

What's Next? Retirement and beyond ...

This presentation will begin shortly and is scheduled to last approximately 45 minutes

Questions & Answers

- ❑ If you have **specific questions** on your TRS record or retirement timeline, please **call TRS** at (877) 927-5877.
- ❑ The presenter will **answer general questions** at the conclusion of each section.
- ❑ Presentation link: www.trsil.org/ROE20



What will be covered . . .



1. Retirement Process
2. Health Insurance
3. Post-retirement Employment
4. Taxes
5. Online Account Access

RETIREMENT PROCESS

Information from You

You should have already requested necessary forms from TRS

- ✓ Retirement Application
- ✓ Depository Agreement form
- ✓ Health Insurance (TRIP) Participation Election form (if enrolling)

Optional service and 2.2 balances must be paid before TRS will process your retirement claim

- Personal check
- Rollovers
- Pension reduction (2.2 only)

Information from your Employer

Employer will send in the **Supplementary Report** and **Sick Leave Granting Certification**

- ✓ Cannot be electronically submitted until after last day of service
- ✓ **Supplementary Report:** last school year's earnings and available sick leave days after last day
- ✓ **Sick Leave Granting Certification:** reports any sick leave granted over the annual allotted sick leave days

The TRS Claim Processing Begins

Elected “NO” for AAI



Your retirement claim will be processed after TRS receives all necessary forms/payments and audits the supplementary report and sick leave granting certification



First retirement check issued 60-90 days after last required form or payment is received (first payment is retro-active to your retirement date).

Elected “YES” for AAI



TRS will mail the AAI Election form to your home address after TRS receives all necessary forms/payments and audits the supplementary report and sick leave granting certification.



Once TRS receives your completed AAI Election form, TRS will process your monthly retirement benefit.



First retirement check issued 60-90 days after AAI Election form is received (first payment is retro-active to your retirement date).



Once your retirement claim is processed, you will receive a Transfer/Rollover form for your AAI lump-sum.

Once the calculation is complete you will receive a Notification of 1st Payment letter including the retroactive payment as well as your regular monthly payment going forward. The amount of TRS service credit is also shown.

And Now Those Payments Begin!

- ✓ Our top priority is getting your monthly pension started
- ✓ Your monthly benefits will continue for your lifetime
 - Currently, our oldest retiree is 105.775 so this could be a while!
- ✓ Payments deposited on the first banking day of each month as payment for the previous month

Excess Contribution Refunds?

- Issued after you have received your Notification of First Payment Letter
- Refunds
 - 2.2 Upgrade overpayment
 - ERO – if not already claimed
- 1% Survivor Benefit Refund (if eligible)
 - Offered **only** if you have no dependents
 - 1% of every dollar earned during active service
 - Eliminates survivor benefit paid upon your death
- Refund checks are always **mailed** by the Illinois Comptroller's Office
- Taxable refunds over \$200.00 are eligible for rollover
 - If not rolled over, 20% withheld for federal tax

AAI Application Form

How do you want to take the AAI Lump Sum?

Transfer/Rollover Form sent once you are set up on payroll

- ✓ Rollover entire AAI Lump Sum
- ✓ Receive a check for entire AAI Lump Sum (minus 20% for federal taxes)
- ✓ A combination of above



Questions regarding claim processing?

HEALTH INSURANCE

(TRIP/TRAIL)

TRIP/TRAIL Enrollment

- Eligible with 8.000 years of TRS service credit
- Step 1: If you are enrolling as a new retiree, your TRIP/TRAIL Participation Form must be submitted within 60 days of your retirement date
- Coverage always starts on the first of a month

TRIP/TRAIL Enrollment

- Step 2: Call the MyBenefits Service Center (MBSC) to elect your TRIP/TRAIL carrier up to 60 days before coverage takes effect
- Insurance/prescription ID cards issued by your selected carrier
- Premiums withheld from your TRS pension check in arrears
 - Example: August insurance premium to be withheld on September 1 check

TRIP Premiums

Monthly Contributions through June 30, 2024

Type of Participant	Type of Plan	Not Medicare Primary	Not Medicare Primary	Not Medicare Primary	Medicare Primary*
		Under Age 26	Age 26-64	Age 65 and Older	All Ages
Benefit Recipient	Managed Care Plan (OAP and HMO)	\$106.45	\$330.67	\$450.52	\$130.68
	Teachers Choice Health Plan (TCHP)	\$276.27	\$771.71	\$1,172.71	\$309.86
	TCHP when managed care is not available in your county	\$138.13	\$385.85	\$586.37	\$154.94
Dependent Beneficiary	Managed Care Plan (OAP and HMO)	\$425.96	\$1,322.65	\$1,802.05	\$450.24**
	Teachers Choice Health Plan (TCHP)	\$552.55	\$1,543.41	\$2,345.44	\$619.72
	TCHP when managed care is not available in your county	\$552.55	\$1,543.41	\$2,345.44	\$464.80**

TRIP Notes

“When Managed Care is Not Available in Your County” Row:

- A Managed Care plan is available to all Illinois residents as well as residents in most other states.
 - The choices are by-County and are shown on the map in the TRIP Summary for Illinois residents or on the TRS website for residents outside Illinois.
- The member will pay the lower PPO rate ONLY if no Managed Care plan is available in their county. Premiums for non-Medicare dependents are the same in all counties.

“Medicare Primary” Column:

- Used only until ALL covered parties are Medicare-eligible
- Once all are Medicare-eligible, all move to TRAIL

TRAIL Premiums



Aetna MAPD PPO (Effective Jan. 1, 2024)

**Monthly
Contributions**

Member Rate \$2.16

Dependent Rate \$6.49

Don't Need TRIP/TRAIL Yet?

Other Enrollment Opportunities

- Benefit Choice Period
 - May 1-31 for TRIP non-Medicare (Plan runs July 1-June 30)
 - October 15 – November 15 for TRAIL Medicare Advantage (Plan runs January 1-December 31)
- Involuntary termination of previous insurance coverage
- Medicare becomes available (age 65 in most cases)
- Dependents may enroll at same opportunities and must be enrolled in same insurance plan as the member

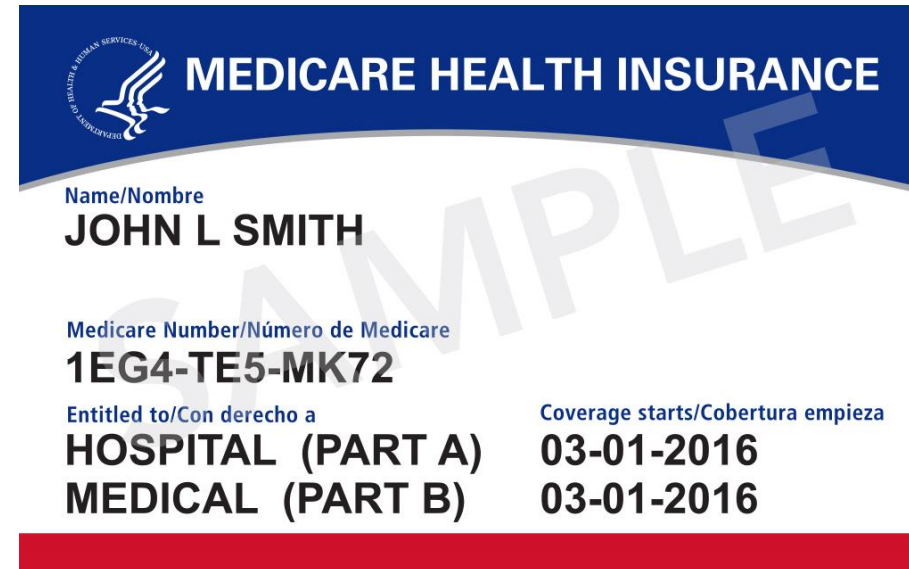
Dental and Vision Coverage

- Dental and Vision coverage is NOT included in TRIP/TRAIL
- Check with employer to determine if you can stay on their dental/vision plan (COBRA)
- Check with retired teacher organizations to ask about plans they offer
- TRS can withhold premiums for some retired teacher plans as a courtesy

Medicare

- Qualify through non-TRS employment
- TRS employment after March 1, 1986
- Qualify through spouse
- Medicare election in 2004
- Social Security/Medicare
(800) 772-1213

www.socialsecurity.gov



MEDICARE HEALTH INSURANCE

Name/Nombre
JOHN L SMITH

Medicare Number/Número de Medicare
1EG4-TE5-MK72

Entitled to/Con derecho a	Coverage starts/Cobertura empieza
HOSPITAL (PART A)	03-01-2016
MEDICAL (PART B)	03-01-2016

Switching from TRIP to TRAIL

- Must enroll in Medicare Parts A & B
- Once your Medicare card is received, submit copy to TRS
- 1 month prior to the effective date, contact the MyBenefits Service Center to enroll in your TRAIL Medicare Advantage plan
- Medicare checklist available online: <https://www.trsil.org/members/retired/health-insurance-trail>



3 Months Before Your 65th Birth Month

- Contact the Social Security Administration (SSA) and apply for Medicare Parts A and B online by visiting www.ssa.gov/benefits/medicare or by phone at (800) 772-1213. Use the chart on the right to know when to apply.
- Establish how your Medicare Part B premium will be paid to the SSA. This premium is separate from your retirement insurance premium and cannot be deducted from your monthly benefit check.

Birth Month	Month to Apply for Medicare
January	October
February	November
March	December
April	January
May	February
June	March
July	April
August	May
September	June
October	July
November	August
December	September

If the SSA determines that you are not eligible for Medicare coverage:

- Request a statement of Medicare ineligibility from the SSA.

2 Months Before Your 65th Birth Month*

- Receive your Medicare Card or Statement of Medicare Ineligibility from SSA.
- Make a legible copy of the front side of your Medicare card or ineligibility statement and send to TRS. If you are not currently enrolled, you also need to send TRS the Participation Election Form. **See reverse for submission instructions.**

***Important:** If your birthdate is on the 1st of any month, you must elect coverage two months before your 65th birth month to avoid an interruption in coverage. See below on how to complete the enrollment process.

1 Month Before Your 65th Birth Month

- Review the TRAIL Medicare Advantage Initial Enrollment Guide mailed to you from the State of Illinois Department of Central Management Services and MyBenefits. You can also review the materials online at MyBenefits.illinois.gov, select the TRAIL MAPD Enrollment Information tile located on the home page.
- Review the TRAIL Medicare Advantage Enrollment materials mailed to you from the TRAIL insurance carriers available in your residential area.
- Choose a TRAIL MAPD plan. You may elect your plan by visiting the website at MyBenefits.illinois.gov or by calling MyBenefits Service Center toll free at (844) 251-1777.

Note: The TRAIL MAPD plan you choose will replace your current retirement insurance plan.



Questions regarding health insurance?

Post-retirement Employment

Post-retirement Employment

- MUST HAVE RECEIVED FIRST RETIREMENT CHECK
- No work until July 1 of new school year
- Must wait 30 days from the effective date of your resignation with same employer
- TRS-covered employment restricted to 120 days/600 hours per school year
 - Subject to changes in legislation
- Do **NOT** pre-arrange post-retirement employment
 - Strict penalties will apply
- Tier II only: The law suspends your retirement benefits if you accept full-time employment in a position covered by another state of Illinois pension system that has reciprocal rights with TRS.
- No restrictions on non-TRS employment
 - If retiring reciprocally, check limitations of other reciprocal retirement system(s)

Post-retirement Employment

What is considered Post-Retirement Employment?

- Work requiring certification
- Not sure? Have a potential employer verify the position with Employer Services prior to doing any work.

First Annual Increase

TIER 1

You will receive your first increase on the **latter** of:

- January 1 following your first anniversary in retirement, OR
- January 1 following 61st birthday (Tier 1)
- For your first increase only, you will receive a letter from TRS including the amount of the increase and your new monthly pension

TIER 2

You will receive your first increase on the **latter** of:

- January 1 following your first anniversary in retirement, OR
- January 1 following 67th birthday (Tier 2)
- For your first increase only, you will receive a letter from TRS including the amount of the increase and your new monthly pension

Increases are effective on January 1 of each year and are reflected in the payment issued on February 1.

Future Annual Increases

- Each January 1 after initial increase:
 - Tier 1 – 3% compounded on prior year's benefit
 - Tier 2 – The lesser of 3% of your original benefit or ½ of the CPI for the 12 months ending each November
- If AAI elected (Tier 1), your first increase will occur on the latter of:
 - January 1 following your first anniversary in retirement, OR
 - January 1 following your 67th birthday
 - 1.5% of original benefit (flat rate) each January 1 thereafter

Social Security

- TRS-covered employment is not reportable to Social Security
- Earned SSA benefits may be reduced under Windfall Elimination Provision (WEP) and/or Governmental Pension Offset (GPO)
- Social Security (800) 772-1213

www.socialsecurity.gov



Taxes

Tax Reporting in Retirement

Each January, you will receive a 1099-R form in the mail at the address we have on file as of Dec 10 of the tax year

- Total benefit received (taxable and non-taxable portions)
- Total tax withheld

Additional 1099-R forms will be issued for EACH Excess Contributions Refund

- Shows amount distributed (taxable and non-taxable)

Tax withholding can be adjusted any time

- Call TRS or go online for a W-4P form

State taxes can be withheld for Illinois, Indiana, Iowa, Kentucky, Michigan and Wisconsin

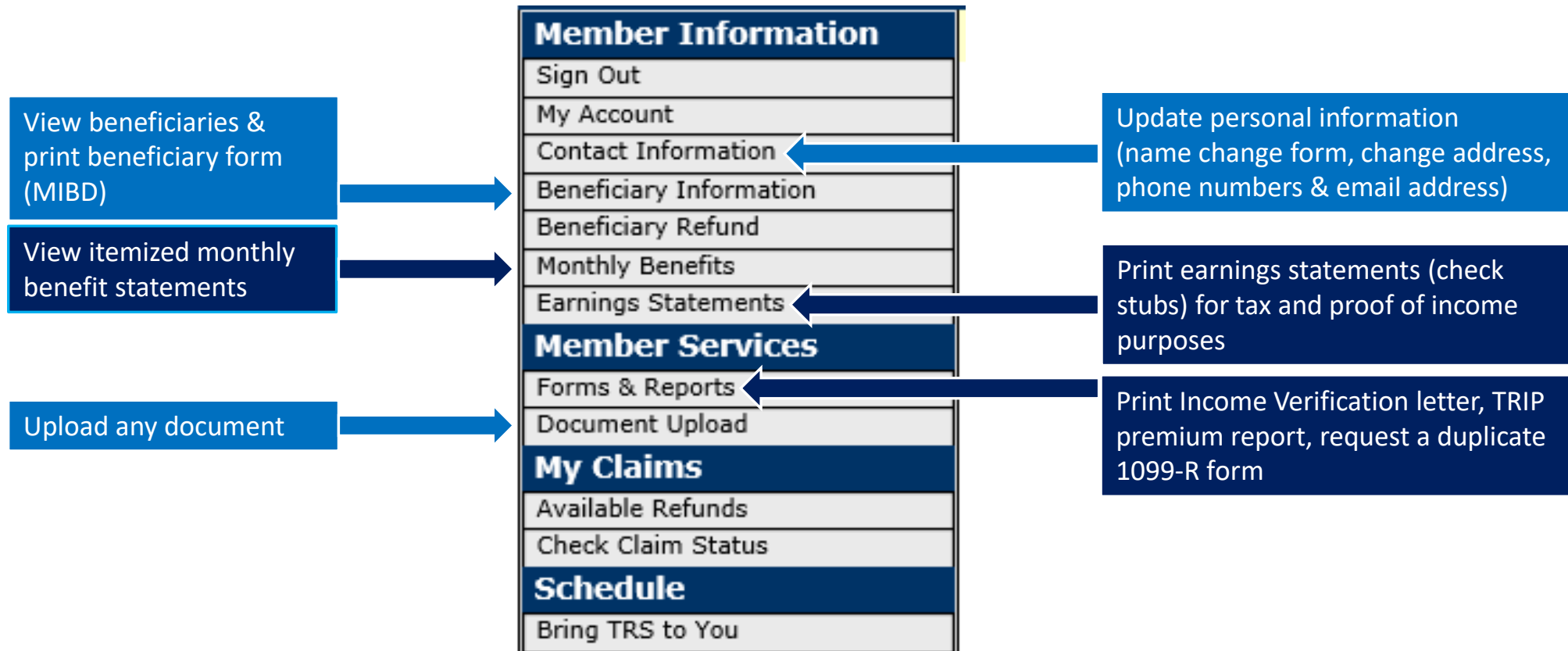
- Flat withholding amount that you choose

ONLINE ACCOUNT ACCESS

Member Account Access

The screenshot displays the website's navigation bar with links for NEWSROOM, FORMS/PUBLICATIONS, and CONTACT, alongside a search bar. Below the navigation, the TRS logo and the text "Teachers' Retirement System of the State of Illinois" are visible. A secondary navigation bar includes "MEMBER" and "EMPLOYER" categories, with "MEMBER LOGIN" and "EMPLOYER LOGIN" buttons. A blue arrow points to the "MEMBER LOGIN" button. The main content area features a banner for "SPRING 2023 RETIREMENTS" with a sub-headline "If you are planning to retire in 2023, we are here to assist." and a "MORE INFORMATION" button. The background of the banner shows a smiling woman wearing headphones working on a laptop. At the bottom of the banner, there are three small circles, with the first one filled, indicating the current slide in a sequence.

Member Account Access



Contact TRS

Social Media



members@trsillinois.org



<https://trsillinois.org>



[Facebook.com/TRSillinois](https://www.facebook.com/TRSillinois)



[@ILLTRS](https://twitter.com/ILLTRS)

Phone & Hours

Toll free: (877) 927-5877

8:30 a.m. to 4:30 p.m.

Presentation link:

www.trsil.org/ROE20

MyBenefits Service Center

Toll free: (844) 251-1777



Questions?