR) Benefit

Only surviving spouses receiving a DERP Pension Benefit are eligible for the IPR benefit, where we pay a portion of your monthly health insurance premiums.

Taxes on Survivor Benefit Payments

DERP Pension Benefit payments are considered taxable income, subject to federal and state income tax, and reported to the IRS and the state of Colorado. We can withhold federal and Colorado taxes from your benefit, if requested. We can't withhold taxes for any other state.

As a reminder, we can't provide tax counseling. Consult your personal tax advisor, the IRS, and/or the Colorado Department of Revenue for any tax-related questions.



Disclaimer

The DERP Disability Retirement Guide is intended primarily for the members of the Denver Employees Retirement Plan (DERP) to provide a general overview. DERP is governed by the Revised Municipal Code of the City and County of Denver, as well as the Internal Revenue Code and its rules and regulations. The information contained in this guide can't be relied on as legal authority. In all cases, the provisions of the governing laws, rules, and regulations will apply.



(303) 839-5419
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DERP.org
MyDERP.org



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Retirement Plan