

# RETIREMENT GUIDELINES

Including Statuses, Medicare, Social Security and  
Emotional Preparedness

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Santmyire, Aaron

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# RETIREMENT STATUSES

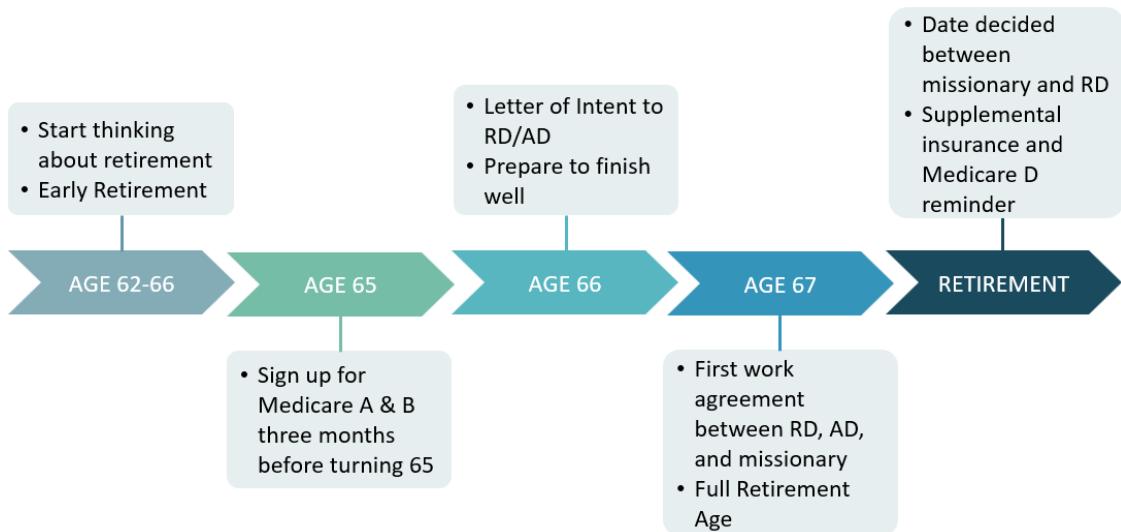
When an appointed career worker who is head of household (HOH) reaches the age of 67 under Appointed General (AG), Appointed Special (AS), or Appointed Evangelist (AE) status, he or she will transition to one of the following statuses:

- **Senior Active Work Agreement (RS)**- If the worker desires to continue in active service and receives the required approvals, the status will be changed to RS with an administrative minute and signed contract before his or her 67th birthday.
- **On Assignment (R9)**- Retired, still serving part time. Stateside or traveling back and forth. Requires invitation from the RD.
- **Retired (RM)**- If the worker or the Executive Committee opts for the worker's retirement, the status will be changed to RM with an EC minute.
- **Early Retirement (RM)**- Retirement taken between the ages of 62-66, modified benefits.

The Worker will choose which status works best for them, with Regional leadership approval. Please see the comparisons below for more information.

## Status Comparisons

Statuses	RS	R9	RM	RM
Description	Active Status, Retirement Age	Retired, still serving part time	Full Retirement	Early Retirement
Requires RD/ EC Approval	Yes	Yes, and invitation	Yes	Yes
Age	67+	67+	67+	62-66
Work Agreement	12 months	12 months	None	None
Itineration	4 months, every 2 years	None	None	None
Transition Allowance	No	Yes	Yes	Yes
IMG	Becomes Medicare Part D, until ended			Does not retain
Medicare	65+	65+	65+	65+
Account	Open	Open	Only (09) offerings	Only (09) offerings
Post Retirement Short Term Travel			\$5,000 ADP from (00) to (40)	\$5,000 ADP from (00) to (40)



## Senior Active Work Agreement (RS) Status

An appointed career worker who will reach the age of 67 during his or her term *and wishes to remain active beyond the current term* may do so under the following conditions:

1. The worker indicates his or her intention to remain active by submitting a letter to the regional director/EC member with a copy to the area director.
2. The area director and/or regional director/EC member recommend RS status.
3. An annual work agreement is approved.
4. The decisions are recorded in the EC member's administrative minutes.
5. The personnel status is changed to RS from AG, AS, or AE.

## First Time Work Agreements

1. Are initiated from the Member Care office, six weeks prior to HOH 67<sup>th</sup> birthday.
2. Completed through the online Financial Reporting website.

### Sign in with AGPassport

Please enter your username and password.

If you do not remember your username and password, click [Forgot Login](#) to receive an email. The email will be sent to the email address that AGPassport has on file and will allow you to recover your username and reset your password.



<b>Username*:</b>	<input type="text" value="Username (usually your 6 digit account number)"/>
<b>Password*:</b>	<input type="password" value="Password"/>
<b>Login</b>	

\*Fields marked with an asterisk are required.

## *Annual Work Agreements*

- Work agreements are required annually for all appointed career workers aged 67 and older who wish to remain active, have been approved to do so, and have had a yearly evaluation.
- If an annual work agreement is not renewed, a worker's retirement will be entered into EC minutes and the status changed to RM, effective with the end date of the agreement.
- Appointed career workers may choose to retire while a work agreement is in effect and can communicate that desire to their regional director/EC member, to be approved by the EC.
- The Work Agreements are processed through the Member Care office, starting in January of each year and must be completed by March 1.
- They are completed through the online Financial Reporting website.

## *Itineration*

The itineration cycle for RS personnel and for SA/SP personnel on work agreements is up to four months every two years under the following conditions:

1. The last full-year itineration cycle will be completed before or at the age of 67.
2. The worker who takes a full one-year itineration cycle prior to reaching RS status is obligated to complete two years on assignment before being eligible for the four-month itineration cycle. Eligibility for each subsequent four-month itineration cycle requires two years of field work.
3. Only one month of vacation can be attached to a four-month itineration cycle.
4. Itineration is contingent on renewal of the work agreement.
5. Additional conditions may be determined in consultation with the regional director/EC member and the Mobilization and Development director.

## **Retired (RM) Status**

An appointed career worker who will reach the age of 67 or full retirement age during his or her term *and who wishes to retire at that time* should discuss that decision with the area director and regional director/EC member *prior to* retirement to ensure continuity of the work on the field/assignment.

- The regional director/EC member's office will advise the worker concerning retirement status and approved date of retirement.
- Other arrangements—such as disbursement of last check and equipment disposition—will be processed by the appropriate departments with EC oversight.

Assigned career workers with SA or SP status who wish to remain active will complete annual work agreements beginning at the age of 67 or the next assignment completion after the age of 66.

## *Return Trips to the Field*

*If funds are available* at the time of retirement, the RM account may be allowed to retain up to \$5,000 for one *approved* return trip to the field. The money will be transferred to class (40) until used. All subsequent trips must be approved and processed through the respective regional/IM office and funded in the same manner as other credentialed people making short-term trips, STMA. All additional funds are to be processed directly through the organization. The personnel status will remain RM.

## *SA/SP Retirement*

Career personnel who retire from SA and SP statuses will be shown as RM status **only if** they have served a minimum of eight continuous years of service with the organization from the time of approval until retirement and have EC approval.

## *Class (51) Funds—Transition Allowance*

- The current policy permits a transition allowance to accumulate in class (51) at a rate of \$1,000/year for a maximum of 30 years of service (\$30,000).
- A mandatory ADP transfer (\$83.33/month) is made from (00) to class (51).
- A “catch-up” lump sum transfer is allowed with regional/IM director approval to help reach an amount equal to \$1,000 annually for years of service, up to the maximum.
- The balance in class (51) will be disbursed the month after retirement (ADP, taxable income) subject to clearance of all overdrafts in the account.
- Class (51) is a transition allowance separate from your MBA 4 Pension transfer and any personal contributions to your retirement account.
- The transition allowance, ADP, transfer is required for all appointed and assigned SA personnel accounts. Those with SP status are not eligible for class (51) funds unless the contract specifically identifies the transfer from funds raised. Questions concerning the computation or the balance of funds in class (51) should be directed to the regional director/EC member.
- One term must be completed to qualify for disbursement of transition funds from class (51).
- All SA/SP personnel who wish to defer class (51) funds into the AGFinancial 403(b) Retirement Plan (MBA) at retirement should contact Divisional Accounting for appropriate paperwork. Deferral paperwork should be completed as soon as possible once retirement is minuted by the regional office.

- Options
  1. Request to defer all or part of the disbursement to your MBA 403(b) retirement account.
    - a. The 403(b)-contribution limit for 2024 is \$31,000 for those 50 and over.
    - b. Any existing deferrals to MBA may affect how much transition allowance can be deferred based on the annual limit.
    - c. MBA disburses retirement funds as **minister's housing**, nontaxable.
    - d. Contact AGFinancial for more information at 866-621-1787 or [clientservices@AGFinancial.org](mailto:clientservices@AGFinancial.org).
    - e. Contact Brandy Nearns ([bnearns@ag.org](mailto:bnearns@ag.org)) in Divisional Accounting for information and forms.
  2. Request to apply funds to your budget reporting (89) deficit.
    - a. Your regional accountant will assist with this.
  3. Request to have the entire amount disbursed to you.
    - a. We recommend arranging a 30% deduction of the disbursement amount to cover income tax and self-employment tax.
    - b. Your regional accountant can set this up and notify Divisional Accounting.

### *Final Check and IMG and Insurance Termination*

The last check from the organization will be issued on the 10th of the month the retirement becomes effective, and the medical/dental/life program policy with International Medical Group (IMG) and other insurances will terminate on the date the person changes to an inactive status. For example, those retiring December 31 would receive their last check December 10.

### *Retired, Still Serving (R9) Status*

To continue serving in a part time capacity, past the age of 67, a worker needs an invitation and approval from their Regional Director to become R9 status.

- Like an RS:
  - They will have a 1-year Work Agreement.
  - They will have an open account.
- Like an RM:
  - No Itineration cycle
  - Do receive Transition Allowance

### *Early Retirement (RM) Status*

If the Executive Committee approves early retirement (aged 62 to 66), the worker may be changed to RM status. However, the following need to be considered:

1. The worker would not remain on the medical program.
2. The worker is eligible to receive, ADP, the balance of class (51) funds.
3. The worker is not eligible for Medicare since it is not currently available until the age of 65.

### *USM Status*

A retired worker cannot apply for USM status until one year after the retirement date.

# MEDICARE

## Age of Eligibility- 65

Medicare benefits become available at the age of 65 whether career personnel are retired or still working (if they worked the minimum number of quarters). Although the age for full Social Security retirement benefits is increasing each year until it eventually reaches 67 years, the age for Medicare A and B eligibility remains 65 years. Disabled individuals who have worked the minimum number of quarters may become Medicare-eligible at the age of 62. *Career personnel should sign up for Medicare as soon as they are eligible.*

## Age of Application- 3 months before 65<sup>th</sup> birthday month

The HOH and spouse must each apply for Medicare 3 months before the age of 65.

- If an individual applies for benefits with the Social Security Administration, the applications for Medicare Parts A and B are automatically included.
- Those who do not wish to receive Social Security benefits at the age of 65 should at least apply for Medicare Parts A and B and indicate they seek Medicare coverage only. Failure to do so can have a negative impact on the insured's IMG medical insurance benefits.
  - Apply online at [medicare.gov](http://medicare.gov).
  - Call 1-800-MEDICARE for questions regarding benefits.
- Personnel must have a stateside address where a responsible person will receive their Medicare card and first bill.
- After this, personnel can set up an automatic payment with their bank or make other arrangements for Part B premiums.
- For more information on Medicare Parts A, B, and D, you may visit [Medicare and Medigap Coverage Options](#).
- Those who do not qualify for Medicare on their own work record may qualify based on their spouse's work record, provided the spouse is at least 62 years old and applies for coverage.
- A spouse claiming benefits based on HOH earnings cannot file online but must call 1-800-772-1213 and schedule a phone appointment, when the HOH can be present, to register for Medicare Parts A and B.

## Enrolling for Medicare Parts A and B

Regardless of any advice you have received from friends, family, embassy, or local Social Security office, you need to enroll in Medicare Parts A and B.

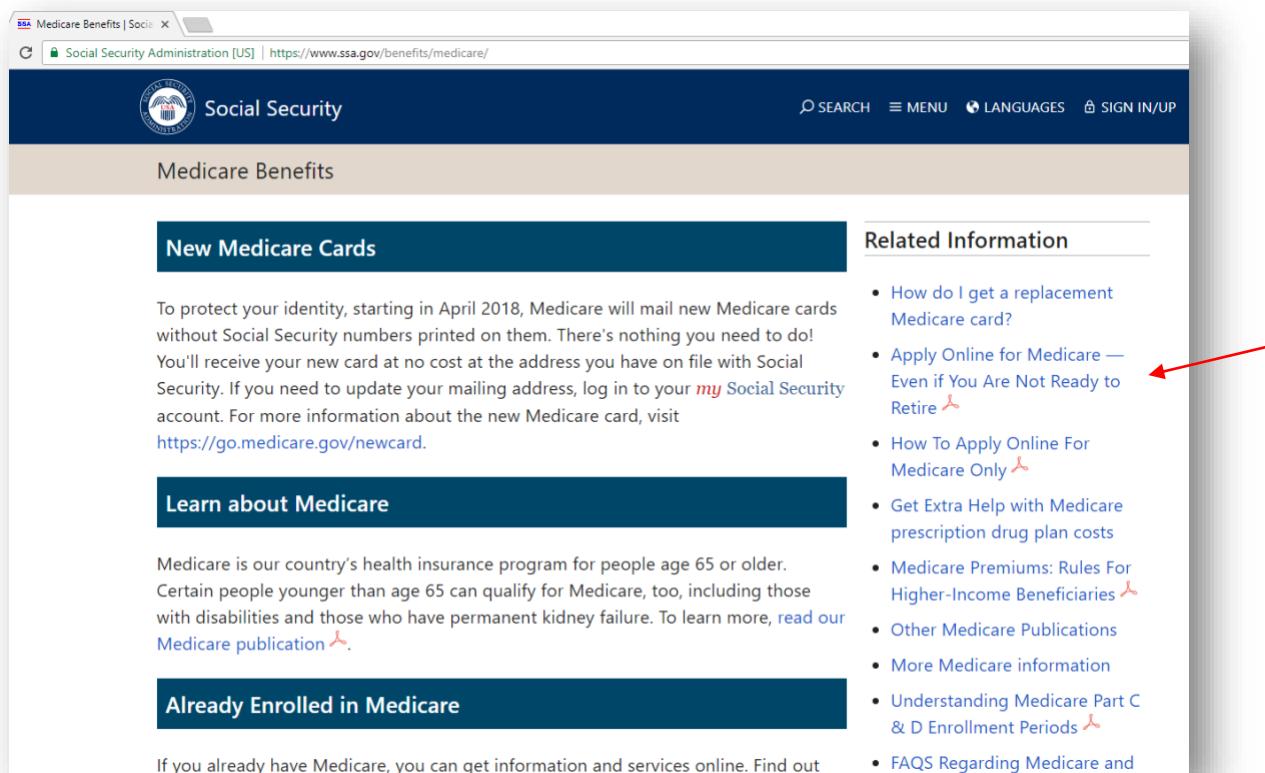
- After you turn 65, any time you visit the United States—even temporarily—IMG only serves as secondary coverage.

- If you are enrolled in Medicare, it will typically pay 80 percent of covered expenses in the United States, while IMG pays the remaining amount, per plan limits and exclusions.
- If you do not enroll in Medicare Parts A and B, IMG pays for its part of the claim as if you had Medicare Parts A and B. This means you will be responsible for the 80 percent that could have been covered by Medicare.

## Applying for Medicare Online

Access: <https://www.ssa.gov/benefits/medicare/>

The following are screen shots from the Medicare/Social Security website and the actual screens may be changed /updated so be sure to look for Medicare Only instructions and always use the self-employed and not “employee.”



The screenshot shows the Medicare Benefits section of the Social Security website. The main content area includes three main sections: "New Medicare Cards", "Learn about Medicare", and "Already Enrolled in Medicare". The "New Medicare Cards" section discusses the change in card design starting in April 2018. The "Learn about Medicare" section provides information for people 65 and older, including those with disabilities. The "Already Enrolled in Medicare" section is for those who already have Medicare. To the right, a sidebar titled "Related Information" lists various links, with a red arrow pointing to the link "Apply Online for Medicare — Even if You Are Not Ready to Retire".

**New Medicare Cards**

To protect your identity, starting in April 2018, Medicare will mail new Medicare cards without Social Security numbers printed on them. There's nothing you need to do! You'll receive your new card at no cost at the address you have on file with Social Security. If you need to update your mailing address, log in to your *my* Social Security account. For more information about the new Medicare card, visit <https://go.medicare.gov/newcard>.

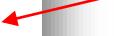
**Learn about Medicare**

Medicare is our country's health insurance program for people age 65 or older. Certain people younger than age 65 can qualify for Medicare, too, including those with disabilities and those who have permanent kidney failure. To learn more, [read our Medicare publication](#).

**Already Enrolled in Medicare**

If you already have Medicare, you can get information and services online. Find out

**Related Information**

- [How do I get a replacement Medicare card?](#)
- [Apply Online for Medicare — Even if You Are Not Ready to Retire](#) 
- [How To Apply Online For Medicare Only](#) 
- [Get Extra Help with Medicare prescription drug plan costs](#)
- [Medicare Premiums: Rules For Higher-Income Beneficiaries](#) 
- [Other Medicare Publications](#)
- [More Medicare information](#)
- [Understanding Medicare Part C & D Enrollment Periods](#) 
- [FAQS Regarding Medicare and](#)

After reading all about the possibilities and gathering the following information about yourself, under related information is “*Apply Online for Medicare, Even If You Are Not Ready to Retire*.” Click the title, which will give a [pdf of a pamphlet](#).

**Getting Ready:** This list of information may help to prepare for completing the application. It is from “gather all information needed”



Social Security Administration

**Checklist For Online Medicare, Retirement, and Spouses Applications**

This checklist will help you gather the information you may need to complete the online Medicare, Retirement, and Spouse's applications. We recommend you print this page to use while you gather your information. We hope you find our online application easy and convenient.

Information	Medicare Only	Retirement and/or Spouses
<b>Date and Place of Birth</b> If you were born outside the United States or its territories: <ul style="list-style-type: none"> <li>• Name of your birth country at the time of your birth (it may have a different name now)</li> <li>• Permanent Resident Card number (if you are not a U.S citizen)</li> </ul>	X	X
<b>Medicaid (state health insurance) Number &amp; Start and End Dates</b>	X	
<b>Current Health Insurance</b> <ul style="list-style-type: none"> <li>• Employment start and end dates for the current employer (of you or your spouse) who provides your health insurance coverage through a Group Health Plan</li> <li>• Start and end dates for the Group Health Insurance provided by you (or your spouse's) current employer</li> </ul>	X	
<b>Marriage and Divorce</b> <ul style="list-style-type: none"> <li>• Name of current spouse</li> <li>• Name of prior spouse (if the marriage lasted more than 10 years or ended in death)</li> <li>• Spouse(s) date of birth and SSN (optional)</li> <li>• Beginning and ending dates of marriage(s)</li> <li>• Place of marriage(s) (city, state or country, if married outside the U.S.)</li> </ul>		X
<b>Names and Dates of Birth of Children Who</b> <ul style="list-style-type: none"> <li>• Became disabled prior to age 22, or</li> <li>• Are under age 18 and are unmarried, or</li> <li>• Are aged 18 to 19 and still attending secondary school full time</li> </ul>		X
<b>U.S. Military Service</b> <ul style="list-style-type: none"> <li>• Type of duty and branch</li> <li>• Service period dates</li> </ul>		X
<b>Employer Details for Current Year and Prior 2 Years (not self-employment)</b> <ul style="list-style-type: none"> <li>• View your Social Security Statement online at <a href="http://www.socialsecurity.gov/myaccount/">http://www.socialsecurity.gov/myaccount/</a></li> <li>• Employer name</li> <li>• Employment start and end dates</li> </ul>		X
<b>Self-Employment Details for Current Year and Prior 2 Years</b> <ul style="list-style-type: none"> <li>• View your Social Security Statement online at <a href="http://www.socialsecurity.gov/myaccount/">http://www.socialsecurity.gov/myaccount/</a></li> <li>• Business type</li> <li>• Total net income</li> </ul>		X
<b>Direct Deposit:</b> Domestic bank (USA) <ul style="list-style-type: none"> <li>• Account type and number</li> <li>• Bank routing number</li> </ul> International bank (non-USA) <ul style="list-style-type: none"> <li>• International Direct Deposit (IDD) bank country</li> <li>• Bank name, bank code, and currency</li> <li>• Account type and number</li> <li>• Branch/transit number</li> </ul>		X

Scroll down to: “How to Apply Online for Just Medicare” by accessing the application from this icon, the application will be specific to “Medicare only” and not SS benefits.

**How To Apply Online For Just Medicare**

You can apply online for Medicare even if you are not ready to retire. Use our online application to sign up for Medicare. It takes less than 10 minutes. In most cases, once your application is submitted electronically, you're done. There are no forms to sign and usually no documentation is required. Social Security will process your application and contact you if we need more information. Otherwise, you'll receive your Medicare card in the mail. Medicare will mail new Medicare cards between April 2018 and April 2019. Learn more about [Your Medicare card](#).

Medicare is managed by the Centers for Medicare and Medicaid Services (CMS). Social Security works with CMS by enrolling people in Medicare.

For more information about applying for Medicare only and delaying retirement benefits, visit [Applying for Medicare Only – Before You Decide](#).

Keep in mind that all missionaries and associates are self-employed and DO NOT have an HSA, Health Savings Account, or Employer Group Health Plan.

Click the “Apply for Medicare Only” button (unless you want Social Security to begin at age 65.)

To find out what documents and information you need to apply, go to the [Checklist For The Online Medicare, Retirement, And Spouses Application](#).

**Apply for Medicare Only**

Use the online application to apply for just Medicare.

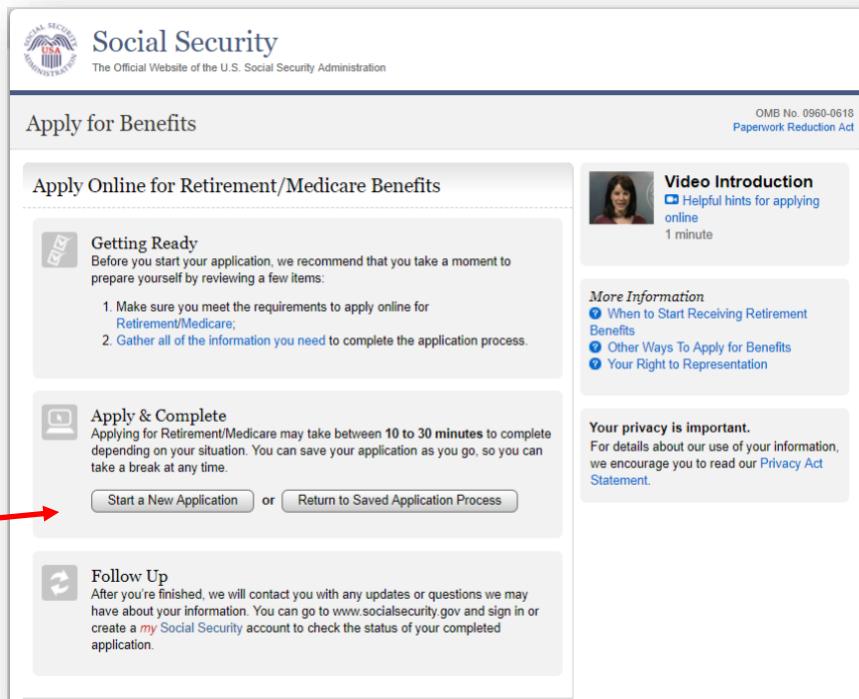
**Return to a Saved Application**

Finish an application you already started.

**Check Application Status**

Check the status of an application you submitted.

This should take you to the following screen and you can choose to start the application or to “Return to a Saved Application” process.



Social Security  
The Official Website of the U.S. Social Security Administration

Apply for Benefits

Apply Online for Retirement/Medicare Benefits

**Getting Ready**  
Before you start your application, we recommend that you take a moment to prepare yourself by reviewing a few items:

1. Make sure you meet the requirements to apply online for Retirement/Medicare;
2. Gather all of the information you need to complete the application process.

**Apply & Complete**  
Applying for Retirement/Medicare may take between 10 to 30 minutes to complete depending on your situation. You can save your application as you go, so you can take a break at any time.

**Follow Up**  
After you're finished, we will contact you with any updates or questions we may have about your information. You can go to [www.socialsecurity.gov](http://www.socialsecurity.gov) and sign in or create a *my* Social Security account to check the status of your completed application.

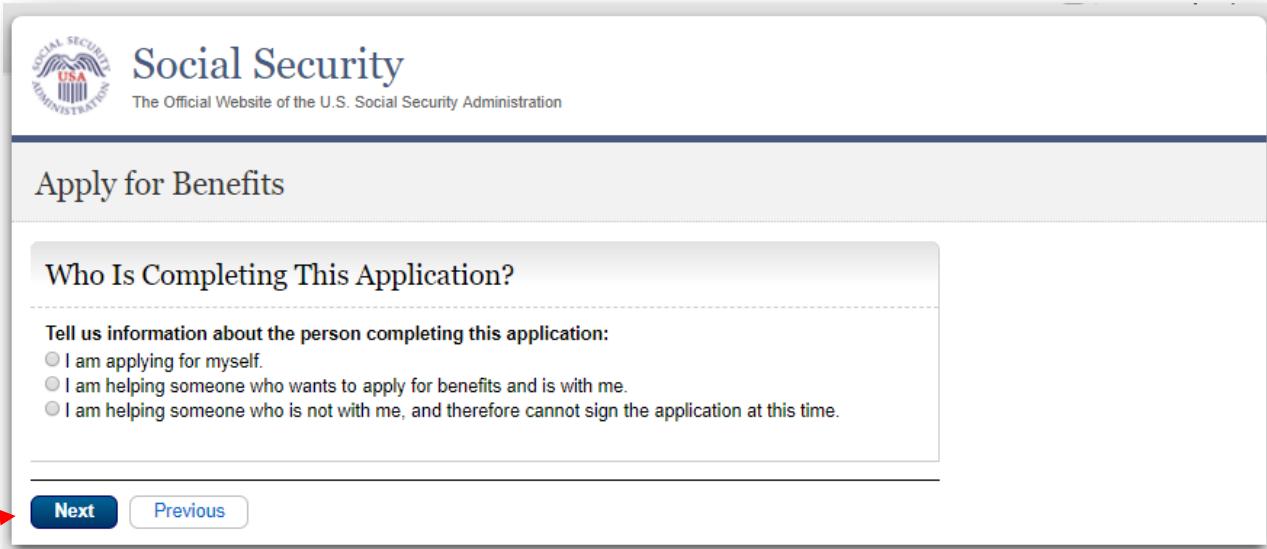
Start a New Application or Return to Saved Application Process

**Video Introduction**  
Helpful hints for applying online  
1 minute

**More Information**  
[When to Start Receiving Retirement Benefits](#)  
[Other Ways To Apply for Benefits](#)  
[Your Right to Representation](#)

**Your privacy is important.**  
For details about our use of your information, we encourage you to read our [Privacy Act Statement](#).

Click “Start a new Application” and complete each screen and click the “next” button to access the next screen.



Social Security  
The Official Website of the U.S. Social Security Administration

Apply for Benefits

**Who Is Completing This Application?**

**Tell us information about the person completing this application:**

I am applying for myself.  
 I am helping someone who wants to apply for benefits and is with me.  
 I am helping someone who is not with me, and therefore cannot sign the application at this time.

Next Previous

### **Answering a question with a different answer will change the end result:**

When you get to the screen that says, **“Do you wish to sign up for Medicare ONLY?”**

ANSWER: **YES**

The next screen will ask about the “Other Health Care coverage.”

### **Is [name] covered under a Group Health Plan?**

ANSWER: **NO**

### **Is [name] covered under a Group Health Plan through your own current employment?**

ANSWER: **NO**

Since the answers are “NO,” you should not answer the questions about Employment Information that provides “group health plan insurance” or Health Insurance Information. The Medical Fund is NOT a “group health plan insurance” and is **not** an “employer plan” and is **not** “health insurance” by Medicare definitions.

Print a screenshot of what you submitted from the summary or save it to another place so you can access it later. Verify the correctness. Indicate on your saved file, the date of application.

Be sure to “accept the agreement and “sign” the application for Medicare ONLY, by clicking “SUBMIT NOW”

Print the receipt for the application and retain it for reference. You should receive information on what to do next.

## **Late Enrollment**

- Failure to apply for Medicare Part B at the age of 65 and/or pay the monthly premium can result in a penalty, **permanently raising monthly Medicare premiums 10% higher** than the basic premium for each 12-month period the person could have been enrolled but was not.
- For those who sign up for Medicare Part B after the age of 65, enrollment is only available in January, February, and March, and coverage would begin in July of that same year.
- If you sign up late and have a higher premium, you will only be reimbursed for the basic premium.
- There is no premium for Medicare Part A, provided there are enough quarters’ credit.

## **Medicare Part A - Hospital Insurance**

Pays some of the costs of hospitalization, limited skilled nursing home care, home health services, and hospice care.

## Medicare Part B – Medical Insurance

Primarily covers physicians' services, most outpatient hospital services, and certain related services. Long-term nursing home care is not currently covered.

The standard monthly Medicare Part B premium in 2025 is \$185 per month per person. The Medicare Part B premium paid by each career worker can be reimbursed from (00) by including the cost and receipt on a career expense report. Such reimbursement will be accumulated as income. If premiums are deducted from Social Security benefits, a monthly disbursement may be available by request from Divisional Accounting.

## Medicare Part C - Medicare Advantage Plan

Includes health maintenance organizations, preferred provider organizations, private fee-for-service plans, special needs plans, and medical savings accounts.

## Medicare Part D - Prescription Drug Coverage

Those covered by the IMG Career Plan will not have to purchase Medicare D, since the IMG prescription drug coverage is considered *creditable coverage*, meaning it is expected to cover at least as well on average as Medicare D plans. However, when IMG coverage ceases, those who do not contract for a Medicare D prescription plan within 63 days may see a *permanent increase* to the premium for Medicare D prescription drug coverage, at least **1% per month of the delay**. The annual creditable coverage disclosure statement (sent each fall to all career personnel over 64 years old) is the documentation needed to abate this penalty. Personnel should keep a copy of the disclosure statement in their permanent files. A copy is also available on the team website.

Link to a list of Creditable Coverage letters on the team website: [Notices](#)

## Cost of Medicare

- Part A (hospital insurance) is included at no cost.
- Part B (medical insurance) has a monthly cost of \$185 for 2025.
  - This amount is paid to Medicare on a quarterly basis until you reach full retirement age. At that time, your monthly Medicare premium will automatically be deducted from your monthly Social Security benefit.
  - The Medicare Part B premium paid by each career worker who is participating in both Medicare and IMG Career Plan can be reimbursed from their (00) by including the cost and receipt on a Career Expense Report (CER). Such reimbursement will be accumulated as taxable income.

- Only the standard Medicare premium is reimbursable. No late-filing or other penalty expenses will be reimbursed.

## Self-Employment Status of Senior Active Personnel

Senior Active career personnel are sometimes asked questions relating to their self-employment status and Medicare when applying in person, on paper, or on the website. Here are some usual questions and the appropriate answers:

**Q. Are you actively employed, or are you currently working (full- or part-time)?**

**A. I am a self-employed, 1099, credentialed worker doing work both in the United States and overseas.**

**Q. Are you covered under an employee's group health plan, or does your current employer provide any health coverage?**

**A. Since I am not an employee, the answer is no. However, I am covered under a pooled medical fund maintained by the association to which I relate. It is their intent to pay supplemental benefits to any existing coverage I may have.**

**Q. Does your employer employ 20 or more employees, or since reaching the age of 65 have you worked for a firm that employs 20 or more people?**

**A. This question does not apply to me since I am a self-employed credentialed worker. In completing the Social Security Administration questionnaire, career personnel should not mark any yes or no answers after answering the question about whether they will be working. They should write their answers as suggested above in the margin or, if necessary, on a separate sheet.**

**All career personnel are self-employed.** The IMG Career Plan is not an employee group health plan and therefore is not subject to employer regulations. It is a pooled medical fund. Missionaries are self-employed, not employees. Missionaries are not compensated but rather raise their own support. Self-employed personnel do not qualify for the Special Enrollment Period, which applies only to employee medical plans.

## Medicare and IMG Coverages

**Both HOH and spouse who fail to enroll in Medicare when eligible should know that will extremely limit IMG benefits.** IMG only covers the portion of medical costs within the plan that Medicare would not cover; thus, the worker would be personally responsible for costs not covered. In the unusual situation the spouse

does not qualify for Medicare because of HOH age, he or she should contact the insurance coordinator.

### *IMG Career Plan and Medicare*

Three months prior to turning 65, you will want to enroll in Medicare A and B. For those who are Medicare-eligible and enrolled in IMG Career Plans:

- Overseas Claims
  - Should be filed with IMG since Medicare does not cover outside of the United States.
- Stateside Claims
  - Medicare is primary for stateside claims, and IMG pays secondary.
  - All stateside claims should be filed first with Medicare, then the remaining portion with IMG/UHC as secondary.
  - When admitted to a hospital or treated by a medical professional in the States:
    - Always submit your Medicare card as primary and your IMG plan as a supplement.
    - All claims need to go to Medicare first and then to IMG.
- IMG will continue to pay primary for dental and URX prescription coverage whether personnel are overseas or stateside.
- For those who fail to sign up for Medicare A and B, IMG will only pay what Medicare would not have paid when in the United States.

### *Excluded Medicare Coverage*

Medicare provides basic protection against the prohibitive cost of illness but will not pay for all health care expenses. Some services and supplies *not* covered by Medicare are:

1. Custodial care (help with bathing, eating, and taking medication)
2. Eyeglasses
3. Hearing aids or examinations to prescribe or fit them.
4. Personal comfort items, such as a phone or TV in your hospital room
5. Dentures and routine dental care
6. Prescription drugs, patent medications (except as covered by a separate Medicare Part D)
7. Services outside of the United States
8. Routine physical checkups and related tests

### *Supplemental Insurance*

Numbers 5–8 above are covered by IMG as a Medicare supplement, while numbers 1–4 are personal expenses. After retirement, supplemental insurance to Medicare is a major consideration since Medicare is not meant to cover all medical costs.

The Social Security Administration gives some tips for purchasing supplemental insurance on the Medicare website ([medicare.gov/supplements-other-insurance](http://medicare.gov/supplements-other-insurance)). Personnel can also call 1-800-MEDICARE in the United States.

Before obtaining supplemental insurance, personnel should be careful to:

- Not purchase duplicate coverage.
- Check for preexisting condition exclusions, the right to renew, and waiting periods.
- Compare the maximum benefits.
- Keep the agent's and company's name, address, and telephone number.
- Take their time, research the information, and think through the decision.

### *Spouses Under the Age of 65*

At the time the HOH retires, if his or her spouse has not reached the age of 65, that spouse is eligible to remain on the medical plan for up to one year or until his or her 65th birthday (whichever comes first) if (00) funds are available. The monthly transfer to the medical fund will be accumulated to the spouse's taxable income (78). (No Social Security assistance is given.)

If no (00) funds are available for payment of the medical fund transfer upon the HOH's retirement, he or she may arrange to pay the cost of medical coverage from personal funds to the work account for as long as he or she is eligible. Failure to meet the premium will result in termination of coverage.

### *HMO Option*

Another medical option available in some areas of the country is a health maintenance organization (HMO). Some HMOs are exceptionally good. A few are experimental programs with no monthly premium, while others require a premium that is normally less than Medicare supplemental insurance. Although rates are cheaper and there are no forms to complete, there are some disadvantages:

1. They are not available in many locations.
2. Choices of doctors and medical facilities are limited and only in specified locations.
3. They tend to be less personal.
4. Some have gone bankrupt, leaving people without coverage.

Those interested in an HMO should research it first. Some supplemental policies like HMOs charge a small premium and have a better record. Anyone who will travel overseas after retirement should secure coverage for overseas medical emergencies that would not be covered by Medicare.

### *Replacing IMG Plan at Retirement*

- Medicare has several supplement plans offered by many insurance companies. These plans vary in benefits and coverage. Consider which best meets your needs with a cost you are comfortable paying.

- It is recommended that you find an insurance representative that specializes in Medicare plans. To find a representative, the office of Senior Aging can help.
- A letter from the organization will be sent to you at retirement, certifying that your IMG coverage will end the last day of the month you retire.
- You should obtain a Medicare supplement to replace IMG *prior* to your retirement date.
- Enrolling for Medicare Part D
  - Enroll at least 30 days prior to retirement.
  - Upon retirement, your IMG coverage will end.
  - You may obtain a letter from the organization (Cheryl Handley) that you have had creditable prescription coverage since you turned 65.
    - A copy of this letter must be provided when you apply for Medicare Part D.
    - If not provided, a penalty will be added to your monthly premium for every month delayed.
  - The monthly premium for Medicare Part D is in addition to the Medicare Part B enrollment premium.
  - IMG prescription drug coverage is considered creditable coverage.
  - The government contracted several prescription drug insurance companies to service the Medicare Part D program. Different prescription drug plans are available at the time of enrollment. Choose the plan that best suits your current and future medical needs.
  - If you are not satisfied with your plan or provider, you can change every fall between October 15 and December 7. Coverage always becomes effective January 1.

## Contacting Medicare

You can talk or live chat with a real person, 24 hours a day, 7 days a week (except some federal holidays).

- Medicare.gov
- Medicare National Toll-Free number: 1-800-633-4227
- TTY users can call 1-877-486-2048.

## SOCIAL SECURITY BENEFITS



Nine out of ten people ages 65 and over receive Social Security benefits.



For 21% of married couples, Social Security is 90% or more of their income. For 50%, it is more than half of their income.



In 2023, the maximum monthly benefit for retirees at full retirement age is \$3,627.

### Eligibility

- To qualify for Social Security benefits, most people must have earned 40 quarter credits (ten years) of work.
- One credit is earned for each \$1,810 of annual earnings up to a maximum of four credits per year. Yearly earnings are adjusted for the cost of living and averaged together, and a formula is applied to obtain a benefit rate.
- RS HOH must notify their Financial Services regional accountant when their Social Security benefits begin. The work agreement will reflect this, and their allowance will be ADP.
- Full Retirement Age (FRA) for Social Security depends on your birth year. For people born 1943–1954, FRA is 66 years. After that, it increases by two months per birth year, maxing at an FRA of 67 for those born in 1960 and later. More information is available at [ssa.gov/planners/retire/agereduction](https://ssa.gov/planners/retire/agereduction).
- You choose when, before age 70, to begin receiving Social Security benefits.
  - If you delay receiving benefits until you reach age 70, your benefit will increase 8% a year for years 66 to 70 or 32% higher.
  - If you have not chosen to receive benefits before 70, they will start automatically at that age.
- **IMPORTANT:** The FRA for Social Security is gradually rising to age 67 but the Medicare eligibility age is still 65.

### Checking Social Security Account

- Create a free **my Social Security account** at [ssa.gov/myaccount](https://ssa.gov/myaccount) to estimate, plan, and manage your benefits online.

- SSA.gov is a quick and straightforward way to get access to social security tools and information.
  - Disability
  - Online Services
  - SSI
  - Retirement
  - Medicare
  - Types: Application Status
  - FAQs

## When to Contact Social Security

*Personnel should contact the Social Security office **before** reaching the age of 65 to inquire about Social Security benefits and to obtain Medicare Parts A and B. If they will not be applying for Social Security benefits at the same time as Medicare, they should inform the Social Security Administration.*

- **Six months before** filing for Social Security benefits or at the age of 65, personnel should contact their local Social Security office.
  - If the U.S. Embassy in the country of assignment cannot manage the application for Medicare at the age of 65, personnel are responsible to apply for Medicare in the United States.
  - This could involve a personally paid trip to the United States, so planning is critical.
  - Personnel may be able to apply for benefits at [secure.ssa.gov/iClaim/rib](http://secure.ssa.gov/iClaim/rib) when the time comes.
- **Three months before** personnel wish to start benefits or Medicare, they should file an application with the Social Security Administration **even if they don't plan to retire from global service.**
  - If they are not initiating Social Security benefits but only Medicare, they must request "Medicare Only" on the application to the Social Security Administration or at [ssa.gov/benefits/medicare](http://ssa.gov/benefits/medicare).
  - If a spouse is claiming benefits based on HOH earnings, he or she cannot file online, but must call 1-800-772-1213 with the HOH present and set up a phone appointment to register for Medicare Parts A and B.
- **Personnel should keep records of all application-related correspondence with the Social Security Administration or their U.S. Embassy, including a dated copy of the actual application.**
- They should also read the Medicare section above *carefully*, so they know how to reduce personal liability for medical expenses and avoid permanently higher premiums.

## How to Apply

Because proof of identity is required, the organization cannot apply for benefits on behalf of career personnel, nor does the organization have application forms. In the United States, personnel may be able to apply for Social Security by phone or at [ssa.gov](http://ssa.gov). When applying for Social Security benefits, they should have the following ready:

1. Social Security card
2. Proof of age (generally a certified birth certificate)
3. Evidence of recent earnings (last year's tax return, including Schedule SE)
4. Marriage certificate (filing for spouse's benefits based on one work record)
5. Bank name and account number so benefits can be directly deposited.

## Notifying the Organization

When the HOH begins receiving Social Security benefits, he or she should notify the appropriate regional director/EC member and regional accountant upon receiving his or her first Social Security check.

Finances may remain the same; however, the Senior Active becomes ADP when receiving Social Security benefits. In some cases, career personnel may elect a modified allowance package to reflect receipt of Social Security benefits.

## Annual Report Verification

The Social Security Administration may send an annual Social Security report, but the information is available online at [ssa.gov](http://ssa.gov) with a "my Social Security account." Personnel should compare their Social Security record to their tax returns for accuracy, submitting any corrections to the Social Security Administration along with copies of related earnings records. Social Security is required by law to go back only three years to correct most errors. They may go back further but are not always able to.

## Spouse Benefits

- For married couples, the organization begins providing income to spouses starting with their second term. Each spouse will receive his or her own 1099-NEC, and self-employment taxes will be reported through necessary tax filings.
- When applying for Social Security benefits (including Medicare), spouses may use their own earnings records or the HOH's earnings record (after the HOH has applied for benefits), whichever results in the larger payment. It may be more advantageous for the spouse to apply based on the HOH's earnings.
- The spouse's retirement benefit is paid in addition to the HOH's full benefit.

- Upon the death of one spouse, the survivor will receive 100 percent of what the HOH was receiving, if the survivor is also of full retirement age. If a spouse claims benefits before reaching FRA, the amount is reduced, depending on age at the time of claiming.
- To qualify for retirement benefits, personnel must be fully insured; that is, they must have earned the required number of Social Security credits. Most workers need 40 quarter credits (10 years) to qualify. At FRA, the benefit to the non-compensated spouse could be an additional 50 percent of what the HOH's benefit would be. If the spouse chooses retirement earlier, a lesser percentage of the Social Security benefit will be paid for the life of the spouse. To qualify for spouse Social Security benefits, the worker with the credits must file for and receive Social Security benefits.
- If the Spouse does not have enough Social Security Credits on their own:
  - When you become entitled to Social Security retirement benefits, your spouse may also be eligible for benefits on your earnings record ("family benefit").
  - You must begin your benefit before he/she can collect benefits on your record.
  - To qualify, your spouse must have been married to you for at least one year or be the parent of your child.

## Benefits Before and After Full Retirement

If personnel apply for Social Security benefits before full retirement age and continue to work, their earnings are limited by Social Security to a prescribed amount until they reach full retirement age. FRA can be calculated at [ssa.gov/benefits/retirement/planner/ageincrease.html](https://ssa.gov/benefits/retirement/planner/ageincrease.html). Those younger than FRA throughout 2025 can earn \$23,400 without Social Security limitation.

If the earnings limit is exceeded in 2025, the following will be withheld from Social Security benefits:

1. One dollar for every two dollars earned above \$23,400 for people who are over the age of 62 but who are not going to reach FRA in the benefit year.
2. One dollar for every three dollars earned above \$62,160 in the calendar year before the month of attaining the FRA.

No reduction of Social Security is made for excess earnings for people who are FRA or older. In fact, benefits are increased by a certain percentage for each month a worker delays starting benefits beyond FRA. The benefit increase stops when the worker reaches the age of 70. More information is available at [ssa.gov/benefits/retirement/planner/delayret.html](https://ssa.gov/benefits/retirement/planner/delayret.html).

## Earned-Income Declarations

If asked to make an earned-income declaration, personnel should include all self-employment taxable income, such as the following:

1. Housing allowance (other than from AGFinancial)
2. Disbursement allowance
3. Special-personal offerings
4. Any other taxable compensation from Organization
5. Any other employment income

Since compensation deferred into AGFinancial retirement accounts (see below) is not reported on Schedule SE for self-employment tax purposes, deferred income is not included on the report of earnings to the Social Security Administration.

## Deferred Compensation at AGFinancial

- Under the [AGFinancial 403\(b\) Retirement Plan \(MBA\)](#), a credentialed minister can request to defer compensation into a deferred account.
- Generally, 2025 deferred contributions are limited to the first \$31,000 of includible income into a 403(b)(9).
- The 2025 maximum 403(b) contribution is \$31,000, with a \$7,500 “catch-up” for those over 50 years old, for a maximum of \$31,000.
- Deferred funds and interest are not taxable until withdrawn. Personnel must request deferrals through Divisional Accounting.
- The salary reduction into the AGFinancial 403(b) as tax-deferred compensation may reduce the worker’s eventual Social Security check at retirement since Social Security benefits are calculated on salary.
- Spouses are eligible to defer to the AGFinancial 403(b) once they begin receiving compensation. The deferral amount is limited based on their compensation and generally equals half of their total compensation. Divisional Accounting can provide a calculation of the exact amount.

## Tax on Social Security

Up to 85% of your Social Security benefits may be taxable if the combined income plus 50 percent of the Social Security Benefit received exceeds \$25,000 for single or \$32,000 for a married couple filing jointly. The One Big Beautiful Bill Act allows taxpayers who are 65 or older to claim an additional \$6,000 deduction on their 2025 federal tax returns. For a married couple where both are 65 or older, this amounts to a \$12,000 deduction. The foreign-earned income exclusion does **not** exclude the organization income from this test.

## When Benefits Are Paid

- Social Security benefits are paid in the month after the benefit is due (for example, a worker would receive the January benefit in February).

- Benefits are paid the second, third, or fourth Wednesday of each month, based on the worker's birthday.
- Amounts for husband and wife are usually deposited to the bank together, except when both have an earnings record.
- At the time of application, personnel will designate a bank to which their Social Security payments will be deposited.
- U.S. citizens can receive Social Security benefits nearly anywhere in the world but should notify Social Security of their current residence—even if benefits are directly deposited to a U.S. bank account.
- If you receive Social Security benefits while living abroad, the Social Security Administration (SSA) will periodically send you a questionnaire (SSA-7162 or similar) to confirm your continued eligibility. This is the primary recertification requirement. Failure to complete and return the form promptly can result in the suspension of your payments.

## Contact Social Security Administration

[ssa.gov](http://ssa.gov)

Toll-free number: 1-800-772-1213

# FINANCIAL BENEFITS

## From the Organization

As noted above, retiring eligible personnel may receive up to \$30,000 ADP as funds are available in their class (51) for transition allowance. The transition allowance disbursed will be the balance in (51) minus funds needed to clear any account overdrafts. This transition allowance is not a gift and will be accumulated to taxable income (80). It is not based on any expectation of future services, nor is it compensation for past services rendered. Financial Services may disburse this allowance the month after retirement. Any personnel wishing to defer this income to an AGFinancial retirement account must complete an application through Divisional Accounting in advance.

The cost of a final shipment (not to exceed 570 cubic feet per couple or 428 cubic feet per single) to the United States from the foreign field for retirement may be covered from the worker's (00), ADP, taxable. Retirement moves qualify for tax assistance from the (00), ADP.

If applicable, Christmas deposits are accumulated to taxable income on their 1099-MISC box 3.

## From AGFinancial

- The Organization has been contributing a standard amount from the worker's (00) account each month to their AGFinancial tax-deferred 403(b)(9) retirement account (MBA). The funds in the account are governed by AGFinancial within IRS regulations.
- Upon request, MBA funds can be disburse as a minister's housing allowance, which is not taxable.
- The plan's housing allowance, when spent for housing, is not considered self-employment-taxable or income-taxable.
- The current MBA plan identifies the disbursement for retired credentialed personnel as estimated housing; those retirees must appropriately account for the actual retired housing allowance on their personal tax return.
- The housing allowance for retired credentialed personnel is a benefit that cannot be received from any other annuity program. Because of IRS regulations, the housing allowance for a credentialed person is only applicable to the funds earned by that person. AGFinancial cannot give that housing benefit from funds inherited by the spouse, even when the spouse maintains credentials.
- Contact AGFinancial for more information about the housing allowance.

## Through Offerings

Retired personnel may continue to receive special-personal offerings (09) through their account but are not to solicit them. The (09) offerings must be sent to the General Council, designated as (09) by donors, and cannot be received directly by retired personnel. All special-personal offerings must be received by the General Council for the donor to receive tax credit. Any special-personal offering designated as (09) and received by the General Council will be disbursed to the retired worker as taxable income, up to

\$12,000 per couple or \$10,200 per single per year. Any funds received into a retiree's (00) will be applied to the Retired Worker Fund. Donors can designate funds to an individual RM account class (40) if the retiree has an approved assignment.

The organization will mail a list of the special-personal offering cash receipts to the address on record for the retired worker. Other than that, the retiree will no longer receive copies of cash receipts or account statements.

Retired personnel are discouraged from sending newsletters to former supporters. At retirement, the organization will contact the worker's supporters regarding the retirement and give suggestions for transferring commitments.

## Resources

- [Social Security Administration](#)
- [Medicare & You 2025](#)
- [2025 Guide to Social Security](#)
- [AGFinancial 403\(b\) Retirement Plan \(MBA\)](#)

# EMOTIONAL PREPAREDNESS

## Finishing Well-Retirement Skills for Ministers

Transition is a phase at which events and environment alter our roles, relationships, routines, and assumptions. Although ministerial life involves many transitions, *retirement transition* significantly alters the roles, relationships, routines, and assumptions for almost every minister, especially for missionaries and chaplains. The minister's identity may remain unchanged, but his or her roles, relationships, routines, and assumptions may change greatly. - Nathan and Beth Davis

Leaving well can impact your retirement experience. Being intentional helps you navigate this process in a healthy way. Although preparing to leave the known is unsettling, take steps to make the transition easier and more productive:

- Think ahead.
- Recognize potential problems.
- What areas of adjustment need to be made?
- Make decisions about how to handle the situations and areas of adjustments.

## How to build a R.A.F.T

Proper farewells are a vital part of preventing bitterness.

David Pollock's article "Exit Right–Enter Right" lists four important pre-departure (pre-retirement) elements, using the RAFT acronym.

1. Reconciliation
  - a. One big cause for bitterness is unfinished business. It is easy to board the plane without having asked for forgiveness or giving it.
  - b. Straighten out any broken relations before leaving.
2. Affirmation
  - a. Thank, encourage, affirm, and commend those who had a significant part of your life.
    - i. It not only affirms the recipient but also helps cement good memories.
  - b. Deal with this and the first element as soon as possible. It is tempting to put them off until "later." Later often never comes.
3. Farewells
  - a. We often neglect the importance and health of saying good-bye.

- b. Say proper good-byes—not just to people, but also places, pets, and possessions.
- c. Short-circuiting this step means having to give extra attention later to dealing with issues and grieving losses.

4. Think Ahead
  - a. We often go into new situations (like returning to the States for retirement) and never stop to think about what we expect life, ministry, friends, etc., to be like.
  - b. What kinds of expectations do we have?
    - i. Are they realistic?
    - ii. Are they too high?
    - iii. Are they too low?

## Resources

- Books
  - *Finishing Well—Retirement Skills for Ministers* by Nathan and Beth Davis
  - *Managing Transitions—Making the Most of Change* by William Bridges
- Articles and podcasts
- Counseling services