{stdlongdate} Member ID: {stdMbrPERSLinkID}

{stdMbrFullName}

{stdMbrAdrCorStreet1}

{x stdMbrAdrCorStreet2}

{stdMbrAdrCorCity} {stdMbrAdrCorState} {stdMbrAdrCorZip}

**RE: DISABILITY BENEFIT SUSPEND**

Dear {stdMbrSalutation}:

This letter is to inform you that since you have not complied with the requests for application for recertification of your disability, **your disability benefits MUST be suspended effective** **{ RecertificationDate }**. **You still have until** **{ RecertificationDate } to rectify this situation.**

We are enclosing the required forms.

Your disability benefits will remain suspended until you reapply and NDPERS receives notice from our medical consultant that you meet our disability plan criteria.

In lieu of a disability benefit, you also have the following alternate options concerning your retirement account. Keep in mind, by applying for and receiving one of the following benefit payment provisions, you forfeit your rights to apply for a disability benefit.

**OPTION 1**

You can choose to have your member account balance paid directly to you. If you choose this option, you will only receive 80% of the taxable amount of your account balance because we are required to withhold 20% of the payment and send it to the IRS as Federal income tax. In addition, if you are under age 59 1/2, you may be subject to an additional 10% penalty for early withdrawal. This would be payable when you file taxes for the year you took the refund. The 10% penalty cannot be withheld by NDPERS.

If you select this option, you will forfeit any rights to a future retirement benefit and the retiree health insurance credit.

**OPTION 2**

You can choose to have all or a portion of your account balance directly rolled over into a traditional IRA or another eligible employer plan. By doing this, the rolled over portion would not be taxed until you take it out of the traditional IRA or other qualified plan. Be sure to check plan to see if the traditional IRA or other eligible employer plan will accept a rollover from a 401(a). Also, if any portion of the rollover is non-taxable income, then NDPERS requires a letter of acceptance from the financial institution indicating that they can accept both taxable and non-taxable income, as well as, provide the necessary record-keeping for these funds. Any remaining amount not rolled over will be paid to you in a lump sum payment.

If you select this option, you will forfeit any rights to a future retirement benefit and the retiree health insurance credit.

**OPTION 3**

You can leave your member account balance intact with NDPERS and take a refund or rollover later. The law provides the following concerning interest on your member account balance.

**71-02-05-09. Interest accrual on accumulated contributions for disabled annuitants.** Effective January 1, 1998, interest must accrue on accumulated contributions as defined in article 71-02 until the disabled annuitant reaches that person’s normal retirement date, the account is closed, or until benefit payments commence to the member’s beneficiary.

**OPTION 4**

You can elect a Deferred Vested Benefit. Under this option, you would leave your member account balance with NDPERS and elect to receive a monthly retirement benefit. Under early retirement provision you can being drawing reduced benefits at age 55 or full retirement benefits at age 65.

By taking a refund or rollover of your member account balance, you forfeit:

• Retirement Benefits

• Disability Benefits

• Non-Vested Employer Contributions

• Retiree Health Credit

• New Health Insurance Coverage

• New Dental Insurance Coverage

• New Vision Insurance Coverage

{x when IsMemberEnrolledinHealth has “Y”}

**HEALTH INSURANCE OPTION:**

You may remain on the NDPERS group health insurance plan for life. However, your retiree health insurance credit will not be applied to your premium until you commence monthly retirement benefits.

{x endblock}

{ x when IsMemberEnrolledinLife has “Y”}

**LIFE INSURANCE OPTION:**

You will forfeit your life insurance through NDPERS. You or your insured dependent may convert this insurance to an individual life insurance policy. You or your insured dependent may convert this insurance by applying and paying the first premium for an individual policy within 31 days after any part of your or your insured dependent's insurance stops. The Insurance Company must be notified by completing an Application for Conversion of Group Life Insurance Form.

{x endblock}

{ x when IsMemberEnrolledinDental has “Y” }

**DENTAL INSURANCE OPTION:**

You may remain on the dental insurance plan so long as you remit the required premium on a monthly basis.

{x endblock}

{ x when IsMemberEnrolledinVision has “Y” }

**VISION INSURANCE OPTION:**

You may remain on the Vision insurance plan so long as you remit the required premium on a monthly basis.

{x endblock}

{ x when IsMemberEnrolledinAnyInsurance has “Y”}

You will need to make arrangements to have your insurance premiums deducted from a bank account. Enclosed is an Authorization for Premium Deduction SFN 50134 for this purpose.

{x endblock}

If you have any questions, please call NDPERS at {stdNDPERSPhoneNumber} or {stdNDPERSTollFreePhoneNumber}.

Sincerely,

NDPERS Benefits Division

Enclosure - Application for Recertification of Disability Retirement Benefits SFN 50149

Disability Retirement Attending Physician’s Statement SFN 54399

Authorization for Automatic Premium Deduction SFN 50134

{tmp SFN-50149}

{tmp SFN-54399}

{tmp SFN-50134}