NHRS
New Hampshire Retirement System

Group I (Employee and Teacher) Member Benefits

Tier A: Members vested prior to January 1, 2012

Here is a basic summary of Group I (Employee and Teacher) benefits for Members in **Tier A**.
In some cases, additional requirements may apply for certain benefits. Further information is available online at www.nhrs.org.
Note: if you are viewing this document online, the underscored items contain links to additional information.

Retirement Terms

Vesting
Members become vested for retirement benefits upon the earlier of: (1) completion of 10 years of NHRS Creditable Service; or (2) on or after attainment of age 60, regardless of years of Creditable Service.

Retirement
This is not the same as "termination" or the last day of employment. To begin collecting a lifetime pension, members must file a retirement application with NHRS and meet certain deadlines.

Accumulated Contributions
The total amount a member has paid into the retirement system plus credited interest. Employer contributions are not included.

In Service
Members will be considered in service if both the member and employer are actively contributing to NHRS, and the member is earning Creditable Service. Members may also be considered in service for certain benefits if employment is suspended due to the Family Medical Leave Act, workers' compensation, or active military duty.

Creditable Service
The number of months and years of service earned as an NHRS member. Creditable Service is one of the factors used to calculate the pension benefit.

Service Credit
Members may be eligible to increase their amount of Creditable Service through purchasing one or more types of service credit.

Average Final Compensation (AFC)
The average of a member's three highest years of Earnable Compensation in NHRS-covered employment. AFC is one of the factors used to calculate the pension benefit. AFC may be subject to Earnable Compensation limits and other statutory provisions.

About NHRS

The New Hampshire Retirement System (NHRS, the retirement system) is a defined benefit plan. That means the plan provides lifetime pension benefits that are determined at retirement under a formula prescribed by law, not based on investment returns or contributions. NHRS benefits are funded by member contributions, employer contributions, and net investment returns.

All benefits are set by state law (RSA 100-A). NHRS is also governed by administrative rules and policies, and the Internal Revenue Code.

Retirement Benefits

Service Retirement

Group I members can retire at the age of 60 regardless of their years of Creditable Service. By law, Group I pension benefits are recalculated when a member reaches his or her full Social Security retirement age.

Benefit formula prior to attainment of full Social Security age:
- Member's AFC divided by 60 then multiplied by Creditable Service. (example: AFC of $30,000 ÷ 60 = $500; $500 x 30 years of service = $15,000)

Benefit formula following attainment of full Social Security age:
- Member's AFC divided by 66 then multiplied by Creditable Service. (example: AFC of $30,000 ÷ 66 = $455; $455 x 30 years of service = $13,636)

Early Retirement

Members with at least 10 years of Creditable Service may retire between the ages of 50-59.

Members with at least 20 years of Creditable Service may retire before age 50 under the "Rule of 70" if their age plus their Creditable Service adds up to 70 or more. (Example: Age 45 + 25 years of service = 70.)

Note: Early Retirement results in a permanently reduced pension based on the member's Creditable Service and the number of years and months before age 60 the pension commences. The farther away from age 60, the greater the reduction.

Vested Deferred Retirement

Members with at least 10 years of Creditable Service who terminate their NHRS-covered employment prior to attaining Service or Early Retirement eligibility may begin receiving an unreduced pension at age 60, or earlier as a reduced pension, as long as the member's Accumulated Contributions have not been withdrawn.

Disability Retirement

Members who are no longer able to perform the duties of their NHRS-covered employment due to an incapacity (either mental or physical) that is likely to be permanent may qualify for a Disability Retirement benefit. There are two types of disability benefits, both of which are subject to independent medical review.

Ordinary Disability is a non-job-related permanent incapacity. Members must have 10 or more years of Creditable Service to qualify for the benefit.

Accidental Disability is a job-related permanent incapacity. There is no minimum service required to qualify.

Additional Topics

Death Benefits

Certain pre- and post-retirement death benefits may be available to eligible beneficiaries of members who die while they are in service and to eligible beneficiaries of retirees.

Among the retiree death benefits is the option to leave a lifetime pension to any one person or to a retiree's children and/or spouse. If a survivorship option is elected the retiree will receive a reduced pension based on the option selected, the member's age, and the age of the primary beneficiary(ies).

Members are encouraged to keep up-to-date beneficiary information on file with the retirement system. Beneficiary forms are available online or by contacting NHRS.

Pre-Selection of a Survivorship Option

Active contributing members may elect a maximum Survivorship Option in the event of the member's death while in service and before filing for retirement. If all conditions are met, the eligible beneficiary(ies) can receive a lifetime pension equal to the 100% Survivorship Option calculated as if Service Retirement occurred on the day before the member's date of death. This is not an automatic benefit. Members must complete a form to qualify. The election expires when NHRS receives an application for retirement from the member.

Approaching Retirement

Members who are approaching retirement may request a benefit estimate from NHRS or schedule a personal appointment with an NHRS Benefits Specialist.

Members must file a retirement application with NHRS 30-90 days prior to the effective date of retirement, which is always the first of a month. Members must also terminate NHRS-covered employment prior to their effective date of retirement.

Health Insurance

NHRS *does not* provide health insurance.

State of NH members, depending on their date of hire, length of service, and eligibility in Group I or Group II, may be eligible for post-retirement health care coverage through the state. Health insurance benefits for retired state employees are administered by the NH Department of Administrative Services (retireehealth@das.nh.gov or (603) 271-1432).

Political subdivision members may elect to remain on the group health insurance plan of their last NHRS-covered employer. Employers are not required to pay any portion of the premiums, although some may. Members should contact their employer for details.

Pension Benefit Increases

Cost-of-living adjustments and/or other temporary supplemental allowances (one-time, lump sum payments) are not automatic. They must be approved by the NH Legislature.

Working after Retirement

Retirees may work full time for a non-NHRS employer and collect a pension. Retirees may not occupy a full-time NHRS-covered position and concurrently receive a pension. State law limits the hours a retiree may work "part-time" for an NHRS-participating employer to a maximum of 1,352 hours per calendar year. A retiree who exceeds this limit will forfeit the state annuity portion of his or her pension, and any cost-of-living adjustments, for 12 months. New retirees must also wait 28 days from their effective date of retirement before commencing part-time employment with a participating employer.

Retirees in receipt of a Disability Retirement may be subject to gainful occupation limits.

Contact NHRS

80 Commercial Street, Concord, NH 03301
Phone: (603) 410-3500 | Email: info@nhrs.org

Learn More

There are several ways for members to learn more about NHRS and stay abreast of issues affecting their retirement.

Email Updates

Sign up for Email Updates to receive news releases, newsletters, and other important notices from the retirement system.

My Account

Members and retirees may access their personal account information online, including account balances, demographics (i.e. address, phone number, email), and beneficiary information.

Education

NHRS regularly schedules education sessions. During these informational programs, members of all ages and in various stages of their career can learn about their NHRS benefits. Recorded presentations are also available on our website.

The New Hampshire Retirement System (NHRS) is governed by New Hampshire RSA 100-A, the rules and regulations promulgated by the NHRS Board of Trustees, and Federal laws including the Internal Revenue Code. NHRS also implements policies adopted by the Board of Trustees. These laws, rules, regulations and policies are subject to change. Even though the goal of NHRS is to provide information that is current, correct and complete, NHRS does not make any representation or warranty as to the current applicability, accuracy or completeness of any information provided in this publication. This publication is intended to provide general information only and should not be construed as a legal opinion or as legal advice. Members are encouraged to address specific questions regarding NHRS with an NHRS representative. In the event of any conflict between this publication and the laws, rules and regulations which govern NHRS, the laws, rules and regulations shall prevail.

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