NAF RETIREES

Benefits News

MESSAGE TO OUR RETIREES

As we continue our commitment to serving our Army NAF employees, retirees, and beneficiaries, I want to thank you for your patience and continued support during this period of modernization and system enhancement.

Over the past year, we have worked closely with our vendor partners to improve the reliability, efficiency, and overall customer experience of our benefits and retirement systems. While these efforts are intended to provide long-term improvements, we recognize that some of the recent system integrations and transitions have resulted in service disruptions and unexpected challenges for some of our customers.

For those who have experienced delays, inconveniences, or frustrations, I offer my sincere apologies. We understand the importance of timely and accurate benefits services and remain committed to addressing issues as quickly and effectively as possible.

Looking ahead, we are actively collaborating with our vendors to achieve operational excellence through system enhancements, improved processes, and expanded customer support capabilities. A key part of this effort includes the development of new self-service modules that will provide greater access to information, increased transparency, and more convenient tools for managing benefits and retirement-related transactions.

Our goal is to deliver a modern, customer-focused experience while maintaining the high level of service you deserve. We appreciate your patience as we continue this important work and wish you and your families a wonderful summer filled with relaxation, good health, and enjoyable moments. We remain dedicated to earning your trust every step of the way.

Thank you for allowing us to serve you.

Very Respectfully,

Nicole J. Gross

Chief, Employee Benefits Office

NAF 401K SAVINGS PLAN

Happy Fourth of July! As we celebrate our nation's independence, it is a perfect time to reflect on your own financial independence. Your 401k and retirement savings represent years of hard work and dedication. While you enjoy the summer festivities and fireworks, take a moment to appreciate the financial freedom you have built for yourself and review a few ways to protect it.

PROTECTING YOUR INCOME

Retirement looks different for everyone. While some prefer spending their days gardening, others may want to travel the globe. Since personal goals are unique, income strategies should be tailored to match individual needs.

Covering basic living costs with reliable income sources is a crucial step when structuring a retirement plan. Calculate required expenses such as housing, food, healthcare, utilities, and taxes. It is beneficial to fund these necessities using dependable lifelong income streams like Social Security, pensions, etc. For those who have not yet claimed Social Security, delaying benefits can substantially increase the monthly payout adjusted for inflation.

Maintaining a balance of growth and flexibility is also important. After securing basic needs, allocating a portion of investment savings toward growth can help wealth keep pace with inflation over an extended retirement. Life often presents unexpected changes, such as new health requirements or family obligations. Combining various income streams, including flexible portfolio withdrawals alongside stable annuities, provides protection against market fluctuations while preserving the ability to adapt to new circumstances.

Regarding Required Minimum Distributions, these mandatory withdrawals currently begin at age 73 and will shift to age 75 in 2035. Individuals planning to use these funds for daily expenses should consult a financial professional to determine the most tax efficient methods for taking these withdrawals.

For those prioritizing an inheritance or a substantial emergency reserve, setting aside a portion of the principal balance may be appropriate. However, it is important to recognize that highly conservative investments carry the risk of not growing fast enough to outpace inflation.

Achieving a balanced approach is essential to maintaining purchasing power.

Tracking how inflation impacts daily spending can provide valuable insights, as price increases do not affect all expenses equally. Grocery bills or utility costs often rise faster than the national inflation average. Reviewing bank and credit card statements over a three-month period helps identify exactly which categories are increasing. It is helpful to focus on finding small savings in the areas that affect budgets the most, typically groceries, gas, and home utilities. Making this review a regular habit allows for smoother financial adjustments as spending pressures shift over time.

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Securing stable costs for recurring bills offers another layer of control over retirement finances. Contacting internet, cable, cell phone, and insurance providers to negotiate better rates or request senior and loyalty discounts can be surprisingly effective. Additionally, many providers offer discounts for enrolling in paperless billing or automated payments. Housing costs can also be stabilized by renewing leases early to lock in current rates or by utilizing a fixed rate mortgage to ensure predictable principal and interest payments.

Maximizing the potential of an emergency fund is a foundational element of sound retirement planning. Maintaining an emergency reserve covering three to six months of essential expenses is advisable but keeping too much cash idle causes it to lose value to inflation. Rather than leaving emergency funds in a standard checking account with minimal interest, individuals should seek higher yields. Exploring safe alternatives like high yield savings accounts, money market funds, or short-term Treasury bills can keep funds secure and accessible while providing better interest rates to offset rising costs. Contact Fidelitly for assistance at **(800) 835-5093, www.401k.com** OR visit a local Fidelity branch, if one is located near you.

MEDICAL BENEFITS AT RETIREMENT

Enrollment in Medicare Part A and B is mandatory for currently enrolled post-65 retirees and dependent spouses post-65 who reside in the United States. Before turning 65 you need to apply for Medicare Part B and then notify the EBO Medical Team of your Medicare Member ID number. Your medical plan will be updated to the Medicare Advantage Plan (MAPD) administered through Aetna. If you have a spouse on your plan who is not turning 65 at the same time, your plan will be split so that the member turning 65 will be placed on MAPD and the other will remain on your current plan – so you will have two deductions. If you have a Qualifying Life Event and wish to make a change to your plan, please let us know within 30 days of the event.

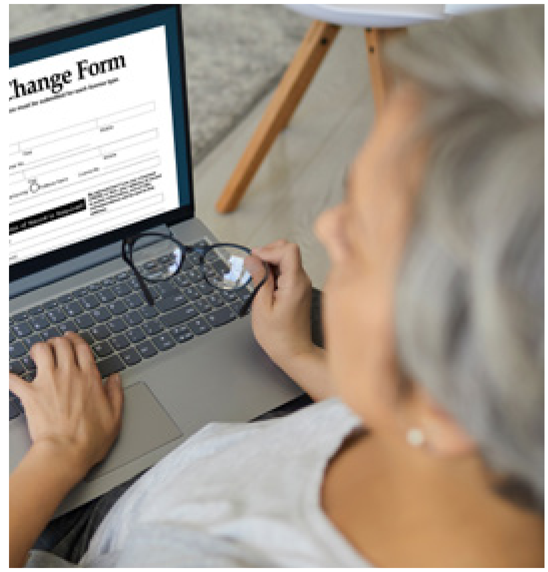
You will have 60 days from your 65th birthday in order to submit your Medicare Part B number. If we do not receive your Medicare Part B number within that time, your coverage will be cancelled as there is no other option of coverage for our post 65 Retirees.

If you do not wish to continue your coverage with our Aetna MAPD plan, you have the option to shop the marketplace for alternative coverage. **You will forfeit your right to enroll** with our MAPD plan if you choose to enroll in outside coverage.

The first month's premium will be collected from your annuity. If we are unable to set up medical premium deductions from your monthly annuity, our office will request a signed bank draft form to deduct medical premiums from your personal checking or savings account.

Should you have any further questions regarding continuation of your medical plan or to submit your Medicare Part B numbers, please contact the NAF Employee Benefits Medical team by phone or by email: toll free number at **(855) 872-7704 or NAFMedical@army.mil**. Additional information about the Aetna medical plans can be found on our website www.nafhealthplans.com along with the current medical premium rates. Rates change from year-to-year, which take effect January 1st.

FORMS AND INFORMATION



Have you recently moved? Are you not receiving your monthly, annuity pay stub?

Do you need to update your banking or tax information?

Blank forms can be found in the Forms link on the right side of our webpage: https://www.armymwr.com/employee-portal/naf-personnel-services/naf-retirement.

Forms should be completed (be sure to sign them) and submitted to: NAFRetirement@army.mil.

REMINDER OF COLA UPDATE

This is a reminder that a 2.8% Cost of Living Adjustment (COLA) was applied to the 1 April 2026 retiree payments. Army NAF retirees retired at least 12 months will receive the full 2.8%. Those retired less than 12 months will receive a prorated COLA based on their 2025 retirement month. For the full prorated chart, visit www.nafbenefits.com.

SCAN QR

RESOURCE LIST:

BENEFITS FAQ, FORMS AND GENERAL INFORMATION

www.armymwr.com/employee-portal/naf-personnel-services/naf-retirement

Submit forms via email or mail to our office:

Department of the Army
Attn: IMCOM, DFMWR, EBO
2405 Gun Shed Road-Bldg. 2261
JBSA Fort Sam Houston, TX 78234

Email: NAFRetirement@army.mil

NAF 401(K) PLAN ADMINISTRATOR

Fidelity Saving Plan Information
Contact: (800) 835-5093
Website: www.401k.com

NAF 401K CONTINUED:

Email: NAF401K@army.mil
Phone: (855) 872-7704
(Select Option 3 for 401k)

REQUEST FIDELITY DISTRIBUTIONS

Contact: (800) 835-5093
Website: www.401k.com

MEDICARE

NAF Employee Benefits Medical team
Toll Free: (855) 872-7704
(Select Option 2 for Medical)
Email: NAFMedical@army.mil
Additional information about the Aetna medical plans can be found on our website www.nafhealthplans.com

SURVIVOR & BENEFICIARY INFORMATION

Toll Free: (855) 872-7704
(Select Option 5 for Retirement)
Fax: (210) 466-1631
Emails: NAFRetirement@army.mil
NAFLife@army.mil
NAF401K@army.mil

U.S. ARMY