

Navigating Your Future

Voluntary and Involuntary Payments and Retirement



OASH

Office of the
Assistant Secretary
for Health

Navigating Your Future

- Voluntary Separation Incentive Payments (VSIP)
 - Voluntary Early Retirement Authority (VERA)
-
- Reduction in Force (RIFs)
 - Discontinued Service Retirement (DSR)



Agenda

Part 1A

- **Voluntary Separation Incentive Payments (VSIP)**
- What We Know Now
- GRB Platform
- Q&A

Part 1B

- Requirements For Retirement
- **Voluntary Early Retirement Authority (VERA)**
- GRB Platform

Part 2

- Involuntary Separations
- **Discontinued Service Retirement (DSR)**
- Post Employment Considerations

Part 3

- **Electing VERA**
- Employment After VERA
- Resources
- Q&A



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Part 1A: Voluntary Separation Incentive Payments (VSIP)

Overview of Voluntary Separation Incentive Payments (VSIP)

- A Financial Incentive to Leave
 - **A buyout of up to 25K to leave voluntarily during the HHS downsizing and restructuring**
- Eligibility Criteria:
 - **Employees must have at least three years of continuous federal service; must hold a permanent position and be eligible by 5 PM March 14th.**
- You Take the Money, You Can't Return (Mostly)
 - **If you accept VSIP and return to a federal job within five years, you MUST pay it back.**
- Administrative Leave Status
 - **If accepted, you will be carried in an administrative leave status, receiving full pay and benefits for eight weeks after you are approved. Once on leave, there is no further obligation to report for duty, and you may seek outside employment.**

Example 1: VSIP

Employee A	Employee B	Employee C	Employee D	Employee E	Employee F
Age: 62 Service: 37 Years 	Age: 57 Service: 10 Years 	Age: 55 Service: 32 Years 	Age: 48 Service: 25 Years 	Age: 28 Service: 5 Years 	Age: 28 Service: 4 Years 

• What about pension?

Employee E	Employee F
Age: 28 Service: 5 Years 	Age: 28 Service: 4 Years 

VSIP Retirement Disclaimer:

- This is for employees who have **at least 5 years of creditable service**.
- *There is NO PENSION under VSIP payable because not vested in the retirement program.*

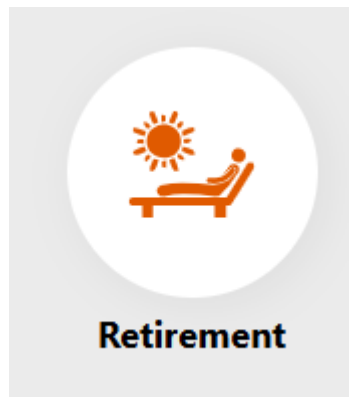
**Scenarios are based on present date*

GRB Calculator


[Government Retirement and Benefits Platform | HHS Intranet](#)


Navigate to “Retirement”


Click on “Severance/VSIP Calculator”



Tools

Retirement Calculator 

High-3 Calculator 

Severance/VSIP Calculator 

Videos

Documents & FAQs

Links

Forms

Severance Pay/VSIP Calculator

Date of Separation

03/14/2025

Annual Basic Pay at Separation

\$

Severance Pay

Important Note: The Severance pay amount shown is only an estimate and is based on service determined by your Leave SCD. If you have certain Military service or Non-Federal service in your Leave SCD this may cause this estimate to be overstated.

Severance payments are made at the same pay period intervals (bi-weekly, monthly, etc.) that salary payments would be made as if you were still employed until the total amount displayed above is paid out. Severance pay is subject to taxes (Federal, State, Social Security, Medicare, etc.) as appropriate. Certain appointments do not qualify for severance pay (intermittent work schedule, Presidential appointment, noncareer SES, etc.)

Voluntary Separation Incentive Payment (VSIP)
In the event that you are eligible for a VSIP ("buy-out"), the actual payment will be the lesser of the severance payment amount shown above or an amount set by the head of your agency. The VSIP is paid in one of three ways: as a lump-sum payment, in bi-weekly installments, or

Calculate

Close

IF You Choose the VSIP

Important Reminder:

Employees must make a decision regarding either **VERA, VSIP, or both** by **5 PM this Friday, the 14th.**

Attached Documents:

-  **DHHS VSIP Separation Agreement 2025.pdf**
-  **Request For VSIP Calculation.pdf**

Additional Resources

Voluntary Separation Resources

- OPM Voluntary Separation Incentive Payments [Voluntary Separation Incentive Payments](#)
- Lump-Sum Payments For Annual Leave [Lump-Sum Payments For Annual Leave](#)
- OHR SharePoint [Pay, Leave, Benefits, and Retirement](#)
- GRB Platform [Government Retirement and Benefits Platform | HHS Intranet](#)

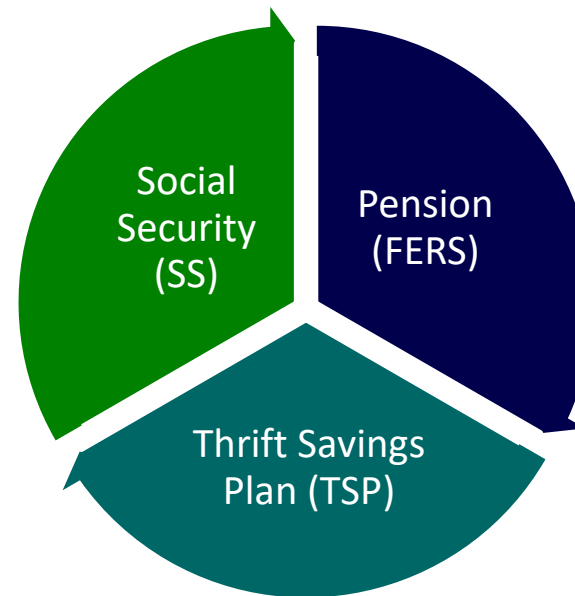


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Part 1B: VERA

FERS Retirement Overview



EMPLOYEE DATA										
23. Veterans Preference					24. Tenure		25. Agency Use		26. Veterans Preference for RIF	
1	1 - None 2 - 5-Point	3 - 10-Point/Disability 4 - 10-Point/Compensable	5 - 10-Point/Other 6 - 10-Point/Compensable/30%	1	0 - None 1 - Permanent 2 - Conditional 3 - Indefinite			YES	X	NO
27. FEGLI					28. Annuitant Indicator		29. Pay Rate Determinant			
K0 - BASIC + OPTION D (2X)					9		NOT APPLICABLE		0	
30. Retirement Plan					31. Service Comp. Date (Leave)		32. Work Schedule		33. Part-Time Hours Per Biweekly Pay Period	
K FERS AND FICA					09/10/2013		F FULL TIME			
POSITION DATA										
34. Position Occupied				35. FLSA Category		36. Appropriation Code		37. Bargaining Unit Status		
1	1 - Competitive Service 2 - Excepted Service	3 - SES General 4 - SES Career Reserved		E	E - Exempt N - Nonexempt	2199REDB		SSSS		

- “K” – Federal Employee Retirement System (FERS)
- “KR” – FERS-Revised Annuity Employee (FERS-RAE)
- “KF” – FERS-Further Revised Annuity Employee (FERS-FRAE)
- ~~“CS” – Civil Service Retirement System (CSRS)~~
- ~~“C Offset” – CSRS Offset (with SS contribution)~~

Age and Service Requirements for Retirement

FERS Full Eligibility	
Age	Years
62	5
60	20
MRA 55-57	30

MRA + 10
Must have 10 years of credible service. Annuity is permanently reduced by 5% for each year you are under age 62.

Minimum Retirement Age	
BORN IN	MRA
1947 & Earlier	55
1948	55 & 2 months
1949	55 & 4 months
1950	55 and 6 months
1951	55 & 8 months
1952	55 & 10 months
1953-1964	56

Minimum Retirement Age	
BORN IN	MRA
1965	56 & 2 months
1966	56 & 4 months
1967	56 & 6 months
1968	56 & 8 months
1969	56 & 10 months
1970 & later	57

Overview of Voluntary Early Retirement Authority (VERA)

- Purpose of VERA:
 - **Allows agencies undergoing restructuring, downsizing, or reorganization to offer early retirement, minimizing workforce disruption.**
- Eligibility Criteria:
 - **Employees must be at least 50 with 20 years of service or have 25 years of service at any age; must hold a permanent position and be eligible by 5PM EST March 14th , retired by 5PM EST April 19, 2025.**
- Effect on Annuity:
 - **FERS retirees have no penalty but may qualify for an annuity supplement until Social Security eligibility (MRA through age 62).**
- Impact on Benefits:
 - **Eligible employees can continue Federal Employee Health Benefits (FEHB) and Federal Employees Group Life Insurance (FEGLI) if coverage requirements are met.**
- Post-Retirement Employment:
 - **Non-federal employment does not impact annuities; reemployment in federal service may result in salary offsets unless waived. Consult with Ethics for post employment.**

Federal Pension (FERS)

- Under VERA
 - **Early Out Requirements**
 - ✓ At least age 50 with 20 years of service
 - ✓ Any age with 25 years of service
 - **FERS: Payable immediately**
 - ✓ Normal pension calculations
 - ✓ No penalty annuity reductions

Example 2: VERA

Employee A	Employee B	Employee C	Employee D	Employee E	Employee F
Age: 62 Service: 37 Years 	Age: 57 Service: 10 Years	Age: 55 Service: 32 Years 	Age: 48 Service: 25 Years 	Age: 28 Service: 5 Years	Age: 28 Service: 4 Years

FERS Full Eligibility	
Age	Years
62	5
60	20
MRA 55-57	30

Minimum Retirement Age	
BORN IN	MRA
1965	56 & 2 months
1966	56 & 4 months
1967	56 & 6 months
1968	56 & 8 months
1969	56 & 10 months
1970 & later	57

Early Out Requirements

- 50 with 20 years
- Any age with 25 years


**Scenarios are based on present date*

Benefits

	Employee A Age 62 with 37 years	Employee C Age 55 with 32 years	Employee D Age 48 with 25 years
Survivor Benefits Plan (SBP)	*Eligible	*Eligible	*Eligible
Federal Employees Health Benefits (FEHB)	*Eligible	*Eligible	*Eligible
Federal Employees Group Life Insurance (FGLI)	*Eligible	*Eligible	*Eligible
Federal Long Term Care Insurance Program (FLTCIP)	*Eligible	*Eligible	*Eligible
Social Security (SS)	Eligible ASAP	Eligible at 62	Eligible at 62
Special Retirement Supplement (SRS)	NOT eligible for SRS	SRS starts at MRA; ends at 62	SRS starts at MRA; ends at 62
Thrift Savings Plan (TSP)	NO penalties; can no longer add	No penalties; can no longer add	must wait; can no longer add

**there are several actions an employee needs to take regarding their benefits to ensure a smooth transition*

Government Retirement and Benefits (GRB) Platform



Government Retirement and Benefits Platform

A self-service system that provides you with 24/7 access to your personal benefits and retirement information at work or at home.

You can use GRB to make benefits-related requests of your HR office directly and receive a response in your GRB account, complete and submit a retirement application to your HR office using GRB, and more. If you don't have a GRB account, you can make one anytime.

AN OVERVIEW OF THE GRB PLATFORM

Follow the steps below to set up your GRB account and login.

1. Go to [the GRB login page](#).
2. Click **New User? Create account**.
3. Enter HHS License number **3123**.
4. Verify your identity.
5. To obtain your **HHS ID Number**, look for the Personal Identifier on the back of your badge.
6. Enter your work **email address**. You'll need to use that same email address as your username for future logins.
7. Click "continue" to receive a temporary password by email.
8. Log in to the system using your email address and the password that was emailed to you.

HHS Intranet

- [Government Retirement and Benefits Platform | HHS Intranet](#)

Login

- Navigate to www.platform.grbinc.com enter your credentials or create a new account if you haven't registered

Access the Calculator

- **Locate the "Calculators" section in the main menu or dashboard. Choose the type of calculation you need, such as: Retirement Annuity, High-3 Average Salary, TSP Withdrawal & Projections, FEGLI Premium, Social Security**

Input Your Information

- **Enter the required data, such as salary, years of service, retirement age, and other personal details. Adjust for different scenarios.**



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Part 2: Involuntary Separation

Discontinued Service Retirement (DSR)

- Retire Earlier
 - **DSR allows employees who are involuntarily separated (e.g., job abolishment or reduction-in-force) to retire before reaching the typical retirement age.**
- Requirements
 - **Employees must be at least age 50 with 20 years of service or 25 years of service with any age.**
- Severance Pay
 - **Ineligible for severance pay if you are eligible upon separation for an immediate annuity.**

Example 3: Discontinued Service Retirement (DSR)

Employee A	Employee B	Employee C	Employee D	Employee E	Employee F
Age: 62 Service: 37 Years 	Age: 57 Service: 10 Years	Age: 55 Service: 32 Years 	Age: 48 Service: 25 Years 	Age: 28 Service: 5 Years	Age: 28 Service: 4 Years

- Involuntary separation
- Must not be removed for misconduct or delinquency
- Must not decline reasonable offer for another position

IF a RIF Occurs:

- Requirements are the same as for VERA except this is involuntary (the employee has no say in the matter)
 - Pension would begin immediately
 - **No penalty for being under 55 years**
- *Scenarios are based on present date.*

Deferred Retirement

When Deferred Retirement Applies:

- **Leaving Federal Service Before Retirement Eligibility:** If an employee resigns before meeting the age and service requirements for an immediate annuity but has at least **5 years of creditable service**, they can elect a **deferred retirement** and start receiving their pension later (usually at age 62).
- **Not Eligible for VERA or DSR:** If an employee affected by a RIF does **not** meet the service requirements for an immediate annuity, they may take a deferred retirement instead.

Example 4: Differed Retirement vs. MRA + 10

Employee A	Employee B	Employee C	Employee D	Employee E	Employee F
Age: 62	Age: 57	Age: 55	Age: 48	Age: 28	Age: 28
Service: 37 Years	Service: 10 Years 	Service: 32 Years	Service: 25 Years	Service: 5 Years	Service: 4 Years

Key Points for Deferred Retirement:

- ✓ **Annuity Starts at 62** – No pension payments until then.
- ✗ **No FEHB or FEGLI** – He loses federal health and life insurance.
- ✓ **No Annuity Reduction** – Pension is **not** reduced for early retirement.
- ✓ **Social Security & TSP Still Available** – Can collect Social Security (if eligible) and withdraw from TSP under applicable rules.

VS

Key Points for MRA+10:

- ✓ **Immediate Annuity** – Receive FERS pension right away.
- ✗ **Annuity Reduction** – Pension **permanently** reduced by 5% for each year under age 62 (a 25% reduction at age 57).
- ✓ **Can Keep FEHB & FEGLI** – IF IF IF elects an immediate annuity (not a deferred one).
- ✓ **Can Still Work Elsewhere** – Pension will not be affected by private-sector employment.
- ✓ **Annuity postponement** available to eliminate 5% reduction penalty and pick-up FEHB on receipt of annuity if held FEHB for last 5 years of service.

RIF Involuntary Separation Considerations

- What is the Reemployed Priority List (RPL)?
 - **Displaced employees are automatically considered for positions that meet your qualifications prior to a job posting on USAJobs.**
- How do I use my CTAP/ICTAP displacement letter?
 - **Displaced employees can apply to positions posted on USAJobs and receive priority consideration if determined well qualified.**
- How can I find out more about my severance pay?
 - **If you take VERA or DSR you do not get severance pay. If you are not eligible for VERA or DSR, refer to the GRB severance pay estimate.**



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Part 3: Electing the VERA

If You Choose the VERA

Review Your Offer Letter

- **Confirm your eligibility and terms by reviewing the VERA offer from HHS HR.**

Start the Separation Process

- **Login to GRB. Begin your separation paperwork early to avoid last-minute issues. You must accept the VERA no later than 5PM EST March 14th and retire on or before 5PM April 19th**



Retirement Application **Start**

Complete Required Forms

- **Submit the VERA application, resignation/retirement paperwork, and any necessary TSP withdrawal forms. All forms are available in the platform and can be signed electronically.**

Application Processing

- **The Benefits and Retirement Staff will review your service history and process your retirement after submission.**

Confirm Separation Details

- **Verify your last working day and official separation date with HR to ensure a smooth transition.**

Set Up Direct Deposit

- **Ensure your VERA payment and any retirement benefits are set up for direct deposit to prevent delays.**

Monitor Retirement Processing

- **If retiring, be aware that OPM processing times may delay your annuity payments for a few months.**

Plan for Your Future

- **Consider meeting with a financial advisor to develop a long-term strategy post-separation. Ensure your personal email and phone number are on all retirement forms in case you lose access to government accounts.**

Employment After VERA

- Non-Federal Employment
 - **There are no restrictions regarding annuity if they accept non-Federal Employment**
 - **Employees covered under FERS who qualify for the annuity supplement could have the supplement reduced or discontinued due to an earnings limitation**
- Federal Employment
 - **If you are hired back under a Federal appointment, you are considered a “reemployed annuitant”**
 - **The annuity will continue, offset by the new federal salary amount**

Additional Resources

Benefits

- Retirement and Benefits Seminar [SROC - Home](#)
- www.opm.gov/healthcare-insurance
- www.tsp.gov
- www.fsafeds.gov
- FEDVIP www.benefeds.gov
- FLTCIP www.itcfeds.gov
- OHR SharePoint [Pay, Leave, Benefits, and Retirement](#)

Voluntary and Involuntary Separation Resources

- OPM Voluntary Separation Incentive Payments [Voluntary Separation Incentive Payments](#)
- OPM Retirement Services www.opm.gov/retirement-services
- OPM Retirement Quick Guide www.opm.gov/retirement-center/quick-guide/
- Lump-Sum Payments For Annual Leave [Lump-Sum Payments For Annual Leave](#)
- Temporary Continuation of Coverage (Fed. Gov.'s Cobra) [Temporary Continuation of Coverage](#)