



## PSC-CUNY WELFARE FUND

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### TIAA Lifetime Income Annuity for NYC Health Benefit Program

When you apply for Retiree Health Benefits provided by the NYC Health Benefits Program, you must also set up a Lifetime Income Annuity with TIAA from the 401(a) Optional Retirement Plan (ORP) or Frozen 403(b) ORP account to generate a monthly stream of income from which deductions for health insurance premiums will be withheld. You will still set this up with a minimum of \$10,000 even if you have a \$0 health insurance premium. Contact TIAA at 800-842-2776 to start a Lifetime Income Annuity. The Lifetime Income Annuity needs to be set up from the 401(a) or Frozen 403(b) Optional Retirement Plan (ORP) on a minimum of \$10,000, from your \$50,000 required reserve, to satisfy standard health care premium deductions. The other option aside from the Medicare Advantage plan is the GHI Senior Care Plan which has a significant cost and may require additional amounts to be annuitized. When talking with a TIAA Advisor, make sure to inform them of the monthly health insurance premium (\$0 if Medicare Advantage or the monthly amount if you select GHI Senior Care) to determine how much needs to be annuitized. **Example:** If the member chooses Medicare Advantage and has \$0 premiums, then at least \$10,000 needs to be annuitized. If the member chooses NYC health plan with a premium (GHI Senior Care is the only option), TIAA will pay the monthly amount to Office of Labor Relations (OLR) for medical premium from that annuity set up. If the member only annuitizes \$10,000, the member needs to leave \$40,000 intact from the 401(a) or Frozen 403(b) ORP with TIAA. If the member annuitizes \$50,000, then all requirements from CUNY for NYC health monthly premiums are met and the member can decide to do whatever he/she wants with the rest of the moneys with TIAA (no further CUNY requirements from the ORP).

Your Lifetime Income Annuity must be set up prior to enrolling in health benefits. You must submit a copy of the Acknowledgement of Request for Annuity Payment from TIAA to your College Benefits Officer to initiate the health insurance enrollment process. Failure to set up a Lifetime Income Annuity may jeopardize your health insurance enrollment.

Please note that Interest Only, Minimum Distribution, and Transfer Payout Annuity are not considered settlement options used to satisfy your health care premium deductions.