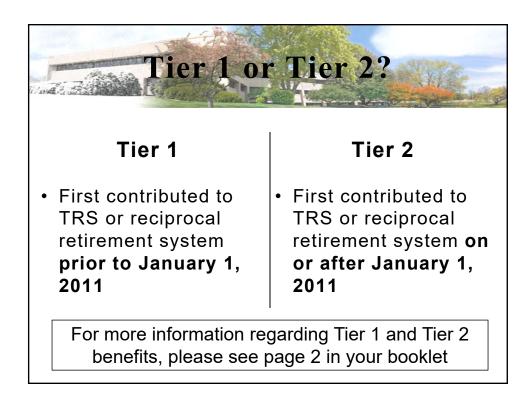
Benefit Information Meeting











EZ Guide to Tier I and Tier II Retirement Under Public Act 96-0889

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Tier I – Members Who First Contributed Prior to Jan. 1, 2011	Tier II – Members Who First Contribute on or after Jan. 1, 2011
	new law affect?
The new law does not affect teachers and administrators who <i>first</i> contributed to TRS prior to Jan. 1, 2011, or teachers and administrators who had any previous service credit with TRS or a reciprocal pension system prior to 2011, even if they left TRS or a reciprocal pension system at any time and then returned to a TRS-covered position.	The new law affects teachers and administrators <i>who first contribute</i> to TRS on or after Jan. 1, 2011 and without any previous service credit with a pension system that has reciprocal rights with TRS.
What are the changes in	n retirement eligibility?
 Retirement eligibility for Tier I teachers and administrators is set according to a sliding scale: Members can retire at age 55 with full benefits if they have 35 years of service credit accumulated if the member has elected to have his/her pension determined by the 2.2% formula and 	The new law requires Tier II teachers and administrators to be 67 years old and have accumulated 10 years of service credits in order to qualify for full benefits that a member has earned. Tier II members may retire at age 62 with 10 years of service, but will receive retirement benefits reduced 6 percent for every year the
 paid the required fee. Members also can retire at age 55 with at least 20 years of service credit and receive a benefit that is reduced by 6 percent for every year the member is under age 60. 	member is under age 67. Ten years of service is equal to 22% of the member's average salary before any age reductions.
• Members can retire at age 60 with 10 years of service and receive benefits that the member has earned. For example, 10 years of service multiplied by 2.2% equals 22% of the final average salary.	
• Members can retire at age 62 with five years of service and receive full earned benefits.	
What are the changes	in the benefit formula?
Retirement benefits are capped once: The maximum benefit a member can receive is 75 percent of his or her final average salary. The benefit for most members is based on a formula: 2.2% multi- plied by the member's final average salary multiplied by years of creditable service. A small percentage of TRS members employed before July 1, 1998 have their benefits determined by an older, graduated formula. The final average salary is the member's highest average salary earned during four consecutive years out of the last 10 years of service.	Retirement benefits will be capped in two ways. <i>One:</i> The maximum benefit a member can receive is 75 percent of his or her final average salary. <i>Two:</i> Under the new law, in determining a final average salary, no member's salary will exceed a limit that increases more slowly than the Consumer Price Index. The current limit is \$109,971.43. Benefits will still be determined by the formula of 2.2% multiplied by final average salary multiplied by years of creditable service. Benefits for Tier II will be based on the member's highest average salary earned during eight consecutive years out of the last 10 years of service.
What are the changes to the an	nual cost-of-living adjustment?
The annual cost-of-living increase is 3 percent, compounded annually.	Annual cost-of-living increases for members will be calculated using either 3 percent or one-half of the Consumer Price Index, whichever is less. The increase will not be compounded.
What are the changes	s to survivor benefits?
Survivor benefits for Tier I members' dependent beneficiaries are no less than 50 percent of the retired member's benefit.	Survivor benefits for Tier II members' dependent beneficiaries will be 66.66 percent of the retired member's benefit.
What are the new rules on po	ost-retirement employment?
Currently, retired members may be employed in another position covered by TRS and retain their benefits, but their service is lim- ited to 120 days or 600 hours per year. On July 1, 2011, this cap for Tier I members will be reduced to 100 days or 500 hours per year. Members can be employed in a position covered by a pension system that has reciprocal rights with TRS, but the annual length of employment allowed may be capped by that pension system.	The law suspends a Tier II member's retirement benefits if the member accepts full-time employment in a position covered by another pension system that has reciprocal rights with TRS.
or simploymont anonoa may be suppor by that pension system.	



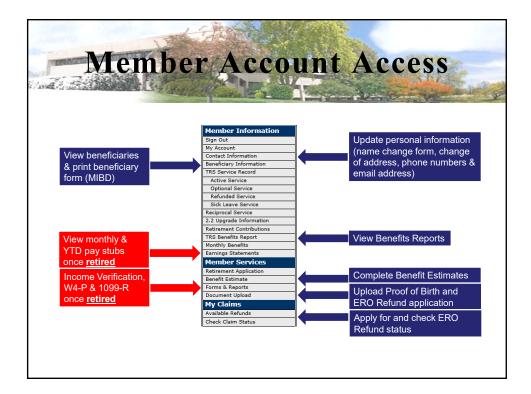


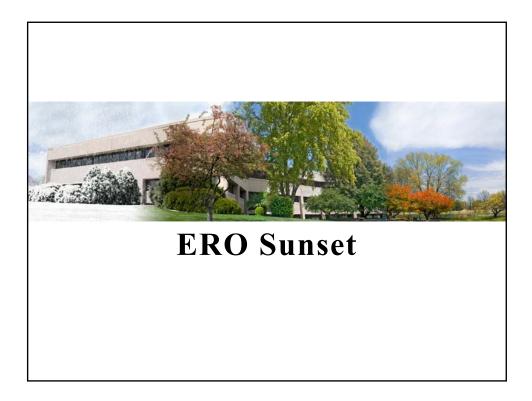




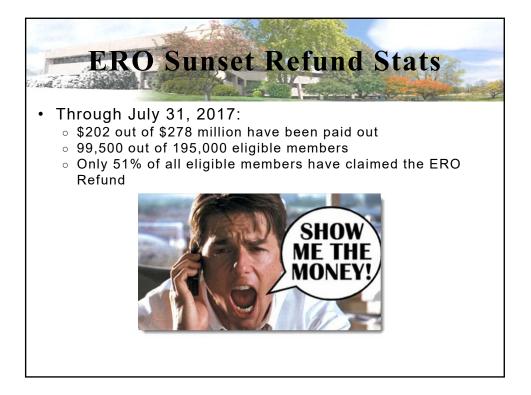
N	lember Account Ac	cess
441113	At Access	trs.illinois.gov Welcome to TRSI
TRS Links TRS Main Page Member Account Access	Secure Account Access Area Hember Account Access > Secure Sign In Secure Sign In Username: Sign In Forgot username/password The secure session will automatically end after 20 minutes of inactivity.	2
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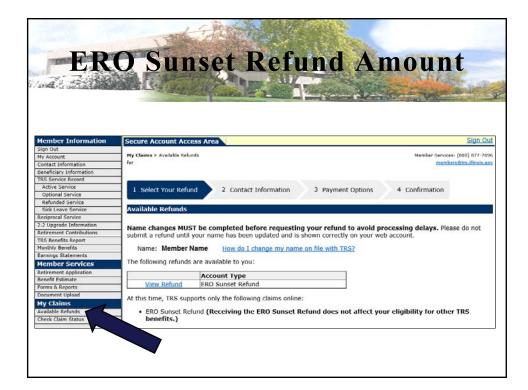
t Access				No. and
1.000	ILLINOIS	TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS		trs.illinois.gov Welcome to TRS!
Secure Account A	ccess Area			
Member Account Acces	is > New User Setup			
*Required information	ember, you may vie	w your personalized information	n online. Please supp	Page 1 of 5
Social Security Nur	nber*:			
and a barre t		Month V Day V,	(уууу)	
TRANSFE T				
rs' Retirement System o	of the State of Illinoi	s		Privacy Informatio Webmast
	New User Sctup *Required information If you are a TRS m Information to start Social Security Nur Birth Date*: Member ID*:	*Required information If you are a TRS member, you may vie Information to start an online account. Social Security Number*: Birth Date*: Member ID*:	New User Setup *Required information If you are a TRS member, you may view your personalized information Information to start an online account. Social Security Number*: Birth Date*: Member ID*: Member ID*:	New User Setup *Required information If you are a TRS member, you may view your personalized information online. Please supplinformation to start an online account. Social Security Number*: Birth Date*: Member ID*: What's This? Submit Cancel



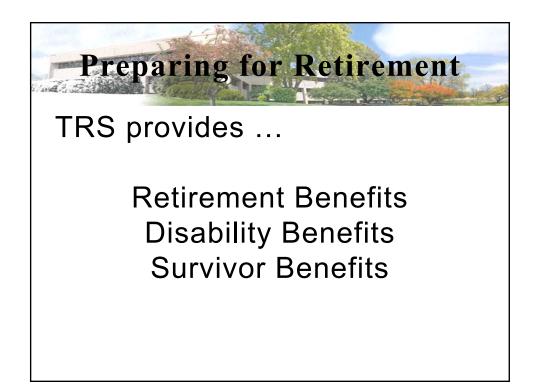




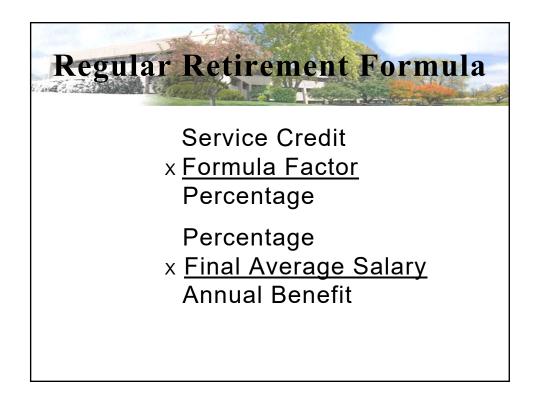


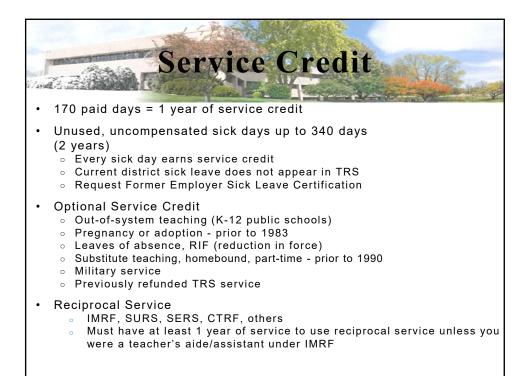




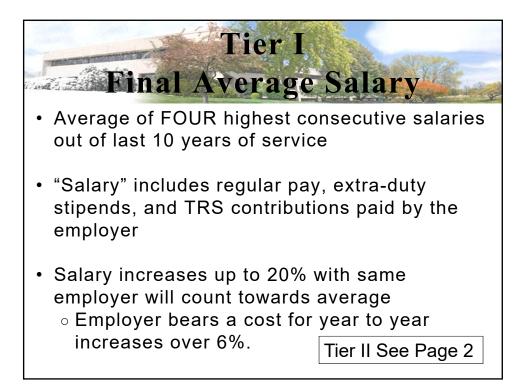




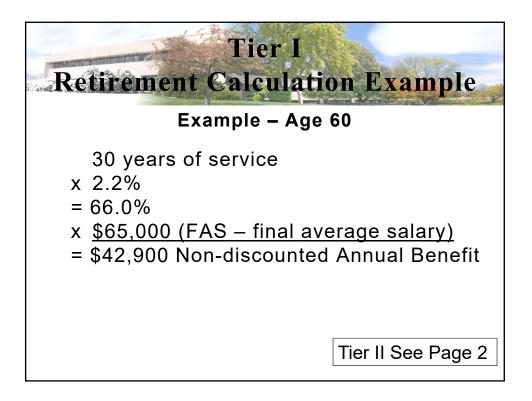




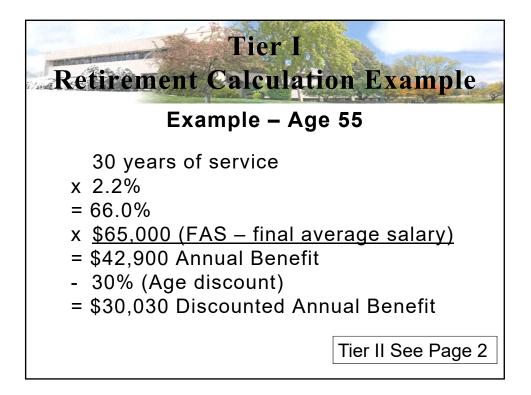
2 Formula I years earn 2.2% e 1998 years can be ograded to 2.2% by paying
e 1998 years can be
-
grade cost.
years of service = 75% ge 60)
5 years of service = 75% nder age 60)







Benefit Estimate – Tier I Me	And a	nate Example
	Retirement Benefits	
Retirement Type	Annual Benefit	Monthly Benefit Cost
Non-Discounted	41,714.04	3,476.17
Non-Discounted 2.2	42,900.00	3,575.00 1,807.29 2.2 cost
The 2.2 upgrade cost Your TRS benefit may Please check with you	impact any Social	l Security benefits you can receive.
		er contributions which may be due to 40 ILCS 5/16 - 158(f).
		Tier II See Page 2

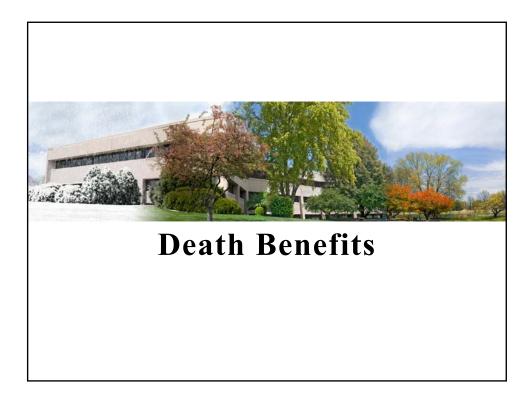


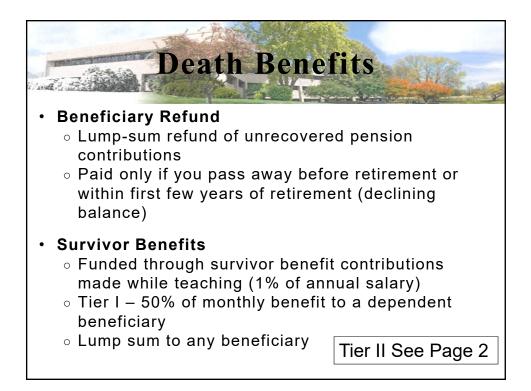
Benef	it Eștin	nat	e Examp	ole
Benefit Estimate – Tier I M Member Example Ag	e 55 with 30 years of service			
	Retirement Benefits			
Retirement Type	Annual Benefit	Monthly Benefit	Cost	
Discounted Discounted 2.2	29,199.84 30,033.00	2,433.32 2,502.50	1,807.29 2.2 cost	
The 2.2 upgrade cost	is calculated as of (08/03/20	017.	
Your TRS benefit may Please check with yo	, , ,		y benefits you can recei ce.	ve.
This estimate does no TRS under 40 ILCS 5			outions which may be du CS 5/16 - 158(f).	ue to
			Tier II See	Page 2



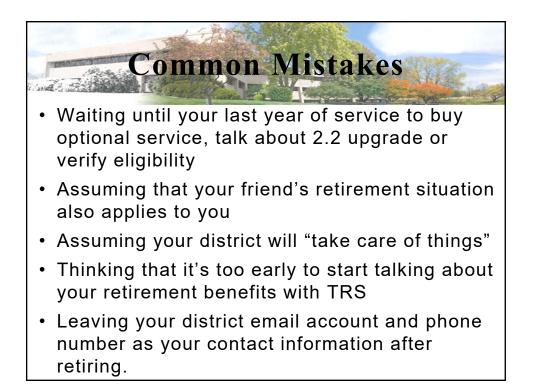


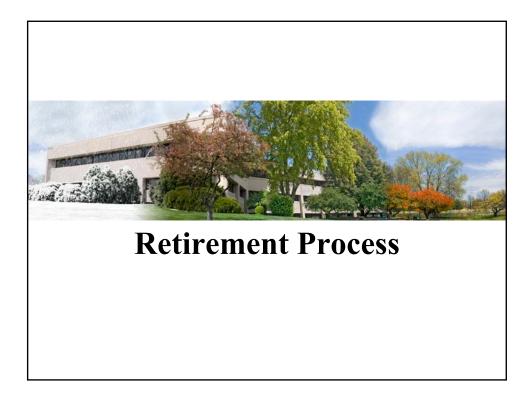


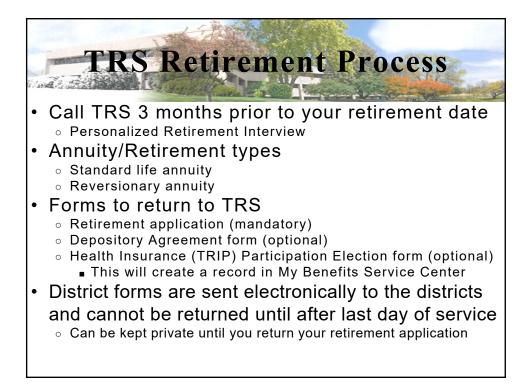


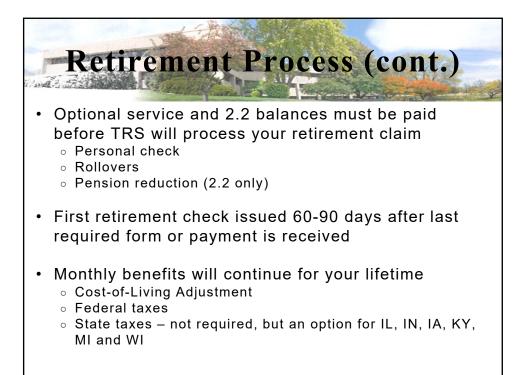


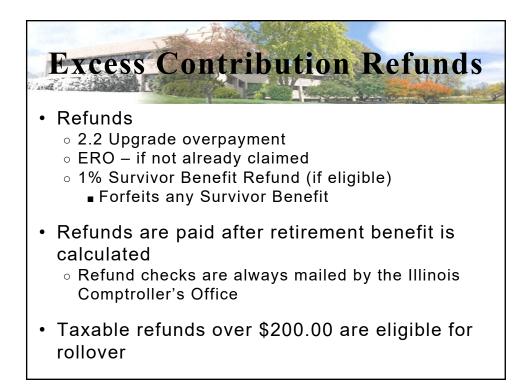
Benefi	ciary	,De	esign	atio	n]	Forn
In lieu of designati	signation (commonly) ng specific beneficiarie	s, I elect that	my dependent bene	eficiaries, as deterr	nined at my	
if automatic designation is n	nd/or survivor benefits. ot selected, you must co		<u> </u>			nc.
Beneficiary Refund			Survivor Ber			
First name Prim:	ITY Beneficiaries Last Date of birth	Relationship	First name	Primary Bene Last	Date of birth	Relationship
	uate Beneficiaries			Alternate Bene	ficiaries	
	Last Date of birth	Relationship	First name	Last	Date of birth	Relationship





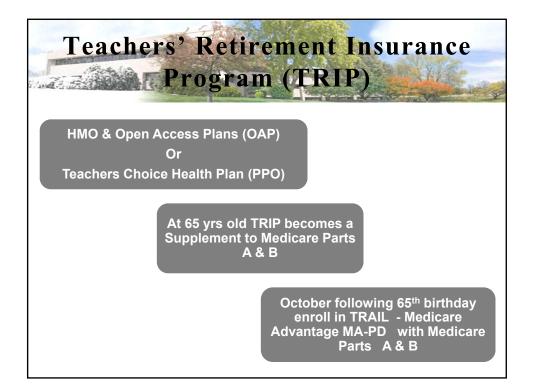








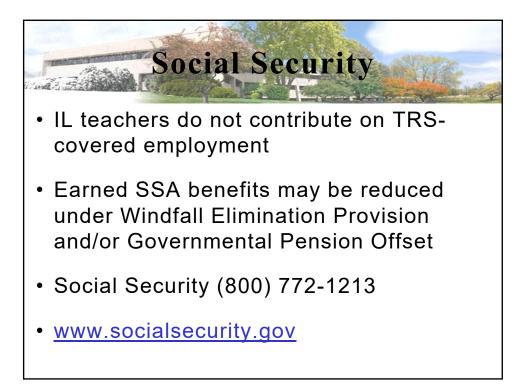


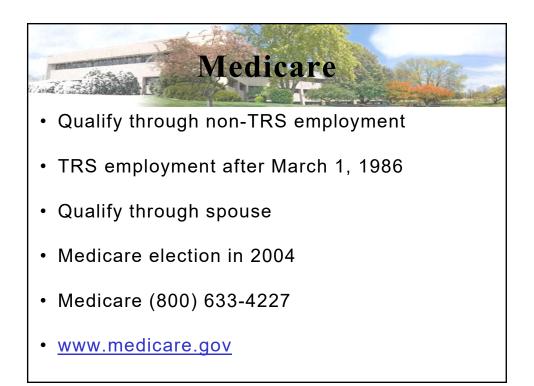


	s Through June 30, 2018 ype of Plan	Not Medicare Primary Under Age 26	Not Medicare Primary Age 26-64	Not Medicare Primary Age 65 & Above	Medicare Primary* All Ages
	Managed Care Plan (OAP & HMO)	\$79.43	\$246.75	\$336.19	\$97.51
Benefit Recipient	TCHP (PPO) when a managed care plan is available	\$206.16	\$581.87	\$875.10	\$231.22
	TCHP (PPO) when a managed care plan is unavailable in your county	\$103.08	\$290.94	\$437.56	\$115.62
T	Managed Care Plan (OAP & HMO)	\$317.86	\$986.98	\$1,344.71	\$337.82**
Dependent Beneficiary	TCHP (PPO) when a managed care plan is available	\$412.31	\$1,163.75	\$1,750.20	\$462.44
	TCHP (PPO) when a managed care plan is unavailable in your county	\$412.31	\$1,163.75	\$1,750.20	\$346.84**













TEACHERS' RETIREMENT INSURANCE PROGRAM (TRIP) SUMMARY

JULY 1, 2017 - JUNE 30, 2018

This summary provides current TRIP premiums and accessibility information for July 1, 2017 through June 30, 2018.

Enrollment and assistance

You will make your benefit elections online through the MyBenefits website, **MyBenefits.illinois.gov**. Contact MyBenefits Service Center with questions about navigating the MyBenefits website or how to elect benefits, Monday – Friday, 8 a.m. – 6 p.m. Central Time, 844-251-1777 or 844-251-1778 (TDD). For questions regarding eligibility, please contact Teachers' Retirement System of the State of Illinois at 877-927-5877. More detailed information is available on the TRS website at: http://www.trsil.org.

Medicare Advantage TRAIL Program

Since 2014, the state has administered a Medicare Advantage Program called TRAIL for annuitants and survivors enrolled in both Medicare Parts A and B. Visit www.cms.illinois.gov/thetrail for eligibility information.

Listing of Current Health Care Plan Providers

Please call the toll-free number or visit the plan online for specific coverage details.

Purpose	Administrator Name and/or Address	Phone	Website
Enrollment/ Customer Service	MyBenefits – Morneau Shepell	844-251-1777 TDD: 844-251-1778	www.MyBenefits.illinois.gov
Health Plan	BlueAdvantage HMO	800-868-9520 TDD: 866-876-2194	www.bcbsil.com/stateofillinois
	Aetna HMO/Aetna OAP (formerly Coventry Health Care)	855-339-9731 TDD: 800-628-3323	www.aetnastateofillinois.com
	Health Alliance HMO	800-851-3379 TDD: 800-526-0844	www.healthalliance.org/stateofillinois
	HealthLink OAP	800-624-2356 TDD: 800-624-2356 ext. 6280	www.healthlink.com/member/
	HMO Illinois	800-868-9520 TDD: 866-876-2194	www.bcbsil.com/stateofillinois
	Teachers' Choice Health Plan, Aetna PPO (formerly Cigna)	855-339-9731 TDD: 800-628-3323	www.aetnastateofillinois.com
Prescription Drug Plan	CVS/Caremark (for PPO or OAP)	877-232-8128 TDD: 800-231-4403	www.caremark.com
Behavioral Health	Magellan Behavioral Health P.O. Box 2216, Maryland Heights, MO 63043	800-513-2611 (nationwide) TDD: 800-526-0844	www.magellanhealth.com





Enrollment

If you are eligible, you can enroll yourself and qualifying dependents during the following periods:

- When you apply for monthly pension benefits. If you want to enroll at this point, you must enroll no later than 30 days after the effective date of the pension benefits.
- When you turn 65. TRS will mail you enrollment information within 60 days before your 65th birthday. You have six months from the date you become eligible for Medicare Part A and Part B to enroll. If you are not eligible for both parts of Medicare, you may still enroll but must do so within 30 days of your 65th birthday.
- When coverage is terminated by a former plan. You may continue coverage with another plan rather than enroll in TRIP. If this occurs, you and your eligible dependents may enroll in TRIP when coverage under the other plan is terminated. The termination must be initiated by the plan. You must enroll with a letter from the plan stating the effective date of termination no later than 30 days after the termination of the plan's coverage.
- **During the Benefit Choice Period,** if you have never been enrolled in TRIP. You may be eligible to enroll in TRIP during the Benefit Choice Period (usually May 1 through May 31 each year). The insurance becomes effective on July 1. Additionally, a fall Benefit Choice Period occurs for those eligible for the Medicare Advantage (TRAIL) Program.

You may enroll dependents when you enroll in the program, the dependent turns 65, a qualifying change in family status occurs (marriage or birth/adoption of child), or coverage is involuntarily terminated by a former plan. You may also enroll dependents during the annual Benefit Choice Period if they previously have not been enrolled in TRIP. Dependents will be enrolled in the same health plan as the benefit recipient.

Ţ	/pe of Plan	Not Medicare Primary Under Age 26	Not Medicare Primary Age 26-64	Not Medicare Primary Age 65 & Above	Medicare Primary* All Ages
	Managed Care Plan (OAP & HMO)	\$79.43	\$246.75	\$336.19	\$97.51
Benefit Recipient	TCHP (PPO) when a managed care plan is available	\$206.16	\$581.87	\$875.10	\$231.22
	TCHP (PPO) when a managed care plan is unavailable in your county	\$103.08	\$290.94	\$437.56	\$115.62
	Managed Care Plan (OAP & HMO)	\$317.86	\$986.98	\$1,344.71	\$337.82**
Dependent Beneficiary	TCHP (PPO) when a managed care plan is available	\$412.31	\$1,163.75	\$1,750.20	\$462.44
	TCHP (PPO) when a managed care plan is unavailable in your county	\$412.31	\$1,163.75	\$1,750.20	\$346.84**

Monthly Premiums Through June 30, 2018

* You must enroll in both Medicare Parts A and B to qualify for the lower premiums. Send a copy of your Medicare card to TRS. If you or your dependent is actively working and eligible for Medicare, or you have additional questions about this requirement, contact the CMS Group Insurance Division, Medicare Coordination of Benefits (COB) Unit at 800-442-1300 or 217-782-7007.

** Medicare Primary dependent beneficiaries enrolled in a managed care plan, or in TCHP when no managed care plan is available, receive a premium subsidy.

Out-of-State Managed Care

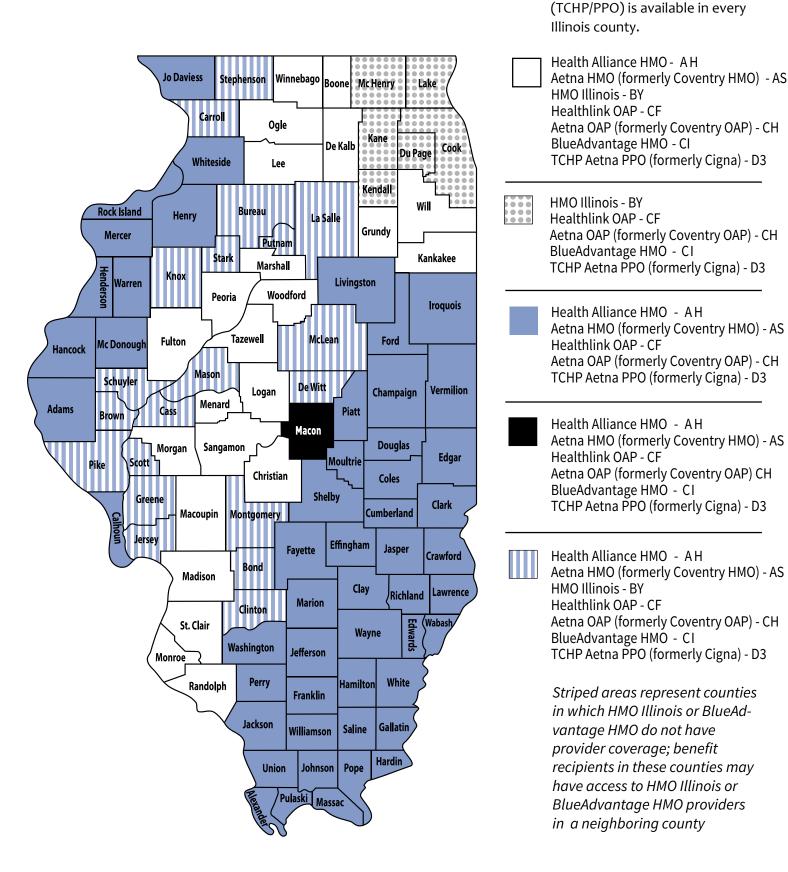
Managed care is available in some counties in Arkansas, Indiana, Iowa, Kentucky, Missouri, and Wisconsin. Contact TRS at **members@trsil.org** for more information or directly contact the managed care plan for information regarding availability.

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			Managed Care Plans	are Plans	
	Udd		Open Access	Open Access Plans (Available in all IL counties)	l IL counties)
	Teachers' Choice				Tier III
Benefit	Health Plan (TCHP) (Available in all IL counties)	ОМН	Tier l 100% benefit	Tier II 80% benefit	(Out-of-Network) 60% benefit
Plan year maximum benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Lifetime maximum benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Annual out-of-pocket maximum	Individual: \$1,200 in network \$4,400 out-of-network Family: \$2,750 in network \$8,800 out-of-network	Individual: \$3,000 Family: \$6,000	Individual: \$6,600 Family: \$13,200 (includes eligible charges from Tier I and Tier II combined)	is from ed)	NA
Annual plan deductible Must be satisfied for all services	\$500 per participant	\$0	\$0	\$300 per enrollee*	\$400 per enrollee*
Out-of-network hospital admission	\$400 deductible 60% allowable charges**	No coverage		Contact plan administrator	or
Inpatient/hospital admission	80% after annual deductible, \$200 deductible	100% after \$250 copayment	100% after \$250 copayment	80% network charges after \$300 copayment	60% allowable charges after \$400 copayment
Outpatient surgery	80% in network 60% allowable charges out-of-network**	100% after \$150 copayment	100% after \$150 copayment	80% network charges after \$150 copayment	60% allowable charges after \$150 copayment
Diagnostic lab & x-ray	80% in network 60% allowable charges out-of-network**	100%	100%	80% network charges	60% allowable charges
Emergency room hospital services	\$400 additional deductible	100% after \$200 copayment	1	100% after \$200 copayment	nt
Physician & Specialist office visits	80% in network 60% allowable charges out-of-network**	\$20 copayment	100% after \$20 copayment	80% network charges	60% allowable charges
Preventive services, including immunizations	100% in network 60% allowable charges out-of-network**	100%	10(100%	Covered under Tier I and Tier II only
Durable medical equipment	80% in network 60% allowable charges out- of-network**	80% network charges	80% network charges	80% network charges	60% allowable charges
Prescription Drugs copayment	\$7-\$50 generic \$14-\$100 preferred brand \$28-\$150 nonpreferred brand	\$10 generic \$20 preferred brand \$40 nonpreferred brand	\$10 generic \$20 preferred brand \$40 nonpreferred brand	and d brand	
* Open Access Plans: The benefit level is determined by the T	t level is determined by the Tier ir.	'ier in which the healthcare provider is contracted. An annual plan deductible must be met before	ovider is contracted. An	annual plan deductible	must be met before

Tier II and Tier III plan benefits apply. Benefit limits are measured on a plan year. Amounts over the plan's allowable charges do not count toward the out-of-TCHP: Sixty percent of allowable charges are paid for out-of-network charges after the annual plan deductible has been met. pocket maximum.

**



The Teachers' Choice Health Plan

Retirement Time Line Checklist

As Soon as Possible

- If you have not already submitted a "proof of birth" online in the Member Account Access area, it must be provided to TRS in order to process your retirement benefit.
- Update your years of service. Obtain the cost of reinstating a TRS refund, record sick leave from former employers and report optional service Types of optional service include:
 - substitute teaching,
 - homebound or part-time service before July 1, 1990,
 - out-of-system service,
 - military service,
 - board-approved leaves of absence,
 - leaves of absence due to pregnancy or adoption prior to July 1983, and
 - involuntary layoffs.
- Update your Member Information and Beneficiary Designation (MIBD) form to ensure that survivor benefits will be paid according to your wishes.
- Provide us with your home email address in the secure Account Access area. Emails about legislation and other important events will also be sent on an infrequent basis.
- Review the TRS Member Guide.
- □ Inquire about upgrading your pre-July 1998 service to the 2.2 formula. Call us for the cost to upgrade.
- Consider consulting with a financial planner. TRS does not provide financial advice.
- Determine if any reciprocal service you have accrued will be beneficial to use in retirement.
 Each retirement system has specific rules about reinstating refunded service.

4 to 5 Years Before Retirement

- Attend a pre-retirement meeting. A schedule is available on the TRS website during the fall.
- Request a benefit estimate online in the secure Member Account Access area or by calling us. We will need to know your estimated retirement date; the number of unused, uncompensated sick leave days at retirement; and current and estimated future salary rates, including TRS contributions. Also include any bonuses and extra-duty pay.



2 Years Before Retirement

- Request an updated benefit estimate (online or by phone).
- Attend a pre-retirement meeting.
- Finish reporting all optional service; this task may take time and research.
- Complete payment to reciprocal system for refunded service, if applicable.

<u>6 - 12 Weeks Before Retirement</u>

- □ Complete the Personalized Retirement Interview by calling us or logging on to the Member Account Access area of our website. You'll be asked a few questions that will complete information in the retirement packet for you. You will receive the packet within 15 working days. If you have reciprocal service, you also will need to call the other retirement system(s) to apply.
- Be certain you have provided us with your home email address in the secure Member Account Access area online. You will receive important information about the status of your retirement via email.
- Check on the status of any optional service or 2.2 balances still owed.

During the retirement process, you will be asked how you wish to pay any remaining 2.2 balance. Payment can be made either through a lump sum, rollover, or pre-tax reduction from your monthly annuity check. If you have any optional service balances, they must be paid prior to retirement, with the exception of pregnancy or adoption leaves.



Retirement Countdown

Finalizing Your Retirement Packet

Within 15 days of your personalized retirement interview, you will receive:

Age Retirement Annuity Application Review, sign, and return the application to us.

Direct Deposit form

Sign, date, and take this form to your financial institution if you want direct deposit.

Teachers' Retirement Insurance Program (TRIP) Participation Election form and summary If you are considering enrollment in a managed care plan, contact the plans that are available in

your county for their doctor and hospital lists.

Return the Forms

Application for Age Retirement Annuity

We will send you a letter or email when your application is received.

- Direct Deposit form (optional)
 You and your financial institution must complete this form.
- TRIP Participation Election form (optional)
 You must return this form to us no more than 30
 days after your retirement date if you want insurance when you retire.

Retirement Processing - allow 60 days

TRS begins the calculation process. If you have reciprocal service, we will contact the other systems.

- Your employer may not submit the Supplementary Report or Sick Leave Certification to TRS until on or after your last day. These will be submitted electronically by your employer on your behalf.
- After your retirement is processed, we will send you a notice with the issue date of your first payment and the gross amount of your first and regular checks.
- ❑ Your check is mailed to your home or sent electronically to your bank. If you selected direct deposit, your first check may be mailed to your home. Thereafter, your check will be deposited into your bank account on the first banking day of the month. Otherwise, your check will be mailed to your home on the last working day of every month.

Teachers' Retirement Insurance Program

□ If you enroll in the insurance program, the identification cards will be mailed directly by your insurance carrier. Allow 60 days to receive your identification and claim forms.

Other Important Information

- □ With post-retirement employment, you are limited to 100 days or 500 hours per year in a TRS-covered position. You cannot return to work in the same school year that you last contributed to TRS and you must wait 30 calendar days before returning to work with the same employer.
- □ If you have no dependents, you will be offered a refund of your 1 percent survivor benefit contributions along with your first pay notification. Acceptance of the refund waives all rights of your beneficiaries from receiving survivor benefits.
- As an annuitant, you are entitled to an annual 3 percent cost of living increase. Your first post-retirement annuity increase will begin the later of the January 1 following your first anniversary in retirement or the January 1 following your 61st birthday.
- Call the Social Security Administration to determine your available benefits including your Medicare eligibility.

Need a form or publication?

Visit <u>http://www.trsil.org</u> and download/print what you need.



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

2815 W. Washington St. | P.O. Box 19253 | Springfield, IL 62794-9253 877-927-5877 (877-9-ASK-TRS) | TDD: 800-526-0844 (or 711) members@trsil.org | https://www.trsil.org



Contact TRS

members@trsil.org
 https://www.trsil.org
 Facebook.com/TRSIIIinois
 @ILLTRS

Phone & Hours Toll free: (877) 927-5877 M/W/F: 7:30 a.m. to 4:30 p.m. T/TH: 7:30 a.m. to 5:00 p.m.